

Funke
MEDICAL

30
Years
1988 · 2018
Funke
MEDICAL

1988

2018

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Dear employees, Dear friends, Dear business partners,

This year, Funke Medical AG celebrates its 30-year anniversary. This anniversary will be commemorated with this „Magazine“, which aims to remind us all of some of the building blocks upon which this company's success was built.

The road to success is not always a straight line. In our field of work, we know only too well that taking one step forward can sometimes result in taking two steps back, and that sometimes you have to take the circuitous route to reach your goals.

The development of Funke Medical AG from its foundation in Raesfeld to an internationally active medical technology company with more than 80 employees to date is also a process that didn't always follow the most direct path.

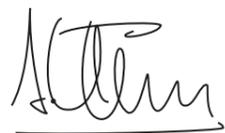
But when you look at it as a whole, the journey has been very successful, with only marginal deviations from the objectives that were set.

In the years that have gone by, we have reached many new heights, but we have had to overcome difficult situations and persevere with determination to find solutions to these situations.

We have been able to overcome all of these challenges thanks to the commitment and hard work of all of our employees and partners.

**We would like to sincerely
thank everyone involved!**

We hope that in the following years we can build on this support and commitment, in order to continue to develop Funke Medical AG.



Andreas Funke
- CEO of Funke Medical AG -



Helmut Wessels
- Executive board of Funke Medical AG -



Patricia Funke
- Executive board of Funke Medical AG -



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From a living room office to a global player

The production and administration building, which spans 4500 square metres, at Roringskamp in Raesfeld as a third location is a **symbol of the economic success** of Funke Medical AG.

With modern machines and IT equipment, the company produces up to 1200 mattresses at this location and two others. However, thirty years ago when the company was founded, it was a much smaller operation. Back then, the most important tools were pencils, paper and a whole lot of brain work.

“At the start, we still didn’t have a name for our product and marketing concept”, says company founder Bernhard Funke. Together with his wife Edelgard, he searched for a term that could sum up the quality characteristics of his product ideas in one word – however with little success at the beginning.

“We had to extend our pool of creative thinkers. Then, we had a weekend of brainstorming with our children and friends”

says Bernhard Funke.

The current chairman Andreas Funke was also part of this select group. The members of the group noted down their ideas on A4 sheets of paper and presented them to the company founder in the family living room. The suggestions list contained terms such as “Superbetten” (super beds) or “Kaiserschlaf” (emperor’s sleep) and “Königsschlaf” (king’s sleep).

Finally, together with the family, Bernhard decided on “Goldschlaf” (gold sleep) and added the caption “einfach – himmlisch – wohlig” (simple – heavenly – cosy). A suitable Goldschlaf logo was also designed and quickly registered at the patent office in Munich.



...einfach himmlisch, wohlig!



Coloured insulating tape instead of Excel tables

In the early days, smaller businesses were frequently run in an unconventional manner. Bernhard had to overcome a lack of computers and appropriate software with solutions such as using coloured insulating tape to glue the bars for his sales diagram to the wall.

At the beginning on 1st January 1988, the bars were still small, but in the second year and the year after, Funke continued to grow constantly. Nevertheless, there was not enough money to produce a high-gloss catalogue, and the company had to continue to improvise. “My wife and I produced the advertising material ourselves using simple adhesive letters. Our living room was full of paper and drafts. We had somewhat of a gold-rush mentality.”

Finally, space became too tight in the living room and the temporary location in a barn was only an adequate solution for a short time to do justice to the growth of the company. The first site in Ährenfeld spanning 4127 square metres was purchased in 1992, and appeared gigantic in comparison to what the company was used to: “The site was very large, at that time it was actually too big for us, but the bank advised us to purchase the site in full so that we would be able to expand later on down the line”, says Funke in a joyful tone, reflecting on the forward-thinking decision.

The first hall was built quickly. It had a storage area of 800 square metres and office space of 200 square metres. The building was also urgently required, because the company was no longer just handling individual mattresses, now it was processing entire truck loads. Business was going so well that a second hall covering an additional 800 square metres followed between 1994 and 1995.

It was not just the range of products that became more extensive, we also had to increase the number of staff.

