Pierre-Yves Perrin (PP), directeur FMH, and Christophe Nicolet (CN), CEO of Felco SA Vera Sacchetti (VS) Les Geneveys-sur-Coffrane, February 21, 2018

- vs How did the Felco firm come into being? Could you describe its beginnings to us?
- I am the Felco founder's grandson. My grandfather, Félix Flisch, established the company in 1945. He came from the Swiss canton of Grisons and, after studying to become a mechanic, he moved to this area for his training and to learn French. Then he married a woman from the Grisons and the couple settled in the canton of Neuchâtel. Just before the Second World War, he had begun working for a garden tools manufacturer. In no time, he came to realize that these tools were very basic, heavy and not at all ergonomic. Thereupon, he himself came up with ones that were lighter and easier to handle, while at the same time duly robust and, moreover, lending themselves to easy part replacements to prolong the shears' longevity.
- CN Félix Flisch was the first person to come up with aluminum handles for his tools, and to offer customers a set of spare parts, thus ensuring the maintenance and durability of those tools.
- up for duty during the Second World War: long moments of wait got him thinking about the future; he began sketching and drawing tools. At the end of the war, he bought a watch dials factory and founded Felco. He started out with a small workshop of 4 to 5 people, and then the company gradually began to grow. My grandmother played a part in its success, since she was in charge of what we now term "human resources."
- vs Ergonomics, excellence and durability... Can you tell me about those three principles so important to Félix Flisch, and still so relevant today?
- CN Originally, the idea was to design a tool fitting comfortably into the hand. Most probably, the first tools were made in the mass, without any

- drawings. It is in reshaping the material that Félix Flisch found himself obliged to perfect the tool's design. Ergonomics remains the main concern of our users, who consist mainly of land-working professionals who work with our pruning shears for long hours at a time. Vineyard workers, for example, carry out 12,000 to 15,000 cuts a day. Without an appropriate tool, such workers would last a first day and perhaps a second, but certainly not a third! Felco has made a point of staying in touch with its tool users in the field, in order to offer them solutions that totally match their needs. For example, quite early on we became aware of a need for tools for the left-handed, leading us to come up with a specific range of tools. We are almost alone in offering such a range, since it is not cost-efficient in view of the major industrialization costs entailed. Actually, if Felco hadn't come up with them, no one would be making them.
- PP It is a very much appreciated sector of our production. I would add that we also manufacture pruning shears with revolving handles, as developed together with the Max Planck Institute. The fact that we brought out our first revolving-handle pruning shears in 1966 goes to prove that, already then, ergonomics belonged to Felco's major concerns. At the time, my grandfather and his team registered a number of patents. Ergonomics is a very vast field indeed; for several years now, we have established links with institutes catering to musculoskeletal diseases. This has helped us to better understand the stakes, inciting us to develop ever new tools.
- Your company slogan is "Swiss Precision.

 Made to Last." What can you tell me about this durability concept?
- Our concern with durability belongs to our firm's DNA. Félix Flisch designed his first pruning shears using components that were replaceable in case of wear. That astute spare parts system

lent new youth to the tool, ensuring the prolongation of its lifespan. We could have come up with the following slogan: "You never actually own a pair of FELCO pruning shears. You merely look after it for the next generation." Fact is, that slogan is actually from Patek Philippe. However, it proved itself true for us in South Africa not long ago, with respect to a major competition: a young student won that contest with a tool named "Popular" — pruning shears created during the sixties that she had inherited from her grandfather. How extraordinarily stirring for her to win that prize with a tool belonging to her grandfather!

