

Europe

North America

Latin America

Asia-Pacific

Award winners | Europe | **Germany**

Bernhard Simon

Dachser

Dachser is one of Europe's biggest logistics companies. Now in its 87th year, the German company has flourished as a 100% family-owned business. Under the leadership of third-generation family member Bernhard Simon, Dachser has always placed innovation at the heart of its business and has been one of the fastest adopters of new technology in its sector. Dachser also has an exemplary governance structure, which underpins its sustainability as a family business.





“When you are born into a family that owns a business, the company is always at the lunch and dinner table.”

Bernhard Simon,
CEO, Dachser

When a logistics company makes more than 78 million shipments a year, weighing in at more than 37 million tons, it is very much a global corporate powerhouse. Germany's Dachser Group is just that – and all under the ownership of the descendants of the founder, Thomas Dachser. Set up in 1930 in the southern German town of Kempten, where it is still headquartered today, Dachser is big. The company employs more than 26,500 people at 428 locations worldwide. It has offices in 43 countries and, in 2015, it had revenues of €5.6 billion.



Dachser is one of the global leaders in system logistics. Dachser Air & Sea Logistics operates in global markets, providing air and sea freight services.

Dachser's business includes shipping logistics for distribution and procurement, warehousing and customized value-added services. Its logistics business has two business fields: road logistics, which is involved in the transport of industrial goods;

and food logistics. The second pillar of the company, Dachser Air & Sea Logistics, operates in global markets, providing air and sea freight services. Dachser also provides the management of global supply chains through its sophisticated in-house IT platforms.

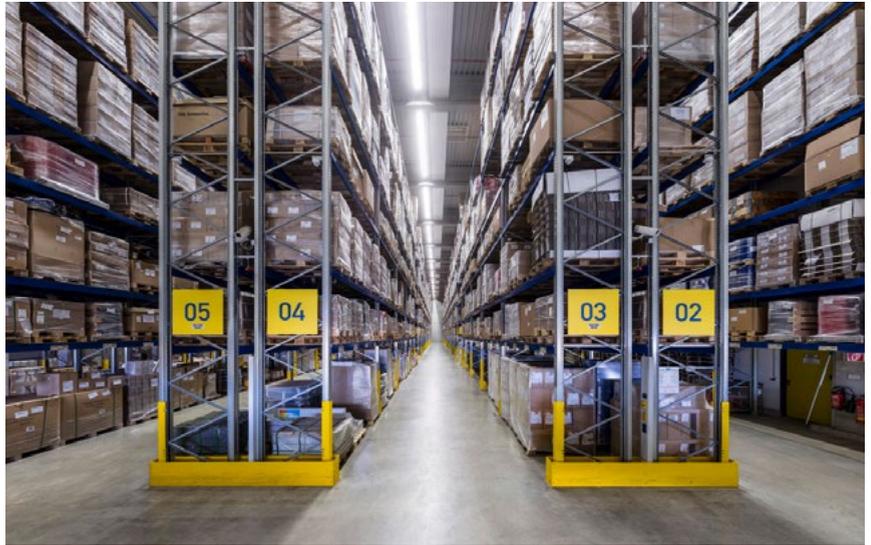
Dachser might be big today but, like most family businesses, it started very small. Thomas Dachser began with just one truck and his own labor in a very rural, and what was then very poor, part of Germany. He transported cheese to the industrial regions of Germany, and brought back machinery and industry goods for local companies. But, through hard work, commitment and innovation, by 1938, Dachser had become the leading freight-forwarding company in the Kempten region.

The post-war boom

During World War II, Thomas Dachser had to make do without most of his employees and trucks, which had either been drafted or seized by the authorities. With a lot of effort and investments, he built up road transport again after the war, along with office buildings and warehouses, and established new branch offices in 1951. Dachser's first air freight office was opened at Munich airport. Dachser grew rapidly in the post-war boom years in Germany and, in 1967, the company introduced its commitment to "transport with guaranteed deadlines," which helped to revolutionize its logistics business.

