



**Mike Hale** talks to Dietmar Rathbauer about the restructuring undertaken under his tenure at Rodenstock and plans to benefit its independent customers in the UK

**D**ietmar Rathbauer took over as managing director of Rodenstock UK in July 2009, bringing to an end a three-year period during which the company made three different appointments to the role after long-standing managing director Chris Hunt's retirement in 2006.

'We had very stable leadership for



next 10 years to around 22-23 per cent. In my view there will always be an independent sector but only the strong and the good will survive.'

### Wake-up call

Expanding on this, Rathbauer calls for independents to take a more pro-active approach to their business.

'Everyone needs to work hard to improve the state of the optical market in the UK. At Optrafair there was an attendance of about 6,000 over three days and that is shocking. Independent practices have opportunities to be the superior option in terms of optics and clinical performance and must wake up to this. The general public understanding of optics in the UK is low so people rely on their optician for strong consultation. Practices can sell better lenses to showcase their expertise compared to the multiples.'

# Independent-minded

15 years but because there was no successor plan in place, unfortunate recruitments led to confusion and uncertainty for our customer base, which affected our business too.'

To date Rathbauer's attention has been largely on reorganising internally and turning focus onto the company's customers and improving the service offered to them.

'There have been many things to rebuild over the past two years and, as I had previously worked for Rodenstock in different countries [including a spell as managing director of Rodenstock Japan] for 10 years, I knew what Rodenstock is really about and what should be done to give our customers the best support we can.'

### Modernisation programme

With this mind, the company has invested £800,000 in a modernisation programme of the UK operation, at its headquarters and production facility at Northfleet.

'This has been spent on improving our internal processes, the installation of a new IT system and developing fuller integration with the mother company in Germany,' he says.

Looking ahead to 2012, Rathbauer says the company will invest further to modernise, organise and become a more sales and marketing driven organisation.

'This is the best way we can support our customer base of independent

practices and help them compete in the tough retail environment. That is behind everything we are doing – gearing up to help practices with better services, marketing and point-of-sale support, and to educate optical professionals about our products. We have sophisticated products that require a lot of training and support from us, especially on the lens side – and this has been a shortcoming previously.'

Rathbauer reaffirms Rodenstock's commitment to independent practices, saying that it will continue to deal solely with them rather than a two-channel approach incorporating the multiples.

'In some other countries there are upmarket chains we can work with but in the UK all the national chains are price driven. The fact we only serve independent practices means that our supply chain is geared up exclusively for them. That gives us some advantage because as soon as you have a two-channel strategy you need to serve your big customers differently to how you serve an independent and there is a conflict of interest.'

However, Rathbauer does hold concerns as to the long-term future of some practices in the independent sector.

'Currently around 71 per cent of the market is dominated by the multiples and according to market research we have carried out the independent market share will decline further in the

On the retail side, Rathbauer feels the multiples are very strong so employing some of their tactics, like selling a complimentary pair for sports or VDU use can be a good idea, and with the London 2012 Olympics around the corner, sports is an area that holds particularly good prospects.

'Sports eyewear is a great segment for the independent optician and very under-used in the UK for some reason. I personally see this segment as far more important than 3D; there is massive potential but practices need to work with suppliers to gain the expertise to dispense these products.'

In the spring, Rodenstock will launch the ImpressionIST 3, a consultation tool that uses a 3D camera system that has the advantage of not requiring a clip attachment to the frame. There will also be a new index of the ColorMatic IQ lens made available. These and existing products will be backed up by benefits gained through Rathbauer's reorganisation.

'Our recommendation is that independent opticians need to concentrate their purchasing power with fewer different lens suppliers. A lot of practices shop around too much and lose out on gross margin opportunities and the benefits of working closely with a supplier in terms of clarity of message to patients and technical integration. We are in a position to offer big advantages to practices that want to work with us.' ●