- vs Does "Swiss Made" still go hand-in-hand with excellence?
- Excellence is vital to manufacturing in Switzerland. It has to do with the product, but also with how the product is industrialized and distributed. Small businesses that succeed nowadays in Switzerland are those that have built up a target customer base and have proven their excellence in their market niche. We have no ambitions to become major international competitors. Rather, we prefer to build on the skills we have developed over the last few decades, to come up with new types of products. This comes through in our saws for instance, which exemplify the evolution of our range of tools: manual pruning shears can cut a diameter of up to 40mm, while the saws we have developed can cut wider swaths. They fit in perfectly with our range of tools in their respect for our philosophy.
- vs Could you tell us about the first tools to be developed?
- CN We manufactured our first tools in 1945; over the next few years, these rapidly became export products. Indeed, the local market proved insufficient for developing the firm, driving us to seek new markets such as Belgium, Germany, etc.
- The first markets outside of Europe were South Africa and Israel (just after its creation).
- vs Did your grandfather already have various contacts, or did he have to do his soliciting directly?
- The must have had one or two contacts at the most in my opinion. The first contacts were made locally, through the region's vineyards and the schools specializing in arboriculture and vine-growing.

- vs When he travelled to Germany and France, he noticed that his lightweight tools were a real innovation...
- During its first years, the company produced a few hundred tools a month. The numbers only began to really soar during the early sixties. The Felco 2 model was designed to be more ergonomic than the tools on the market at the time; it provided optimal finger positioning. In its present form, this model is certainly the most sold and the most copied one in the world. It has never stopped growing since being launched, and there's still room at the top.
- vs Would you say the Felco 2 hasn't changed much since first hitting the market?
- The very first Felco 2 pruner dates back to the end of the forties, whereas the current model dates back to the end of the fifties.
- CN There have been no changes to its design; any innovation pertains to the materials it is made of and its production mode.
- vs Given that your customers hail from around the world, how does your spare parts policy work, since the factory itself has remained in this region?
- In that differs from one country to the next. If you need to repair a tool in South Africa, for instance, you have to travel to the sales point to get the spare parts, and then make the replacement yourself. Most pruning professionals know how to sharpen and look after their tools themselves. On the other hand, gardening enthusiasts, who represent our other target group, need assistance. This has inspired us to develop a distribution network with points where you can bring or send you hand pruner for a total overhaul. We also do overhaul campaigns at major horticultural and agricultural exhibitions. That is one of our highly appreciated customer services.
- PP The idea of longevity is not particularly well established in Asia: they do not conceive of holding on to a tool for a lifetime, so spare parts invite little interest. That may be one of the reasons we have trouble imposing ourselves on that continent.
- vs Do you try to play an educational role on those kinds of markets, or do you prefer to turn your attention to other markets?

- Generally speaking, we must find the suitable means to transmit our values and qualities, and to remain attuned to our users. For example, we work with vocational schools to find out our users' needs, but also to present them with the existing solutions. At our sales points, we have noticed that the salespersons give less and less advice. Therefore, it is up to us to imagine communication supports that are both appealing and instructive.
- vs What kinds of new products do you imagine?
- PP Most attentive to what our markets have to say, we have come to understand that we must keep on evolving. For instance, if you observe what is going on at oenology schools, you note that 50% of their students are now women planning to take over the family vineyard. The morphology of women's hands is different, as is their available strength and the size of their hands. This made us decide to develop a tool suitable for small hands.
- CN Based on technical drawings, today's 3D printing technology enables us to rapidly come up with prototypes; we go on to offer a range of designs to obtain an almost ready-for-use tool for making field tests.
- vs Do you carry out tests with the users?
- CN Yes, we do that a great deal, in different countries and on different markets, as well as for varying applications. Developing a new tool is a repetitive process based, amongst others, on the skills of an industrial designer. We have been working with the designer Paolo Fancelli for some twenty years now: we ask him to adapt the tool codes to our various product developments. That process takes two years, from the first pencil stroke to the marketing. Note that we are immune to any pressure in the face of any obsolescence incurred by a new fashion or colour.
- vs Do you ascribe numbers to your tools and, if so, is there a certain logic to them?
- All logic is meant to be transgressed. [laughter] Hence, there's no more logic. Nonetheless, the role of numbers remains extremely important. In Italy, it's above all the number 31 that works best, and in Africa, 4. That facilitates communication on those markets.

