Lessons for the Rest of the World
The ideal German company embodies traditions of craftsmanship, family loyalty, and vocational education that go back centuries, married to modern technology that enables instant communication and fast movement of people and things around the globe. The question is whether the model, and not just the products, can be exported to America and other places. Ask German managers that question, and you will encounter some skepticism. “In America you can do almost everything,” Martin Kannegiesser replied when I asked him whether it would be possible to build a company like his in America. “The population is so dynamic. Everything is possible,” he said. But then he added, “It will take a long time. This is a culture that has developed over generations,” he said, referring to German traditions.

Berthold Leibinger of Trumpf questions whether Americans have enough appreciation for quality, the compulsive desire to manufacture things as perfectly as possible. “I always hear from Americans, ‘I bought this other machine and it’s not as good as yours, but it’s good enough,’” Leibinger said. As an example of the different mentalities, he cited his condominium in Connecticut, near the Trumpf factory in Farmington. It is in a beautiful setting, he said, but the quality of the construction is “lousy.” (As the former owner of a Connecticut condo myself, I know what he’s talking about.) He thinks Americans are too focused on making money as quickly as possible. Whenever he was in the United States, people always wanted to know when he was going to sell shares in Trumpf, a transaction that could have made Leibinger a billionaire, but that he considers unthinkable for a company like his.

Leibinger, who as a young man was awestruck by the Cincinnati Milling Co., has watched the decline of the U.S. machine-tool industry with what appears to be genuine sadness. The state of Baden-Württemberg, with about 10 million people, makes more machine tools than all of