“

We needed additional support in the office and in the warehouse, and we needed it quickly. While we first began using a small transport trailer, in no time at all we needed the first 7.5-tonne lorry”,

says Bernhard Funke.

“Of course, we painted this gold, in the style of our Goldschlaf logo. And when you have a lorry, then you also need a driver and additional helpers.

”



1st January 1988

Company foundation



...einfach himmlisch, wohlig!

1992

The first lot at Ährenfeld with 4127 square metres.



1992

1993

Construction of the first hall, which offered 800 m² storage and 200 m² office space.



1993

1994

A second hall with an extension of 800 m² followed.



1994

CEO

as a technically adept businessman

In the following years, up to 30 employees worked for the company. This included Bernhard's son, Andreas Funke, who helped to build up the company, drawing on his vocational business qualification and business studies degree.

At this time, the current CEO of Funke Medical AG didn't just demonstrate his abilities in sales, but also as a technician: "Andreas was a young, dynamic man and built some small machines himself. He welded them together and fitted them. We then used these machines to help us to easily finish mattresses, for example", his father remembers.

In the interim, Andreas Funke moved to southern Germany to join a large company in the healthcare sector, where he gained extensive experience in the field of medical technology. Then in 2005, he took over the company from his father and transformed what was then a regionally focused manufacturer of mattresses for the bedroom and furniture retail sector into an innovative industrial firm specialising in medical technology.



"Andreas was clever and determined as he gradually moved the company into the medical sector. That was the key to the company's current success", concluded the father of the family, Bernhard Funke.

2005

2005

Andreas Funke took over the company



2013

Construction at Ridderskamp – Warehouse and Service Centre

Market launch of POSIMED® – Positioning aids

Market launch of EVAQ® – Evacuation systems



2013

2014

Funke Medical AG becomes official sponsoring partner of the German wheelchair basketball national teams



