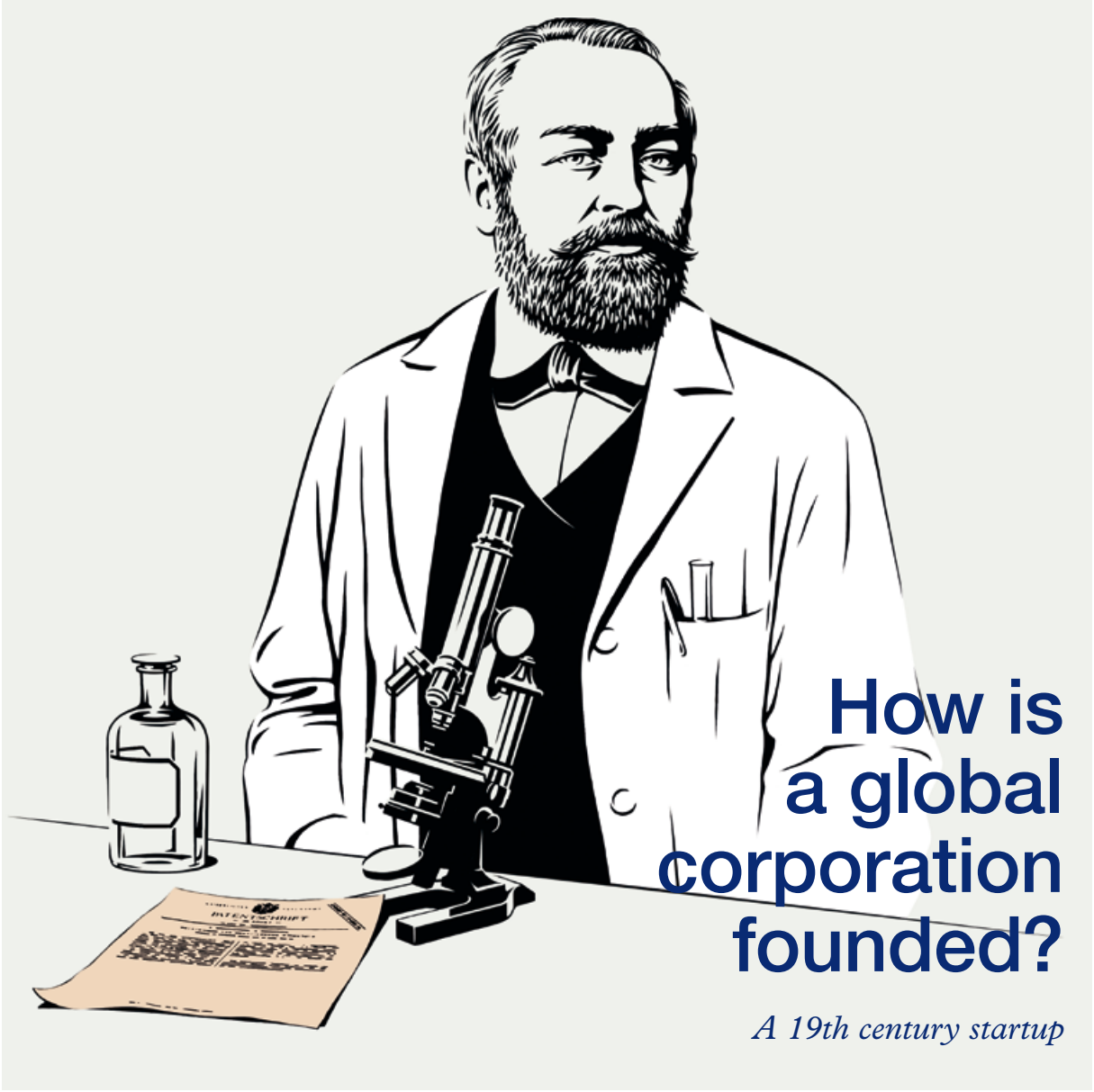
Beiersdorf

CHRONICLE

01



How is a global corporation founded?

A 19th century startup

In the beginning was the idea

Of innovations, courage, and the will to succeed

A company like Beiersdorf lives on good ideas. On innovations. Without new products, improvements in production processes, and surprising marketing ideas, our company wouldn't have become what it is today. But pursuing new ideas also means daring to tread new terrain, flexibly adapting to given circumstances – and coping with the occasional disappointment. Persistence and the will to succeed are the ingredients that turn good ideas into the foundation of a successful company.

Paul C. Beiersdorf had the ability to turn an idea into something bigger. And if he wasn't directly responsible for bringing the company into full bloom – that was reserved for his successor – he was able within ten years to set the guiding principles that would be the foundation of later success.

Today a startup needs innovative business ideas and rapid growth in order to survive in the market. Things weren't that different in the late 19th century. The innovation that Paul C. Beiersdorf introduced to the market in 1882 was the gutta-percha plaster – a revolutionary step in the treatment of skin disorders. In 1890, eleven employees worked for the company – a modest rate of growth for the time being. Much more important for later success was the growing international public profile of his product and contact to one of the most famous dermatologists of his time, Paul Gerson Unna. Even though the life of Paul C. Beiersdorf was characterized by many setbacks and ended tragically, with the gutta-percha plaster he formed the basis of what would become today's global corporation Beiersdorf.

