



Hans-Martin Reinhardt,
Managing Director of PICARD

PICARD's secrets to success and visions for the future

*– An interview with Managing Director
Hans-Martin Reinhardt*

PICARD has been an active player in the bearings industry for 102 years. A century filled with triumphs and trials, marked by global political and historical events in a rapidly growing industry. PICARD has navigated these times with a substantial dose of ingenuity, diligence, and perseverance. Managing Director Hans-Martin Reinhardt reflects on the origins of the family business and recounts what a young woman's ocean-liner trip to America had to do with it all. A look at the present reveals how the company has managed to grow into one of Europe's largest distributors of rolling bearings and linear technology as well as how PICARD is forging ahead into the (digital) future.



Hello Mr Reinhardt, we're very pleased that you've taken the time to speak with us. Can you give us some historical insight into the founding of the company? Why did the Picard family decide to go into the bearing business?

Unfortunately — or perhaps fortunately ;) — I wasn't there in 1922 to witness the company's founding, but what I can tell you from stories told by the Picard family is that one of their aunts was heavily involved in commerce at the time and for this reason decided to embark on a voyage to America. It was highly unusual in those days for a woman to take such a lengthy journey — especially on her own and for professional reasons. There, she encountered various machine elements, including rolling bearings. As a savvy businesswoman, she recognised the potential for a bearings market in Germany.

From a historical perspective this makes perfect sense, since the 1920s — the so-called "Roaring Twenties" — saw a massive economic and industrial boom worldwide. Machine components were increasingly in demand. Anna Graef, the aforementioned aunt of Friedrich Picard, had excellent business instincts even at that time. Friedrich Picard liked the idea and eventually joined forces with his aunt and another co-owner to establish the

company. Friedrich was all of 14 years old in 1922 when the company was founded.

In the last century, there have been world wars, currency reforms and economic crises, all of which the company has successfully weathered with remarkable resilience — even when it surely wasn't always easy. What's the recipe for success?

Those were indeed difficult times, and it wasn't always clear that we would make it through them as a company. We were completely bombed out during the Second World War, and post-war restrictions banned the production and trade of rolling bearings throughout the country. But adversity fuels innovation, and PICARD turned to dealing in automotive parts and tools. The Picard family has always been hard-working, goal-oriented, and focussed on achieving what they set their sights on. The company's welfare was always the top priority, which is why even personal interests needed to take a backseat at times. This creative drive was reflected not only in their sales, but in other areas as well — from accounting to IT. The son of our founder, Wolfgang Picard, handled the company's computer programming himself in the 1980s on an IBM 36. A few years later, his son and our current owner, Marc Picard, developed and programmed a comprehensive

inventory control system that is precisely tailored to the company's specific needs. What unites the family across generations is that the offspring learned to shoulder responsibility from an early age — in fact, there was no other option. Unfortunately, both Friedrich and Wolfgang Picard passed away far too soon. As successor, our owner, Marc Picard, took over his father's affairs at a very young age, thus ensuring the company's continued survival. If you don't have a passion for what you do, it doesn't work. Of course, you also have to be prepared to take risks.

In our case, this ultimately meant that we were able to grow completely organically without outside help and we are still completely self-sufficient and independent today. I would say that this is the recipe for success at PICARD.

PICARD exclusively supplies specialised technical retailers — since when? What makes this target group so special?

Let me first provide some background: Our little Bochum-based company started out in 1922 as "Fischer-Kugellager-Vertrieb" (FAG). Later, we were the exclusive authorised dealer for Timken and, until the end of the 1980s, authorised dealer for Steyr. This was our identity at that time. But then Steyr was acquired by SKF and

our entire business model collapsed. We urgently needed to find a new contract manufacturer or come up with a fresh idea.