- vs There has been talk of assisted pruning shears. Is that the future?
- PP The call for electric pruning shears has kept on growing, and we must meet that demand with reliable and innovative tools. It must be said, however, that this is a very competitive market sector.
- CN We launched our first pneumatic pruning shears in the seventies, followed by electric pruning shears in the nineties. Since 2010, we have been developing new generations of electric pruning shears within our Group, in collaboration with Felco Motion, a sister company specialized in mastering mechatronic units.
- vs During the nineties, given the boom of capitalism, most companies sought to expand. Felco chose to hold on to its market niche, without seeking to enlarge. How do you explain that?
- slowly but very surely. We have never focused on rapid profit and growth. Our strategic outlook is quite common among family companies who, seeking to ensure their continuation, tend to take a long-term outlook. Getting back to your question, I would say that since the early nineties, we have been developing our distribution network, notably by creating our various branches on our main markets— Belgium, France, Germany but also on those in South Africa, Australia, the USA, and Canada.
- vs Do you feel that the "Swiss Made" label, which has existed since the very start of your firm, has been of help, or not at all?
- PP That's a whole discussion in itself. [laughter] I am an avid fan of the "Swiss Made" label. Christophe Nicolet is as well, but I have the feeling that, sadly, our markets do not see it as a real plus value. That is what our latest studies seem to indicate.
- We have a very clear vision of how our firm will develop in the future, say by 2030. Obviously, the tools bearing our DNA will remain labelled "Swiss Made." However, some of our tools are not made in Switzerland: our saws, for example, are made in South Korea. That is to say, it is our engineers who have developed them, but they are being produced over there according to very elevated quality standards that are identical to those

applying to Swiss manufactured goods. The brand itself represents a proof of quality.

- PP Felco's shareholders have a stake in reinvesting in the company. Over the last fifteen years, the firm has been truly modernized, and working conditions, too, have been improved. These investments make it possible for us to remain competitive. The Felco 2 price has not changed for twelve years now. We have managed to compensate the disadvantages of the Swiss industrial scene—i.e. the high salaries, and the Swiss Franc's surge in value by gains in productivity, enabling us to continue to sell this tool at the same price, or even a bit less.
- vs Since 2011, you have been running entirely on green energy. That is certainly worth underscoring.
- That has seemed self-evident to us. As soon as we could do so, we chose to run exclusively on green energy. We also set up solar panels on the roof of the factory, and we follow a maximum recycling policy. We want to have an environmentally friendly production, and are doing everything possible to attain that goal. We have just finished installing a post to recharge electric cars for free. And we even feature beehives on the factory roof, providing us with honey for all our partners to enjoy.
- PP And we also use electric bikes in the summer. [laughter]
- vs And, too, you encourage your employees to take the green energy problem seriously. Did Felco have such a holistic vision right from the start?
- PP My grandfather was a sportsman who loved nature, and that's a value he passed on to us. We have remained close to nature, and we live in a manner that is rather atypical for industrialists. His values are obvious to us.
- vs What other values did your grandfather pass on to you?
- PP My grandfather was somewhat "old school" if I might say. He cared a great deal about his employees, and should any of them find themselves in financial straits, he would easily grant them loans. He and my grandmother had a paternalistic outlook that would hardly come into question today, in view of the degree of professional-

ism our current service industries have attained. When my grandfather passed away, we received endless testimonies as to all the help he had afforded so many people. My grandfather was also interested in politics; he belonged to a local discussion group that invited writers, philosophers and adventurers to give talks... It was of course a different era, so perhaps it was easier then to establish contacts... He was full of enthusiasm for philosophy, history, literature and, of course, for the mountains...

