

# PFI: A 60-Year Success Story

***PFI has turned 60! Good reason to look back on past achievements and to take a glimpse into the future: What makes PFI so special? What has brought us to this point and where do we go from here?***

## **In the Beginning Was the Shoe**

PFI – the Test and Research Institute Pirmasens – is a registered association which has its origins in the footwear industry. This closeness to footwear and leather has been the mainstay of the institute’s success. PFI offers this industrial sector a broad range of services, frequently developed in collaboration with its clients and hence ideally matched to their requirements. In the course of time, the spectrum of PFI’s activities has expanded greatly and the original affix to the institute’s name, i.e. «for Shoe Production», has therefore been dropped.



***Stone tablet on display in the foyer of PFI: “Shoes made us what we are today so do not despise shoes and shoemakers”***

PFI represents a success story in an industry and a region which went through the good times of the German economic miracle and then underwent dramatic changes with countless company closures and painful job losses as a consequence of globalisation. This shrinkage process took place mainly in the 1980s and 1990s with stability only arriving in 2008; meanwhile an upwards trend has set in. The companies which are presently active in the marketplace are thoroughly healthy, extremely flexible, and operate mainly in the upper price segment with an emphasis on quality and sustainability. Thanks to its expert knowledge and its range of services ideally matched to the needs of industry, PFI has also been able to grow steadily in spite of the radical restructuring of the entire footwear and leather sector.

## **Sustainable Growth**

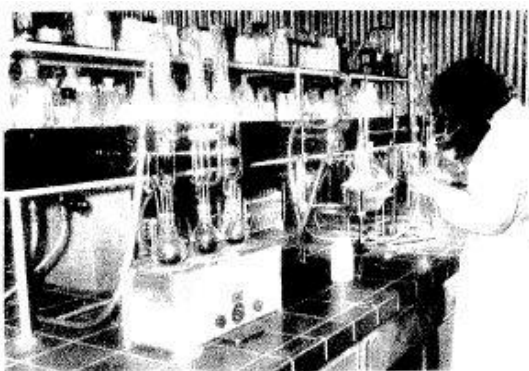
With a staff of some 100 persons, PFI generated sales of about €13 m in each of the years 2014 and 2015. The institute is financially independent and has thus been able to constantly invest in further development. Its not-for-profit status as a registered association means that all its income from commercial activity can be used for the declared purpose of the association– viz. testing, research and development in areas relevant for the footwear and leather industries.

Its status as a registered association also means that it has not only a director, but also a management board, with a chairperson and members who are in constant contact with one another and who meet at regular intervals to discuss important issues and make appropriate decisions. The PFI management board is made up of top company managers and other experts from industry and politics. The pervading strategy of organic growth and sustainability undoubtedly has its roots in the status of PFI as an association – and in the entrepreneurial and anticipatory activities of the management board and the director

ate, which may have seen different persons appointed to positions of responsibility during the 60 years of PFI's existence but have always had one thing in mind: To continue to steer a successful course.

## Early Days

1954 saw the first discussions between the organisations representing the leather and footwear industries about setting up a central test and research organisation for materials testing and development work. On 21 March 1956 the statutes of the Test and Research Institute for Shoe Production were adopted. Entry in the Registry of Associations took place on 20 April 1956.

