

*First print in 2009, 5000 pcs.  
All rights reserved.  
Reprint, also in extracts, is prohibited.*

*English part is translated by following company:*

*Easytrans24.com*

*Bei den Mühren 69a, 20457 Hamburg*

*T: +49 (0) 40 360 90 000*

*F: +49 (0) 40 360 90 133*

*info@easytrans24.com*

*www.easytrans24.com*

## Index

p. 7	Preface
p. 9	21 <sup>st</sup> of August 1956
p. 13	The business idea
p. 15	Self-employment
p. 18	Journey to India 1980
p. 20	17 <sup>th</sup> of December 2008
p. 21	The beginning of the wholesale trade
p. 24	Our company location today
p. 26	23 <sup>rd</sup> of December 2008
p. 29	Melanie's birth
p. 30	10 <sup>th</sup> of January 2009
p. 32	The building of the storehouse halls
p. 34	Important company celebrations
p. 37	From 2004
p. 38	Reasons for the success
p. 39	Problems
p. 40	Working processes
p. 42	The trade fair
p. 44	Acquisitions journey in October 2008
p. 46	Post-processing of the journey
p. 47	Me, not the entrepreneur, but the person
p. 51	October 2008, private restart
p. 54	Closing words
p. 57	Circles

*In the middle of the book you find some pictures*

30 years IKO

30 years IKO

30 years IKO

## **Preface**

30 years IKO ----- The occasion for my very personal company history.

52 years old, having the world's best daughter, gone through 2 failed marriages I am sitting in Shanghai, today on the 16<sup>th</sup> of November 2008 and have my mind full of memories of 30 years of lived gift articles.

Many customers have given positive feedback for my very personal circulars of many years, which encourages me to write the company history in that manner, too.

In the first place, I am grateful to my daughter Melanie, and then to all those, whom I have met on the way throughout the 30 years and who have helped me to go this way with their encouragement and inspiration. Those people, who put obstacles in my way encouraged me to more efforts, thus I am grateful to them, too.

In the last 5 years after the grand 25<sup>th</sup> anniversary celebration a lot changed, in particular, regarding my private life and my way of dealing with people, business partners and customers. Today, I would like to apologise to those, whom I did injustice, whom I misjudged or treated wrongly.

30 years IKO, the largest part of my life to date.

30 years IKO

30 years IKO

30 years IKO

## 21<sup>st</sup> of August 1956

I was born in August 1956 as son of a Dipl. Ing. (graduate engineer) and a medical technical assistant and the first 7 years of my life I grew up in a little rental flat; my parents got the first car, an old second-hand VW beetle, when I was good 4 years old. When I was 7, we moved to the first small rented terraced house, the beetle was swapped for a DKW 1000 S and we got the first black and white television set. When I was 10 years old, we moved to the house, which my parents had built.

There I finished primary school, was beaten up a lot in those few months and learnt to ride off quickly on my bicycle. I received a reference for grammar school, a strictly managed boys' grammar school in Troisdorf. Due to a fail in Latin (6) I irreversibly had to repeat the 4<sup>th</sup> year (Quarta), despite all other grades being good. In the year I repeated all other grades got worse because I knew everything already anyway. At least I got a pass (4) in Latin. The most important phrase, which I remember from that time, is: *et licet Jovi, non licet Bovi*. (What Jupiter may do, the oxen may not do by a long chalk). At the time my father was mortally ill in hospital, my red corduroy trousers, which I wore at the time, I changed outside the hospital for hospital visits and heavy-heartedly my father tolerated my shoulder-length hair. In February of the academic year my mother enrolled me in the Realschule (junior high) in Porz, today part of Cologne without my father's knowledge. In April, my father passed away, when I was 14 years old and at the junior high I had incredible gaps in comparison to the grammar school, knew a little Latin, which was not needed at the junior high. The untimely death of my father resulted in me learning properly for the first time in my life over the next few months and I finished the 8<sup>th</sup> year of the junior high with very good grades, but my mother increasingly had problems raising me. I probably could not manage that on the one hand she treated me like an adult, when it was about financial decisions in the family, but that I had to be at home earlier than some friends. Also, the first friendships to girls could have added to these problems of adolescence.

Aged 13 I already worked on a construction site in the summer holidays, could finance my racing bikes and from then on continued working on the construction sites in all long holidays. It was a strange experience at the age of 13 years to be asked by the migrant workers if I had mother or sister for doing sex. The most important sentence, in German it is a poem, which I learned on the inner door of the construction site toilet at that time was: “An animal needs 3 minutes for toilet, the foreman already needs 5 minutes, but a good worker is sitting as long as he can.” I was 15, 9<sup>th</sup> year of junior high, bought the 1<sup>st</sup> moped, at the time without licence and drove around with flowing, long hair. At the weekends, I was attracted to funfairs and worked with the dodgems, at my mother’s greatest displeasure. She thought that I was so difficult to raise that using a BaföG subsidy she enrolled me to the then largest boarding school of Germany in Eringerfeld, approximately 300 km away from home and where I was “shunted off” to on the 1<sup>st</sup> November of that year. My time in the boarding school over the next year and a half was a real nightmare. 4 people in a room, I was always fucked, as I had never been involved in a punch-up, could not lash out, was constantly beaten up and humiliated. For example, I was woken up at midnight, had to get to the middle of the room, pull my trousers down and sing “Hänschen klein” (German children’s song). For the same student, Karlheinz Feldkamp, who was called Kalle, I had to cook goulash soup using the immersion heater. I asked to be moved to a different room, where at least I was tolerated, not least because I organised crates full of Lambrusco from the neighbouring village using the old moped I had bought. In the evenings, we then drank without measure to be boozed up and with the rests we brushed our teeth in the mornings. Despite all this, I achieved a surprisingly good school leaving certificate and a reference for the 11<sup>th</sup> year in the grammar school. My life outside the boarding school provisions I managed due to the maths tuition, which I was offering successfully and which only became possible due to a reference from my mathematics teacher who was very inclined towards me. The consumption of drugs, such as hash and pot etc. also became a habit at that time. I had my 1<sup>st</sup> “real” girlfriend in the same year and probably drove several 1,000 km without licence in the car borrowed from another student. She was 15, I was 17.

At the end of the 11<sup>th</sup> year, I realised that I would obviously be moved up but that I had lost out on all friendships. I voluntarily asked to be moved down a year and thus repeated the 11<sup>th</sup> year again. That was the year of the introduction of the course system at the grammar school in North-Rhine Westphalia. This really suited my mathematical skills. I managed my obligatory and optional subjects so well that school no longer was a problem for me. In the same academic year I got to know a girl of the same year, whom I invited to the Saturday night parties in the local villages, Stirpe, I think near Lippstadt. I already had my own VW beetle and earned good money with the tuition in the single room of the sixth form. On the Sunday after that Saturday night I invited her to breakfast and from then on, to the boarding school manager's horror, we were a couple. We got to year 12, in the lower sixth form, enrolled in our courses together, with the tuition I financed a flat in the neighbouring village, where we spent 3 – 4 hours every day as part of our free time. Alcohol and drugs, which my girlfriend was against of course, were no longer a problem and taboo. My changing from night boarding to day boarding was objected by the management. We would have lived in the flat then. Thus, referring to a law that married couples are not allowed to live separately unreasonably, I had the idea to marry my girlfriend after 1 year of close friendship. In April 1975, in the Easter holidays, we married to my mother's shock; my in-laws were considerably more open to this marriage. We married in a civil service in the Easter holidays; the church marriage took place in May of the same year in Maria Laach Abbey. We, the students of the 12<sup>th</sup> year, my wife just 18 years of age and I merely 19, returned from our Easter holidays as a married couple. That was the year that 18 year olds were of legal age, the government wanted more voters. Still, we were not allowed to live in our flat, but in the building of the very young students got a teacher's room with our own shower, our own toilet and our own house key and for further 15 months we lived in the boarding school to our A levels, which I completed with 2.1. My career aspiration was lawyer, but at the time, there were too many law students and my father-in-law inspired us to become alternative practitioners. "Köhnlechner" was just en vogue. We enrolled for the alternative practitioner studies in Saarbrücken. As that only started 11 months later, I bridged the time driving forklift trucks in the pumice



brick factory of my father-in-law. Once I had collected several tons of bricks manually I quickly perfected my driving skills, worked 6 days a week for an average of 10 to 12 hours per day, and thus saved more than 20,000 DM in just one year. Shortly before the beginning of the studies, we bought a new yellow Manta B with a black bonnet, looked for and moved into our little student flat in Saarbrücken. In addition to the studies I worked every morning from half past three to eight on the central vegetable market in Saarbrücken with a little mushroom company, which I soon managed more or less independently; the two old owners additionally acquired lorry loads of tomatoes, melons, garlic and other products from South France, which I also sold on the central market in the mornings, and which I supplied to the Americans, to Metro, Karstadt and other wholesalers. Financially, we were not doing badly, but I was always striving to earn money. We had one of the first video recorders, a Betamax then. We celebrated food feasts in our flat with fellow students and already at that time I got to know the person who is Professor Allousie today, whom I will talk about later and who as doctor-to-be cooked aubergines syriennes and with whom I applied leeches in a self-experiment. In the last semesters we also worked part-time alternately in a very renowned practice in Saarbrücken.