- cn Nowadays, management of a paternalistic nature has become "benevolent management." That label may be the fashion of the day but, at Felco, it represents an innate attitude. Felco's higher echelons take a stance that is at once natural and distinctive, as comes across in the way its members communicate with one another. This is what distinguishes us from a larger-size group.
- vs Would you say the families in the region have also been affected by Felco?
- Oh yes. Sometimes there are three or four persons from a same family working at once for Felco.
- PP Prior to 2005, Felco's visibility was rather limited, despite its being established in the region for quite some time. However, in 2005 all that changed: Felco won 1st prize at the first edition of the Swiss Venture Club Enterprise Award, gaining us widespread media coverage. That award greatly increased our visibility, even beyond our region. Meanwhile, over the last few decades, it would be no exaggeration to say that the only vector of our family's visibility has been our firm. This is, of course, often the case for our country's family business owners that is, people who prefer to remain unobtrusive on all but a professional level.
- vs And as for today, do you feel Felco has increased its international visibility? How do you envision the future?
- Over the last few months we have thought things over quite extensively, in order to come up with a clear vision of ourselves and of all our partners and collaborators. We must lend a sense to our work. In the old days, all that was asked of an employer was to guarantee us a job and a good position, with regular hours. Today, the younger generations expect something else. It is now our reputation that can attract young talents,

our dynamism. However, we must also succeed in making what they do seem meaningful. The challenge this implies is that of developing a new work methodology that takes the latest technological evolutions into account, that affords greater flexibility to how the work to be accomplished is organized, and that improves our productivity. We are called upon to try to explain our vision and our ecological conscience, and to convincingly argue the advantages our tools have to offer. Our development plan is not a matter of transforming Felco into a company with a fourfold increase in turnover. It is that of better understanding customer needs — be it product range by product range, market by market. That is why we now work more transversally with our firms and outlets. The idea is to build up our future thanks to an ascending thought process. Concretely, some great surprises are in store in our product development over the next four years...

- There are still several markets to be developed; we plan to offer new commercial platforms on line.
- vs Tell us about your latest campaign...
- We asked our users to allow themselves to be photographed with their tools. Usually, photos boast new products, but in this case we wanted to illustrate the longevity of our pruning shears by showing used tools. Our photos for the media are also meant to last!
- vs That desire to make long-lasting products has always been part and parcel of Felco's DNA. Yet since the eighties, the world has been focussing more on the need for novelty...
- Felco has always wanted to make long-lasting tools. Nothing has changed on that score. Simply though, durability has now come back into fashion, with efforts being made to fight foreseen obsolescence that is, to fight waste.
- vs Have you been able to attest that people are really interested in this notion of durability and, more to the point, in the possibility of obtaining spare parts?

- PP Yes, I've seen it concretely in the field. Felco is present at various shows, and when customers visit our booth, they tell us how satisfied they are. Young people or the not-so-young, our customers are all landowners; they have good common sense and true values, and a taste for dependable products. Therefore, they find our sales pitch convincing.
- vs Now that you've won the 2018 Swiss Grand Award for Design, does that make you want to go do still more on the design of your product?
- We have been working together with the ECAL in Lausanne for several decades, and have developed various concepts and products together with them. For instance, we came up with objects that could widen our product range, such as a helper stool for the vineyard. More concretely, we have indeed jointly developed carrier backpacks for our electroportable tools. We are not far from several major design and industrial design schools. Now, of course, the Swiss Grand Award in Design will spread our fame to a far wider customer base. I feel confident that will do much to increase our visibility; it will enable us to promote our brand ever more successfully.
- vs Had you heard of this Grand Award before winning it?
- knowing how difficult it is to win a prize in a competition we couldn't have won this one without having participated in it! [laughter] It is when I got to talking about it to a designer friend of mine that the value of this important recognition really hit me. We are very happy and highly honoured to have been nominated for and then awarded such a prestigious prize.