



Building a better
working world

Family Business
Slovenia
2020



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Contents

04	Foreword
06	Introduction
08	Agromehanika, d. d.
14	Debeluh, d. o. o.
20	eVino, d. o. o.
26	Evrosad d. o. o. Krško
32	Fine Culinar, d. o. o. and Consult Commerce, d. o. o.
38	Genis, d. o. o.
44	Kmetija Pustotnik, d. o. o.
50	MI Elektronika, d. o. o.
56	Rast Tim, d. o. o. (e-Branjevka)
62	Tradicija Avsenik, d. o. o.
68	Family Business Services
70	EY Growth Navigator™
71	SPIRIT Slovenia
72	Last year's highlights
73	Mediade

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A company that can face a crisis not only by ensuring its continued existence, but by focusing so much of its attention on socially important projects, definitely deserves a special award and general recognition.



Janez Uranič

Country Managing Partner
EY Slovenia

Foreword

During 2020 the coronavirus pandemic has infiltrated all areas of our lives, including the business world. It has also been widely recognized that maintaining a normal way of life depends on preserving all aspects of our economy.

At EY we adapted to the crisis by using different methods to assist our clients and other organizations with which we interact. In addition to specialized services and thought leadership, our continued distribution of tax news and organization of webinars were crucial to preserving relationships with our clients. We sustained communication of our regular insights into the latest business developments, while our guidelines and consultations helped companies understand the changes in financial circumstances.

Like many other organizations, spring saw EY Slovenia, together with EY globally, move our entire workforce to home office arrangements, practically overnight. Thanks to our Modern Workplace system, which was already integrated into our processes, the technical and logistical transition was smooth. However, commitment to effective teamwork is one of our core values and thus adapting to this new working environment presented a more significant challenge. Therefore, during the spring and autumn periods of enforced remote working, we focused on maintaining our employees' morale, motivation and connection, as these remain key to our success and that of our clients.

I am extremely proud of my colleagues for their committed, mature and responsible response to the situation. Together we completed the financial year successfully, with a positive outlook for the future and standing firm in the knowledge that we could withstand the crisis. As part of efforts to help our society during this difficult period, we donated a hundred nearly new laptops to students from socially disadvantaged families, facilitating distance learning.

Despite all the difficulties 2020 has brought, I am proud that we have achieved the seventh consecutive annual publication of Family Business Slovenia and I am sure that readers of its stories will gain confidence and inspiration for the future.

Let me conclude by expressing my pride that this year's EY Slovenia Award of Excellence went to LOTRIČ Metrology from Selška dolina. When the pandemic was declared, LOTRIČ Metrology established a testing laboratory and a certification facility to help boost Slovenian production and self-sufficiency in face masks. At the same time they collaborated with the Domel, EKWB and BPMC companies, the Technology Park Ljubljana and the Zavod 404 research center to develop the new Slovenian DIHAM ventilator, which translates as "breathe".

A company that can face a crisis, not only by ensuring its continued existence, but by focusing so much of its attention on socially important projects definitely deserves a special award and general recognition.

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We decided not only that we had to publish the book, but that its publication was uniquely relevant in chronicling a period marked by crisis.



Mojca Emeršič, CFBA
Family Business Leader
EY Slovenia

Introduction

This March, when we started planning our latest, seventh book on family enterprises in Slovenia, we were afraid we would not be able to complete it this year. We wondered whether companies, faced with such difficult circumstances, would even be interested in anything unrelated to their immediate survival. For the first time since we began publishing the Family Business Slovenia book collection, it seemed that there would be no book in 2020.

However, as is often the case, an initially downbeat outlook was soon replaced by our desire to conquer this situation. We decided not only that we had to publish the book, but that its publication was uniquely relevant in chronicling a period marked by crisis.

In March and April, when most of Europe was in lockdown, the question of access to high quality food products became more important than ever. The disruption of supply chains, which fortunately quickly adapted, put the issues of Slovenian agriculture and other areas of the food economy to the front of our minds. Local self-sufficiency and agriculture suddenly became the focus of attention and we all questioned the resilience of our food production and supply systems in combination with other organizations.

This year's book provides an invaluable insight into our food sector. We discovered that several Slovenian enterprises within this challenging industry were able to respond and adapt not only with agility, but also with creativity and innovation.

We learned about Slovenia's state-of-the-art production of agricultural machinery and followed the development of a large-scale fruit and vegetable producer, advancing through superior quality and significant investment in protection against adverse weather, thus ensuring sustainable supply. We discovered an extremely well-organized dairy farm, with products of the

highest quality and outstanding marketing, which accomplished a decisive and rapid transition to successful online retailing in response to the crisis. We were impressed by the enthusiasm of two brothers who deliver crates of fruit to companies and homes, and inspired by a winegrower and merchant who said that the crisis helped him to better understand the importance of online sales.