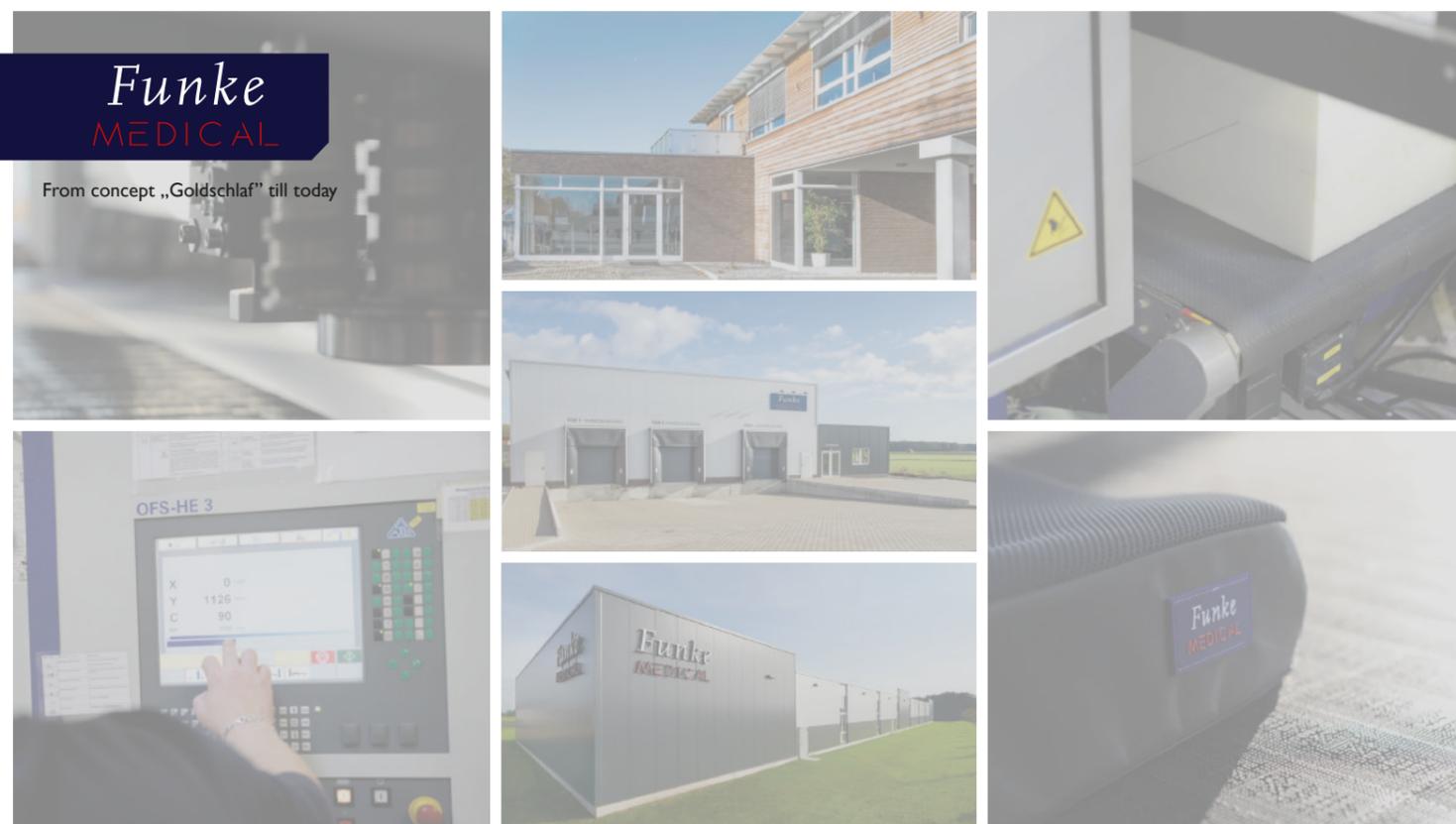
2015

Construction of a production area of 600m² as sewing hall



2015

From concept „Goldschlaf“ till today



Investments in the site and technology

In the meantime, **Helmut Wessels** joined the **executive board** of the young public limited company as head of sales. Before starting at Funke Medical AG, Wessels acquired extensive experience over 25 years in sales at management level. In 2012, **Patricia Funke** took over responsibility for **international marketing** as the third member of the executive board. With her degrees in Biology, English and Business Studies, Patricia Funke had all the skills needed for the wide range of tasks involved in the business.

The executive board now really got started: A third hall was set up, the administration building of the company was built and the sewing hall was expanded. The logistics and service centre in Ridderskamp followed, and in September 2017, this was followed by the new administration and production centre at the third site in Roringskamp.

Significant investments have also been made in technology. The **production process is automatic** and uses CNC technology, which can be monitored from all workstations in the factory. The quality management process is always oriented around the guidelines of the ISO 13485 standard, which

specifies strict safety criteria for the manufacture of medical products.

Funke Medical AG also provides young professionals with excellent starting conditions for a successful career. In **six training occupations**, school leavers can learn everything that is important for working in a modern medical technology company. The portfolio includes the following occupations: industrial clerk, warehouse logistics specialist, production engineer, technical fabric manufacturer, machine and plant operator and media designer in the digital and print sector.

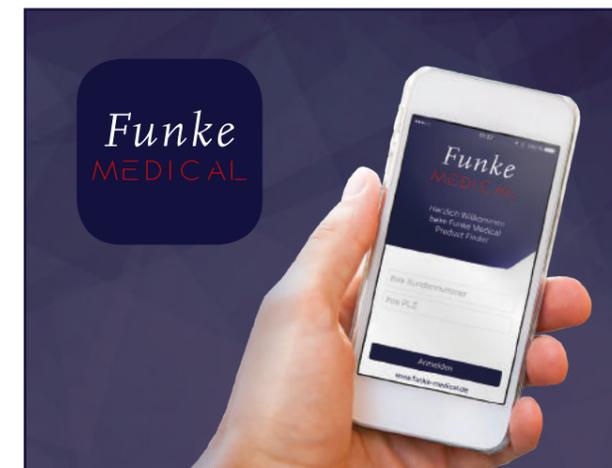
The strategic decisions and choices were right and the **resulting success is evident** – both on a national and international scale. For a long time now, Funke Medical AG has sold its medical reclining and positioning systems for decubitus therapy on every continent, and is continuing to expand. Company founder Bernhard Funke is optimistic about the future: "I am certain that the company will continue to grow and that the new production site will not be the last."

