

Views

Photographers are our best friends!

Leica is one of the most famous brands among all camera manufacturers. Nevertheless, the company Leica Camera almost vanished when the digital camera technology conquered the market. Andreas Kaufmann's company ACM took over Leica in 2004 and 2005. And against all odds, he led it to overwhelming success in the digital era. Andreas Thoss from *Advanced Optical Technologies* spoke with him about Leica's remarkable comeback.

AOT: Let's begin with a technical question. Quite recently, Leica entered the market for professional motion-picture cameras. What benefits do you see that can top what established competitors offer?

Kaufmann: We actually began developing lenses as a logical complement to the next or one-after-next generation of digital cameras back in 2006. The Summilux C lenses we presented in 2010 had the two aspherical features, glass with untypical diffraction properties, specially engineered mechanical components, floating elements and more. In our opinion, these are the only lenses for motion-picture cameras that satisfy the demands of the 4K standard.

AOT: Leica was successfully turned around under your leadership within a relatively short time and is now a financial success. What were your concepts and ideas for this?

Kaufmann: We began focused investment in the expansion and consolidation of our digital competence and new products in 2005. We changed the ways we design and realise things. We changed our product positioning. We remodelled our production processes to meet contemporary standards. An essential role was also played by the development of a retail concept that sets us apart from our market competitors. We also demonstrated our staying power – particularly in financial terms. As the majority stakeholder, my company, ACM Projektentwicklung GmbH in Salzburg, provided the capital required for the promotion of research and development for many years, and I must confess, from my own personal point of view, that this was due to my love of this long-established and



Dr. Andreas Kaufmann is Chairman of the board of the Leica Camera AG.

traditional brand. But it was also the conviction that this investment would be more than worth it. Today, it's more than clear that we were right in believing in Leica, the brand and the people who work to make it what it is.

AOT: How would you define the Leica Camera brand today?

Kaufmann: In the same way as it was defined decades ago: Leica stands for unrivalled images, technological avant-garde, premium quality and perfect finishing. Leica is symbolic for a tradition of photography that will soon be celebrating its centennial. Leica customers know they are a part of a community bound by special values.

AOT: The brand stands for ultimate dedication to quality, but you must, nevertheless, keep a wary eye on your production costs. What does Leica actually manufacture in the camera segment, and what is bought in?

Kaufmann: This naturally all depends on which product categories we are talking about. In our lowest product category, we buy in OEM products. It should also be clear



Leica M Monochrom - In 2012 Leica Camera introduced a monochrome digital camera.

that we are not sensor manufacturers – but we can, and do, develop our own sensors in collaboration with specialist companies in this segment. In-house development, global sourcing, in-house manufacturing, assembly and quality assurance are the corresponding keywords in the production of higher-priced products.

AOT: It is generally accepted, particularly in the camera industry, that development and production in Germany cannot be competitive. Leica appears to be an exception to the rule. How do you succeed where others fail?

Kaufmann: It could be right in theory, as the greater part of the supplier segment is located in Asia. But, in contrast to our competitors in the Asian region, our policies are not aligned towards mass production. We manufacture according to what we call the ‘factory’ principle. This means that we need a level of optical and precision-engineering excellence and know-how that can only be found in Europe. On top of this, we also have global sourcing. It’s certainly true that we can’t enjoy the pricing advantages offered by mass production, but we can boast cameras and lenses that are made by hand. Every click is checked by the trained ear of a specialist in his trade, every engraving is performed by hand and every silk tape is painstakingly sewn by hand. Our pre-production facility is located in a region of Portugal once famous for watch making – a region that still possesses immense precision-engineering expertise and traditions of fine craftsmanship that we now exploit to our advantage. Productivity at the facility is extremely high. The actual manufacturing and final assembly is carried out in Solms, but will move at the end



Unlike other camera manufacturers, Leica has manufacturing sites in Germany and Portugal. Expansion is planned in both countries.

of 2013 to our new factory in Wetzlar that will also satisfy state-of-the-art manufacturing demands. As we produce in accordance with the ‘factory’ principle and simultaneously rely on high levels of productivity, we are particularly committed to Germany as a production location. This, of course, comes at a price, but a price our customers are prepared to pay because they know precisely what they are getting for it.

AOT: Today’s camera industry has extremely short product cycles, and even Leica presents new technologies every year. How does this tie in with Leica’s image of perceived long-term value and endurance?

Kaufmann: We tread carefully in this respect. Over the years, we have amassed an enormous store of ‘home-grown’ competence in the digital segment. Today, we have complete control of the image creation process – from the lens to the finished image file. However, we combine this digital know-how with the legacy of traditional values of the brand. Our new Leica M, for instance, unites the advantages of the M-System from its beginnings to the present day, and you can rest assured that all following generations will carry these values forward like a genetic code. Our cameras and lenses are lifetime companions and a system with backward compatibility since the launch of the M3 back in 1954. They are timeless and, in this sense, can never grow old. For example, you can shoot with an M-Lens from 1954 or a lens from the discontinued R-System on our new Leica M.

AOT: Leica invests a lot of time and money in cultural engagement. Why?

