

In 2006 Riedel Glas is celebrating:

- 250 years of business
- 20 years of Vinum
- 10 years of economic press conferences

Company turnover €235 million
2005 – Most successful business year

2005 was the most successful year to date for the Austrian glass producer Riedel. Turnover rose from 97.0 million Euros to 122 million Euros (up 25%). The takeover of the company Nachtmann in September 2004 proved to be the perfect complement to worldwide expansion. With investment of 25.0 million Euros from Riedel Glas, Nachtmann is technologically equipped for the future and in 2006 can already contribute off its own back to the positive overall results of Riedel Glass Works.

Riedel Glass Works (= Riedel including Nachtmann and Spiegelau) had a production output of 50 million items in 2005. Despite the weak economic situation in central Europe and the dying a death of the specialized trade, Riedel Glass Works achieved a company turnover of 235 million Euros.

Turnover Growth 2000-2005
The successful subsidiaries in US and Japan

In these five years, the European turnover only increased by 9% to 48.0 million Euros. Over this period American turnover increased by 72% from 36.0 million Euros to 62.0 million Euros (up 40% in 2005) due to increasing demand as a result of effective marketing. Japanese turnover, including the Far East and Australia, trebled from 4.0 million Euros to 12.0 million. (Up 20% in 2005)

3-Brand strategy
Riedel Glas – Nachtmann - Spiegelau

The biggest challenge for the family business Riedel Glass Works will be the achievement of a clearly defined market strategy and the profiling of the individual brands. Riedel and Nachtmann make perfect complements. "Prudence and sure instinct are needed to smoothly integrate Spiegelau into the brand image of Riedel Glass Works," company director Georg Riedel explains. Riedel Glas is the brand that is already established in the industry, Spiegelau has its strengths in the catering trade. There are areas of overlap that have to be carefully controlled depending on the market they are in. The objective is to further develop three brands that have their own profiles and are clearly distinguishable from one another. An initial important step has already been taken with the new products of 2006, which are clearly differentiated in design, price and target group.

Adjustment of offers as a response to the sluggishness of the market

The consumer goods sphere of glass, porcelain and cutlery has seen a dramatic decline since 2000. The demand for products that appear on the dinner table is declining, manifesting itself in the closure of many hundreds of specialised businesses. Riedel Glass Works is confronting this Central European crisis with innovative products, improved technology and competitive prices. Furthermore, the potential for growth lies in export markets overseas, which are in part served locally by a subsidiary company or by the company's own employees. This sales concept gives the opportunity to invest sustainably in profitable markets in order to safeguard the European locations.

Austria as a manufacturing location?

"Our factories in Kufstein and Schneegattern are currently working at full capacity. The global demand for hand-made glass goblets and decanters continues to be strong. "We assume that both factories will be able to continue to sell their high quality products, safeguarding the future of the locations," comments Georg Riedel. There is no doubt that comparable products of a similar quality can be manufactured more cheaply in the East. It is the company's obligation to keep the sites in Austria for as long as possible.

Assessment of market development from Georg Riedel:

Since the economic market for glass will be exposed to strong competition this coming year, prices will decrease further. This will accelerate the “death of the industry”. Even today, there are only a handful of manufacturers left battling for this market. Further concentration and takeovers are expected. The immediate objective for Riedel Glass Works is to build on its market position and become one of the few that will “survive”.

A look back

20 years of Vinum – the most successful glass set in the world

Vinum is the most successful glass set in the world with 60 million sold items. The worldwide development of quality wine, the wine boom in the new world, the goodwill of the entire press, the comments of the wine guru Robert Parker and the support of the American winegrower Robert Mondavi have made Vinum a “must have” for consumers and the catering trade. Vinum has become the most copied glass set. The success of Vinum has “inspired” all other glass manufacturers.

10 years of economic press conferences – a success story.

In 1996, Georg Riedel stepped into the public arena to present to the Austrian economic press the development of the family business. Over these past 10 years the Kufstein “luxury company” has developed into an international player. Company turnover in 1995 of 28.0 million Euros increased to 235 million Euros by 2005. The family business, led by Georg and Maximilian Riedel, has therefore increased its turnover eight fold. The performance of the company made possible the takeover of F. J. Nachtmann GmbH, a company with 2,000 employees and that is completely self-financing. As a result, “Riedel Glass Works“, with the brand Riedel-Nachtmann-Spiegelau, has moved up to the position of fourth largest glass manufacturer in Europe.

The export share (without Nachtmann) increased for Riedel Glas from 77% to 97%, which also means a decrease in Austrian sales from 23% to 3%. Output increased from 3.3 million to 14.0 million items.

The USA subsidiary grew from a value of US \$5.0 million to US \$55.0 million.

1756 to 2006: 250 years of Riedel Glas - 12 Generations

In 1673 Johann Christoph Riedel founded the glassmaker dynasty. The 3rd generation Riedel, Anton Leopold, signed a lease agreement for the first production site in Bohemia. The 6th generation, Josef senior (born 1816) went down in history as the glass king and led the company into the industrial era. The 8th generation, Walter Riedel, was deported in 1945 to Russia for his involvement as a scientist in the development of the radar screen. After 190 years of glass production, the Riedels lost all that they owned in Bohemia. In 1956, 200 years later, the 8th and 9th generations, Walter and Claus Riedel were given the opportunity, thanks to an injection of capital from Swarovski, to take the Tyrol glassworks in Kufstein back out of bankruptcy. In 1973, Claus Riedel had a stroke of genius in bringing out the Sommelier series, a glass set specifically designed for wine, which would significantly characterise the future and the worldwide success of the company. The 10th generation, Georg Riedel, further developed the expertise of Claus Riedel adapted it to the global market and accomplished an industry standard in 1986 with the machine blown Vinu series that has to this day been unmatched. In 2001, the 11th generation, Maximilian Riedel, joined the company. He took over leadership of the successful subsidiary company in the USA, trebling its turnover within 4 years.

In 2004, the "O" series –the wine friendly glass-, created by Maximilian, was a worldwide success. In the same year, Riedel took over F.X. Nachtmann GmbH and moved up to the position of fourth largest glass manufacturer in Europe. On the 18th of January 2006, Rocco Rafael, son of Laetizia Riedel-Röthlisberger was born, the 12th generation Riedel.