

«Our vision is to grow into a life science company.»

Silvan Meier,
Condair Group Owner



«The potential is enormous.»

Oliver Zimmermann,
CEO Condair Group



For years, Condair has grown steadily.

What are the visions that continue to drive the constant growth? And what are the challenges to success in the future?

Silvan Meier, owner and supervisory board president and **Oliver Zimmermann**, CEO, join us for an interview.

You are just coming from a board of directors' meeting. May I ask what it was about?

Zimmermann: Mainly our HumiLife program. We would like to grow more rapidly in this market. With our solutions for indoor spaces in homes we appeal directly to consumers, that is the homeowners, which is a new market for us: *business to consumer* instead of *business to business*.

Silvan Meier, what is your role as owner and president of Condair's supervisory board in such a meeting?

Meier: I listen carefully and ask critical questions. And of course, I am responsible for the strategic decisions.

Zimmermann: Silvan is our key sounding board. Not just because he is so astute and critical, but also because he identifies so strongly with Condair, in particular with the products. He knows the products very well, sometimes better than we do, which is very unusual for a supervisory board president. Still, he stays out of the operative side of our business.

Meier: Oliver is much better than I at that. A great deal of assertiveness and perseverance is necessary to manage and grow operations.

Zimmermann: And you make it possible by giving us the required

trust and freedom to accomplish that.

Meier: Without it, you wouldn't be able to run things so well. And I'm glad that, thanks to Oliver and Condair's management team, I can concentrate on strategic questions and innovations.

Silvan Meier, you joined in 2006 your family's business and went on to assume the majority share of company stocks in 2012 from your father. What vision drove and inspired you?

Meier: Back then, Walter Meier Holding was a conglomerate with many different companies, but it lacked a common unifying strategy. We spent a great deal of our time just putting out fires, every week at a different location. We could not continue like that. So, I decided to streamline and focus our efforts by introducing vertical organizational structures and, in particular, I wanted to merge all our humidification companies into a *single* company: Condair. I knew it was a significant challenge and it was clear to me, for the realization of this vision, I would need a new CEO, one from outside our company with much drive and confidence. We began our search for a new Condair CEO in 2011.

Zimmermann: I had the energy; I was just 42 years old. And I had experienced such change processes in the operations of foreign subsidiaries and on the corpo-

rate level. Such experience goes a long way toward the success of these kinds of projects, providing a basis to understand the objectives, needs and fears associated with the changes.

What were the biggest challenges?

Zimmermann: When I became CEO in 2012, Condair was one of many companies in the Walter Meier Group that operated on the air humidification market. Others included for instance Nortec, Canada, Draabe, Germany, JS Humidifiers, England or ML System, Denmark. All of them operated as individual companies, although they were no longer run and managed by individual proprietors. In their absence, there was a vacuum: Who took the place of the personally responsible and liable owners, who would sacrifice everything for their companies? Who could cause personnel to make company objectives their own? Who reports to whom? Who bears responsibility? Moreover, it was impossible to scale such a structure, and we wanted, and had to grow. That's why Silvan decided to consolidate all the humidification companies in Condair. The problem was all the companies belonged to the Walter Meier Group, a stock exchange listed company with public stockholders.

So that was the reason you, Silvan Meier, bought up all the humidification companies in

2014 from the Walter Meier Group?

Meier: One of the reasons, yes, because as sole proprietor, I could better execute the challenging task of restructuring. Another reason was that air humidification had really captured my fascination, and today I remain enthralled by it. In contrast to all the other Walter Meier Group companies, the humidification companies set themselves apart with their technologies and presence on the global market. It's always been that way. Just look at the annual statements from 1970 from the companies Defensor or Plascon! Back then, 90% of their sales revenues came from foreign markets. But there is a third reason that motivated me all along to make Condair my own company, and that is the health aspect of air humidification, the *purpose* of this company. We deliver solutions that protect people's health. Our vision is to grow our company into a life science company.

The interrelationship between air humidity and health is not a new subject. Why is it then so difficult to establish this health message on the market?

Zimmermann: The renowned Swiss doctor and ETH Zurich professor Etienne Grandjean published in the 1960s studies and articles containing proof of the positive effects on health provided by air humidity. Since then, hundreds of studies with

unambiguous results have contributed further evidence for the benefits. The problem is healthy indoor air is preventative, and in our society, prevention is underpaid. It's not until we are ill that a system of compensation is effective. That's why it is worthwhile to develop therapies for the treatment of chronic diseases. But an air humidification system for the prevention of respiratory sicknesses? The burden of payment for such pro-



ducts falls on the home owner, or on the tenants if the costs get passed on.

Meier: In industrial and commercial air humidification applications we are immensely successful, because there are financial incentives for the protection of processes and tangible objects. Investment in the humidification of air in the Louvre Museum to protect the Mona Lisa or in printing plants is easily justifiable and easy to budget. Frequently, insurance companies or legislators set standards for minimum levels of relative humidity. Howe-

ver, when it comes to protecting people, regulations and financial incentives are lacking or at best grossly insufficient.

The mega topics of holistic approaches and sustainability are increasingly gaining significance in health care systems.

Does this not represent potential for Condair, particularly for HumiLife?

Zimmermann: The potential is indeed enormous. I have never worked for a company whose products' benefits were so clear but at the same time so undervalued. For this reason, we at Condair don't just have a technology-based approach, but rather an approach that is laced with a touch of missionary purpose. We are totally convinced of the beneficial utility of our solutions and are determined to convince others, including entrepreneurs, real estate developers, tenants and architects. More awareness and more incentives to invest in health are necessary. An example of this is perhaps a condition imposed in the USA by insurance carriers on health care facilities. It places penalties on facilities for *healthcare associated infections (HAIs)*, i.e., infections acquired in the facility. These measures may include exclusion from insurers' lists of insured health care facilities. It represents a risk of millions of dollars, which provides a lot of motivation to invest preventively in hygienic, healthy indoor air.

Meier: We're on the right track, but it's going to take time. In part, because air humidification remains a functionally integral part of a building's HVAC (heating, ventilation, and air conditioning) system. The building industry tends to be conservative; innovation takes hold slowly. Take the heat pump. It had existed for over 50 years, but it wasn't until recently that it's being installed on a large scale, thanks to the increased environmental awareness and introduction of suitable standards and incentives.

Why is it so fascinating for employees to work for Condair?

Zimmermann: There are many reasons. On the one hand, we offer diverse, meaningful work with significant room for individual input and the chance to assume responsibility in order to make a difference. Condair's entrepreneurial origins have made us versatile. We invest for the long-term and bring true innovations to the market, like membrane technology. On the other hand, we have our core business, industrial and commercial air humidification, where we are on pace with market demand. Continuously forging ahead, we advance the engineering of our existing technologies to provide new applications for new markets and industries. My colleagues in Germany always compare working for Condair to a popular German children's television series with educational content, saying every day we learn about

a new application. It is never boring here.

Where do you see Condair in ten years?

Meier: We will continue our organic growth, maintaining our leading role in the market for industrial and commercial humidification and dehumidification products, while further solidifying our position in the premium residential building sector with similar solutions. In addition, we will grow into a life science company, one in which not the machines but the health benefits occupy center stage, living up to our claim: **Humidity for a better life.** We are determined to fulfill our duty to make the built environment healthier. That is the vision that inspires me and the soon-to-be thousand personnel at Condair.