So, we did something that was not only unusual for the time, but actually frowned upon – we became one of the first multi-brand dealers, selling products directly from the manufacturers to other distributors. Based on our past experience as an authorised dealer, we had unparalleled knowledge of specialised trade and were familiar with the all-too-common difficulties in procuring specific product types. So, we focused on the purchasing needs of specialised technical retailers. We understood their wishes and requirements. It is perhaps difficult to imagine today the sensation this caused at the time. PICARD as such was completely unknown in those days since our identity had always been based on the individual manufacturers up until then. This step cost us a measure of sympathy from those manufacturers, due to the strict sales and territorial protections in place when sales flowed almost exclusively through authorised dealers. Selling bearings from different brands made you look inauthentic, but we realized the need for a link between the manufacturers and the retail market. If a manufacturer was unable to meet the needs of specialised trade, we were able to step in and bridge the gap, allowing the retailers to maintain brand loyalty.

This then put us in a position to give technical retailers access to premium brands that were otherwise out of their reach. Although it was a very risky undertaking for us at the time, in hindsight, it's clear that this step towards independence was the right decision. Our boldness paid off, just as it did later when we became the first trading company to open an online bearing shop!

How does PICARD's current business model differ from its market competitors?

PICARD has always seen itself as an equal trading partner — doing business first with OEMs and now with our retailer customers as well. Serving as a crucial link between the manufacturers and the retailers was and remains our objective to find common

interests on all sides. Our range of services for our customers is carefully designed to stand out among the rest.

We offer absolute reliability, timely delivery of ordered goods and the choice between different delivery providers. We guarantee that our customers receive only new, brand-compliant original goods straight from the factory. What makes us absolutely unique on the market is the extent of our inventory. In our more than 10,000 square meters of warehouse space, we carry all of the premium brands, such as Schaeffler, Timken, JTEKT, NSK, SKF, NTN, and NACHI, who together make up the WBA (World Bearing Association). We also offer our customers high-quality alternative brands. We don't restrict ourselves just to the high rollers, we also stock rare, non-core and niche products that are otherwise all but impossible to obtain. This comprehensive approach ensures complete brand availability on the market.

In recent decades, we've expanded our product range to include linear technology, V-belts, seals, and an array of accessories. In this way, we enable retailers to meet their customers' needs from a single source and thus save resources that they can then invest back into better customer support.

Finally, let's make a prediction: Where is the industry heading over the next few years and what role do you see there for PICARD?

Right now, we are in the middle of a digital disruption where customer expectations are changing rapidly. Generations Y and Z are increasingly moving into decision-making roles and transforming the way we do business. I see challenges arising on all fronts: OEMs always need to develop new and innovative technologies to successfully position themselves in the market. For dealers, it is essential to cultivate a professional online presence and shift investments from large regional locations with huge warehouse space to strategic marketing initiatives. Large inventories tie up resources unnecessarily. Thanks to online trade, there are now numerous dropshipping options that



practically make maintaining your own warehouse space redundant.

Though the primary role of the retailer remains creating brand awareness, the approach to achieving this has been fundamentally transformed in recent years. While regional presence and personal interaction were once pivotal for success, the digital age has transformed the landscape. Today, factors like availability, price, and speed of delivery carry more weight. But these are still not enough on their own. The unprecedented transparency of online trading intensifies competition, such that low prices and fast delivery on their own to sway purchasing decisions.

The critical question becomes: What added value can my service bring to my customers? Specialised trade must create its own distinct profile. I believe that, even with the anonymity of the digital age, the importance of personal customer contact endures. Despite the prevalence of online interactions, people still prefer dealing with people.

Will technical retailers continue to be needed as a link between manufacturers and consumers? In my view, distributors will always play a significant role in the value chain from manufacturer to consumer, although precisely what that role will be remains unclear.

As a company, we at PICARD aim to proactively shape the evolving market, fostering a dynamic relationship among manufacturers, retailers, and consumers. We view the digital disruption as an opportunity to strengthen manufacturers while providing retailers with added value for themselves and their customers.

Thank you for the fascinating conversation, Mr Reinhardt!