## The business idea

At that time we went to the fair Saarmesse in Saarbrücken, it must have been the spring of 1978. At the stand of the company Mieke we bought spices for our student household and were very enthusiastic. We received a delivery price list with collective order discounts and ordered for our fellow students, too. As from the mushroom business at the weekly market, I knew a spice trader and her absurd prices I thought I could earn good money by selling spices on the market. All of this was in addition to my studies and my work in the practice.

In December 1978 I bought an old, little trailer, an R4 and turned it into a market stand. At the beginning of 1979 I registered the business, the company IKO. IKO went back to Iris, Klaus, Otte, if I am asked today I say it stands for Import Klaus Otte.

The first weekly market was a fiasco, nobody wanted to buy the reasonably priced, packaged spices; everybody bought the significantly overpriced spices, which the neighbouring stand offered in loose, open bags. I also changed to loose goods immediately and the customers started to recognise the price difference and the turnovers improved.

Kräuter Mieke included aromatised teas, which were becoming fashionable, into their range and we also included tea and continued to trade as IKO-Teeversand and 3 times per week we built our tea selling stand outside the canteen of the University Saarbrücken next to a competitor, whose prices we undercut significantly with our sales prices. We sold 100g of aromatised teas for 4.10 DM, competitors and tea salons sold the same for 4.80 to more than 5.- DM. A separate tea list was printed, in nights of work these were wire stitched at the spine using a foot machine and every customer received this brochure incl. the staggered price list of 100g, 250g, 500g and kg. For larger collective orders we granted discounts. We went to weekend markets and Sunday flea markets. We coordinated that with the studies and the practice work. This did not really result in any profits, as I invested all the profits. We packaged the tea in the nights in the cellar of the student flat, rented a garage, bought tea dishes and herbal tea cups from Tilia und Glunz and expanded our range.

I passed on the spice retail to a wholesale customer, whom I already supplied with spices, as in my view the spice aroma of the spices transported in the same car had a negative impact on the tea; by now due to the literature available about tea during the studies I had become a tea expert.

I continued to supply the spice wholesale customer for many years with tons of spices, preferably with our own mixtures, which I had produced in a large spice mill.

## Self-employment

When the studies were finished soon thereafter, we had to face the question: Shall we open our own practice or continue trading, which was already providing enough to feed us. For the following reasons I decided on continuing trading.

There were many patients coming to us who were in their final phases of illnesses, which could not be healed anymore and so we only assisted dying with the therapies. Subjectively, the patients usually did feel better, but this did not change their clinical report and they still died. And then I should have invoiced them for this “service”, I could not do that.

I had sold the Vauxhall Manta long ago and from the proceeds I had acquired further goods and an ancient Hanomag transporter, which was soon replaced by a Toyota Hiace. After my decision to be a retailer exclusively, a Toyota Lite-Ac for my wife was also bought. With separate stands we went to weekly markets, year markets, flea markets, town festivals, Christmas markets every day and three times per week we went to the University.

With the distribution of the tea price lists our tea supplies grew slowly but continually. Back from the weekly markets I wrote invoices, at that time on my typewriter; 30 years later, we still know our first tea supplies customer. In the nights we packaged the tea bags, wrote labels manually, tens of thousands for more than 100 kinds of tea. The best-selling tea at the time was Mango IKO and Vanilla Classic, 2 own creations, which we sampled on the markets and for which we prepared up to 10 litres of tea in the mornings.

We lived very economically, we only had 2 delivery vans and market trailers, which I had designed and built myself, as sales stands, narrow long trailers with umbrella stands screwed on so that our market umbrellas would not take off in the storms. As lighting we had the first available Honda generators. All profits were always invested, and as we only worked, we did not have any time at all to spend any money.

In the first months I acquired the tea from Mieke in Leipheim, however, I then discovered that the tea came from the company Wollenhaupt

from Hamburg and thus tried to acquire directly from there, which we only could after long negotiations. In the following I drove more than 1,400 km to Hamburg and back several times in the month, leaving in the evenings at 11.00 pm, at 8.00 am in the mornings fully loaded to the tea company Becken in order to load “tropic fire”, a protected tea, which only Becken had, as well as to acquire the tea tins and accessories such as tea nets. Then I went to the company Glunz to load tea dishes, herbal teacups etc. On the same day I returned to the Saarland stopping on the way via Bremen to get honey from the company Sommer. In this time I usually worked 2 nights through every week, I did not need much sleep, the success inspired.

The student flat became too small; we searched the entire Saarland in order to rent a house as close to the University, where we would also have enough space for storage. After a long search, we finally found that in Blieskastel. A neat single-family house with 7 bedrooms, a kitchen, a bathroom, a large cellar and garage in the cellar, which we also used as storage. The dining room and the guestroom of the house were also used as storage.

For the first 4 weeks of the Christmas market in Kaiserslautern I built our own wood hut, the Christmas market was bad, hardly any profit, but it was another important step. Next to us somebody successfully sold his homemade bee's wax candles. I bought boxes full of candles, which had been labelled 30% discount and we had very good successes with them on our markets; they went well with the teas. When I bought larger quantities and tried to negotiate better prices the seller was unfortunately or luckily for us stubborn. I got myself informed, organised a beekeeper who showed me how to turn the candles, found beekeeping product wholesalers who sold honeycombs, found a lacing twine factory producing wicks on rolls, undertook numerous burning experiments in order to find out which candle strength would need which wick. I developed tables, which plates would have to be cut, rolled and processed with which wick and in what way. Already on the next town festival in Saarbrücken, in the summer mind you, I sold out on our first own candle production. A tea customer at the University also showed interest in producing candles in homework. Piece wages per candle were stipulated and that student

again had friends or acquaintances, who also produced. Over years we sold several tons of these hand-made candles per year.

Before coming back to the candles, which have been so important for IKO, I would like to talk about the first journey to India 29 years ago.

## Journey to India 1980

A journey to India was a world travel still then. The cheapest flight was with Aeroflot, the Russian airline was also called Aeroschrott (aeroscrap). The duration of the flight to Calcutta was 36 hours, which included changing planes in Moscow and 3 further stops, amongst others in Taschkent, today that will take 12 hours.

Landing in Calcutta, the airport is about  $\frac{1}{2}$  or  $\frac{3}{4}$  of an hour outside the city, surrounded by taxi drivers who snatched the luggage out of your hand until you finally followed one of them. The price was 40 dollars, at the time that was a lot of money, if I remember correctly the dollar was 2.40 DM. After 20 minutes the driver said: "40 dollars each", there were three of us, my wife, my sister-in-law who was 1 and  $\frac{1}{2}$  years younger and I. I made it clear to the driver that he should drive to the nearest police station; we then got it for 40 dollars. 3 weeks later on the way back the same journey cost 2 dollars incl. tip.

After arriving by taxi at the train station in Calcutta we went to the restaurant at the train station and wanted to eat. We could hardly get used to the rats running along underneath the tables. The menu was really comprehensive and I happily repeat it here: Chicken, chicken with rice and curry, chicken without rice and curry. The decision was quite easy, we decided to have chicken. Then we wanted to buy train tickets to get to Benares (Varanssie). This was the point at the latest where we understood what life is like in India. We stood at the ticket counter for 3 hours to find out that the next bookable train would leave in 5 days. We asked the stationmaster for help, succeeded in getting a so-called Indrailpass, and could actually continue our journey that same night.

We had 20,000 DM in traveller's cheques and during the 3 weeks we mainly bought Mughel paintings, bloomers, matching shirts, marble boxes and bidis. I also desperately wanted to get an original rickshaw. Mostly, we lived in tourist bungalows, which were available if no government delegates had booked them. We also slept in dormitories with 20 and more travellers incl. rats and mice. We did not want to afford hotel rooms of average western standards. The cultural highlights of

the journey were the Taj Mahal and other sights in Benares and Delhi. I could practically write a book about this journey, the time that my sister-in-law's passport was stolen, about the efforts of getting a new one, about diarrhoea, about the business conduct of the Indians etc. I would like to conclude this excursion with the description of the pleasure, when we finally landed in Frankfurt, alive with huge amounts of luggage incl. a rickshaw. The sales of the purchases was a huge business success, in particular of the paintings, which I had backed on wood panels, which I arranged around the rickshaw and offered on the markets, at approximately a tenth of the usually demanded prices, so that on good days I could sell up to 20 of them. I also sold the imported products to colleagues, which was also the beginning of the wholesale, as the spice wholesale trade was running quite well already. However, the real entrance on the market was the bee's wax production. I would like to outline this beginning in the following.



\*\*\*\*\*

Today, it is the 17<sup>th</sup> of December 2008. In the last 2 weeks I worked 14 hours every day in Germany and prepared the trade fair in Munich as far as possible; to relieve me Melanie really got stuck in. I am again sitting in Shanghai on the 27<sup>th</sup> floor; it is a clear cold winter's day. I will spend Christmas here although there are no Christmas holidays in China, but there are Christmas decorations in all department stores and shops. I will be back in Germany in time for the trade fair in Munich and on the return flight I will take back the latest samples. Melanie drove the first lorry to Munich yesterday and is already building the stand with 4 employees, from the 28<sup>th</sup> of December the decorations will go up.