2016

GELSEAT® - Decubitus therapy seating system with GELTOUCH®-foam

Online store with all products is online

Product Finder APP available in the APP Store



2017

Third operational location with 10.000 m² area - Administration and production facility



2018

New product Heel Protect® – Heel protector boot

Funke Medical Academy – E-Learning portal



Bernhard Funke



Funke Medical AG is renowned for **high-quality medical products**, and under the leadership of Andreas Funke, it has developed into an innovative industrial company, which has been represented on all continents for a long time and whose name is synonymous with first-class quality and a wide range of services. Bernhard Funke laid the foundation for this success **30 years ago** – with a small amount of money, great ideas and thanks to energetic and skilled support from his wife Edelgard.

Interview with company founder Bernhard Funke

“I actually wanted to be a butcher”

Ingo Uhlenbruch: “Mr Funke, you weren’t just an entrepreneur, you also worked in different professions and industries in the past. But your original career goal was much different.”

Bernhard Funke: (grins) “Yes, originally my dream job was to be a butcher, but my father also had his say when it came to my career choice. Instead of a white apron and rubber boots, he wanted his son to wear a suit. So I became a businessman involved in wholesale and export trade, however, as part of this education I gathered some experience in the food industry on at least a few occasions. At a later stage, I finished a training to become a banker at the Sparkasse in Recklinghausen, before moving to a bank close to Heidelberg. Then I moved back into the free market economy and took over

a management position in the small furniture industry, because I found this type of work more fun and had more freedom to shape processes. Finally, I was poached by a headhunter and moved into the mattress sector.”

“What led to you founding your company?”

“In 1987, I was forced to give up my role as an employee for health reasons. At that time, my wife and I thought: What do we do now? What can we do? Then we had the idea to work for ourselves in the mattress industry. It was of course clear to us that two unknown individuals in the industry couldn’t compete with the large manufacturers at the start. We did not have our own production and had no sales team, so we had to do everything ourselves. So we asked ourselves: What do we have to do to be able to remain viable against these large companies?”

“What was your answer?”

“When bed retailers wanted ten truck loads of standard mattresses, the large manufacturers were able to deliver these within two days. However, if these retailers ordered one mattress with odd dimensions of 95 by 187 centimetres, then they had to wait up to eight weeks to receive such an order. The wait was just as long for small lot sizes. Consequently, our strategy was to cover a radius of 100 km around Raesfeld so that we would be able to reach each customer within a maximum of 2 hours. Not in Munich, not in Hamburg, not in Berlin, but here in our region. Back then there were a great deal of customers, such as bed retailers or small textile dealers in the countryside with bed departments. Another one of our objectives was that we had to be able to deliver within 24 hours.”

“Wanting to deliver is one thing, but how did you get the mattresses?”

“Firstly, we were helped by a fatherly friend who owned a large mattress factory. We produced our own mattresses there and had them delivered to us once or twice a week. I had rented and set up a small storage facility here in Raesfeld at a farm building, which used to be a barn. I dried it and lined it with my own two hands. I built the first office myself with furniture made from old parts of kitchen cabinets. My wife then took care of the office and the orders.”

“At these times you showed a true pioneering spirit. You must have had to improvise at times.”

“Definitely. Back then we didn’t have any computers, so we had to arduously create our forms and catalogues using adhesive letters. Page and pages of drafts were strewn all around the living room. Or when a customer needed a mattress on Saturday, for example, I personally delivered it to Gelsenkirchen in my car. I didn’t earn anything from that order on that day, but the service would pay off at a later stage. Because people would say: Call Funke, he delivers quickly and reliably. It was all incredibly exciting, a really great time.

When small traders began to die out later, things got a little tight for us sometimes. It wasn’t always a constant climb to the top, there were also times when we fell back down again. Back then we went back on forth on whether we should keep the business going.”

“Did you have a plan B for such a situation?”

“That was out of the question. It all simply had to work.”

“Would you start a company again in today’s society?”

“Yes, I would do it again. ... and again and again.”

“Yes, I would do it again. ... and again and again. But I can’t say whether I would do something different or not. At that time, I had no other choice. My father was not a millionaire who could give me major financial help. My father was a worker. My wife and I looked deep into each other’s eyes and said: We have enough money for two years in the savings account if things go wrong. And then we simply went for it.