Kaufmann: Our engagement in the cultural and arts sector is dedicated to the results of our work: the best possible image. I always say, technology is not an end in itself. Our products are tools for photographers. What counts is the best imaging results. This is why the Leica brand has always defined itself by photography as an expressive documentary or artistic medium. For this reason, we maintain very close contact to internationally acclaimed photographers, enable exhibitions or publication of their work, honour them with prizes like the annual Oskar Barnack Award and accolades like admission to the Leica Hall of Fame. Photographers are our best friends! Our most recent efforts provide support in the form of sponsorship awards and programmes for up-and-coming photographers. The world had an opportunity to marvel at the entire spectrum of past decades of Leica photography quite recently at the Photokina 2012. Next to our stand in Hall 1, our 5,000-m²

Leica Galerie showed works by photographers ranging from Elliott Erwitt, Araki, Rankin and Platon to Dominik Nahr, Moises Saman, Thomas Dworzak and Andreas Gursky.

AOT: On the one hand, Leica is intensely networked in a very active online community with its users, owners and fans. It even supports used camera and lens sales. Yet, on the other hand, the Leica website does not offer direct online sales. Why?

Kaufmann: It has never been a logical conclusion. You can't compare us with a consumer electronics outlet that sells cameras on the basis of test reports and positive reviews. A camera or lens from Leica is an investment, often for a lifetime, that is not decided on the spur of a moment. Our products are manufactured by hand, and we even spend an age working on a compartment cover until it fits with the perfection we demand. In-depth advisory services and the dialogue between customers and dealers are simply not possible in an online context. Exhibitions or books on photography are often found in our stores. Our aim is to bring the entire world of photography closer to our customers, not simply to take a product off the shelf and sell it. Anyone considering purchasing a Leica needs a dealer who is on their level and has a feeling for the customer's individual needs, perhaps warns against inappropriate choices or shows something the customer had not considered. Leicas are not sold off the shelf – each is an intensely personal Leica that frequently becomes a lifelong companion.

AOT: This year, you launched the Leica M Monochrom, a camera purely for black-and-white photography. Why do you believe in the success of this rather surprising development?

Kaufmann: While others attempt to break megapixel records, we turned our attention to a photographic art form that still has an enormous following amongst photographers. Leica photographer and co-founder of the

Magnum Agency Henri Cartier-Bresson once said, and not without good reason: 'I find emotion only in black and white'. Many young photographers, including some from Magnum, shoot black and white today, and it is fascinating to see the eyes of photographers light up when they take our M Monochrom in their hands or shoot with it. At Leica, we believed that 'true' black-and-white photography must begin with the sensor. The M Monochrom makes 'true' black-and-white pictures without any interpolation or filtering. It has a black-and-white sensor without a colour filter, so twice as much light reaches the sensor. The result is pictures with breathtaking depth, clarity and sharpness. The amount of detail they show is usually found only in medium-format photography, and the sales success of the M Monochrom proves that our decision was right.

AOT: Recent years brought quite a lot of unexpected changes for Leica. What do your concepts for the future of Leica look like?

Kaufmann: Firstly, we will naturally be continuing product development in all relevant camera segments and filling in the gaps and will almost certainly be breaking new ground again in technological terms. We will be designing, constructing and presenting new lenses. But above all, we will be setting Leica on a much broader foundation and exploiting the enormous degree of brand awareness. In many places around the world, Leica is a famous name even though our products cannot be bought there. That will change. I have already touched on our stores: we intend to open around 200 new Leica stores and boutiques within the next few years. Our key focus here is on Asia, but we will also be expanding in North and South America and the Middle East. Our global market share currently lies at around 0.2%. We are increasing it steadily, but we have no intention of becoming a mass producer. Leica products are handmade and represent the ultimate in design, precision and finishing. This is our philosophy and it will never change.



Dr. Andreas Kaufmann was born in Mannheim (Germany) in 1953. Initially, he worked as a teacher for German Literature, Political Sciences and History. In 1992, he passed the final exam for the doctoral thesis on the subject of Amateur Play and the German Youth Movement. In 1992, he acquired his first position in a Supervisory Board (FRAPAG Industrieholding AG, Wien, Austria), many other business engagements in Germany, Austria and other countries followed with the years.

In 2002, he relocated to Austria and became co-founder and managing director of ACM Projektentwicklung GmbH, Salzburg (A). With ACM, he acquired 27.4% of Leica Camera AG, Solms (G) in 2004, and in 2006, ACM took over the majority of Leica Camera AG. Since July 6th 2006, Dr. Kaufmann chaired the Supervisory Board of Leica Camera AG. From February 2008 until February 2009, he became Interim-CEO of Leica Camera AG. As of today, he is the managing director of SOCRATES Holding GmbH and ACM Projektentwicklung GmbH, both 100% owned by SOCRATES Private Foundation. As one of his numerous cultural engagements, he is the managing director of Leica Gallery Salzburg (A).

Leica Camera AG (Germany) is the worldwide known maker of Leica cameras (since 1925), with a turnover of roughly 250 million Euro in the last Fiscal Year (2011).