\*\*\*\*\*

## The beginning of the wholesale trade

At the first town festival in Neunkirchen, we still lived in the rented house in Blieskastel but we had rented an empty shop as storage, I got to know Gerlinde and Willi. At the weekends they traded cactuses, Willi's main job was in a cactus factory. They had the stand next to me. In the first evening after the market, it was past midnight, Willi invited me for a pizza. I declined, I never had food out, he insisted and we went to a pizzeria. The 2<sup>nd</sup> evening of the town festival, it was past one in the morning, the same thing. I wanted to decline again, as I would have had to pay now.

The evening ended as the 1<sup>st</sup> evening and I paid. From this evening on, we met up more often and our friendship, which has lasted to today, began. Willi could be my father; he is 20 years older than I am. As he could do welding, which I cannot do, after work he often welded dolls' stages for the market stand according to my imaginations. Let us come back to the dolls. I also sold the cactuses, which I acquired from him, on flea markets with huge success, as I had unbeatable prices with a 100 calculation.

Willi's greatest merit and thus the beginning of the wholesale trade in huge dimensions was his idea that I should offer bee's wax candles on the German florist markets, which then had at least 10 events as direct selling events twice per year. He encouraged me to get together 3 crates of sorted candles and he took them with him to the next market in Nuremberg. 10 minutes before the official market opening he called me and told me that he had sold the candles 500 DM.

This was convincing and I registered with the flower markets. At the first market I only sold the bee's wax candles but I saw that other sellers offered goods, which I also had in store, cups, window pictures, dolls, etc.

I immediately offered the same on the next markets and sold with huge success, as my prices were significantly lower. On each market my delivery van and trailer were nearly empty, the tills full, even though the profit was relatively low. However, the customer base of florists who ordered by telephone grew rapidly across Germany, it was the time when florists just popped up.

Above all, I had huge success with the sales of porcelain dolls and fabric dolls Oma and Opa (Grandma and Grandad). The first 24 porcelain dolls I had bought from Glunz in Hamburg and I had sold all of them on a Christmas market in Saarlouis in one day, at the candle stand. The fabric dolls Oma and Opa were also from Glunz. I quickly discovered that these dolls Oma and Opa came from the company KASMA from Thailand. I got Mr Shah, an Indian importer from Alsbach to KASMA at the trade fair stand in Frankfurt and imported the first 2,400 pairs via this Indian. Later, I got the company Wurm and the boss of Kasma together. The boss and owner of KASMA, Mr Kantavanich, has always been very grateful to me for that. At the time there were delivery times of up to 9 months, but I got the goods after 4 months, as Mr Kantanavich took a liking to me, a small trader, and as he always supported me in reply to my faxes: please help me. At that time a 40 ft. container certainly had a value of 80 to 100 thousand dollars. As these first imports were initially processed via credits, as the money was bound up to 6 months (receipt of goods), I had the expected financing problems. My tax advisor and by now long-standing friend helped me to change the banks and to solve these problems, too.

As the porcelain dolls then mainly came from Taiwan we flew to the trade fair in Taipei and ordered several containers of dolls, calculated these narrowly and sold at prices that were significantly below the general prices. This led to many customers and abundant “friends” amongst the competitors, I take a pass on naming them, who in their turn prevented us receiving a stand on the Frankfurt trade fair or already then as they still do now tried to influence suppliers not to deliver to IKO. Roughly at the same time I had a humidifier produced in Taiwan, at a quarter of the common wholesale market price here, which I personally sold with huge success to other importers.

That was the time that I applied to trade fairs in Frankfurt, Nuremberg, Cologne, Munich and Stuttgart. For Frankfurt I had 10 years of rejections, see above, in Nuremberg I got a stand after having been on a waiting list, in Stuttgart and Munich I got a stand immediately, but only 9 sqm, which due to long conversations over the years grew to today's 450 sqm. I would like to expressly thank the company Kohl; we grew together and always had an outstanding relationship.

I am writing from memories, without manuscripts and the collation of dates in the years, I write in the context and so I think it is now time to leave Blieskastel, the 2<sup>nd</sup> address in the Saarland. For months I tried to buy a house in Saarland, where our then still quite modest business could also be located. That was the year that the former Chancellor Helmut Schmitt granted 10% as investment subsidies for businesses. I used that to buy my first brand-new Mercedes Benz T Model, white, diesel, 5 gears, with 1,000 DM surcharge. The 5<sup>th</sup> gear was nonsense as it was useless with a trailer. After one year I swapped the car and got a silver 230 T, a significantly stronger petrol-driven car. Every year I bought new Toyota delivery vans and sold the one-year-old vans to customers. At the time I got good discounts from Toyota. In the following I would like to spare you the list of which cars I bought when, I was a car freak and thus, over the years, I was the best customer of the Mercedes branch.

## Our company location today

The search for a suitable house ended in Neunkirchen at today's address. An old, derelict, reasonably inexpensive house, just payable on credit. Hundreds of hours of own work in order to make the house liveable on the 1<sup>st</sup> and 2<sup>nd</sup> floor, the cellar and the ground floor were used for storage. That time was certainly the most difficult time of my life: hardly any sleep, wholesale trade, market trade, consumer fairs, renovation, goods acquisition, rented retail business in winter (ice-cream salon).

At the time, we had only recently moved to Neunkirchen, my wife fell pregnant. Years before after a long operation on my wife a doctor had explained to me for 2 hours that we could not have a child. That was the reason for years of our supporting the SOS Children's Villages with generous donations, to the day of a very bitter disappointment with the idea of the great idea of Hermann Gmeiner. We were the more enthused about the pregnancy. That was a few weeks before the Christmas markets. On the Saarbrücken Christmas market on the 1<sup>st</sup> of advent I had 4 stands, two day-market stands, preparing at 4 o'clock in the morning, dismantling at 10 o'clock in the evening, filling 4 stands over night and again preparing at 6 o'clock. I built the stands, a total of 30 metres, by myself, sellers worked at 3 different stands during the day, I worked on my own on the 12 metre stand.

On the Monday morning after this Christmas market I did the accounts in the living room, when I got serious heartache and incredible feelings of anxiety. My own diagnosis: heart attack, I felt the end was near. Emergency doctor, ambulance, transport to the hospital Neunkirchen to see Prof. Börner, internal medicine. After 2 hours of intensive examinations the diagnosis was clear. No heart attack, hyperventilation syndrome. The doctor put me in a private room, I slept for 8 hours and went back home; at the end of the day I had a Christmas market in St. Wendel at 6 of the next morning. During the whole week there was another market every day, from Friday, there was the 3-day Christmas market in Neunkirchen. On Saturday evening I collapsed again and was again taken to hospital, Gerlinde continued

with my stand. That same afternoon my wife had collapsed bleeding in the house and without knowing it we both spent the same night in hospital. My wife had lost the child whose heart had never beaten, as doctors were able to find out. The first treating gynaecologist was useless, I apologise. On Sunday, I was back on the market. By that time, I had been smoking since the age of 14 and had been chain-smoking over the past years. In December, I completed the work to the end, hyperventilated several more times and often had deadly anxieties. Since my wedding up to that time, I had not drunk any or practically no alcohol, I was constantly on the roads with the delivery vans and lorries, the 2<sup>nd</sup> Mercedes had been traded in to acquire a lorry. In reply to my description of the anxieties and the fact that I could not sleep in the nights, the treating doctor said I should have some beer in the evenings that would help with sleep. I did not like any beer and asked if it could be Piccolo (champagne) and he affirmed. What this resulted in many of you know. Every evening champagne or sparkling wine, at first a small flute, then 1 bottle, soon more than that.

\*\*\*\*\*

Today, on the 23<sup>rd</sup> of December 2008 I am in Shanghai, dinner will be ready soon, I have not had any alcohol without any medications since the 14<sup>th</sup> of November for 36 days and I feel great. After days of withdrawal without sleep, I can now fall asleep well again and feel balanced and relaxed, as I have not felt for many years. My thanks goes to Melanie, as she makes this stay possible and continues to manage the company at the moment, I am just in contact by mail and telephone in order to clarify important questions, but there is no daily work. I will be back on time for the fairs on the 30<sup>th</sup> of December.

\*\*\*\*\*

Please, excuse this time leap to the present, let us come back to that December then. I intended to stop smoking on the 11<sup>th</sup> of January, the day of departure to the skiing holiday to the Grödner Valley together with Willi and Gerlinde. Outside the guesthouse, when we had arrived in the evening, I smoked my last cigarette and was a non-smoker from then, in the coming years a rather militant non-smoker. My weight was better than any share, within a short period of time from 84 kg to 110 kg. After the 2-week holidays life continued as usual with an average of 12 to 14 hours daily, for only 7 days in the week. On the 1<sup>st</sup> trade fair Saturday of the SAARMESSE in the morning at 6 o'clock, before the urgent journey to the fair my wife conceived, upon my wife's assertion, our daughter Melanie, that was nearly 23 years ago, I remember the date very well. The first 6 months of the pregnancy were often characterised by the anxiety that something could go wrong again. My wife no longer did markets, dealt with the tea deliveries, which could be done from home. From October of that year, we also had a sales location in town again. As the salesperson insisted on her lunch breaks despite her fixed pay plus commission, my wife, who was highly pregnant, had to stand in the store over lunchtime; she hardly fit behind the counter. Aptly, the store generated outstanding turnovers over the lunchtime period, in particular, as the employees of the banks and offices nearby also had their lunch hours. In that time, I myself drove to the established markets, filled the store in the night and dealt with the wholesale trade.