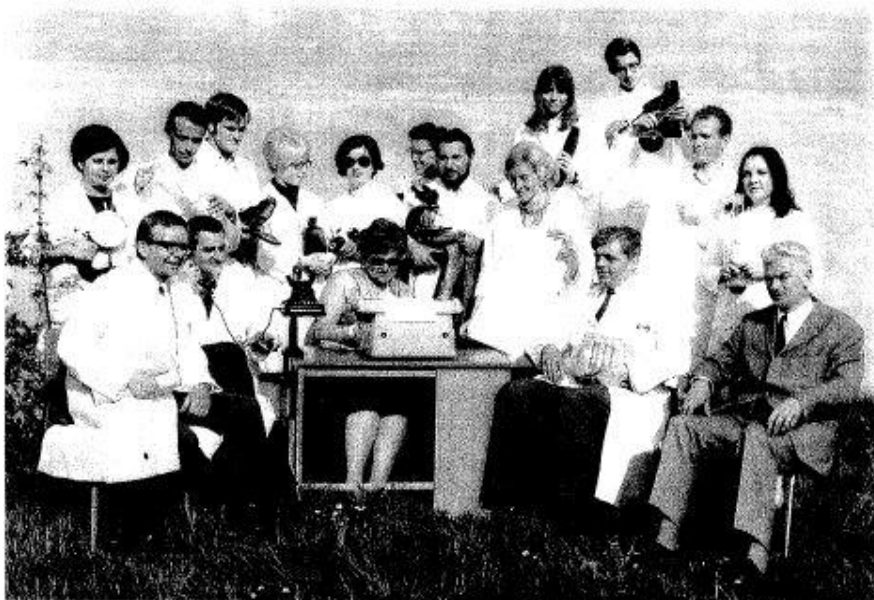


In February 1957 PFI started work with a staff of three persons in the basement of the German College of Footwear Design and Technology in Pirmasens, the "cadre training unit" of the German footwear industry, based at that time in premises on Lemberger Strasse. Tests were performed on leather, rubber, adhesives for all kinds of materials, components, and auxiliary materials for the footwear industry.

### *PFI laboratory in the basement of the German College of Footwear Design and Technology*

Apart from such testing activities, industrially relevant research projects were constantly being initiated and undertaken. PFI's staffing level and equipment could be successively expanded as time went by.

In addition, PFI has been a member of many other professional and industrial associations since its foundation.



*PFI staff in 1969 (sitting on the far right: Institute director Dr. Wilhelm Fischer)*

It is also strongly involved in standardisation bodies and maintains important international contacts. Senior employees remain sought-after speakers at congresses and other specialist meetings and valued teachers at the German College of Footwear Design and Technology and the University of Applied Sciences.

## Development and Expansion of PFI's Offerings

PFI moved to a new building on Hans Sachs Strasse in 1967 and thus remained in the close proximity of the College of Footwear Design and Technology. At that time the institute consisted essentially of a chemistry department and a physics department. In 1969 the engineering department was set up and supplemented in the 1980s by information technology and electrical engineering. This enabled PFI to offer technical consulting services as well as development of test and special-purpose machines. PFI department heads have often served as independent experts in settling insurance claims and other disputes.



*Left to right: Dr. Nickolaus (then head of the chemistry laboratory, later PFI Director), the then PFI Director Dr. Kwauka, and the then Chief Burgomaster of Pirmasens Dr. Schelp (Photo from the 1990s)*

In the 1990s research activities were intensified and research projects were no longer funded solely by national programmes but also by European funding programmes. A certification body was also added, which originally certified quality management systems. In 1998, the first 24-hour analyses were offered by the chemistry laboratory.

Due to expansion of activities, the building on Hans Sachs Strasse gradually became too small and a search for a way out of the overcrowded situation was sought in 2000.



*PFI has been on Marie Curie Strasse since 2003*

Thanks to the commitment of the management board, the directorate, and the state government, a decision was made in favour of a new building with a floor space of over 3000 m<sup>2</sup> to accommodate an expanding PFI. The foundation stone was laid in 2001 and PFI moved into its new premises in 2003.

