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## WORLD

# How Germany Kept Its Factories Open During the Pandemic

Strict safety rules, testing and contact tracing enabled plants to keep running without major outbreaks

By [Tom Fairless](#) / Photographs by Louisa Marie Summer for *The Wall*

*Street Journal*

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MULFINGEN, Germany—When much of Europe’s economy shut down in mid-March, business kept right on going at Ebm-papst Group, a fan and motor manufacturer based near Germany’s Black Forest.

Throughout the six-week national lockdown that now is gradually being lifted, the family-owned company kept its domestic factories running at 80% of normal capacity, said Chief Executive Officer Stefan Brandl.

Social distancing, ubiquitous face masks, in-house Covid-19 tests and contact-tracing when employees fell ill helped the company keep its plants open. Just 15 of its 6,700 employees in Germany have contracted the virus, the company said.

Large parts of Europe have been ravaged by the pandemic, but Germany has fared better. While it has seen roughly the same number of diagnosed infections as similar-size neighbors—Italy, Spain, France, the U.K.—it has registered only about one-quarter as many deaths.



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And German authorities, unlike those in Italy and Spain, gave all factories the option to stay open through the pandemic. More than 80% of them did so, and only one-quarter have canceled investments, according to a recent survey conducted by the Institute for Economic Research, a Munich think tank.

As the U.S. and other parts of Europe move to reopen their industries, some are looking to Germany for lessons on how to do so as safely as possible.

Among them: Businesses implemented strict safety rules early on. Managers involved unions and employees in safety planning. Regional governments moved quickly to test and trace chains of infection. And strong ties to China, where many German firms have operations, gave companies a jump on planning.

Although German businesses generally acted on their own initiative, they also benefited from government actions affecting the entire population, and from the nation's overall good fortune relative to its harder-hit neighbors.

German businesses haven't been immune from the coronavirus fallout. The government expects the German economy to suffer its biggest downturn in modern history. What's more, its businesses rely heavily on international trade and global supply chains, which could remain under pressure for months or even years.

Yet many economists, including those from the International Monetary Fund, think the decision by German companies to keep running through the lockdown could allow its economy to recover faster than other nations next year.

“Germany has created stable conditions, and I think there is a chance for us to rebound more quickly,” said Thomas Böck, chief executive officer of CLAAS, an agricultural machinery manufacturer based in northwest Germany.

The company quickly rolled out safety measures in its German plants when it saw the situation deteriorating in China, including increased distances between workers where possible and the use of masks. Its virus crisis group meets every day.

About 20 of the company’s 5,000 workers in Germany were infected, a spokesman said. Most of those cases happened early on, he said, and the company traced and quarantined other workers who might have been exposed. Most of the infected workers have since recovered and returned to work, he said.



Ebm-papst used social distancing, face masks and in-house Covid-19 tests to try to protect its workforce.

Today, the company’s German factories are operating at 70% to 80% of normal capacity, Mr. Böck said. Two factories stayed open continuously. A third closed for several weeks because it didn’t receive equipment from Italy.

German businesses also cite their presence in China, Germany’s largest trade partner, as an important factor in helping them prepare for the pandemic.

“Nearly everybody somehow is located in China,” said Thilo Brodtmann, executive director of the German Mechanical Engineering Industry Association, or VDMA, which represents more than 3,000 companies.

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*Do you think the pandemic will have a long-lasting effect on production patterns? Why or why not?* Join the conversation below.

Germany's automobile factories closed in March because demand dried up. When Volkswagen AG began reopening its German plants in late April, it deployed some measures in practice in its Chinese plants, adapting some and adding new ones.

The result was a list of 100 steps affecting many aspects of workers' routines, including where to change into work clothes, where and how to eat lunch and how to check for Covid-19 symptoms.

KION Group, a Frankfurt-based manufacturer of forklifts, imported a raft of safety practices from China, where it has five factories and about 4,000 employees.

"We were able through China to prepare a lot of things ahead of time," said Chief Executive Officer Gordon Riske. Changes include removing workstations to increase distances between staff, which hits productivity, as well as new shift patterns.

The company recently said revenue in the three months through March was 2.7% lower than in the year-earlier period, but that its overall level of orders was unchanged.

Fischerwerke GmbH, which makes anchoring systems for the construction industry and other equipment, said all the company's German plants had remained open through the lockdown.