Königreich Bayern.

POSTKARTE.

An Apotheker Beiersdorf

in Hamburg

Mühlenstraße 22

HAMBURG 6-8 2/3 83

POSTALE UNIVERSELLE
BELGIQUE
CARTE POSTALE
POSTKAART

Monsieur Beiersdorf
Pharmacien
Wohldallée
Altona

DEUTSCHE REICHSPOST.

POSTKARTE.

An

Herrn P. Beiersdorf
in
Altona
Wohldallee 40

BRIEFKAART

P. BEIERSDORF
Laboratorium
dermato-therapeutischer
Präparate
ALTONA WOHLERG. ALLEE. 40

HAM 6-7 89 1-6

UNIONE POSTALE UNIVERSALE
CARTOLINA ITALIANA PER L'ESTERO
CENTESIMI DIECI

TORINO 19 FEB 86

84

Al Signor P. Beiersdorf
46 Wohldallée
Altona
Germania

ALTONA 21.2

THE INTERNATIONAL PHARMA

NB. Su questo lato non deve scriversi che il solo indirizzo.

CARTOLINA POSTALE
DIECI CENTESIMI

MILANO 14 6 (FEB)

84

Al Signor
P. Beiersdorf
Laborat. dermato-therapeut.
Wohldallee 40
Altona
Germania

ALTONA 28 9

Königreich Württemberg.

Postkarte.

An

Herrn Apotheker P. Beiersdorf

in Hamburg

Mühlenstraße 22

HAMBURG 1 12 88 4-5N.

Herrn P Beiersdorf in Altona

Bitte mir per Post senden zu wollen

Salbenmulle 2 Seiten

2. Rollen à 1 Mark Praecipitat weiss

2. — à 1 — Bleipflaster

2. — à 1 — Zinkoxyd Benzoe 10 %

— 10 Thymol 5 %

2. — à 1 — Salicyl Emplast. per Pflastermulle

3 Abwurfbeutel Vorhaltungsvoll

Utrecht
30-9-84

Utrechtsche Bank

The first decade of Beiersdorf

New ideas, brave decisions, great success, and personal setbacks impacted the first few years of the Beiersdorf company from 1880 to 1890. In just a few years the pharmacist Paul C. Beiersdorf laid the foundation for a flourishing business and founded the company that still carries his name today.

Text: Thorsten Finke

>> The pharmacist Paul C. Beiersdorf was a spontaneous man. In the fall of 1880 he purchased a pharmacy on Mühlenstraße in Hamburg, near St. Michaelis Church, from a South American colleague who was returning to the New World. The deal went down quickly. Beiersdorf, 44 at the time, didn't do any special research about the profitability of the pharmacy – he had faith in the information his colleague gave him – he promised good business in this densely populated area near the Hamburg harbor.

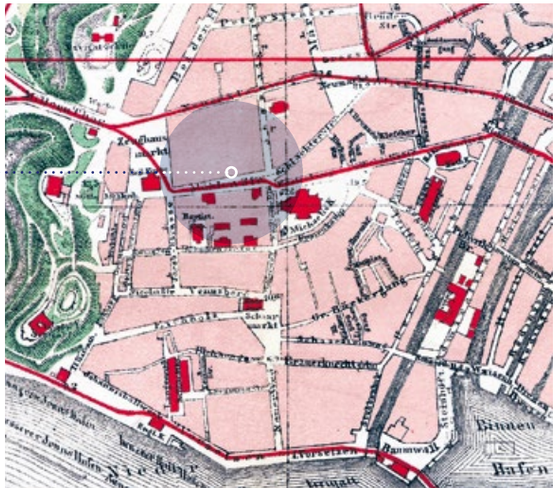
A bumpy start

But after just a few days a sobering reality set in: his predecessor wasn't exactly held in high esteem by the neighboring doctors. His methods of running a business, influenced by South American customs as they were, didn't help him develop a lot of trust with local doctors, so rather than sending their patients to Mühlenstraße, they sent them to another local pharmacist. Even the change in ownership had no effect on this at first. For

