

On the way to a global enterprise – The era Hans Messer (1953–1993)

With the still young Hans Messer at the helm of the company, who had succeeded his father, Adolf, as Managing Director at the age of 28, Adolf Messer GmbH shared in the economic boom of the 1950s.

Messer's growth in the early years of the Federal Republic was not, however, solely due to the business it conducted with the key industries of the "economic miracle" (iron and steel and shipbuilding industries etc.), but also to the formation of numerous subsidiaries and joint ventures abroad. After the company's growth hit internal limits in the early 1960s, Adolf Messer GmbH merged with parts of Knapsack-Griesheim AG, which was part of the Hoechst AG group of companies, to form Messer Griesheim GmbH in 1965.

The merger meant a certain loss of corporate power for the family, at least on paper, since the ownership structure of the company had fundamentally changed: 66 2/3 percent of the initial share capital of 30 million deutschmarks was now held by Hoechst while 33 1/3 percent was held by the Messer family through Messer Industrie GmbH.

Although the merged company started life as part of a large corporate group, the family was able to secure its long-term influence on the history of Messer Griesheim through the basic agreement between Hans Messer and Hoechst AG. As agreed beforehand between Messer and Karl Winnacker, the permanent presence of the family on the executive committees was laid down. The executive board was to consist of "at least three, and no more than four people. The Messer family is entitled to nominate one executive director, as long as its stake does not fall below ten percent, while Hoechst is entitled to nominate two executive directors." It goes on to say: "Each party will comply with the nomination of the other party for the appointment of the executive directors unless there is an important reason that stands in the way of a particular appointment."

Maintaining influence

Hans Messer was appointed as the first CEO, "if he himself wishes this". Moreover, both parties agreed to constitute a shareholders' committee, "on which Hoechst and the Messer family will each have two members" and which "is supposed to be authorised to give instructions, in particular with regard to the executive board". Finally, the agreement in principle stipulated company policy decisions which require "a 75% majority". These included a "change in the purpose of the company", the "taking out of larger loans" or the "appointment and dismissal of executive directors". There were also various agreements within the family to ensure that the family's influence on the operational business was not put at risk. For example, Hans and Ria Messer decided to sign an agreement with their children which obligated every family member only to exercise their voting rights collectively in future. The agreement of June 29, 1979, which designated Hans Messer as the person with the deciding/ casting vote//sole voting member, was also supported by the family of Erika Heberer (daughter of the company founder Adolf Messer) as well as the Adolf Messer Foundation. In short: despite a shareholding of "only" around 33%, the family definitely exerted a 100% influence on company policy.

New applications

In the second decade after its formation, it quickly became clear that Messer Griesheim GmbH had been successful in forming potential synergies which were now exploited to the full. In the wake of a general economic recovery phase lasting several years, there was continuous growth in worldwide sales after 1975, passing the magic figure of one billion deutschmarks for the first time in 1978, and reaching over DM 1.7bn, almost double what it had been ten years before, in 1984, which was Messer Griesheim's most successful financial year up to that point. The industrial gases business remained the real engine of growth, accounting for around 70% of total turnover between 1975 and 1989. The company particularly benefited from the fact that, in addition to its traditional customers in the steel, shipbuilding, automotive and chemical industries, it also succeeded in developing new applications for compressed and liquefied gases, gas mixtures and speciality gases thanks to intensive research work, leading to business partnerships in new growth sectors.

After the rusting away of the “Iron Curtain” in Eastern Europe, Messer Griesheim was also able to take advantage of the new opportunities opening up in the emerging markets of the former Socialist countries, before an era in the history of Messer Griesheim came to an end in the spring of 1993. After 40 years of service as CEO, Hans Messer retired from the company’s operational business at the age of 68, in accordance with the agreement with Hoechst AG. However, the company continued to benefit from his experience and expertise in different capacities as he served on the Shareholders’ Committee and the Supervisory Board until his death in 1997.

Dr. Jörg Lesczenski, author of “100 percent Messer”