

History of the Moehring- Group of Companies *by Michael Boel*

1947

K. Heinz Moehring, having returned after the war to his hometown of Salzwedel, decided that he should leave the area of Russian occupation and arrives with his wife, their first child Sylvia and 2.800 sqm of burl-veneer in Hamburg.

His first office was as a joint tenant with Hinrich Clasen at Alsterglaci in downtown Hamburg. Here he met Ms. Everth for the first time, who would for over 20 years thereafter become his Head-Accountant. Also, it was here where he made the acquaintance of Mr. Leboucher, the later Exec.Vice-President of the renowned veneer manufacturer, Marcel Miguët in Paris, France.

Mr. Moehring starts his wholesale veneer business in rented facilities at Wendenstr. in Hamburg-Veddel. His first partners were Karl-Emil Wessel of Wedekind and Hempell, who gave the start-up capital, whereas Henry Trettau entered the partnership with a registered company. (During the first years of the British occupation, no new company could be registered.)

Both partners were being paid out in 1948.

1948

On June 21, 1948 came the much needed Monetary Reform, the old Reichsmark went and the German Mark came. With it came also a gradual liberalization of foreign commerce. K. Heinz Moehring saw opportunities, especially in the import of veneer from France. What started then, was a very close relationship with Messrs. Marcel Miguët of Paris and soon Moehring was the largest importer of French Walnut Veneer into Germany, the most fashionable specie at the time.

From his Hamburg warehouse he expanded his sales activities into the heart of the furniture industry, Westphalia.

1950

Moehring recognizes, that he would not be able to cover his needs for veneer from either imports, nor from his custom-cutting production at G.C.Bartels & Sons in Hamburg.

Slowly in his mind, Moehring was considering building his own veneer plant. However, before he would embark on such an important venture, he and his wife made a visit to the then prominent competitor, Mr. Karl Danzer in Reutlingen. Moehring made an offer for the exclusive representation of Danzer Veneer in Westphalia. Danzer rejected. Moehring then told him, you are forcing me to build my own plant; whereupon Danzer replied: another "veneer-stable" in Westphalia.

1952

This was the year during which important decisions were being made:

a property of approx. 20.000 sqm was being purchased at the Grevenmarsch in Lemgo, later on this area grew to almost 86.000 sqm. The location close to his customers was opposite to other veneer mills, which had always been built where the raw material was.

during this time, Marcel Miguët of Paris acquired a 50% ownership in the company.

the very first veneer-slicers were being ordered from RFR in Hamburg, together with all other machinery and equipment needed. The veneer plant in Lemgo had been started; as it turned out in years to come it became the largest veneer plant in all of Germany.

During the first years mainly German and African species were being sliced, other types of wood followed later.

1953 -1956

This was the time of reconstruction in Germany and Europe and Moehring participated in the increased demand for veneer, mainly for the furniture and plywood industry.

Aside from slicing in Lemgo, Moehring used almost 60% of the custom-cutting capacity at G.C.Bartels & Sons in Hamburg.

During this time Moehring engaged in some very uncommon activities for its time. Through his very close relationship with the J.F.Mueller & Son company in Hamburg, the largest log-importers and agents, he was able to secure a contract with the Office du Bois in Paris, who controlled then all of the log movements from former French colonies, for the extremely large quantity of 100.000 cbm of Ocoume logs. His very special standing with the Vereinsbank in Hamburg made the transaction possible by providing the financing.

Never before had anyone contracted for such a large volume of logs, but Moehring with his instinct for special opportunities, organized the transport from Port Gentil, Gabon to Europe, contracting charter vessels. Aside from using major portions of these shipments in his plant in Lemgo, he became at that time a prime supplier to many buyers throughout Europe.

Similarly, Moehring had become the largest importer of Grey Elm logs from Canada. His supplier was Isidor Elefant of General Woods and Veneer in Montreal.

Sales of the Moehring company grew rapidly, a mix of his own production in Lemgo, custom-cut veneer from Hamburg, as well as imports of veneer from France and somewhat later also from the U.S.A.

During these years he formed a number of partnerships in which he had the controlling interest, the so called "Satellites", their function was the distribution of Moehring-Veneer. (He always used to say: not everyone likes the king, so we need different outlets.)

Wilhelm Moehring & Co. GmbH
Klepzig, Ott & Co. GmbH
Tietjen & Co. GmbH
Terwesten & Co. GmbH
Singer & Co. GmbH
Ciro, Garnier et Cie, Lte

But there was also the CONTIMBA – Organization, through which the import of African logs was being channeled for the requirements of Lemgo, but just as much for many other customers in Europe. Branches, resp. buying offices were being maintained on the Ivory Coast, Ghana, Gaboon, Congo and Nigeria, all staffed with Moehring personell.

