



## LIVED COMPANY HISTORY

# 40 YEARS OF ETHERMA - A REASON TO CELEBRATE

40 years of ETHERMA - that means 40 years of sustainability and innovation and the pursuit of the vision of CO2-free heating. Customer satisfaction was and is always the focus. On the occasion of the »round«, ETHERMA managing director Thomas Reiter looks back gratefully on the past decades and provides an exclusive insight into history, development and lived visions and where the journey of the professional for electric heating will lead.

***Mr Reiter, first of all, our warmest congratulations on the 40th anniversary of ETHERMA! To "survive" four decades with a company is definitely a remarkable achievement. In your opinion, what are the pillars on which success is based?***



**Thomas Reiter:** Thank you, we are very grateful and proud to be able to celebrate 40 years of ETHERMA this year. A success that can be ascribed to the commitment of our employees over the years and, at the same time, to the long-term partnerships with customers and suppliers. For me, the employees are the foundation on which

success is based. The ETHERMA family is characterized by great teamwork and a passion for the cause. Our focus has always been and is always on the customer. We think in problem solutions for our customers - also beyond the standard range. Many of our product innovations have their origin in a customer's problem that we want to solve.

### ***How are you going to celebrate 40 years?***

**Thomas Reiter:** 40 years is a reason to celebrate and whoever knows us knows that we like to do it too. As one of the leading manufacturers of electric and infrared heaters in Europe, we want to be a pioneer for ecologically responsible and socially just cooperation when it comes to sustainability. We therefore take concrete measures for responsible use of our natural resources as well as respectful treatment of our employees, partners and customers. This is what ETHERMA eCARE stands for. As one of our first initiatives, we have set ourselves the goal in the next 40 months to support 40 projects across our 3 countries in the areas of sustainability, social affairs and young talent. Our first concrete projects, which have already been implemented, are bee sponsorships in Austria and Germany as well as the support of a project circus for children.

### ***Let's take a look at the beginning. What story, what vision is behind ETHERMA?***

**Thomas Reiter:** My father, an electrical engineer and tinkerer, has always been fascinated by the possibility of using electricity directly for heating. He found the variant of first heating air or water and then using it for heating simply uneconomical. After a visit to the Kaprun hydropower plant, he couldn't get rid of the idea of converting clean electricity directly into heat. Without losses from boilers and the like. That was the starting shot for ETHERMA, and here we are 40 years later. Unfortunately now without my parents, but with a new generation.

### ***How did it all start?***

**Thomas Reiter:** ETHERMA was founded in 1981. As with many others - some of them global corporations today - the start was not very glamorous in the garage and living room of my parents' house near Salzburg. There my mother woven the first mats for our underfloor heating. My father took care of sales and the company grew a little with each passing year.

### ***In your opinion, what were the key milestones?***

**Thomas Reiter:** My father's idea of converting clean electricity directly into heat resulted in the first underfloor heating in 1981. I began my entry into the company in 2008 with a product innovation and we introduced the ETHERMA LAVA® infrared heating as a pioneer in the Austrian market. Economically important milestones are of course the entry into the German market with ETHERMA Germany in 2009, a joint venture with Jowitherm, which was crowned with ETHERMA Benelux in 2018, and most recently, of course, Viessmann's entry into ETHERMA. We have always been very active in the area of association work, as electric heaters have always been new and innovative and norms and standards are not infrequently lacking. Developing this is a very important aspect of our work.

***What were the most relevant product innovations?***

**Thomas Reiter:** Many product innovations are due to the inventiveness and creativity of my father. At the beginning of such a development there was usually a customer problem that he then began to solve with sketches and calculations in his notepad. In the process, new products were created that are still used technically worldwide today. Peter Reiter was a pioneer in the field of electric surface heating - numerous patents and the design of many products were the result of his commitment.

***How did you experience your entry into the company?***

**Thomas Reiter:** Joining a family business is not always easy. On the one hand, many parents expect that their dream will continue to be lived, on the other hand, many cannot let go of them. Especially when they started the company. I think there was no actual entry - ETHERMA was always like a family member. It was discussed in the morning at breakfast and then analyzed at dinner. During the holidays I worked in manufacturing. I would have liked to have planned to take over the management differently, in fact I took over very quickly when my father became seriously ill.

***You joined the company in 2008. What do you remember particularly during these 13 years?***

**Thomas Reiter:** What really makes me proud over the years is that ETHERMA has changed from a rather patriarchal company into a modern company in which the team and a shared vision are in the foreground. We managed to think as an ETHERMA family. Of course, the rapid growth stuck in my mind in the last 13 years. We grew extremely quickly - of course that brings with it a lot of challenges. And I always strived to make my father's vision - to heat buildings CO2-free - a reality.

***Mr. Reiter, Mr. Spekrijse ETHERMA and Jowitherm - literally a long friendship, please tell both of them about it briefly.***

**Thomas Reiter:** Ton, the father of Bas Spekrijse and founder of the Jowitherm, and my father had been friends for a long time. With Jowitherm, clay was our Dutch importer. Just like me, Bas took over his father's company. When I joined the company in 2008, it was my first business trip to Holland. There it quickly became apparent that Bas and I - like our fathers - are on the same wavelength and share a passion for electric heating. In 2009, as the first joint project, we decided to found ETHERMA Germany as an equal joint venture.