Perhaps everything would be much simpler with all of the opportunities that are available today and maybe I would do everything differently. But back then, it had to be done that way. It was definitely incredibly hard work, but it was fun.”

“Your son Andreas is now represented across the world with the company and his products.

Do you view globalisation as a

blessing or a curse?”

“In contrast to our original 100 km radius around the church tower, nowadays I view globalisation as a big opportunity. Times have changed, and in this respect, everything was right with the way things continued with us and what Andreas has done with the company. Thanks to his professional experience, he had the knowledge required to react to the new conditions in the best way possible. Finally, he was a doer and knew what levers to pull. In contrast, I experienced my successes in the classic bed business and I look back on these times with pleasure. I personally felt more content in that environment.”

“You handed over control of the company to your son in 2005. How do you and your wife spend your free time now?”

“Firstly, we have a large circle of friends that we value very much, and we put a lot of effort into maintaining these relationships. My wife and I also enjoy being able to spontaneously decided to go on holiday and setting off in the car within half an hour. This also includes cycling trips that last several days, and we didn’t have this level of flexibility before. We don’t need to go to Florida. A small hotel in the countryside is more than enough for us. I also regularly sing in a choir and have done for a long time. I like to spend time in my workshop as well, and take pride in my handywork, which can be seen all over. Last but not least, our two small grandchildren run us off our feet during trips, shopping or in the vegetable garden. Our lives are definitely not boring.”



Product development
in the past 30 years

From a protective sheet to a medical product

In the past 30 years, the product range of the company now known as Funke Medical AG has changed significantly. While at the beginning, the company focused on the typical products offered by a mattress manufacturer in the classic furniture and bed retail business, at a relatively early stage, the company was reorganised to focus on medical technology.

The product portfolio of Funke Medical AG includes high-quality medical products such as anti-bedsore mattresses, decubitus therapy seating systems or positioning aids designed to provide patients with preventative and therapeutic support. From the current perspective, it is hard to imagine that the range of products at the time when the company was founded included good old protective covers designed to protect against mechanical wear and summer and winter covers as a seasonal addition.

Furthermore, to begin with Bernhard Funke offered his customers innerspring mattresses, which were widely used at the time, and added additional mattress variants to the range as the business developed. "At some point, the latex mattresses rose to popularity. The classic innerspring mattress was still very popular, but my customers more and more frequently wanted this new material as the basis for their mattresses", says the company founder. At a later stage, this interest in new materials subsided again, and focus was once again on foam mattresses – not least because Latex was much heavier than foam.

You'll find more information
in our general catalogue
www.funke-medical.de/downloads

LATEST
PRODUCT 2018

POSIMED® HEEL PROTECT®

Heel protector boot

- Autoclavable according to RKI guidelines
- Suitable for the treatment of diabetic foot ulcers
- For decubitus prophylaxis and therapy
- Cover is easy to disinfect



WATCH NOW
on YouTube!



Heel Protect®-Movie



These were the beginnings.

Horsehair creates confusion

Nevertheless, time and time again customers would order special mattresses without having properly thought about the filling material beforehand. Bernhard Funke recalled one trader who complained about a mattress one day: "What's the deal, Funke? The mattress smells funny", grumbled the customer, "it smells a bit like horse." Bernhard Funke was in no way surprised and pointed out the particular characteristics of a horsehair mattress to the trader.

The bed industry experienced another boom with box-spring beds. Funke also reacted to the increasing

demand. Although the production of these large and heavy beds was not part of the core business of the company, with excellent craftsmanship and business acumen, Bernhard Funke and his team were able to rise up the ranks to become the supplier for the Sheraton chain:

"This was no easy feat, we had to constantly make ourselves available and make and do more and more. Sometimes back then we didn't see family on Sundays, but on the whole and from today's perspective, it was important and good."

Foam parts for the dental industry

In contrast, the company's venture into the medical sector started with tiny products from the field of dentistry. When treating patients, dentists use small foam parts that are only around three by five millimetres. The company founder was able to take the first step towards the medical technology sector with a short-term major order with lucrative contractual conditions and acquire a punch press as a tool for the new product.