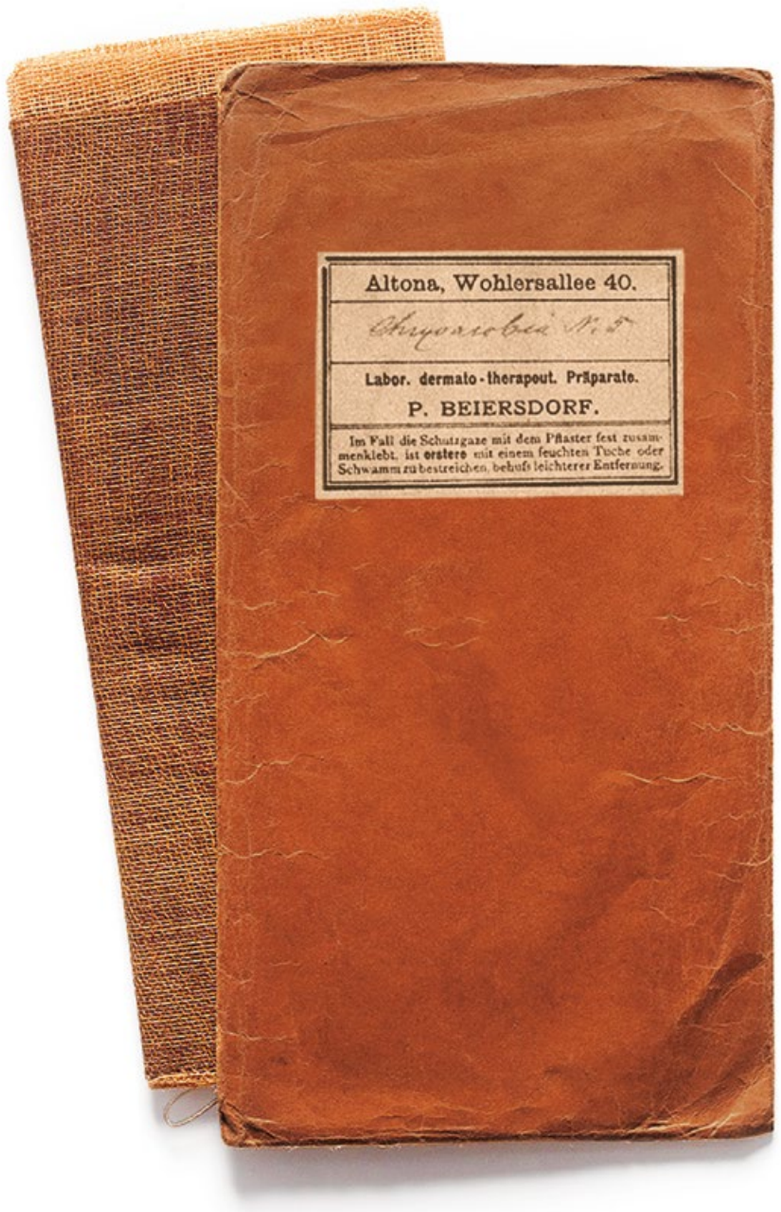
Mühlenstraße 22

Paul C. Beiersdorf business was bad. The experienced pharmacist could count his daily customers on one hand. The new start in Hamburg, in which he had put so much hope, was a failure.

But giving up just wasn't an option for Beiersdorf – ultimately he put his entire fortune into this new business. He was an outstanding pharmacist and researcher, who was well traveled. After he trained to be a pharmacist, he was the manager of an electro-plating facility in Moscow and later the co-owner of an equipment ▸



The pharmacy on Mühlenstraße 22, near St. Michaelis Church, a major landmark in Hamburg, was taken over by Beiersdorf in the fall of 1880. The area near the harbor was heavily populated, but rather low-income.



Beiersdorf sold the first gutta-percha plasters in paper bags and tins. The labels were written by hand in the beginning.

BACKGROUND

Before Beiersdorf came to Hamburg …

1836
Paul Carl Beiersdorf is born on March 26, 1836, in Neuruppin in Brandenburg, where he spends his youth.

1853
The young Paul leaves school after the 11th grade and trains as a pharmacist.

1860
Beiersdorf studies pharmaceuticals at Berlin University and passes the state examination in 1860.

1862
He works in a pharmacy in Berlin until he earns his license and then takes over the management of an electro-plating facility at a nickel silver factory in Moscow. There he meets his future wife.

1864
Beiersdorf is back in Berlin. He becomes co-owner of the company Schmidt & Haensch, which produces optical instruments – especially polarization and spectroscopic equipment. Here he also acquires his extensive knowledge of the physical sciences.

1871
He marries the Moscow-born Antonie Maria Mauß. About one year later his daughter Emmy Hedwig Louise is born, and between 1874 and 1887, three sons follow.

1874
After about 10 years Beiersdorf leaves his job at Schmidt & Haensch for unknown reasons. Purchasing a pharmacy in Bärwalde in Königsberg-Neumark, he returns in 1874 to pharmaceuticals and leaves Berlin.

1877
After just two years he gives up this pharmacy and moves with his family to Grünberg in Silesia. And there, too, he buys a pharmacy – and again he doesn't stay long. In 1879 he sells the "Löwenapotheke" in Grünberg.

1880
Beiersdorf answers the ad for a pharmacy for sale on Mühlenstraße in Hamburg, and so begins another new chapter in his life.

manufacturing company in Berlin. But he also had experience in the pharmacy business: before he moved to Hamburg he managed two pharmacies, one in Bärwalde and one in Grünberg in Silesia. He took advantage of this experience in the years that followed.

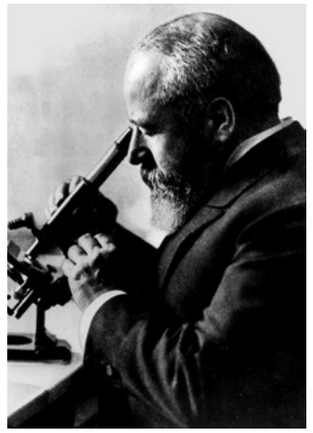
After the attempt to move the pharmacy to a better location with more traffic failed, Beiersdorf began to appeal to the doctors in the area personally. Earlier in his career he developed extensive knowledge of the physical sciences that he now hoped to use to fundamentally change his business. By offering to do physiological tests and food studies he was able to gain the interest of doctors. Several times a week he left his lab to introduce himself to doctors in Altona and Hamburg and offer them his services. Through these steps, which were unusual at the time, he received new orders, word of his abilities got around, and his customer base grew rapidly. The previously bad reputation of the pharmacy on Mühlenstraße was quickly forgotten.