Very early on already, probably in the 2<sup>nd</sup> year of the company history, I had tried to get the first computer and came across the programmer, who is still working for us today. At the time, Walter had a programme for lawyer's accounts, which he changed to my requirements so that it was practicable for the tea delivery at first and later for the wholesale trade, constantly adjusted to the relevant development with continuous changes.

Thus we surely had the first or one of the first programmes with the immediate link to the customer-specific backlog list, immediate credit assessment, automated dunning processing, reservation processing etc.

The turnovers increased continually, the first catalogue had long been



printed. Our own production of fabric dolls, witches, clowns and puppets began in Thailand with our money, in the form of credits, and was managed successfully over the years. I am still close friends with the manager of the factory although for many, many years we have no longer done any businesses together, but we still meet regularly for dinner in Frankfurt or in Bangkok, for example on the occasion of the Frankfurt trade fair or of our 6 hour stop over on the way to China. At the time, I covered the goods requirements of the company IKO with own imported acquisitions from Thailand, Taiwan and Hong Kong. Tea, bee's wax and honey were still German products. However, as I sold more than the acquisition of goods was possible due to the long delivery times I also bought huge amounts from one of today's colleagues and we still have a competing but friendly relationship so that today still we often have longer telephone conversations and meet up on fairs and in China to share information.

## **Melanie's birth**

A date, which I remember very well, is the 11<sup>th</sup> of January in 1987 at 5 to seven in the morning. Melanie is born, weighing nearly four kilos, I was weighing 110 kg at the time, the company IKO had already been 8 years old. With Melanie's birth many things changed. Her mother exclusively looked after Melanie and the household in the following 4 years. At that time Melanie's mother followed the eco-movement, just like friends of ours: homemade bread, organic vegetables, organic fruits, no meat. This is certainly the basis of a child's healthy heating, but perhaps this is also a reason for her not becoming incredibly tall. Usually, the height of the grown children is between the heights of the parents, but Melanie just reaches the same height as her mother.

\*\*\*\*\*

Time leap: Today, it is the 10<sup>th</sup> of January 2009 at 10 o'clock local time in Shanghai; it is 3 o'clock in Germany. I am writing again, after the trade fair in Munich I flew back to China and stay to the Christmasworld Frankfurt. Melanie will be 22 years old tomorrow and this year she will be Managing Director of IKO in recognition of her long-standing performance and appreciation of her work. In my private life a lot has happened, which I will summarise at the end of the company's history. I still do not drink any alcohol on every day, which I spend in China. I deal with the acquisition, new samples and the future.

\*\*\*\*\*

After Melanie's birth I employed the first permanent employee, the same young man of my age who as a student bought tea from me, turned bee's wax candles, dealt with other home-workers, worked as an engineer at IBM after his studies and who now started to work with IKO. Up to him leaving 6 years later he continued to deal with the markets, the deliveries and the trade fairs such as IPM, Mustermarkt Stuttgart and Munich. At that time my occupation changed. I was mainly in charge for the office, impaired due to the market life I could not tolerate crowds of people, goods acquisition, administration, journeys to Asia, the building of the first own storehouse of 1,200 sqm with an order picking section, continuous expansion of the computer programme, training of office employees, where we had a huge turnover, possibly, because my expectations were too high. Another office building and sample room was attached to the again renovated house with office, at the time still in the main building next to the bedroom. Today's Director's Office was storage at first, later it was also a pattern room and storehouse and for 2 years on the ground floor it also was a horse stable. The turnovers increased continually, catalogues were printed regularly. As a principle, I unloaded containers personally with the first storehouse workers or temps and friends. Loading took place on 7 days in the week and often little Melanie also jumped around in the storehouse and already at nursery age she tried to approve and accept.

## **The building of the storehouse halls**

The first hall was over-dimensioned at the time of building, was paid off in a very short time, but became too small, external storehouses had to be rented; long negotiations with the town allowed for the acquisition of the adjacent plot of land and the planning and building of the 2<sup>nd</sup> storehouse. I planned all storehouses myself, designed all stage elements myself, developed storage concepts and computer programmes, which simplified the storage and approval and acceptance processes, I designed ground-level ramps for the fastest possible unloading of containers etc.

With the completion of the 2<sup>nd</sup> storehouse, already on 2 floors from the beginning, Ibro, who is still our foreman, started working with us. Many political manoeuvres were necessary to be able to keep the former Yugoslavian and his family in Germany. In order to finish talking about the storehouses completely I continue there. After the building of the 2<sup>nd</sup> storehouse I bought an old hall several hundred metres away; stages were built in immediately at the beginning, when the hall was still empty, and the exterior was secured; this is today's external storehouse for seasonal goods, large commissions, trade fair stand storage, trailer park, special containers etc.

For the building of the 4<sup>th</sup> storehouse, our largest one, I acquired a plot of land adjacent to storehouse 1, which was 10 metres higher and which was still equipped with an old storehouse. After the demolition of that storehouse I had the difference in height cleaned out and transported away in several hundreds of lorry loads in order to erect the two-floor storehouse on ground level. The last storehouse, which today connects storehouses 1 and 2, with its cellar and 2 floors was built approximately 7 years ago. At the same time the patterns room was expanded twice, the employee's office was modernised, the former guesthouse was furnished, the Director's office was extended and completely modernised. Thus, today's state of the realty was achieved. Offices and storehouses were now accessible in the shortest possible ways for the fastest possible order determination and dispatch largely on the day of the incoming order. Regarding the staff this is

possible due to working time accounts, at busy times the storehouse is run 10 hours per day.

## Important company celebrations

I described the first years of the development quite comprehensively, thereafter the years passed with continuous growth to the 25<sup>th</sup> company anniversary. I remember several larger celebrations, the first one being the 10<sup>th</sup> company anniversary. A party tent was there in a pattern room today, in the courtyard there were large market trailers of 6 metres each both with a buffet, a traditional buffet and an organic buffet suiting our nutrition at the time. Melanie was just 2 years old. The music accompanying the opening of the buffet was “in the air tonight” of Phil Collins. The raffle was interesting, where it was Eckhard Wurm who won a one-week winter holiday in a hut in Wörgel in Austria. We then spent this one-week holiday in winter with the owner of the company Wurm and his then girl friend, his current wife Sabine, in Austria in 2 small wooden huts near a skiing piste in Wörgel. In those days we had very interesting conversations about profession and marriage, the couple Wurm were facing their wedding, as well as social topics. I only “learnt” the sense of the word “passed down”, which I used quite often thereafter, on one of those walks.

In the next years we had many house fairs, each in June, the next largest celebration was the 20<sup>th</sup> anniversary. On the occasion of that celebration in June 1999 we emptied the storehouse 1, decorated for days, built a stage, established a huge kitchen in the former storehouse tent, had additional electrical cables laid by the electricity supplier in order to cover the energy required for the event. On the day of the event towards lunchtime 2 transmission vans of the Saarland broadcasting company arrived; they also needed huge amounts of electricity. The Saarland broadcasting company broadcast the 20<sup>th</sup> anniversary as a charity event for the SOS Children’s Villages; approximately 500 customers and guests were there, I remember 6 or 7 renowned singers and 1 group appearing. The highlight of the evening was Georg Mc Crae with Rock your Baby.

The Saarland Minister for Home Affairs and his wife were guests and today’s Minister for Home Affairs Müller, who was then still at the ready also popped in. After the broadcasting, which was presented by

Saarland's most popular presenter Manfred Sexauer, the buffet in the attached tent was opened. The food had been prepared in the kitchen of the top chefs of a hotelier we had befriended, was served on a total of 36 metres, so that there was no queue. Perfect.

Then the party took off, all artists appeared again, on their own, together, you could see that they also had fun. Several benches broke under the load of the people dancing on them. Georg Mc Crae, who is a friend of mine, insisted to get on stage in the late evening saying: For my best friend in Germany, Klaus ..... and then sang a capella "you are so beautiful". That got to you. The SOS Children's Villages, where I had donated to for many years, also benefited that evening and received 50,000 Euros. That was the largest celebration of the company IKO and could hardly be topped. The year after that in June we had the house fair in the spa village Bad Kreuznach. Then the spa hotel Bad Kreuznach belonged to my friend who had already run the gastronomy for the 20<sup>th</sup> anniversary celebrations. The hotel was booked completely for 4 days incl. the 102 rooms, which were all fully booked on the Saturday night so that we had to sleep in the private rooms of family Loncar. The conference rooms had been decorated as pattern rooms. 2 evening events rounded off the programme; I did not sleep for 3 days, this was real stress but very successful; on Monday, my voice failed completely. This was the time of the successful sales of the Christmas poly-figures, which we sold from our own production at absolutely unbeatable prices and which we could not supply enough of. The highlight of the raffle was the draw of a new Ford Fiesta, which was won by the company Texflor.

In the following 4 years, there were no house fairs or large events to the 25<sup>th</sup> anniversary celebration in January 2004. On the occasion of the trade fair in Munich I booked the Palazzo Witzigmann, a gala-dinner-show for one evening with 480 seats. I planned the organisation of the tables and seating in advance. An additional table had to be sorted out. The evening could not be topped in glamour and perfection. Before the show I refrained from giving a boring speech and instead presented the best I had ever produced, my daughter Melanie, then still 16 years old, who went on stage and who gave a speech in front of more than 480 guests freely and without faltering. The huge acceptance of the speech



amongst the customers of course made me very proud as father, on the other hand, however, and that is significantly more important, it showed that our customers can accept Melanie as business partner although she is still so young. This was the stepping-stone for the fact that this year after 30 years of continuous work I sign the company IKO over to my daughter Melanie.