Dentistry offered further potential for development for the company. Funke Medical helped to ensure that patients were relaxed by providing pressure-relieving cushions for the resting surface or for the head area of the dentist's chair. It was also at this time that the "Head and Neck" system was created. This system relieves pressure using a viscoelastic foam core and a memory effect, preventing tension in the neck muscles.

According to the company founder, the development of this product was triggered by a female dentist who was looking for pressure-relieving material for her patients. She visited the warehouse outlet at the time and that is how Bernhard Funke and the dentist came into conversation. "Five days after her visit, we had the prototype ready and began production. A dentist's chair cushion for children followed, since the stools are designed for adults."



Relaxation for anxious patients

Now the entrepreneur from Raesfeld had developed full-blown inventor fever. His idea: "Anxious patients must have access to relaxing music, at a calm 60 beats per minute, without disturbing the dentist while they are working". Bernhard Funke subsequently drove to Jena to acquire the licence for a special loudspeaker system from a professor. He integrated this product into the "Head and Neck" system and eventually provided musical relaxation to patients through an MP3 player.

Even though this venture into the world of electrical acoustics did not go any further and protective covers or spring mattresses are very much part of the company's past, some of the products for the dental sector are still part of the product range of Funke Medical AG today.

Decubitus therapy systems supplement the diverse product spectrum of the medical technology company. In addition to that, with the Medical Autoclaving Centre, the company disinfects decubitus therapy systems subject to the legal provisions and guidelines of the Robert Koch Institute.

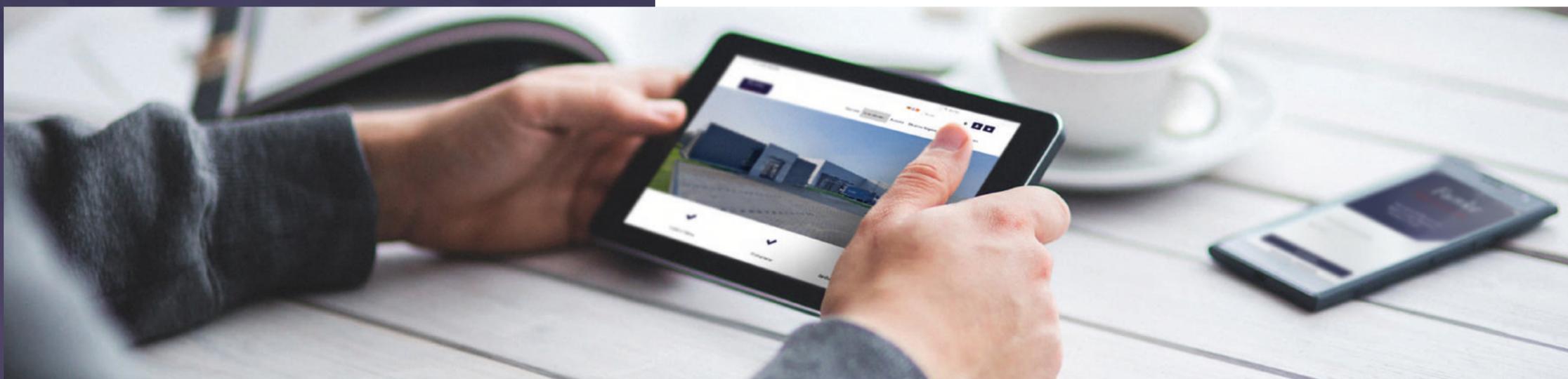
"Over the next few years, we will continuously and strategically expand the company, our portfolio and the intensity of in-house production. We want to be pacemakers in the field of medical technology", the executive board agrees.

Retail order system, smartphone app and E-learning

Digital services offer added value for customers

Prospects, posters or brochures are part of the classic marketing instruments that Funke Medical AG has used for three decades to advertise its products.

However, the company recognised the signs of the times at an early stage and offers its customers additional digital services that continue to be expanded and optimised.



"We are continuing to use printed products such as catalogues and tables to provide information about our product portfolio. We also provide traditional media such as roll-ups or shop-in-shop systems for marketing campaigns", says Marketing Director Patricia Funke.

According to her, the **customer is the main focus** for all measures and ideas. Therefore, the customers can decide for themselves whether they would prefer to find out information in a digital format or through traditional print media.