Over the years sales warehouses were being built in

Seevetal/Rammelsloh near Hamburg
Wendenstrasse in Hamburg, the original warehouse
Gaertringen near Stuttgart
Wuerzburg
Brake near Lemgo

1957

This should become a milestone year of the entire Moehring Group of Companies:

As mentioned already, Moehring imported sizeable quantities of Elm logs from Montreal. He recognized, however, that he needed to have his own base of supply. – So, for the first time in April of 1957 he flew from Duesseldorf to London, changed planes to the twice-a-week Lockheed Constellation flight of what was then Trans Canada Airlines to Toronto.

In order to secure a constant reliable supply of Elm logs, Moehring found the right location in Ontario. He purchased a farm just 100 miles north of Toronto and on his second trip to Canada formed Maple Leaf Veneer, Co. Ltd.

In 1957 it was not common at all for a German company to form a foreign subsidiary. There were still restrictions in foreign currency transactions, many import formalities and last not least a different language and customs. – A courageous step for the 35-year old veneer merchant from the town of Salzwedel, who had just ten years ago made it across from Russian occupied Germany to the British Zone in Hamburg.

1958 -1967

Soon Moehring decided to start building a veneer plant on the farmland he had purchased the year before. He began by installing equipment for rotary-cutting, then added cut-to-size veneer equipment and a plywood mill. In 1960 veneer-slicers were being added and a full charter vessel with African Mahogany logs arrived at the plant site, traveling from Victor Ballay in Agboville, Ivory Coast through the recently opened Seaway to Toronto.

During these years, Moehring became the largest exporter of Grey-and Red Elm logs, as well as Walnut logs, all destined for custom-cutting in Hamburg.

While activities expanded in Canada, Moehring was also active in another continent and in a different field altogether. In Liberia, Africa, a forest concession near the Port of Cape Palmas had been purchased. Maryland Logging Corp., Inc. became a principal supplier of logs to Lemgo, but also to customers throughout Europe. He personally oversaw this complex operation and fought with the difficulties so typical in that part of the world. In 1963 the concession was sold to Brandler & Rylke of Lagos, Nigeria.

In 1961 a new group, represented by Dr.v.Thadden, entered the partnership.

By 1963 Maple Leaf Veneer Co., Ltd. had become the largest customer for particleboard of Abitibi Power & Paper Company at their plant in Sturgeon Falls / Ont., making it attractive for Abitibi to purchase the Durham plant. The name changed to Interforest, the plant still operates today under new ownership.

Following the sale of the Canadian operation, Moehring was able to purchase the 1/3 ownership of his early partners, Marcel Miguet of Paris. The result was that the remaining partners had each 50% of the company, namely Moehring and the Dr.v.Thadden-Group.

As part of the sale to Abitibi, Moehring had entered into a Non-Competition Agreement with respect to the manufacture of veneer in Canada. However, he could buy and sell logs for export. This is when Trans-World Walnut Co.Ltd. with offices at Shallmar Blvd., Toronto/Ont. was formed.

By the end of 1963 it became apparent, that the USA would impose a log export embargo for American Walnut, which took effect under the leadership of Pete Peterson as Secretary of Commerce.

Overnight the Moehring Group in Germany was without a supply of this most important face veneer specie at that time. – By March 1964, after acquiring a 100 acre plant site at Beaufort / N.C. close to the Port of Morehead City, Atlantic Veneer Corporation was formed and started production by the end of the same year.

The concept called in the beginning for a small plant, two slicers at the most. But during the following 10 years the plant became the largest hardwood veneer and plywood products manufacturer in the U.S. Its sliced veneer destined to all parts of the world, where the name Atlantic Veneer became known as an industry leader.

1968

Aside from veneer in American species, Brazilian veneer was highly fashionable at this time. Here Brazilian Rosewood and true Mahogany were the top sellers to the furniture industry. – Moehring had a buying office in Vitoria/E.S., Brazil located at one of the traditional export ports with regular scheduled services to Europe. Logs were being shipped from Vitoria, mostly hewn, sapfree to the custom-cutting plant of Nadge&Neffen in Hamburg. Also, Moehring had become the largest customer of the then only Brazilian export veneer mill, MASUL.S.A. in Sao Paulo from where he shipped large quantities of finished veneer on a monthly basis.

For some time already Brazil was trying to increase its export volume by only allowing manufactured products to go overseas, thus value-adding to its raw materials. As expected, on February 28, 1968 Brazil imposed a complete log-embargo, allowing only manufactured wood products to leave the country.