After Melanie Ms Hildegard Schneider-Verch, a good customer and friend, held a very emotional speech. Mr Peter Korch, too, the former manager of the advertising department of the Frankfurt trade fair insisted on saying some favourable and complicated words. Finally, my best friend Rainer appeared as the last person before the beginning of the show on stage, he was also visibly nervous and under the influence of “calming” alcohol and instead of a speech he presented me with a song written for me, which he had performed by Robby, a member of the former band Rothschild und Tillermann. As I know for sure this did not only move me to tears and the entire glamorous tent was deeply moved when the sensational show with the outstanding meal started. Even Mr Witzigmann himself was present that evening, I think this was the doing of a Munich friend. Many of you will remember this unforgettable evening as we do. The 3 day fair in Munich on that weekend was the best trade fair of the company’s history. At the same time, however, this event already pointed out the end of my 1<sup>st</sup> marriage; but I will come back to that later.

This describes the large company celebrations.

## **From 2004**

The turnovers of IKO increased continually from the beginning, from year to year, to the 25<sup>th</sup> anniversary in 2004; then there were 3 years of decline, which was caused by different factors. Firstly, the general situation, which we still braved successfully in 2004, secondly Melanie's mother's cancer and the break down of our 1<sup>st</sup> marriage in 2004 and thirdly, my own cancer in 2005. There will be more to 2 and 3 in the following section about the private life. Fourthly, it was also due to the certainly wrong decision of mine to only appear on 4 trade fairs per year; the fair in Munich in January and July, as well as Ambiente and Tendence in Frankfurt. The success was based on the company structure, the organisation, the acquisition in Asia without agents, the advantage of our own storehouses and the high own capital, which for years meant goods financing without banks, as well as, of course, the IKO calculation as named above, which, however, could only function with the relevant parameters.

## Reasons for the success

The 4 connections in Asia were also significant; at the beginning the investment of capital in the shape of advance payment in Thailand and the friendship to the manageress of the factory, which had grown through us due to the production of witches, fabric dolls, clowns and puppets. Then there was the early change of the production of the porcelain dolls from Taiwan to the free trade zone to Shenzhen in the South of China, directly behind the border to Hong Kong, where together with a Taiwanese manager and as the first German I ran a doll production, which after a few years I again moved to Nanjing in China, significantly further to the north and thus more cost-efficient. My friend Oliver, a former English teacher in China, who then worked as a seller in a factory because he had good knowledge of English, was responsible for Poly and ceramics. He, again, used the capital of IKO in the shape of credits for the largest parts to build a small factory at first, then, however, a company with 700 employees mainly producing for IKO and again for the largest parts according to our templates. This relationship has now been going for nearly 20 years and over the years we have become real friends in the western sense. Also, the relationship to Diana, a former employee and salesperson in a Chinese factory, was significant again for poly, ceramics and other special items. Our business relationship has now been going for over 11 years and Diana is our employee in China controlling over 60 factories regarding production but also regarding the acquisition of new samples. The fact that her partner is very experienced in wood items also helped in the past years. However, Diana is also significantly responsible for another side of the story, which shall be described in full.

The items, which the many years of success were based on, were spices, teas, tea accessories and bee's wax candles, then porcelain dolls, clowns, puppets, soft toys, ceramics, porcelain and thereafter poly items, glassware and metal items, thus simply the entire range of gifts. We produced more than 300 items every year on customers' orders, which will never be seen at trade fair stands. The processing of these orders is exclusively Melanie's task, as she is definitely more confident in the use of email and the relevant computer technology.

## Problems

To the time when Melanie's mother, my first wife, left the family, everything ticked along orderly without any insurmountable problems. The divorce was a consistently stressful problem for 1.5 years with many variants and solutions thought through and suggested, as well as with indefinite negotiations. In order to guarantee to keep the company IKO for Melanie I had to take out credits, sold all superfluous luxury goods and to the end of 2007 had overcome that financially. But I cheered too soon. In September 2007 the tax offices pledged 960,000 Euros at half past one on the Friday afternoon. According to a judgment of the Federal Court of Justice, my tax advisor had immediately written off tenant buildings for the years 2000 to 2004, which the company IKO had carried out in the halls, which my wife had rented. Unfortunately, our tax office had not accepted that. The current proceedings at Courts will last for another 7 years. The problem of the financing remained; thanks to our bank it was organised on Monday, we had new targets, we are allowed to pay off credits.

## Working processes

I would like to describe some IKO processes, which differ from those of other competitors.

The order processing: We receive orders at trade fairs, in the sample rooms or based on the catalogues. Due to a lack of personnel the customers personally write their own orders at the trade fair stand. In my view this is good, not just because we reduce unnecessary costs for staff and overnight stays, but above all because the customers, who usually come to our stand in twos, personally decide what they would like to order without anybody forcing goods on them. We work on large trade fairs such as Munich with a trade fair stand of up to 450 sqm having 3 – 4 people at the “counter”, 1 to 2 employees organise drinks and over the course of 3 days in Munich prepare 2,000 open sandwiches, preferably with mango-cheese, which has been a long-standing tradition for many customers. Once the employees managed to serve 120 bottles of champagne on one single trade fair day. The processing of the trade fair orders takes a maximum of 2 – 3 weeks, daily incoming orders, if they are received to 12 o'clock noon, usually leave our company on that same day. The orders are collated in the office via invoices and/or delivery notes, which continuously go to the storehouse where they are packaged immediately. Invoices/delivery notes are sorted by storage locations, approval and acceptance storage or crate storage so that the ways of the employees are as short as possible. The dispatch is as pallet goods with the help of the freight forwarder Anterist & Schneider, nationally this is Schenker, as parcel via DPD. Apart from 2 short intervals I have cooperated with DPD for 25 years. I have cooperated with A&S since December 2007, however, I have also cooperated with the sales manager for numerous years, he had been sales manager with Dachser, our previous freight forwarder. For countless years my friend Uwe in Hamburg has dealt with incoming containers. He was working in 2 different companies. For cost reasons, A&S also took over that task in 2007, as due to the tolls and distance via Antwerpen this has been cheaper. Uwe and I remain good friends.

Stand building: At the times of only 4 trade fairs per year we rented traverse frames and the lighting equipment for each fair, we ourselves provided shelving and decoration. Let me describe the stand building on the example of the January fair from the 2<sup>nd</sup> to the 4<sup>th</sup> of January in Munich.

## The trade fair

Preparing and sorting the stand equipment in the storehouse, external storehouse, packing the samples in the samples room, transport to the hall, loading the first lorry load.

Before Christmas Melanie drove our own 40 ton trailer, consisting of 450 PS Iveco, large driver's cab with 5 seats, 7.2 metres aluminium construction with lifting platform and large trailer of 7.4 metres, a maximum allowed total of 18.75 metres in length, more than 100 cbm loading volume, in the company of 4 employees to Munich. Driving time 7-8 hours, with prescribed rests, 450 km. Departure in Neunkirchen at 5 o'clock in the morning. Once arrived in Munich, unloading, unloading the trailer with the electric forklift trucks, most parts are in pallets packaged in 2.4 metres in height, the shelf boards only weigh 6 tons. Then laying the carpets, building the frames. Overnight stay in the hotel, in the next morning building the shelves, hanging up lamps, laying electrical cables, partitioning curtains, shelves. On the same day, return journey to Neunkirchen. Sunday on the 28<sup>th</sup> of December. Again, lorry journey to Munich, special authorisation required, as it is Sunday. Melanie drives the lorry in her boyfriend's company, who is also allowed to drive; the three of us have got the C and CE licence, foremen only have C, thus can only drive without trailers. Also, long, high sprinter with 6 seats. From Monday, the 29<sup>th</sup> of December unloading the 18 pallets of sample crates, washing the shelves and finally beginning decoration. 30<sup>th</sup> of December again decorating, in the evening the employees, who are not staying in Munich, return to Neunkirchen. Since the beginning of December and over Christmas I was in China, landed on the 30<sup>th</sup> of December at 5.30 in the morning in Frankfurt, then travelled to the office in Neunkirchen and on the 31<sup>st</sup> of December at 4 o'clock in the morning travelled to Munich in the car. On the 31<sup>st</sup> of December the trade fair stand building is completed. Melanie, her boyfriend, 2 employees and I spend New Year's Eve in Munich and celebrate into the NEW YEAR. On the 1<sup>st</sup> of January the missing price tags are attached at the trade fair stand, 2 employees and I myself are working 6 hours each. The trade fair is on the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> of January; 5 IKO employees are at the stand, 3x at

the counter, 2x running the service with drinks and open sandwiches. On Sunday, the 4<sup>th</sup> of January 6 employees arrive at the trade fair stand at 4.30 pm, and have a sprinter full of goods for 2 foreign customers, which the foreman had packed on Saturday once the customers had ordered on the fair. Packing up and dismantling the stand in the same night whilst I am asleep, I have been assigned the task to drive the sprinter and the overtired employees back to Neunkirchen in the next morning. Dismantling is completed at 8 in the morning. A lorry is loaded for the trade fair Hamburg. For those parts of the trade fair stand, which are taken back to Neunkirchen, as there are only 160 sqm in Hamburg, an articulated lorry arrives at 9 o'clock at the trade fair Munich and is then loaded up. Melanie and 4 employees go to bed at 11 to the next morning at 4; Melanie then drives the lorry 750 km from Munich to Hamburg, where the building of the stand starts on the next day. Those of us, who have gone back to Neunkirchen, unload the articulated lorry, which has also arrived from Munich, 2 hours after our arrival. It is that simple.