Head of Sales, Helmut Wessels, also highlights the equal importance of analogue and digital offerings as an important component of the company philosophy: "At our company, we always follow the guiding principle that businesses are made by people. That's why personal customer visits and **face-to-face** communication are of course part of our day-to-day business."

Comprehensive service package for business-to-business customers

However, the advantages offered by the digital world when it comes to quick and direct information cannot be simply dismissed. Customers love the website, which features up-to-date news about the company and information available for download, as well as the online

training videos. "Whether in analogue or digital form – our customers receive a comprehensive business-to-business package in advance, which they can then use to approach their own customers", says CEO Andreas Funke, adding: "A good product or a good price is no longer the only important factor for satisfied customers. This also needs to be followed up by an attractive range of services.

The medical device manufacturer has provided a popular online portal for a long time with the Funke Medical Shop – a retail order system that is available online around the clock. Customers can place their orders online at any time and from any location, regardless of opening times, holidays and weekends, and receive an instant notification about the status of their order. "The parcel service collects the day's items from us at 3 pm. When the customers order at 2.58 pm, the package still makes it into the truck. The customers then receive their goods on the next working day", states Andreas Funke, highlighting another advantage of the shop.

Funke Medical Product Finder App

As smartphones and tablets have become more and more popular, the executive board made the decision to develop another software service for all conventional smartphones and tablets. While customers previously needed to select their products based on the criteria in a printed table, the Funke Medical Product Finder App helps customers to easily find the right aid for decubitus therapy or decubitus prophylaxis.

Simply by entering a small amount of information via the touchscreen, parameters such as age, gender, weight, body size or decubitus severity can be defined. The app guides customers through the criteria of the internationally recognised Braden Scale, which is used as the basis for risk assessment for the development of a pressure sore. The customer is guided through the process of classifying the decubitus severity and the mobility grade with simple explanatory texts. Finally, suitable products are recommended and the customer receives a summary of the parameters, which can be sent to them in an email if required.

“In this way, our customers can make an unerring product selection using the “Funke Medical Product Finder App” so that they can provide optimum, and most importantly, safe support for their patients”, says Marketing Executive Patricia Funke as she explains the concept. The app does not just take into account the indications but also the contraindications and is currently available in German, English, French, Danish, Spanish, Swedish, Polish, Portuguese and Italian. Dutch will be available shortly.

“This app helps to **save our customers time and money**. The process of selecting the products is also significantly more detailed and convenient than the original process with tables printed on paper”, concludes CEO Andreas Funke.

Explanatory
film on YouTube!



Download the app now!



Warning! This app is designed exclusively for qualified medical personnel working in the medical supply industry. It serves merely as a decision aid when selecting a product. Under no circumstances can it replace a formal diagnosis by a doctor or nurse.

Funke Medical AG accepts no liability for any operating or input errors.



Funke Medical Academy

Funke Medical AG is also breaking new ground in the field of training and certification. While previously training sessions took place in the form of presentations carried out on site with PowerPoint slides and moderation, customers can now also access the educational learning modules online. The innovative value-added concept is referred to as “Funke Medical Academy” and is targeted at instructors, who act as multipliers and pass on their knowledge to institutions such as hospitals and nursing homes.

The training participants are guided through the learning content interactively and using a wide range of media, with multiple choice questions, gap filling exercises or matching tasks.

The selection of training topics is large and can be extended at any time. For example, the curriculum features topics such as decubitus, underlying diseases that can lead to sore problems and general vascular diseases, as well as international medical product

law. Further training on the topics of evacuation, occupational safety and fire safety are also a possibility.

“This form of certification and re-certification must be repeated each year and is required worldwide”, says Andreas Funke. “But we aren’t just doing this because it is required by law. We are also doing this because it is part of our commitment to quality, and nothing has changed in that regard. We can only sell our products well when our customers are also aware of what is behind them. Our products are the result of a great deal of expertise and you simply need to have this knowledge and be able to apply it.”

With the “Funke Medical Academy”, customers now have a convenient tool that they can use to work through and complete the necessary courses remotely. The final test and certification are also completed comfortably via a data connection, independent of the location or time.

Funke Medical Academy

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