An encounter with the future

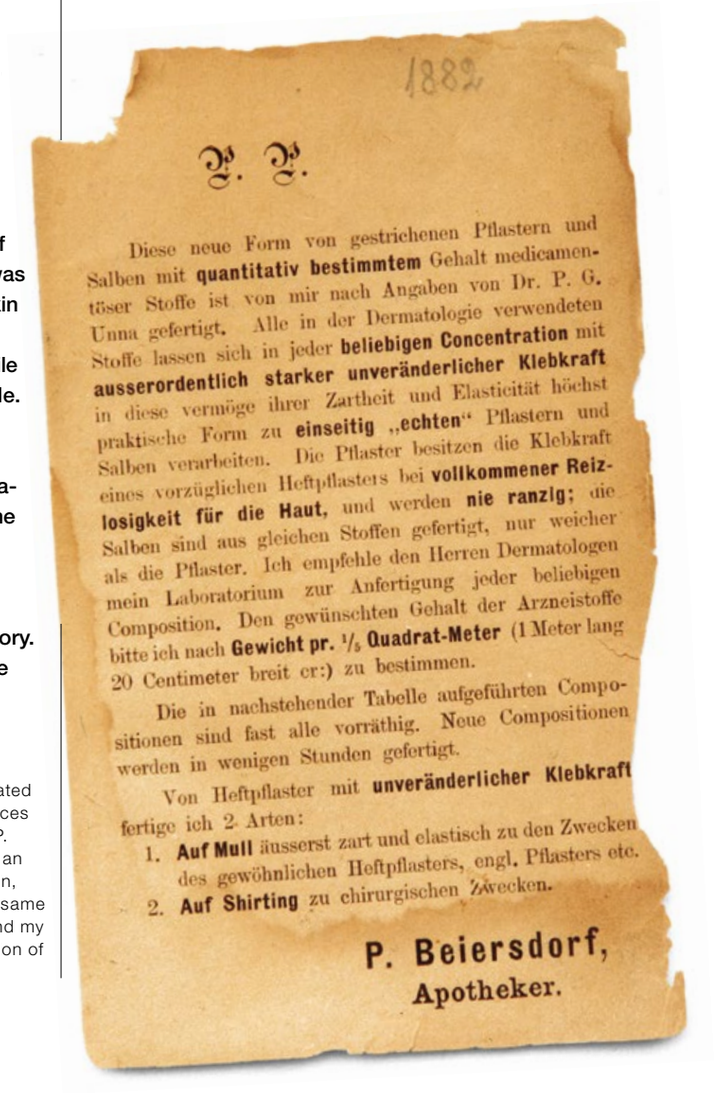
Among the many new customers that Paul C. Beiersdorf encountered on his advertising tour was the Hamburg dermatologist Paul Gerson Unna. The well-known doctor was looking for new, more effective types of applications for medications to treat skin disorders. He had already tried to find an appropriate carrier for his medications, but had never succeeded. The traditional salve gauze was too unstable and slippery. The plasters that were used at the time all had to be heated to release their adhesive power. This heating process, ▸

Products from the Paul C. Beiersdorf era

In the decade in which Beiersdorf worked with Paul Gerson Unna, in addition to the gutta-percha plaster, several other products were developed, such as the salve stick, the paste stick, and medicinal soap. In the price list from 1890, the last year under Paul C. Beiersdorf's leadership, there were already over 100 products. None of them, however, achieved a level of importance that matched the coated gutta-percha plaster developed in 1882 and the products that followed it.



Born in 1850, Paul Gerson Unna was one of the most respected dermatologists in the world. In 1881, in Hamburg, he opened the first clinic for skin diseases in Germany.



1882

P. P.

Diese neue Form von gestrichenen Pflastern und Salben mit **quantitativ bestimmtem** Gehalt medicamentöser Stoffe ist von mir nach Angaben von Dr. P. G. Unna gefertigt. Alle in der Dermatologie verwendeten Stoffe lassen sich in jeder **beliebigen Concentration** mit **ausserordentlich starker unveränderlicher Klebkraft** in diese vermöge ihrer Zartheit und Elasticität höchst praktische Form zu **einseitig „echten"** Pflastern und Salben verarbeiten. Die Pflaster besitzen die Klebkraft eines vorzüglichen Heftpflasters bei **vollkommener Reizlosigkeit für die Haut,** und werden **nie ranzig;** die Salben sind aus gleichen Stoffen gefertigt, nur weicher als die Pflaster. Ich empfehle den Herren Dermatologen mein Laboratorium zur Anfertigung jeder beliebigen Composition. Den gewünschten Gehalt der Arzneistoffe bitte ich nach **Gewicht pr. 1/5 Quadrat-Meter** (1 Meter lang 20 Centimeter breit cr:) zu bestimmen.