Thus, only the description of an acquisitions journey remains:

In the past 30 years, I was in Asia more than 60 times, usually at least twice a year for 3-4 weeks each journey. Since she was 6 Melanie has always been part of it. "The youngest buyer, with the longest experience."



## Acquisitions journey in October 2008

Half a year before the journey, the flights and the hotel rooms Canton fair are booked, as they are always scarce. 2 months before the journey application for a VISA for China, numerous invitations, forms, hotel certificates are required. Since the last journey the samples, which need to be taken to China, have piled up in our office. 2 days before the journey packing the samples, usually we only pack our private luggage a few hours before the flight. Every time it is the same nerving rush, every time we promise to better ourselves, it never happens. Departure from Frankfurt is at 2 pm. Departure from Neunkirchen at 10 am; an employee drives us in the sprinter, as our luggage, which the two of us share, weighs nearly 100 kilos; packed into 2 suitcases, 2 trolleys and 3 huge crates. We fly Thai Air via Bangkok to Xiamen. Check-in at the airport after 1.5 hours of journey; we fly first class to take the luggage free of charge and to be able to sleep at night, as there are level beds in first class. We get the tickets seriously discounted, far below the tariff. After the check-in, we go through passport control, then to the lounge, where I drink to have the required “tiredness”. Timely departure, still a few glasses before food, which I already oversleep. 11-hour flight to Bangkok, of which I have slept for 10 hours. 4-hour stay in Bangkok 4, again in an outstanding lounge, I have a shower and am fit again. Flight to Xiamen again on Thai Air. Arrival at Xiamen at 3 pm local time, entry formalities, customs, 3 carts full of luggage. We are being picked up by a driver with a minibus of our factory, 1.5-hour journey to the hotel in Quanzhou, where we arrive after 26 hours of journey. Check-in, that same evening there is a meeting regarding the samples we have brought along. At 11 pm we go to bed already. Breakfast at 8 am of the next morning, 8.30 leaving for the factory. This is what it is like every day. Discussing samples, placing subsequent orders, selecting new samples, negotiating prices, for up to half an hour per item, sometimes it only takes 5 minutes. Defining packaging units, providing item no. and barcodes, taking photos and stipulating order quantities. Each item is ordered immediately. Order forms with copies are written. We stay in Quanzhou for 4 days, then travel in a Honda Civic to Dehua, on a 3-4 hour journey; for the largest parts I drive

myself, highly interesting in China, the Mille Miglia is an OAP's exit in comparison. For every 10 km travelled, I would have to hand in my licence at least 20 times in Germany. In Dehua there are only hotels, which are quite unusual for us as far as hygiene, service and food is concerned. 4 days in Dehua with our employee Diana and her partner. 30 factories, walking up and down 3-6 floors every time. From Dehua to Huangyan, 4 days of visits to factories, orders etc. Then on to Ningbo, visit to a factory, on the same day on to Shanghai. Total route to now approximately 1,000 km. 2 days in Shanghai, I'll come back to that, back to Ningbo, from there on to Yiwu, visit of a trade fair, without success, flight from Yiwu to Guangzhou, 1 hour in a taxi to get to the Shangri-La hotel next to the trade fair premises, checking in, on the same day still 2 meetings, 10 days of work from 8 in the morning to late ahead of us. Countless meetings with factory managers, negotiations, 5 days of trade fair visits in the day, the trade fair premises are 6 times the size of those in Frankfurt, countless km every day. On the fair itself we order hardly anything, everything is too expensive, as there are mainly exporters or factories with significantly high cost structures and prices, above our sales prices, which is probably a reason why we always meet customers who continue to buy from us. Over the last 3 days I must go to the international clinic every day, danger of thrombosis, drips and examinations, one sock had cut into an ankle for too long. All's well.

28<sup>th</sup> of October, end of the journey in China. In a chartered limousine and with 50 kilos of luggage Melanie goes to Hong Kong, flies to Bangkok on the same day, in the night return flight to Germany, arriving in Frankfurt at 6 am and is being picked up from an employee. On the same day I fly to Shanghai, stay for another 6 days and return on the 3<sup>rd</sup> of November.

Melanie has got some samples in her luggage, but the majority will arrive in December in 2 containers, which we have organised in China, some samples, approximately 20 crates, arrive by air cargo.

## **Post-processing of the journey**

Melanie must weigh the samples, enter the items in the system, provide prices, freights, customs tariff numbers, customs tariffs. Later I will calculate the prices. Deposits must be paid for contracts, if that has not already been done from China. It is not long to the trade fair, reminders must often be sent regarding samples. In the meantime the daily business is continued normally, in China we process the emails, which are sent daily from the office, usually this is in the evenings, as we are 6 or 7 hours ahead. This journey is exemplary for the 2 journeys in a year, each in April and October, the trade fairs, preparation, post-processing and preparation of the next journey. Thus, the years go past quickly, thus 30 years go past without that being noticed properly. 30 years of IKO, the life of Klaus Otte.

## **Me, not the entrepreneur, but the person**

Klaus Otte, who is Klaus Otte, who am I? This is the question I have worked on in November, December 2008 and January 2009, while I was writing this. For the largest part my life consisted of work, I have described the first years in detail, hardly any holidays, and if there were holidays they were only short and mostly with befriended customers, thus even in the holidays there was business. Overall, the circle of friends only includes customers and service providers, such as trades people, freight forwarders, etc. My private life always happened in the office. The office talks continued in the house. Melanie's childhood was characterised by the business; from 6 years of age she grew up in the business. When one time there was sufficient capital there were years of exaggerated luxury with appropriate holidays etc. Holiday only was 1 – 2 hours of sports every day, and for the rest of the day sleeping.

In my childhood, youth I was not able to have a fight, at the beginning of self-employment I was extremely customer-friendly, perhaps too customer-friendly. Then years followed, where I was too arrogant, due to the success, some form of self-protection, one customer more or less did not matter, we had more than enough, rather we did not have enough goods. Thereby, I was certainly unfair quite often and, as already in the beginning, I happily and honestly apologise for that.

After the failure of my first marriage I started rethinking; Klaus Otte has changed, more significantly so in the last months. I have always been generous, have lent out money, which I never got back, have gone through countless lawsuits, of which I won most and still did not get any money. I have always paid my employees far more than average, but I have also demanded more. And this is probably one of my fundamental problems. In November, I received a text message, which hits the note: "Love means to love and to be loved, to give and to be given. Love is not only thing between two person, but also to love the families." This is in contrast to my experiences; see the film *Lovestory* for example. The central message: Love is to give and not to expect. I have given happily and a lot, but in my heart I also always

expected and was often depressed and disappointed, when that did not happen. Outwardly, I may appear tough, but hardly anybody knows what it looks like inside; how much I cried, how often I was seriously unhappy despite the success, the money and the power. In many letters, I tried to explain myself, but still acted wrongly. I owe a lot to my daughter Melanie; I could not give her more love and tenderness, I never hit her, I always praised her and even if I say so, I was certainly a good father for her. She has been grateful; professionally she is now better than I am, as she can deal better and immensely faster with computers, the Internet and emails. However, I have the advantage of 30 years of experience over her, which in some situations is a benefit. Melanie and I also sometimes have problems, when again I expect something, this is perhaps my fault. As I already described I started drinking alcohol when I was 30 years of age, however, as a rule only in the evenings, during trade fairs from 5 pm and at home from 6 pm. For 22 years, I went to bed drunk in order to be able to sleep at all. During the days, I practically never drank, only on holidays, and never any spirits, but only champagne or wine. I was never abusive, never aggressive; I only fell asleep, even at the table during dinner with friends. At the age of 30 I stopped smoking and was a vehement non-smoker, unfortunately at the age of 48 I started again. My weight had climbed up to 110 kg, when I was 46 years old and weighed 110 kg I started swimming and running training, consistently for 2 years, every day, even during the trade fairs and in China. Today, I weigh 68 kg, weigh myself on the scales every morning and maintain my weight. I married for the 1<sup>st</sup> time when I was 19, till death do us part, we had agreed and I believed in that. For all friends and customers we led an exemplary marriage, unfortunately, that was not the case. Melanie's mother fell ill with cancer, after the treatment had finished, she went to the health resort in Anthroposphen; today I believe it was there that the changes started. In the same year, my daughter and my wife gave me flight lessons for my birthday; we went to the flight lessons together; in that time, Melanie's mother changed more and more; I go by conjectures, only by conjectures. That was in the late summer, autumn and winter 2003. In January 2004, we had the 25<sup>th</sup> anniversary. I often thought of cancelling it; our marriage no longer worked, my

wife had turned away from me and was nearly always at the airport. One day before the China journey in April she told Melanie and me that she would not fly with us. When we came back, she moved out, from then on she lived separately from us. Terrible times began, I was even more drunk than ever, Melanie often got me from the office in the evening and took me home, in the mornings, however, at 6 am I was always back in the office. My friend Rainer also cared for me a lot in those times. 6 months after the separation I was made acquainted with my 2<sup>nd</sup> wife. This previous sentence is correct and has consciously been chosen like that. 3 months later, we moved in together, 1 month later I found out that I had prostate cancer. The hysterectomy followed in March 2005. The Syrian, who was already mentioned at the beginning and who cooked in our student flat, treated and operated me, by now one of the world's most renowned professor of urology.

