# **CERATIZIT:** sustainable as much as possible

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CERATIZIT is active in a wide range of industries, from automotive to construction, medical, semi-conductor, defence, jewellery, steel, oil & gas, aerospace, general machining, food and beverage packaging, recycling, woodworking, hygiene, agriculture, mining, glass and many more. (Visited 07 February 2025)

CERATIZIT, formerly CERAMETAL, was founded in 1931 by Dr Nicolas Lanners in Bereldange, Luxembourg. In 2002, the owners of CERAMETAL entered a joint venture with the Austrian company Plansee Tizit, which was owned by the Schwarzkopf family. Since June 2021, the company has been wholly owned by the Schwarzkopf family.

The entire Plansee Group counts 11.000 employees, 7,000 employees working at more than 30 production sites for CERATIZIT across the globe and 1000 in Luxembourg.

Interview with, Frank Thomé, Member of the Executive Board.

#### Your future projects?

The switch to green hydrogen, which is generated using electrolysis with **green electricity** from sustainable sources, is an important component of our **sustainability** and **decarbonisation** strategy. As part of our efforts in this area, we are participating in the Luxembourg Hydrogen Valley (LuxHyVal) project.

#### What do you think differentiates you from your business competitors?

We are one of the world's top 4 manufacturers of tungsten carbide tools. Compared to our competitors, we have an extremely large product portfolio, which helps us to serve a diverse and broad range of industries, thus increasing our resilience.

We are also unique in that we are fully vertically integrated and largely independent of external suppliers: we cover the entire supply chain from raw material to finished product. To produce tungsten carbide or hard metal, you can start from tungsten-bearing ore or by recycling secondary materials. We have interests in Western mines and operate a company that collects approximately 30% of the world's secondary tungsten materials. Our conversion facilities can produce ready-to-use tungsten powders from both sources. This allows us to have a raw material free supply chain in

China and due to our high **recycling** rate, we are in a unique position to offer products with a very low carbon footprint.

We are committed to being a highly sustainable business and to achieving net **zero carbon emissions** by 2040. This in turn enables us to engage in new sustainable business models, be an attractive employer of choice and protect our environment as much as possible.

armoire avec outils

CERATIZIT is active in a wide range of industries (copyright: Anouk Flesch)

# What difficulties do you currently face?

More than 60% of our operations are in Europe, mainly Germany, and 30% of our sales are directly related to the **automotive industry**. This is particularly challenging because Europe has very high energy and labor costs, making it very difficult to compete on a global scale. In addition, the automotive industry in Europe is facing strong headwinds.

In our portfolio we have nearly 100,000 different metal cutting tools, which are part of our core product offering. With the electrification of the automotive sector, car manufacturers need less of our cutting tools compared to traditional internal combustion engines.

In Asia, through our Taiwanese joint venture, we employ around 2,000 people in China and Taiwan, and here, unlike in the West, we are in a deflationary environment, which is having a negative impact on profit margins.

In this very challenging **environment**, we are forced to shift more and more production capacity to Eastern Europe and other low-cost countries such as India, where we already have a strong presence.

" In our portfolio we have nearly 100,000 different metal cutting tools, which are part of our core product offering "

[Frank Thomé]

### A must-have to be an entrepreneur?

As an entrepreneur, you have to seize opportunities as they arise. We need to be at the forefront of **innovation** and embrace new technologies such as **AI**, but we also need to anticipate global market trends.

At the moment, it is extremely difficult to follow global trends such as the current geopolitical tariff war between the US and China, but also Mexico, Canada and Europe. These policies are so volatile that hardly anyone can anticipate them.

" As an entrepreneur, you have to seize opportunities as they arise "

[Frank Thomé]

# A source of inspiration?

We are inspired by our founding families, the Lanners and Wolters of Luxembourg and the Schwarzkopf family of Austria. They have driven the business forward with the right amount of risk-taking, while building a solid foundation of **innovative solutions** and retaining **talented people** who are willing to give their all. This is part of the secret to long-term success.

#### The best way to spend 30 euros?

In a good restaurant!

# In another life, you would ...?

My biggest personal and professional growth experience was when I went to China in 2001 and stayed there for about 8 years. It was a decision I have never regretted. I would encourage any young person to live and work abroad to fully immerse themselves in different cultures and learn from the richness of doing things in different ways. If I were to be reborn, I might want to live in India to learn from their deeply spiritual way of life.

#### Discover more stories.

For over 100 years, CERATIZIT has been a pioneer in developing exceptional hard material solutions for machining and wear protection (copyright: Anouk Flesch)
In Luxembourg, the company develops and produces highly specialised tools ... (copryright: Anouk Flesch)

... indexable inserts, rods made from hard materials and wear parts (copryright: Anouk Flesch)
Headquarter and production sites are located in Mamer, Luxembourg (copryright: Anouk Flesch)
CERATIZIT has a wide range of high-quality products (copyright: Anouk Flesch)