Die in nachstehender Tabelle aufgeführten Compositionen sind fast alle vorräthig. Neue Compositionen werden in wenigen Stunden gefertigt.

Von Heftpflaster mit **unveränderlicher Klebkraft** fertige ich 2 Arten:

1. **Auf Mull** äusserst zart und elastisch zu den Zwecken des gewöhnlichen Heftpflasters, engl. Pflasters etc.
2. **Auf Shirting** zu chirurgischen Zwecken.

P. Beiersdorf,
Apotheker.

however, significantly reduced the effectiveness of the delicate medication on the plaster. What Unna was looking for was a material that would stick to the skin for a longer time, but would not coalesce with the medication – in short, a dressing that was stable while at the same time protecting the skin from the outside.

Beiersdorf got to work and tried out various possibilities. He finally found the solution to the problem when he coated a gauze plaster with gutta-percha sap, a resinous, rubber-like plant sap. Some wrong turns and detours were required before he found the right mixture and the plaster had all the desired properties. After that he developed over 50 medication-coated plasters in his small laboratory. For this new process he obtained the patent for the

In the preface to the 1882 price list, Beiersdorf explains the advantages of his new plasters (right): "This new form of coated plasters and salves containing quantified medicinal substances has been prepared by me following specifications from Dr. P. G. Unna. (...) The plasters possess the adhesive strength of an excellent adhesive plaster that is completely inert for the skin, and they never go rancid; the salves are produced from the same substances, but softer than that of the plasters. I recommend my laboratory to the gentlemen dermatologists for the preparation of any type of composition."

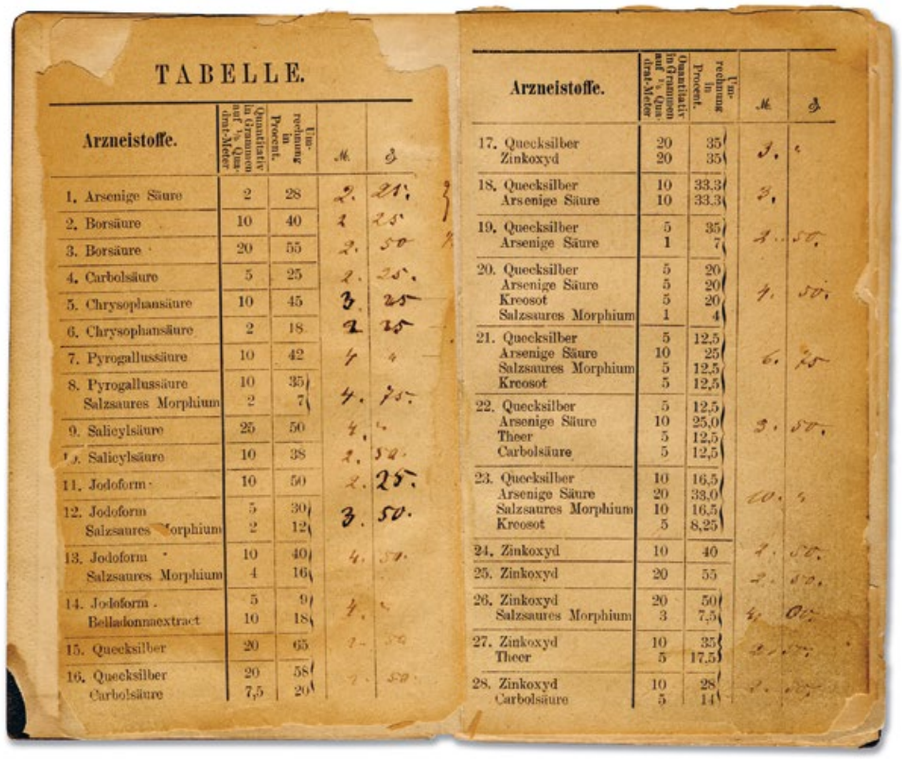


TABELLE.

Arzneistoffe.	Quantitativ in Grammen auf 1/5 Quadrat-Meter	Umrechnung in Procent.	M.	₰
1. Arsenige Säure	2	28	2.	21.
2. Borsäure	10	40	2	25
3. Borsäure	20	55	2.	50
4. Carbolsäure	5	25	2.	25.
5. Chrysophansäure	10	45	3.	25
6. Chrysophansäure	2	18	2	25
7. Pyrogallussäure	10	42	4	4
8. Pyrogallussäure Salzsaures Morphium	10 2	35 7	4.	75.
9. Salicylsäure	25	50	4.	
10. Salicylsäure	10	38	2.	50.
11. Jodoform	10	50	2.	25.
12. Jodoform Salzsaures Morphium	5 2	30 12	3.	50.
13. Jodoform Salzsaures Morphium	10 4	40 16	4.	50.
14. Jodoform Belladonnaextract	5 10	9 18	4.	
15. Quecksilber	20	65	2	50
16. Quecksilber Carbolsäure	20 7,5	58 20	2	50
17. Quecksilber Zinkoxyd	20 20	35 35	3.	
18. Quecksilber Arsenige Säure	10 10	33.3 33.3	3.	
19. Quecksilber Arsenige Säure	5 1	35 7	4.	50.
20. Quecksilber Arsenige Säure Kreosot Salzsaures Morphium	5 5 5 1	20 20 20 4	4.	50.
21. Quecksilber Arsenige Säure Salzsaures Morphium Kreosot	5 10 5 5	12,5 25 12,5 12,5	6.	25
22. Quecksilber Arsenige Säure Theer Carbolsäure	5 10 5 5	12,5 25,0 12,5 12,5	3.	50.
23. Quecksilber Arsenige Säure Salzsaures Morphium Kreosot	10 20 10 5	16,5 33,0 16,5 8,25	10.	
24. Zinkoxyd	10	40	2.	50.
25. Zinkoxyd	20	55	2.	50.
26. Zinkoxyd Salzsaures Morphium	20 3	50 7,5	4.	00.
27. Zinkoxyd Theer	10 5	35 17,5	2.	50.
28. Zinkoxyd Carbolsäure	10 5	28 14	2.	00.