I owe my NEW LIFE to his operative skills. My acquaintance, who became my 2<sup>nd</sup> wife 14 months later, helped me over terrible crises in those times; I am still very grateful today. When we got to know each other she was 22, I was 48. My marriage with her lasted for 2 years and 3 months until I terminated it. I do not want to write bad about either wives. It was my life to the separation of my 2<sup>nd</sup> wife. I never hit either wife and during the relationship I never cheated. During my 1<sup>st</sup> marriage I was admittedly in love in another woman, but “nothing” happened and I myself made it public. I wrote the biography as a first person account because I was the doer, but still Melanie's mother had a share in the success and she gave birth to Melanie and cared for her exclusively for 4 years and with her care and stimulation she strongly fostered Melanie's skills. And I am grateful for that, too. Melanie and I no longer have any contact with her mother; but for my daughter I wish that it will work again one day. Regarding my cancer I was incredibly lucky; I went to the doctor, whom I cooked with as a student and whom I experimented with using leeches; today is still an internationally highly acclaimed professor of urology. He operated me in such a way that I do not feel any consequences of the operation, I point out, not any consequences at all. I am often grateful to him; I think you understand why.

During the break-up of my 1<sup>st</sup> marriage I was often depressed, did not

have any will to live. My love for Melanie and my responsibility for her prevented the one step, which one employee unfortunately took in 2008; also, long conversations with a friend from Hamburg as well as with my friend Rainer also helped, who bestowed practical help for life on me, too. At the time, Melanie was more tolerant than a father may expect of his daughter. Also, she often got me from the office and took me home. Yes, Melanie, she is a daughter that any father can dream of. One particular event in October 2008 during the acquisitions journey with Melanie changed my life fundamentally; I happily write this down at the end.

## October 2008, private restart

October 2008, Melanie and I on the acquisitions journey in China. For your better understanding, I need to explain what “karaoke” is in China, or at least how I got to know it. Already in the times after Melanie’s birth, when I travelled to China on my own or twice in a friend’s company, factory owners offered us karaoke visits in the evenings, which were quite unambiguous. On the one hand karaoke really does mean how we understand it, on the other hand, however, it also is what we call a house of pleasure. I never accepted these invitations, always refused and never touched an Asian woman. Later I always travelled in the company of my wife and child and these offers were not made. On the journey in October 2008, Diana’s partner offered to send a girl to my room, as I was single. Thanking, I turned down the offer. This gave Diana the idea on the next day to introduce me to her best friend and she talked to Melanie about it. And now one or the other reader will probably understand why I am writing all of this here in Shanghai. We arrived in Shanghai at about 5 pm, checked into our rooms. At half past 5, we met at the reception, wanted to have dinner. Diana’s friend, a highly renowned lawyer in Shanghai, divorced, 39 years of age, a son of 12 years, appeared. Unfortunately, not my type, Chinese people are not blond. The five of us went off for dinner to a good restaurant, Diana, her partner, her friend, Melanie and I. I was quite impolite, during dinner for the most time I talked to Diana and Melanie and every now and again I looked to my left, where Mrs. Li Qinni, her English name is Cacy, was sitting. After the meal I wanted to pay, as it is customary for us; this was not possible, as woman Cacy dealt with the bill; we were guests in Shanghai. Diana suggested to go to a pub with live music, which we did then. We danced a few times, then I asked Cacy to go outdoors with me; with that loud music, you could not talk at all. We went outdoors, for 2 hours we had a great conversation, which we continued in the hotel to 3 o’clock in the morning. The next evening we all went out for a meal together again and then we talked nearly the entire night. It was moving, interesting and somehow exciting. I promised Cacy to see her again. In the next morning, we had to leave Shanghai. Before the end of the journey in



China, I was already writing. On the 28<sup>th</sup> of October I flew back to Shanghai, Melanie flew to Germany. In the 10 days, countless text messages had connected Shanghai and Guangzhou. I moved back into the hotel in Shanghai, a few metres away from Cacy's apartment, stayed for 6 days. During the days, Cacy worked in her profession as lawyer from 8 am in the mornings to 7 pm in the evenings; I pursued my businesses. Something developed, which at the first meeting was far from any idea. As I knew that a new lasting relationship would only function without alcohol I did not drink any alcohol in Shanghai, "no alcohol on each day that I am together with you", I voluntarily promised Cacy and I kept this promise to today, it works. At the beginning of November, I was in Germany for a few days only and flew back to Shanghai for many days. At the beginning of December, I came back to Germany for a few days in order to book the next flight again straight away. I spent Christmas in China, went back to China immediately after the trade fair in Munich. I have written down everything here in China, Melanie keeps me free from any obligations and allows me to have this time-out. Cacy and I have talked several hundreds of hours very openly and intensively, which was the more difficult but also more interesting as we do that in English. Cacy does not know any German; I do not know any Chinese. Thus, it is often more interesting, as we often explain to each other what we mean because the translation from English to Chinese often has a different, sometimes completely opposite meaning in comparison to German. Since the end of November, I have been living with her in her apartment of 100 sqm on the 27<sup>th</sup> floor in Shanghai. I have learnt to go to church on Sundays and I started to learn how to pray. I can go shopping by myself, order flowers by myself and organise all everyday things in life without knowing the language, just being friendly and using gestures. Our fantastic relationship, the coming together of Asia and Europe changed my thoughts a lot, I now philosophise more, which had been alien to me before. Due to my private friendship with Diana and Oliver, I know Chinese particularities, which help me to act according to the country's tradition in China. Over the months, a huge love has grown and we want to get married, very unpretentiously, on our own, without ceremony. We both want a new life, as we are dreaming of,

which, luckily, is economically possible due to our circumstances in life. Cacy has a son, I have a daughter, we are working on becoming a happy family and hope to be able to write of a really successful Chinese-German relationship in ten years' time.

I would like to thank all customers, business partners, service providers, my tax advisor, my lawyer, my house bank, my friends and also and in particular all employees, many of whom identify with IKO and consider IKO as their home and family.

Melanie will continue my 30 years at IKO, I will only be deputy in the company, the family business IKO. From the bottom of my heart, I would like to wish my daughter Melanie health, luck and professional satisfaction with the hope that the customers may permanently do good businesses with Melanie.

Shanghai, on the 20<sup>th</sup> of January 2009

## **Closing words**

Today is the 9<sup>th</sup> of March, seven trade fairs are behind us, I was part of it in Munich, Frankfurt and Leipzig. Cacy and I will get married this month in Shanghai. I have completed the last editing of the text and will send it to Germany. On the trade fairs we have received many special orders, which I discuss daily with the manufacturers here. Also, we fly out to different factories. In Germany, the preparations for the 30<sup>th</sup> anniversary of the company are well under way and after I have translated this book into English, it shall be sent out in April together with the invitations for the celebration. Melanie will arrive here on the 10<sup>th</sup> of April for an acquisitions journey in China. I still do not drink any alcohol; I have had some in Germany on the days I had been without Cacy. We spent 19 days together in Germany during the Frankfurt trade fairs; I did not have a drop of alcohol then either ----- it works. Daily, long conversations still change my thoughts now. Based on our experiences, we both believe to be able to live together in harmony without quarrels to the end of our lives and to solve all problems developing with the partner by the hand. We renew this vow daily.

At this point, I am thinking of a text, which I once wrote and which will be included in the print as a conclusion.

Thank you, see you again, bye!

