

Press release

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E.G.O.-Group targets the 700 million mark in sales

After the rollercoaster that was 2020, E.G.O. ended with a turnover of 656 million euros, almost at the previous year's level – CEO Dirk Schallock: “We did everything right under difficult conditions”

Oberderdingen – “It was a crazy year”: With these words, Dirk Schallock, CEO of the E.G.O.-Group (E.G.O.), commented on the company's business development in the pandemic year 2020. At first glance, the sales figure of 656 million euros looks like a precision landing at the level of the previous year (2019: 658 million euros). Yet it was a real rollercoaster ride over the course of the year. “We had a dramatic slump in April and May, but in the following months we were able to partially offset this with record figures,” reported the CEO of the largest subgroup of the BLANC & FISCHER Family Holding in a press conference on Tuesday in Oberderdingen. Schallock is equally optimistic for the current year: “We are certain that in 2021 we will not only reach the 700 million mark but will exceed it – and possibly very significantly.” According to the CEO, this is primarily due to two main factors. On the one hand, the household appliance industry is seeing a significant increase in demand due to the focus on the home, imposed by the pandemic. Of course, this is also having a positive effect on the household appliance supplier E.G.O. On the other hand, however, E.G.O. has also created the conditions for benefiting to an above-average extent from the positive market environment with a new structure, strengthened innovative power, and a clear strategy. “I think we did everything right in 2020 under difficult conditions,” concluded the visibly satisfied E.G.O. boss.

Significant investments in workforce protection

Among other things, the figures during the pandemic are proof of this. With just under 5,800 employees at E.G.O. from November 2020 to May 2021, 305 people were affected by the coronavirus at 23 sites worldwide. The Group avoided layoffs and even supported employees with voluntary wage continuation payments, for example, in Mexico. Despite the ban on work by the local authorities, E.G.O. made significant contributions to safeguarding our livelihood. E.G.O. also considers itself to be well-positioned when it comes to working remotely: “We have a high proportion of production jobs. The people who

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work there are, of course, tied to the workplace. Wherever it is possible – such as in the administrative divisions – we have created opportunities to work remotely. In Oberderdingen, for example, 349 employees have this option, and 254 are taking advantage of it. In total, by May about 1.4 million euros will be invested in the protection of our E.G.O. employees. Even now, we still have additional costs every day due to the pandemic. For example, self-tests, which are free of charge for employees,” explains Schallock. It is, therefore, all the more gratifying that E.G.O. achieved the 2020 results objectives.

Business units proven to be a success factor

According to him, the company has long since turned its attention to the future. To further improve competitiveness, E.G.O. is investing 20 million euros this year, mainly for capacity expansions at E.G.O. sites worldwide. The structure created last year with five business units (Electronic Surface Cooking, Mechatronics, Thick Film, Electronics, and Gas) has proven to be a success factor. In 2021, the Gas business unit absorbed the former Italian subsidiary DEFENDI. This means that E.G.O. has 300 new employees and two additional sites in Camerano (Italy) and Itatiba (Brazil). According to Schallock, the reactions of both the previous DEFENDI employees and the market to this step have been positive throughout. As part of E.G.O., the gas experts now also have new opportunities to develop innovative products in e-gas. The newly created cross-sectional area of Innovation & Technologies has also noticeably strengthened the power of innovation and made an important contribution to success. Schallock explained how the clearly structured, four-step innovation process at E.G.O., from the idea to market readiness, will unfold based on a whole series of current projects.

CO₂ reduction of 65 percent by 2030

As with the parent company BLANC & FISCHER Family Holding, sustainability is an integral part of our corporate strategy at E.G.O. Accordingly, very specific objectives are also linked to this. For example, Schallock mentioned four milestones that E.G.O. has set: By 2024, the company intends to make at least one plant climate-neutral, build a new climate-neutral building, and redesign a product range to meet the requirements of a closed-loop economy. The CEO has also set a challenging objective for CO₂ emissions: They are expected to decrease 65 percent by 2030.

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Digitalization as the basis for new business models

Together with sustainability, digitalization is a strategic focus for E.G.O. both internally and externally. This is both about improving efficiency and productivity along the company's own value-added chain through digital processes and methods and the development of new digital business models. Schallock explained that this involves everything from a continuous flow of data and digitalization of production to the modernization of the ERP system to create a uniform information basis throughout the company with consistent reporting structures and real-time analyses. Of course, digitalization also offers great opportunities for the development of new products with smart functions. E.G.O. calls it "Cooking 4.0," and the CEO explained how it could look in practice using an example: An induction hob with "magic functions" that guide us through cooking processes. The hob uses a patented method to measure the changing properties of the pots and pans during the cooking process. It regulates or maintains temperatures, recognizes cook points, or performs cooking processes completely independently according to the instructions of a previously loaded recipe. In addition to digitalization, other megatrends inspire new ideas at E.G.O. Urbanization and the consequential scarcity of living space in metropolitan areas are an example. E.G.O. searches for and finds answers to these challenges, as Schallock assured: "K² is an ultra-compact kitchen unit that combines a sink, a dishwasher, and a hob in the space of half a square meter. Together with our sister company BLANCO, we develop and test innovative "small" ideas and thus use a unique competitive advantage of the BLANC & FISCHER Family Holding. This proving field of the "smallest kitchen in the world" is a good example of the fact that there are still many ways to optimize the kitchen living space and make people's lives a little more comfortable every day."

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Dirk Schallock, Chairman of the Management Board of the E.G.O.-Group

Photo: E.G.O.

About the E.G.O.-Group

The E.G.O.-Group (E.G.O.), with its headquarters in Oberderdingen, Baden-Württemberg, is considered one of the world's leading suppliers to manufacturers of household appliances. In considerably more than half of all cases, people around the world who cook with electricity will do so with technology and products from E.G.O. It all began around 90 years ago, when company founder Karl Fischer developed the first electric hotplate suitable for series production. The core values summed up in the words "made by E.G.O." are found not only in your stove, but also in washing machines, dryers, refrigerators, and many other household appliances and commercial machines. The supplier covers four different business areas with its technologies and products: Heating, controlling, converting, and connecting. The E.G.O.-Group has around 5,800 employees worldwide, working in 23 sales and production companies in 19 countries. Their drive: Innovations that make people's everyday lives easier, create benefits, and conserve natural resources. In 2020, the group generated sales of 656 million euros. More information is available on the website www.egoproducts.com

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