Overview of gutta-percha plasters in the first pricelist from 1882.

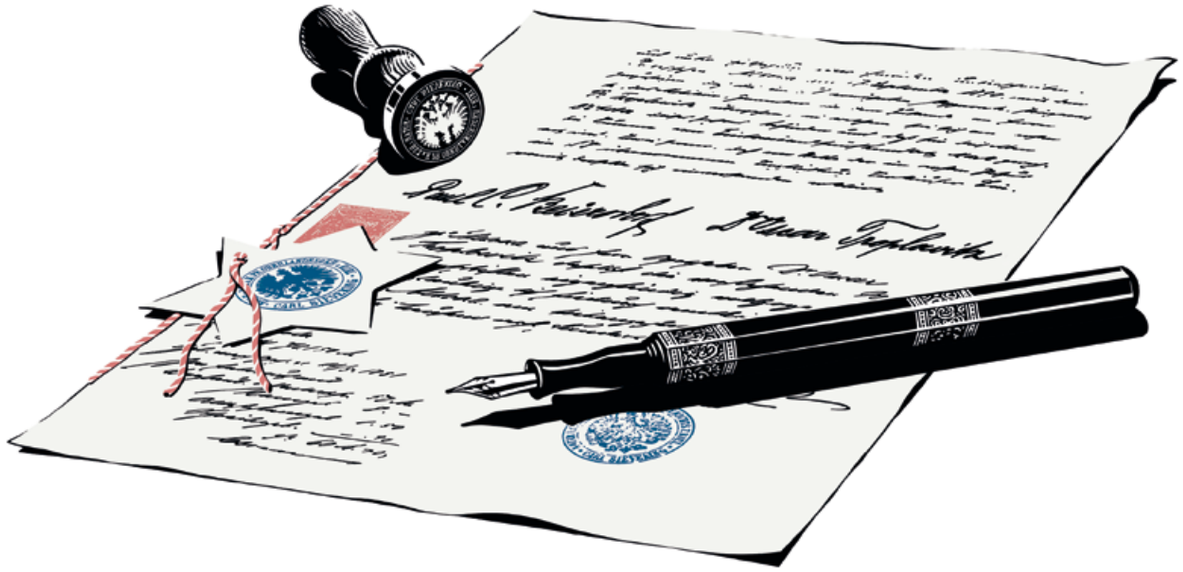
"Production of Coated Plasters". This document, with the number 20057, is considered the "birth certificate" of the Beiersdorf company (see page 15/16).

A new start in Altona

With Beiersdorf's self-adhesive plasters, precisely standardized amounts of medication could finally be attached unchanged to the skin. They were a major success right from the beginning and were propagated in numerous academic works by Unna and other doctors. Beiersdorf was completely taken up in his new field.

He left the pharmacy on Mühlenstraße in June 1883 and moved with his family from Hamburg to neighboring Altona, where he opened his Laboratory of Dermato-Therapeutic Preparations.

However, Beiersdorf wasn't especially good at selecting new real estate. The rented rooms in a residential building on Wohlers Allee were small and not suitable for a laboratory. Because the most basic equipment was absent, every step of the work had to be done by hand. ▸



Despite these rather poor conditions, demand for the Beiersdorf plaster increased continuously. Paul Gerson Unna published articles in dermatological journals, which brought the new type of plaster to the attention of pharmacists and doctors abroad. Soon the first orders from the Netherlands, Belgium, and Italy landed in the Beiersdorf office, and business got better and better. The pharmacist intensified his collaboration with Paul Gerson Unna and hired new staff. By the end of the 1880s, eleven employees were working in production and management.

A twist of fate

Because the rooms on Wohlers Allee couldn't handle the growing business, Beiersdorf planned a new move for 1890. A Danish developer held up the prospect of a laboratory on Oelkersallee that could be built to suit his needs. Beiersdorf pursued it without knowing that the developer was a dubious speculator who built buildings as cheaply as possible and then rented them to gullible people under long-term contracts.

In fact Beiersdorf did not end up moving into the new building he had designed. But the reason wasn't poor construction or inadequate layout of the space. It had much more to do with a twist of fate that prevented the then 54-year-old pharmacist from making changes to his business.