**Klaus Otte**

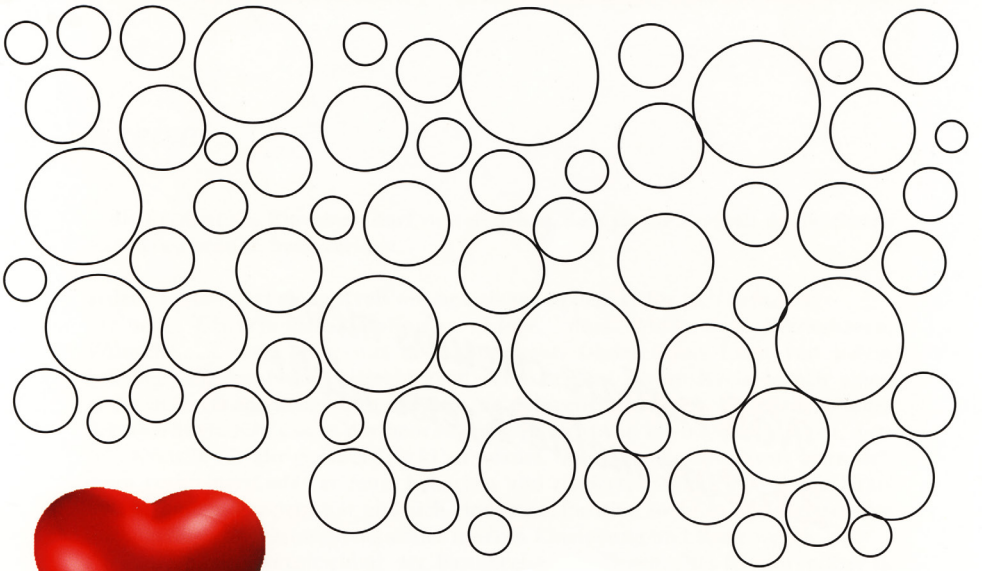
*30 years IKO*

*30 years IKO*

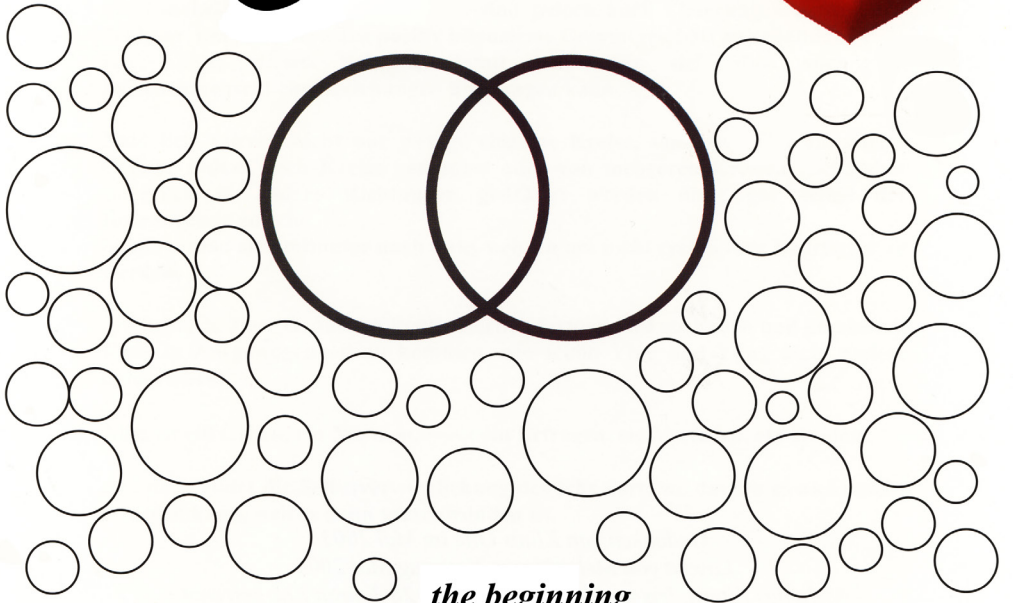
*30 years IKO*



Klaus Otte



# Circles



*the beginning*

*Noli turbare circulos meos*  
*Zerstöre meine Kreise nicht*

*thoughts of Klaus Otte in may 2003*  
*Layout done by Melanie for fathers day in 2004*  
*Melanies parents, Iris and Klaus, are divorced after 28 years marriage*

# *Circles*

...the freedom of the individual may go as far as that it does not limit or infringe the freedom of others...

Every person may draw a circle around himself, in which he defines the following for himself:

freedom, expectations, hope, love, what is tolerable, desires,...thus anything he lays claim to. This circle may be designed differently by every person and may be of any size. If, however, this circle starts to constrain, squeeze, deform or dissect another circle the pressed circle must tell the pressing circle, as it does not recognise that by itself, that the circle is at risk to be crushed. The pressing circle can then shrink or it remains the same and risks that the pressed circle has reached its minimum and looks for a new position in the circles of the social fabric or at least for its inner attitude and calm.

This is comparable to the circles of influence amongst animals. This applies to all areas of life, also to the business life, and can only lead to peaceful solutions. We may ask for anything of every circle if our circle defines it, but it only needs to be brought in balance with what the other circle can give.

From the business life:

I can drive down every business partner with the prices so that he does not earn anything anymore. At this point, that is shortly before then, the supplier would be well advised not to supply anymore. In individual cases, however, deliveries below the price are possible in order to maintain the otherwise positive balance of the total business.

I chose this example so that everybody may transfer this to his own interpersonal relationships.

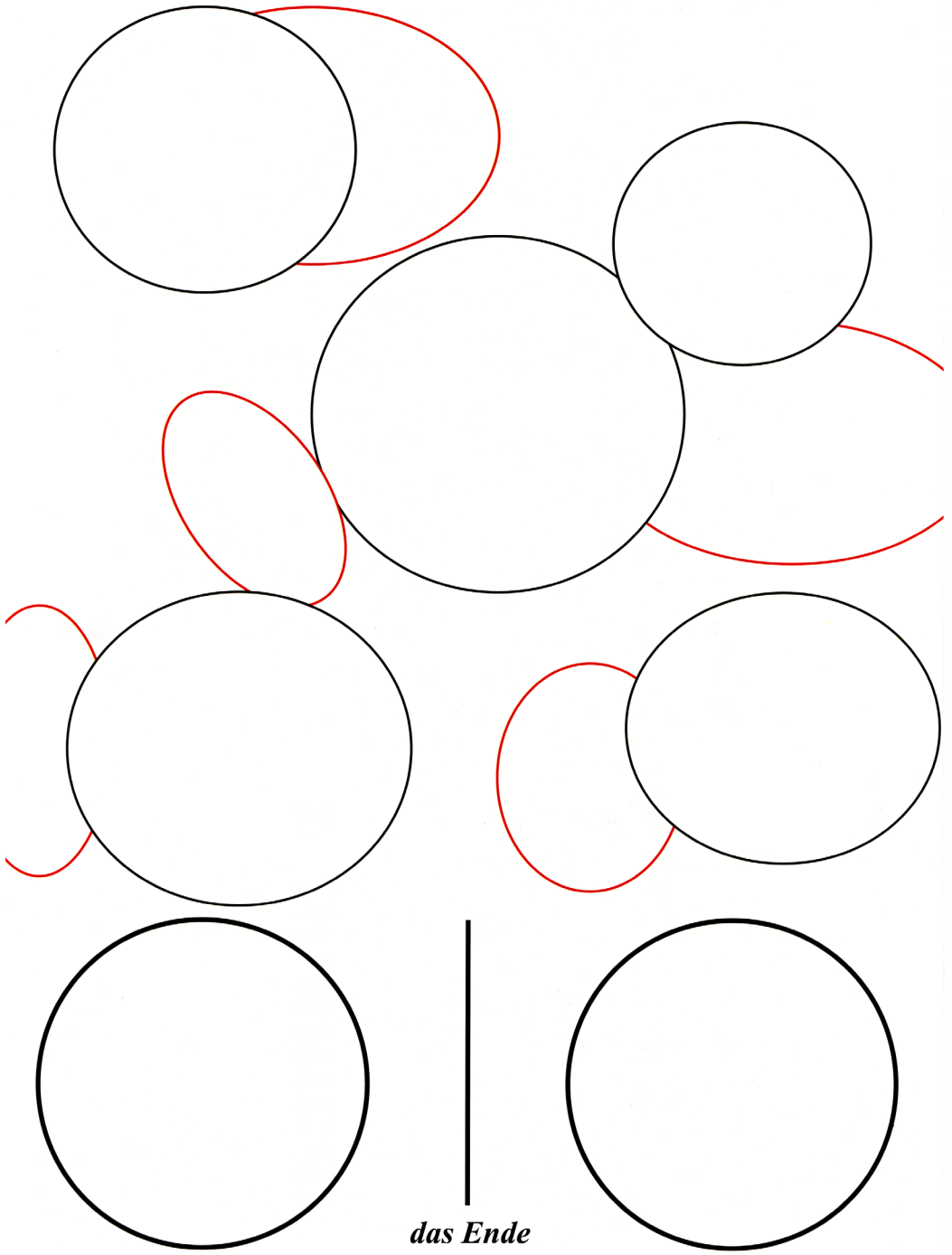
Of course, there are not only a few individual circles, but there is a chaotic structure, where circles are nudged or where several circles are slightly but surely pushed in other directions without being the pressing circles themselves.

Thus, sometimes, it is needed to defend against the left in order not to become a pressing circle at the right.

...I will continually formulate and expand on these thoughts and believe to reach a balance in the end, just as Ying and Yang had described....

Everything is to give, to take ----> to suffer, to arrange, to tolerate, and still the self-fulfilment of the I ends where the „you“ can no longer tolerate it because it has vanished then.





*das Ende*



**IKO Hauptbetrieb  
- IKO main warehouse**



**Büro und Musterzimmergebäude  
- office and showroom complex**

*IKO*

**Hauptpreis der  
„IKO 21-Jahr-Feier“  
- First price at the  
„IKO 21-year-anniversary“**



**Party „IKO 20 Jahre“ mit George Mc Crae  
- party „IKO 20 years“ with George Mc Crae**



**Das Puppenkarussell,**  
 Lange Zeit treuer  
 Begleiter auf vielen Messen  
**- the doll carussell**  
 long time a faithful  
 attendant on many fairs



**Messe Dekoration 1995 als „Eye Catcher“**  
**- booth decoration 1995 as „eye catcher“**



**Messestand Dekoration - booth decoration**



**Messe Frankfurt - at Frankfurt fair**



**Die 25-Jahr-Feier  
im Witzigmann Palazzo**



**The 25-year anniversary party  
at Witzigmann Palazzo**

# IKO

Import – Klaus Otte

Maikesselkopf 23  
6680 Neunkirchen/Saar  
Telefon: (06821) 42527  
Telefax: (06821) 42528



508



507



700  
Stuhl



702  
Sofa



501



506

506



501



408  
Paar

Erster Katalog  
- First catalogue