## Successful Diversification

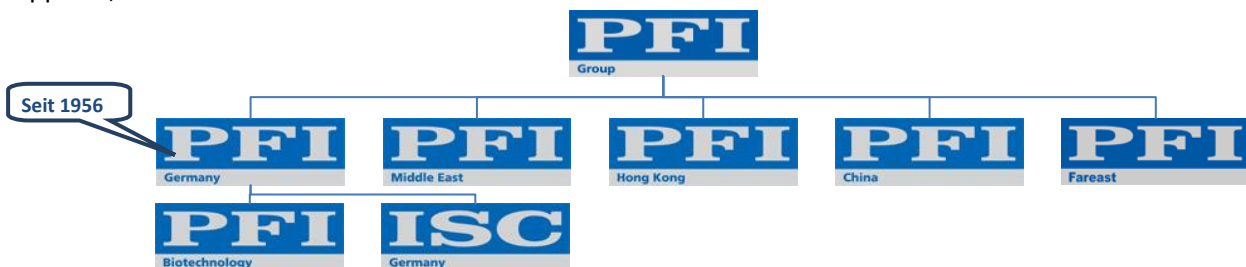
In 2001 the management board decided to drop the wording «for Shoe Production» from the name of the institute, making it easier for PFI to offer its testing services and research activities to more industrial sectors. The new PFI building houses not only the chemistry and physics departments with their



state-of-the-art laboratories, but also the engineering department, the certification body, a microbiology laboratory as well as a biotechnology department with its own engineering laboratory.

Research work at PFI will of course continue. Alongside these activities, starting in 2005 a series of foreign subsidiaries was established in order to better meet the needs of the relevant industries: PFI Middle East in Turkey, as well as PFI Hongkong, PFI China, and PFI Far East.

In addition, 2007 also saw the launch of the International Shoe Competence Center Pirmasens gmbH as a PFI subsidiary; this is a training and research institute for the international footwear industry, its suppliers, and the footwear trade.



Today, PFI is awarded research contracts not only from the leather and footwear industries but also from the plastics, adhesives, and textile industries. Meanwhile, the range of services on offer also includes certification of environmental and energy management systems and of personal protective equipment such as protective eyewear.

PFI Biotechnology has meanwhile developed its own unique dynamic. On the basis of the results of research work performed in the engineering laboratory a biogas plant was built at Pirmasens-Winzeln, where further research is being conducted on an industrial scale. Another industrial scale research plant, i.e. a power-to-gas plant, could be inaugurated in the summer of 2015 as the first expansion stage of the biogas plant; further expansion stages are to follow.



***The present Director of the Institute Dr. Kerstin Schulte (front) at the inauguration of PFI Biotechnology's power-to-gas plant at Pirmasens-Winzeln Energy Park***

PFI-Bioraffinerietechnik GmbH, founded as a spin-off of PFI Biotechnology in 2015, has been entrusted with the planning and marketing of further biotechnological plants in the Energy Park.

## What Makes PFI so Special?

On considering the history of PFI, three characteristic features of the institute become apparent:

### **PFI Knows How the Footwear and Leather Sectors Work**

Owing to its history and its structure as a registered association, thanks to extensive and multifaceted networking throughout industry, specialist committees, and the research world, thanks to many years of experience in the areas of testing, research, and certification, PFI has had its finger on the pulse of industry – day in, day out – for the past 60 years; footwear and leather are simply part of PFI's DNA.

### **PFI Serves as a Midwife for Innovations**

Constant close contact with companies of the footwear and leather sectors (similar reasoning now also applies to the biotechnology department although it is active in a completely different sector) means that much talk revolves around ideas and development projects. In particular, SMEs rarely have sufficient means to undertake research projects for implementation of innovative product ideas. In such cases PFI is an ideal partner – and also comes with a wealth of experience. The mere formulation of research proposals is an onerous task benefitting enormously from experience. However, the opportunity to enlist the aid of highly competent partners with a wealth of knowledge and experience that has accrued in the course of 60 years of research activity is particularly valuable.

### **Brainpower Counts**

Our staff members are not only highly qualified and experienced, they are also highly motivated and highly committed. We are always there for our clients and do all we can to ensure that they enjoy as fast and as flexible a service as possible. And we are there where our clients need us. All over the world.

We plan to address each one of these three points individually in coming issues of the Newsletter. We look forward to hearing of your interest.