Fearing that these new rules might come into effect, Moehring and his wife Ilse Moehring were in Vitoria, waiting for the official announcements and seeing to it, that the logs he still had at the docks in Vitoria would still be shipped. Likewise, Moehring's arch-rival Danzer was with his executives in Sao Paulo, negotiating to purchase the MASUL veneer plant, Moehring's supplier.

Within hours after the announcements were official and the embargo was effective as of midnight of March 1, 1968, Moehring and his wife decided that they would build a veneer plant at a site they had looked at, about 10 km outside of Vitoria, close to the airport.

This should become a day and a year to remember in the history of the Moehring Group of Companies!

Within 106 days only, the first Rosewood veneer was being sliced, airdried at first, since the veneer dryers were late in arriving. Never had anyone attempted to secure in such a short time a critically needed supply of such a precious veneer for Moehring and his international customers the world over.

The then following years were years of hard work but also of success. With the acquisition of additional property adjacent to the initial plant, the Vitoria operation grew and Atlantic Veneer do Brasil, S.A. became in its final stage the largest face veneer manufacturer worldwide. Customers from all over the world came to Vitoria and the plant was a testament to what an entrepreneur like Moehring, always with his wife at his side, could realize. Given the very different circumstances a production of this size poses in a land like Brazil, one can only look back with much respect of what had been achieved.

In the years to come, two more plants were being started, Itacoatiara on the Amazon, close to Manaus and in Cuiaba in the State of Mato Grosso. Also sales offices and warehouses were operated, in Rio de Janeiro, in Sao Paulo and in Belo Horizonte.

Between all locations the Moehring Group at its peak employed a total of approx. 9.500 employees, worldwide.

In 1977/1978 K. Heinz Moehring purchased the 50% participation of the v.Thadden family and became the sole owner of all firms and holdings of the group.

1989 and the future

K. Heinz Moehring and his wife decided to return to the US, after having worked and lived almost 20 years in Brazil.

There was ample to do in Beaufort. The plant was further enlarged and modernized to keep pace with the ever changing structures and markets. All companies underwent overhauls so that they may be best prepared for the times ahead.

Politically the world was changing with the dramatic Re-Unification of Germany and the opening of Eastern Europe. Moehring saw new opportunities. At the same time style and fashion of furniture, office and store fixtures were changing, especially also the flow of materials and products. Asia became a new market, but also a new competitor; light colored woods were in demand in larger quantities than before.

With the independence of the Baltic States Moehring began thinking about a new production facility in Estonia. Already in 1992 he and his closest associates began traveling to that country, which had been over 70 years under communist rule. The threats from Russia, the supply-stop of natural gas, were all signs that the time was not ripe yet to make a sizeable investment. Still suitable property had been secured, just outside the Capital City of Tallinn, which at the time was the first outright sale of land to a foreign investor, where ownership of private property had been banned for generations.

1997 Moehring sold his veneer and plywood plant on the Amazon to a well-known investor group from Malaysia. In August of the same year the building of the new veneer plant in Estonia, named A.S.Balti Spoon in Kuusalu began. Only 8 months later production was started, which meant building the plant and installing equipment during the harsh winter months so common in that part of the world.

Today A.S.Balti Spoon is without any doubt a showpiece of the industry, specialized in the large scale production of rotary-cut and sliced-cut veneer from logs of that region.

There was a time, while the project in Kuusalu was being considered, when many of his close associates said, should Moehring take on the burden and the added responsibilities of a new venture, especially at his advanced age. But he did not want to hear any talk of age, he listened to the opinions, but at the end said: "for my money – I talk". And so he did. He was particularly proud of the fact that the expansion was being financed with his own resources, with no outside financing.

In the fall of 2003 the life of a very special man came to an end. He endured a long illness, but wanted to be part of the day-to-day events of his companies until his very last days.

With K. Heinz Moehring an age came to an end, the age of a special kind of true entrepreneurs in an industry that had gone through fundamental changes. He lived his life true to old fashioned principles: Hard work and diligence, discipline and thriftiness.

His successors are his two grandsons, Christian and Hans Weygoldt. They were being given the best of formal education, but most of all, both of them have been well tutored by their grandfather, giving them guidance already at an early age.

It is up to them to take the companies and enterprises into the future, to give the Moehring-Group its new face and prepare for the years ahead. They are being supported by a team of young and energetic associates who are all determined to continue what K. Heinz Moehring had started some 60 years ago.



C O V E R I N G T H E W O R L D W I T H H A R D W O O D P R O D U C T S

EUROPE: +49 (0) 5261-2540 USA: +1 (252) 726-3169 www.moehring-group.com

Atlantic Veneer Corp. / AV Plywood / Balti Spoon OÜ / K. Heinz Möhring GmbH & Co. KG / Moehring Polska sp. z o.o / Balti Shpon OOO