It began making its own disinfectant, dubbed "Viruclean," at its chemicals factory in near the French border. It provides it free of charge for use at home by its 5,200 employees in nine countries, and to clients and business partners, said Chief Executive Klaus Fischer. It also developed and 3D-printed hundreds of door handle extensions to enable workers to open doors with their lower arms to avoid touching the handles.

Eight employees were infected and have since recovered, said a company spokesman.

Ebm-papst, the fan and motor maker, has three factories in China. When the coronavirus began sweeping through that country, Thomas Nürnberger, the Shanghai-based head of the company's China operation, called his colleagues to sound the alarm, giving them weeks to prepare before the virus made landfall in Europe. One of his first pieces of advice was for them to buy masks—as many as they could.

“We started trying to buy them all over the world,” said Tobias Arndt, the company’s head of logistics. Mr. Brandl, the CEO, said the company now has one employee whose sole job is to source masks. It has a stockpile of more than 100,000 and is beginning to experiment with reusable ones.



Ebm-papst’s German factories, which build fans and motors, have been running at 80% of normal capacity.

Winfried Imminger, the company’s in-house doctor, tests employees suspected of being infected, more than 250 to date. If they are, the company’s own contact-tracing program kicks into motion.

So far, eight out of around 3,800 workers in Mulfingen, where the company is based, have tested positive and were isolated, a company spokesman said. Most were connected to an outbreak linked to a nearby church, he said.

Workers also are asked to check their temperatures at home and report any infection.

At a recent meeting of the company’s virus task force, Dr. Imminger discussed the merits and drawbacks of the latest ideas to reduce infection risks. Longer door handles, which could be opened with an elbow, might be counterproductive if workers used their sleeves to wipe their brow, he said. Plexiglass barriers also might backfire if they encouraged workers to remove their masks. Reliable antibody tests wouldn’t be available before the fall, he said.

Like most German companies, Ebm-papst routinely involves employee representatives in management decisions—a tradition called co-determination. The head of personnel and a workers’ representative sit on the crisis task force.

On a cavernous factory floor recently, workers were assembling large electric fans. Teams of cleaners roamed the floors, disinfecting door handles, elevators and machine buttons.

“I feel safe with all these precautions,” said factory worker Bastian Wagner. “I’m very happy to come to work,” he said, given that so many factories in Europe are shut.

A new shift pattern means that the same workers always work together. Shifts have been shortened by 15 minutes so departing workers never encounter those replacing them.

That can create problems in handing over tasks, said Herbert Walter, a master craftsman on the factory floor. He now calls or emails workers on the next shift to explain the work he has done, he said.

Paul Horn GmbH, a precision toolmaker based in Tübingen, has kept its three factories running continuously. The company, which makes machines used to build medical devices, cars, airplanes, wind turbines and other products, has shortened shifts, but it hasn’t furloughed any of its roughly 1,000 employees.

It, too, has a crisis group of management and workers that meets daily. The company has rearranged its canteen and workstations, and moved departments to different buildings to increase distance between workers. Employees work staggered shifts and wear mouth and nose protection, including its CEO, who wears a bandanna.

One staff member caught and recovered from the coronavirus, and another is currently infected. Both cases were quickly discovered and contained, said Christian Thiele, a company spokesman.

Economists don’t expect German companies to escape the pandemic’s economic impact. Their international presence can stretch their supply chains and leave them exposed to harder-hit markets.

“We are driving by sight, and no one can estimate how long or how deep this downturn will be because there is no precedent for it,” said Jan Sibold of the RKW industry association in Baden-Württemberg, the southern state where Ebm-papst is located.

Soon after large car makers began reopening plants shut for lack of demand, Daimler AG disclosed a 68.9% decline in first-quarter earnings before interest and tax, largely due to a collapse in demand.



A worker in front of the loading station at Ebm-papst in Mulfingen.

Recent business surveys by data provider Markit suggested that German manufacturers were experiencing an unprecedented drop in output. Business and consumer sentiment are both plumbing uncharted depths.

“Germany does have some advantages that could make it come back stronger,” including low debts and big capital buffers, said Clemens Fuest, president of the Institute for Economic Research. “But it is also much more exposed...to other countries.”

—*Bojan Pancevski contributed to this article.*

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### Corrections & Amplifications

Klaus Fischer is chief executive of Fischerwerke GmbH, which his father, Artur Fischer, founded. An earlier version of this article incorrectly said Klaus Fischer is founder and CEO. (Corrected on May 8)

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