Carl Albert, Beiersdorf's second child, was a student at Hamburg's Christianeum, a prestigious institute of learning in Altona. On March 29, 1890, the sixteen-year-old found out that he would not move ahead to the next class, which shocked him. He went home, took out his father's pistol, and shot himself on a bench in front of his parents' house.

Paul Beiersdorf was so shaken by his son's death that he fell into a deep depression and wasn't seen at work for weeks. He no longer had the strength to concentrate on his work and decided to sell the company.

A new owner

Three people responded to his ad in the pharmaceutical journal. One of them was the 27-year-old Silesian pharmacist Dr. Oscar Troplowitz. After a few letters and a visit to Altona, the two men came to an agreement: Beiersdorf sold his laboratory, including the plaster patent, for 70,000 marks. Transfer occurred in two steps. On July 1, 1890, Dr. Troplowitz became part owner of the business, which at this point started operating as P. Beiersdorf & Co. On October 1 of the same year, Troplowitz became the sole owner.

The takeover of the small laboratory in 1890 marked the beginning of the second act of Beiersdorf history. Just two years later, Troplowitz built a new production facility in Hamburg Eimsbüttel and made contacts overseas to sell its products all over the world.
A new start. <<

BACKGROUND

The last years of Paul C. Beiersdorf

After selling his company, Beiersdorf built a small private lab in his house in which he continued to develop new preparations. In 1893 he obtained the patent for the "Process for the Production of Perspiration Absorbent Insoles", which Troplowitz would later purchase. But financially Paul Beiersdorf wasn't doing well. He didn't have much luck with his investments, and the money from the sale of his laboratory was soon gone. Several times he unsuccessfully applied for a permit for a new pharmacy. When he was once again rejected by the authorities, Beiersdorf traveled to Berlin to make his case personally. On December 17, 1896, he had an appointment with Head Privy Counselor of Health, Dr. Pistor, at the Ministry of Culture on Unter den Linden. When this appointment also proved to be a failure, Beiersdorf ingested poison while still at the ministry and died immediately. This is how his life ended – the life of the man who laid the foundation for the modern adhesive plaster and who still lives on today in the name of Beiersdorf AG.

"Berlin, December 17. Today at 5 o'clock the pharmacist Paul B. from Altona died as a result of poisoning in the offices of the Cultural Ministry. Poor financial standing was likely the cause of suicide."

The newspaper Altonaer Nachrichten, December 18, 1896, no. 297, morning edition, p. 3

A patent for the future

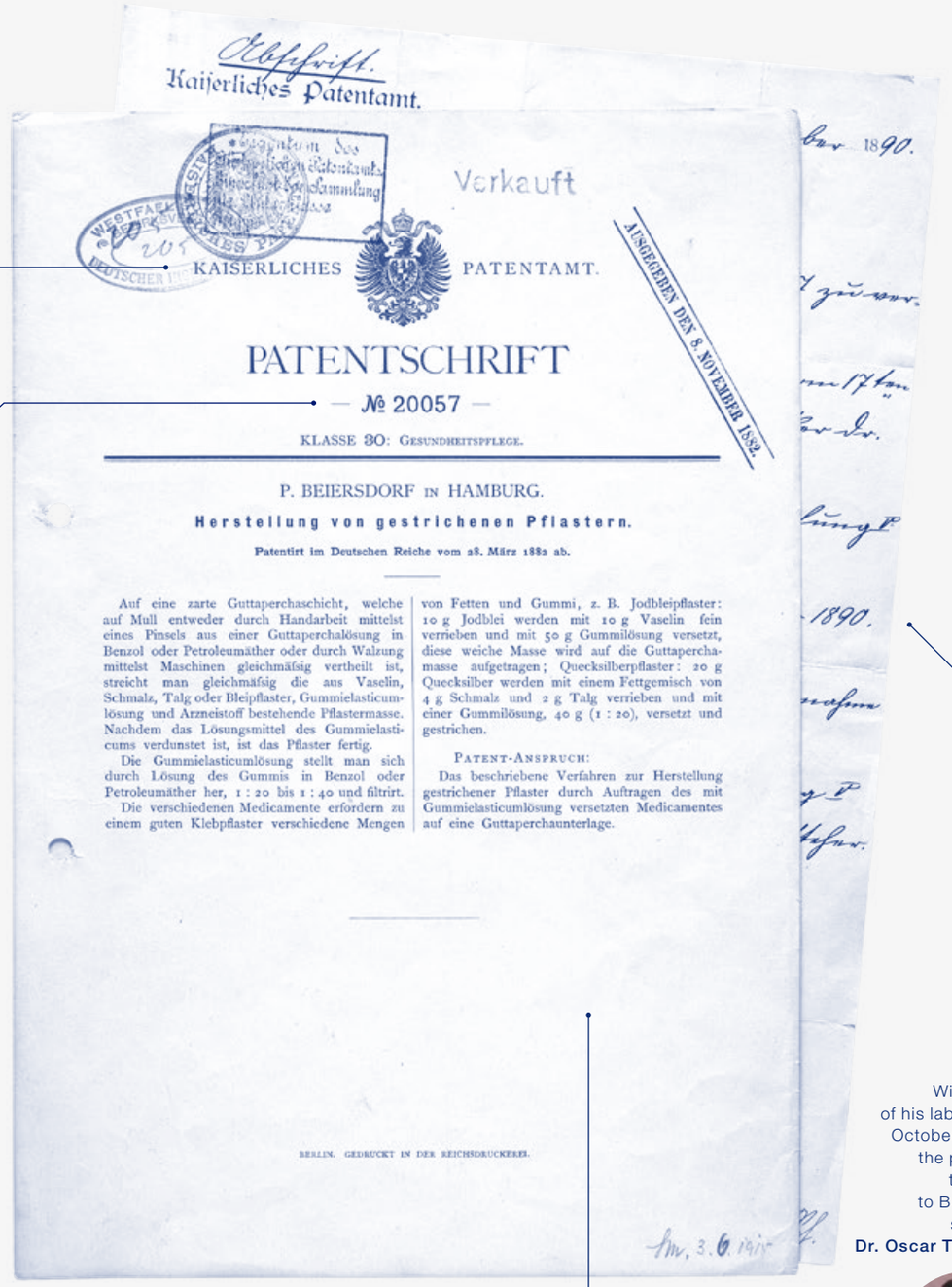
The patent for the "Production of Coated Plasters" is considered the birth certificate of the Beiersdorf company.