Dachser passed to the second generation with the death of Thomas Dachser in 1979. His two daughters took over their father's shares in the company, preserving the continuity of the family business. During the 1980s, improvements in productivity and efficiency were facilitated by Dachser's big investments in IT applications, and, in 1982, the company launched its food logistics business.

Seven years later, Thomas Dachser's grandchild Bernhard Simon joined the family business as Project Manager for the European freight services. Bernhard Simon has the family business in his blood. "When you are born into a family that



Dachser offers an extensive warehouse network with spaces for more than 1,968,083 euro pallets in its global branches in Europe, North Africa and China.



Dachser employs around 26,500 staff at 428 locations worldwide and is represented by subsidiaries in 43 countries.

owns a business, the company is always at the lunch and dinner table," he says. Armed with a business degree and intimate knowledge of Dachser, Bernhard Simon rose fast through the ranks. In 2005, he was appointed Management Spokesman; by then, Dachser was a multibillion-euro business with operations around the world.

Company before family

Bernhard Simon not only stamped his authority on the business but also oversaw the implementation of a well-defined governance structure, which remains one of the defining aspects of Dachser as a family business today. The family shareholders believe in a very clear division of powers between the family and the business, which is often expressed by Bernhard Simon's well-known quote: "Company before family."

"The company will last well into the future only if the family itself stands behind the company in the long term," says Bernhard Simon. "That is why it is so important to create structures, bylaws, contracts and governance rules that maintain the close relationship between continuity of ownership and that of the company." One of those rules is that only one family member can have a long-term career in the company. Although family shareholders are encouraged to do internships at Dachser, "to taste the company," a strict rule defines how the family can work in the business.

The dual board structure – a feature of many German family firms – further helps to define the family's relationship with the business. At Dachser, the family shareholders elect a supervisory board, which consists of three external members and two members of the family. The supervisory board then



Dachser's head office is located in Kempten, Germany. The company was founded in 1930 by Thomas Dachser.

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Bernhard Simon

appoints the executive board, which, at Dachser, comprises the CEO and three others. Bernhard Simon says the family’s responsibility is to make sure the supervisory board works professionally. “The executive board has the responsibility to move the company successfully forward in the market. Family members do not intervene in the day-to-day business of the company.”

The family’s relationship with Dachser is further defined by the family constitution, which sets out the rights, duties and tasks of the family shareholders. Within the family shareholders, there is one leader from the family who coordinates these efforts. The corporate constitution reinforces Dachser’s culture by establishing its commitment to long-term stability. This commitment is reinforced by Dachser’s financial strength, which enables it to make sustainable investments for the future.

Dachser’s clearly defined family and corporate governance structures help to ensure the smooth running of the company and its sustainability. But companies as successful as Dachser also need to keep innovating to stay competitive. And this is a big part of the company’s competitive strength, says Bernhard Simon. “When it comes to innovation, we involve all the people in the company. We want them to think about ideas that can ease their work and make others’ work easier as well. We promote entrepreneurial responsibility, and view ourselves as a learning organization that constantly reinvents itself as part of its business model.” He adds that Dachser’s decentralized and flat structure enables faster entrepreneurial decision-making.

Dachser’s early commitment to streamlining its business through the use of IT has meant the company has been a pioneer in the application of the latest technology to the logistics business. And this commitment to stay ahead of technological advances remains an important part of its continual innovation.

The robust corporate and family governance structures should enable Dachser to remain one of the most sustainable logistics businesses for many years to come. That is a testament to the three generations of family owners who have built up one of the finest examples of a family business anywhere in the world.



Bernhard Simon is CEO of Dachser. As grandson of the company’s founder Thomas Dachser, he represents the third generation at the helm of the company.

Bernhard Simon

CEO

Company name: **Dachser**

Generation: **Third**

Founded: **1930 in Kempten, Germany**

Industry: **Logistics**

Employees (2016): **26,500**

Revenue (2015): **€5.6b**