Interview: Bertrand Letartre – CEO, Anios, France



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Bertrand Letartre of Anios discusses the company's rich history, their move towards more technical offerings with the acquisition of Soluscope, internationalization, family values, and the company's mission to spread awareness of the importance of hygiene in hospitals.

This year Laboratoires Anios turned 118. Four generations later, the company has developed into a market leader in hygiene and disinfectants with a presence across 85 countries. What were the origins of the company and what sectors do you currently serve?

At the beginning my great-grandfather developed products for breweries in order to clean and disinfect surfaces. The name comes from this original product as in Greek, "ios" means microbe and "an" against the microbe. This philosophy is still important today as fighting microbes is the DNA of our business.

We are no longer involved in breweries, but in healthcare – which represents over 70% of our business -, life sciences, pharmaceuticals, food, cosmetics, and institutions like restaurants and hotels.

Diversification and acquisition have been key features of Anios' recent history. In 2014 you bought Soluscope; manufacturer of the *Soluscope* compact washer disinfector for flexible endoscopes. To what extent does this purchase propel Anios to a new level?

We bought Soluscope in 2014 but we had previously been their distributor in France and the producer of their chemistry products. This acquisition represented a very good opportunity at the time and has been a real success story. Soluscope are very competent and innovative in machinery and we are specialists in chemical products; allowing us to go beyond selling only liquids to selling systems. Previously, surgeons and nurses might have had to clean, rinse, and disinfect endoscopes manually. Now they just put the endoscope in the Soluscope machine and the process is automatic. This ensures safety and security for both patients and medical personnel.

With this more complete service offering, how can a mid-cap firm like yours hold its own against the J&Js and Proctor & Gambles of this world?

First of all, we want to sell security for the personnel and for the patients. Therefore, we have to provide a system of liquid and equipment which is efficient and has the smallest amount of toxicity and corrosiveness possible. Many companies are able to produce “good enough” disinfectant products such as soaps and gels which perhaps have a bad smell or low efficiency. These kinds of products can be produced in your garage. If there is a little irritation for people who are disinfecting their hands 40 times a day, it many situations it does not matter. However, making high-value technical products such as Soluscope machines and disinfectants for USD 100,000 endoscopes is very different. Our future remains in eye-level products but when we sell these products, we can also sell others.

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Your recent history has been characterized by internationalization as the company aims to achieve its objective of 50% of turnover coming from outside of France by 2020. Jean-Frederique Chibret of Laboratoires Théa identified retaining family values while internationalizing as a difficulty; how do you maintain your core values throughout the company?

At Anios, we have our own growth philosophy. What we want are partners and subsidiaries which have the same culture and philosophy as us and in order that, we do a lot of training. We have 13 pharmacists and product managers who travel a lot to give lectures and training and spread the philosophy of Anios. We try to transfer our culture to partners and distributors in every country in which we operate.

Our mission is to do the maximum to decrease infection in hospitals. Nomosocial infection is a “silent killer” that is not widely discussed; more people die from these infections in France than are killed on the road each year. Many more acquire infections but survive. Additionally, the level of

infection control in France is very high compared to the South of Europe, but less than in the North of Europe where it is very cold and microbes have less chance to grow.

The level of awareness of hygiene and its importance depends on the country and is not only a problem of chemical products, but one of attitude. These attitudes can be changed through training and education. In France we have two nurses who go to hospitals to give training. They also train in how to use the products, such as machines and dispensers.

In 2013, you led a consortium with your brother Thierry and the private equity firm Ardian to regain control of the company; taking it back from Air Liquide. What were the motivations for that and what is your assessment of the Air Liquide era?

In 1998 we took the decision to make an alliance with Air Liquide. In this period, Anios's turnover was 160 million French Francs (approx USD 27 million) and we were mainly focused on the French market; international operations represented only around 5% of this sum. Air Lqiquide produce operating tables, lights, medical air, and respirators and thought that infection control would be a big market for them in the future.

The advantage for Anios was that Air Liquide could help us go global and that they accepted that my brother Thierry and I would keep some shares. However, finally, nothing happened. After three years of inaction, we continued alone with only a little reporting to Air Liquide. When I wanted to invest, buy a company, or grow outside of France, everything became a problem and I bought only two companies in 17 years.

Life continued as before, without the impact we were seeking but In June 2013, Air Liquide decided to sell. My brother and I decided we weren't ready to sell as we did not know the direction in which the company would go. Of course the offer would have been good for us financially; but the company does not only represent money to us. It represents people, investments, and the future.

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Air Liquide wanted to finish the deal before the summer so during July and August we met Ardian, with whom we were a very good fit. They were the only potential funder which agreed to let Thierry and I retain the majority of the shares. Finally, on the 8th of December we bought back our shares and only two weeks later we decided to buy Soluscope.

In 2010 you invested EUR 2.5 million in your Sainghin-en-Mélantois Luce Letarte R&D facility. To what extent has this enhanced Anios's capabilities in the war against new forms of bacteria?

At our R&D centre we have a list of bacteria to combat, depending on concentration and time. However, it is also interesting to test other bacteria and viruses. For example, we can also test against new viruses and potential pandemics such as Ebola. We work with Institut Pasteur on this and also have labs in hospitals in Lille where we can test viruses. We always have to be ready to react quickly.

What are the advantages of being a family-run firm in carrying out this mission?

The main advantage is that we are not dependent on the stock exchange. We have a more long-term strategy and have more respect from our customers. Our relationships with trade unions are also easier.

How has your management strategy changed over time?

Anios has grown from 50 employees in 1990, to 200 when we sold to Air Liquide in 1996, and 750 today. There are now a lot of new, young people. Management is easier today. When you have a small company you have to cover every department but now we have specialists. However, you have to adapt because the amounts of money being managed are far greater.

Anios is a great success story and you have received the National Order of Merit for your achievements as a captain of industry. What is there left to do and where do you hope to take the business next?

Our biggest challenge now is to continue to grow internationally and increase the percentage of our turnover coming from outside of France from 40 to 50%. We also want to learn new concepts, equipment, and products and be more efficient; but also protect our environment and our customers. One day Ardian will leave us as they generally only invest for four to five years, so we also need to plan for that eventuality.

Anios has a philosophy that must be upheld. Of course we produce products and make money, but we have a fantastic mission. We have to provide the correct products, used correctly, with the correct training. This is the only way to build a long-term relationship with the customer.

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