With the new gutta-percha plaster, the treatment of injured skin areas completely changed. The process developed by Beiersdorf made it possible for the first time to put various medications on the skin and allow them to have an effect over a longer time period. Previously, skin disorders could only be treated with salves, but these treatments were fleeting and could not achieve a sustained effect. There were plasters, but in general they weren't self-adhesive and had to be heated before use, which limited the effectiveness of the salves. Furthermore, the adhesive, which was often made of wax and resin, irritated the skin. Beiersdorf solved this problem by using rubber dissolved in a lukewarm plaster compound. The waterproof gutta-percha made a deep penetrating effect possible that just couldn't be achieved by applying salves and creams alone. In addition, body heat allows the gutta-percha to conform to the skin's surface.

The **Imperial Patent Office** opened on July 1, 1877, in Berlin. The day after it opened, the first German patent for the "Process for the Production of a Red Ultramarine Paint" was given. Over 600,000 patents have been issued in Germany to date.

The patent with the **number 20057** for the "Production of Coated Plasters" from March 28, 1882, is the "birth certificate" of the Beiersdorf company: "The plaster mixture consisting of petroleum jelly, lard, tallow or plaster of litharge, Indian rubber solution, and the medication is spread evenly onto a fine layer of gutta-percha which has been evenly applied to gauze in the form of a gutta-percha solution in benzene or petroleum ether either with a brush by hand or by rolling with a machine. Once the solvent in the Indian rubber has evaporated, the plaster is ready. (...) Patent claim: The described procedure for the production of coated plasters by applying the medication mixed with Indian rubber solution to a gutta-percha base."

Over the years, **Beiersdorf's plaster** developed into modern adhesive plasters, which were initially produced by the Beiersdorf company in 1901 as **Leukoplast** and since 1922 with an integrated pad as **Hansaplast**.



With the sale of his laboratory on October 31, 1890, the patent was transferred to Beiersdorf's successor, **Dr. Oscar Troplowitz**.

It all began in a pharmacy

There are places that are apparently very good for bringing promising business ideas to life. Starting in the 1970s there were some garages that had this magic – but long before that, inspiration often came out of pharmacies. That's not just true for Beiersdorf. Many ideas were hatched, companies were founded, and flashes of genius out of which large companies have developed had their origin between salve crucibles, mortars, and medicinal reference books. Four examples.

01 Coca-Cola

Atlanta 1886: In Jacob's Pharmacy, the pharmacist John S. Pemberton brewed a tincture from coca leaves, cola nuts, essential oils, and wine, which he dubbed "French Wine Cola". His success came when he produced a further variation without alcohol. In 1887 Pemberton obtained the patent for his new drink. This was the hour of birth of Coca Cola. Today the brown soda is the most well-known soft drink in the world – every day the company sells about 1.9 billion units.

02 Dr. Oetker

A small pharmacy in Bielefeld is the birthplace of one of the most well-known, internationally active German family companies. There, in 1891, August Oetker mixed his first baking powder and gave it the name "Backin." The new company expanded rapidly and opened its first international affiliate in 1908. Today the Oetker Group is active not only in the food industry, but also in the shipping, banking, and hotel industries. And "Backin" remains one of the most well-known German brand products even today.

03 Fresenius

On October 1, 1912, the pharmacist Dr. Eduard Fresenius founded the pharmacy Dr. E. Fresenius in Frankfurt. The laboratory of the Hirsch Pharmacy, which had already been owned by the Fresenius family since the 19th century, became a small production plant which mainly produced infusion solutions and medicines. The company developed into an internationally active health corporation.

04 Nestlé

The Swiss pharmacist's assistant of German heritage Henri Nestlé succeeded in 1867 in producing a soluble milk powder that could be given to infants as a substitute for mother's milk. Within seven years he had sold 1.6 million tins of "Kindermehl" on every continent. Today Nestlé is the largest food company in the world.

01

02

04

03

IMPRINT

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