**Bas Spekrijse:** What is interesting about the company history of ETHERMA and Jowitherm is that a lot happened in parallel. Jowitherm was founded a little more than 40 years ago. My father, Ton Spekrijse, had the same thoughts as Peter Reiter at the time. Quite by chance, at the end of the 1970s, towards the end of the oil crisis, he came across electric heating and was of the opinion that heating would be electric from then on. But it would take more than 35 years before the Netherlands, as an avowed "gas country", accepted this idea. In the

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meantime we have developed as problem solvers for our customers and are therefore very customer-oriented in the Benelux as well. The corporate cultures of both companies are therefore similar. When I started at Jowitherm in 1997, my first business trip was with my father to Austria to ETHERMA, at that time in the new company building. At the time, I was immediately convinced that the further development of the partnership would be the right way to go.



Thomas Reiter und Bas Spekrijse | 2009

### ***Jowitherm becomes ETHERMA Benelux - tell us how to get there?***

**Bas Spekrijse:** The cooperation has always been very close. As a Jowitherm, we also had our own ideas, which we often developed together with ETHERMA. For example, the SOLAMAGIC® patio heater was first introduced in the Netherlands and then at ETHERMA. Since we are close to the German border, we have always had customers in the Euregio area (note: German-Dutch municipal association). In 2008 Thomas and I realized that, from ETHERMA's point of view, there was a lack of a clear common strategy for Germany. When we founded ETHERMA Germany, we laid the cornerstone of the ETHERMA Group. From the beginning Thomas and I said: if we gain a foothold in Germany, we will take the next step. That moment came in 2017 and now I can say that the transition from Jowitherm to the ETHERMA Group went smoothly. It feels like it's never been any different.

### ***In 2018, the heating contractor VISSMANN took part in ETHERMA. What impact did this move have on your company?***

**Thomas Reiter:** We were delighted when Viessmann approached us in 2017 with the idea of a cooperation; we have seen and see a win-win situation in this connection. ETHERMA is given

the opportunity to grow faster, Viessmann has entered the important market of electric heating together with ETHERMA. The distribution channels and product portfolios complement each other ideally. And so much can be revealed, we still have a lot to do.

### ***What role does electric heating play today?***

**Thomas Reiter:** We are convinced that the future of heating is purely electric. And we also believe that in order to make a difference in the future, you have to start today. Modern electric heating has long been more than an alternative. Electric heating systems are our only chance to sustainably relieve the environment and maintain a clean environment for future generations. The goal is to be CO2 free, not just CO2 neutral.

### ***What are the special features of ETHERMA?***

**Thomas Reiter:** We were probably always a little early with our ideas and visions. But slowly the future is changing to the present. Another reason for our persistence is certainly that our employees have a passion for CO2-free heating in their DNA. Sustainability of the products and a cleaner future for our children and grandchildren are not lip service for us, but our corporate culture. Despite the rapid growth, we have remained a family business - that is, quick in our decisions, we place high demands on the quality of our products and are very service-oriented and close to the customer.

### ***How does digitalization affect the heating market?***

**Thomas Reiter:** As in all areas, digitization is probably the greatest upheaval of the century. Smart home-enabled systems are currently not the standard, but in a few years houses and systems will become increasingly intelligent and self-sufficient. It is important that it remains user-friendly for the user. It has to be intuitive to use, otherwise it won't catch on. But digitization offers endless possibilities to offer customers service and to make their lives easier. I'm talking about topics such as clever energy management, optimizing your own electricity consumption, and the possibility of electricity sharing. And of course, topics such as maintenance and service from outside - without a technician having to come into the house, even without having to be at home yourself. This is an unbelievable gain in convenience for the customer.

### ***Can yesterday's heating be compared to today's heating?***

**Thomas Reiter:** A lot has changed here - and that's why it's all the more annoying that in some people's minds when it comes to electric heating, the old storage stoves pop up. Modern electric heating systems no longer have anything in common with these systems. Modern buildings and thermally refurbished old buildings are characterized by a low heating requirement - many of the traditional heating systems are therefore simply oversized. Electric heating is ideal here, as it can be used particularly efficiently - because each room can be individually and individually temperature controlled. If you combine the electrical heating system with a PV system, a battery storage and energy management system and a smart

control, you have the intelligent ZERO EMISSION HOME, a concept that we have been working on for several years. We already have a few projects here that produce more electricity than they consume. Single-family houses that do not cost more than EUR 80 .- / month for the total electricity (i.e. including household electricity). Basically we see the transformation from burning fossil fuels to CO2-free heating. The aim is not just to sell a heating system, but an energy concept that covers everything from power generation to power storage to mobility and healthy warmth and air.

### ***What do you wish for the next 40 years of ETHERMA?***

**Thomas Reiter:** That our vision of CO2-free heating will become reality - and that we will leave behind a clean, livable environment for our children and grandchildren in which they can grow up.