Good wine is closely connected to top cuisine, and even though hospitality is one of the industries most affected by the pandemic, it is also crucial for the future of Slovenian tourism, where amazing experiences complement marvelous flavors and high-quality ingredients. However, good homemade frozen or freshly prepared meals, based on original recipes and prepared with local technology are no less delicious, and have proven to be an excellent solution during this period. When good food is combined with cultural heritage, certain aspects of which can be found in folk music, we can really talk about a well-rounded experience.

The book also explores the field of printed circuit board assemblies and discusses how e-business systems can improve the productivity and efficiency of a company's workflow. Our research into these business areas led us to the discovery that they have been largely unaffected by the current crisis.

Family enterprises are usually well-equipped to respond to times of crisis better than the rest of the economy. However, the unpredictability and duration of this year's crisis has challenged even the best prepared among them. Despite this, we all hope that the period of turmoil, which is still ongoing as we publish this book, results not only in inevitable damage, but also a realization that beating the crisis has made us stronger. Furthermore, we hope for an understanding that our response to it depended on our ability to collaborate and show solidarity.

Agromehanika, d. d.

Jan Šinkovec, Director and co-owner

Anže Šinkovec, Sales Director

Viktorija Lazar, Supervisor, co-owner and wife of Agromehanika founder Friderik Lazar

Franc Selak, Supervisor and co-owner

Janez Pušavec, Supervisor and co-owner of Agromehanika d. d.

Slovenia's only tractor manufacturer

There are few people in Slovenia who have not heard of Agromehanika which, as its name suggests, manufactures agricultural machinery. The company originated in 1986 and today it is still led by the second generation of the family. Based in Kranj, it is one of the leading manufacturers of agricultural mechanization in central and southeastern Europe. As much as 90% of their products are exported to more than 30 countries, not only in Europe but also in other continents (although the USA remains unconquered), especially in the last few years. Last year, the company received the Gorenjska Gazela regional award for fast growing enterprises. They employ more than 150 people and in 2019 achieved revenues of €22 million, also maintaining net profitability, which has been a feature of most of the company's history.

"We were the first in the world to put out a compact tractor with a new STAGE 5 engine in the 50-60 KM division. This is something we can really be proud of."

Anže Šinkovec,
Head of Sales
in Agromehanika





Agromehanika outperforms its competition through technological development and improvements to its spraying machines.

The founder's innovation and determination still permeate the company's values

"The company has an excellent base. This is thanks to its founder Friderik Lazar, a stubborn and hard-working man from Žiri, the now deceased father of Agromehanika," agree the company's Supervisors, Viktorija Lazar, Friderik's widow, and Frank Selak, one of Friderik's close co-workers. Both also agree that the company sprouted from Friderik's lifelong desire to make work easier for farmers, winegrowers and fruit growers through mechanical innovation. Everything started with simple changes and improvements to existing machines and continued with the production of spraying machines and mist blowers of his own design. These made Agromehanika the leading manufacturer of machinery for produce protection in Yugoslavia

between 1970 and 1990, with successful exports to other eastern European countries. Agromehanika had business centers and offices throughout Yugoslavia and sold both their own products and those of other manufacturers. After Yugoslavia fell apart, they lost their main market practically overnight and had to go from 160 employees to only 60. "As legislation changed, the company became privately owned and Friderik Lazar remained the Director. We worked hard to enter western markets and some of the key moments were definitely when we became representatives for Antonio Carraro tractors, and later for Renault and Deutz Fahrer tractors. However, the true challenge and success was the development and production of our own AGT tractor," says Jan Šinkovec, Friderik's son-in-law and the current head of the company, summarizing the next part of Agromehanika's story.

The world's first environmentally-friendly tractor

Since that first design, their flagship model has undergone several innovations and improvements. "We were the first in the world to put out a compact tractor with a new STAGE 5 engine in the 50-60 KM division. This is something we can really be proud of," says Anže, the Director's son and Head of Sales, who is part of the company's third generation. They also like to point out that the design of their new AGT 1060 tractor makes it easy for users to perform complex tasks in agriculture and horticulture. When used with additional equipment, it can also be applied to forestry and communal work. The AGT 1060 is not only functional and environmentally friendly, but also has a unique design by the famous Slovakian industrial designer Bystrík Micek. "This makes us one of the most progressive agricultural companies and helps us retain a strong market position," adds Anže.

Jan Šinkovec, the current Director of Agromehanika, has always had a good working relationship with his father-in-law, and today they form a good team with his son Anže. Both Jan and Anže had to learn the family business on the job – Jan studied physics and Anže political science – and both recognize that working for the family has a special attraction. "In our industry, where most companies started within families, this is very



The company has an excellent base. This is thanks to its founder Friderik Lazar, here pictured testing a tractor and spraying machine.

important. The relationships are much more personal. It doesn't matter if I turn up for a meeting at our offices or at our partner's offices instead of my father, since they know that I have an important role in the family. They know that I am the Director's son. This is how our partner sees it, and I personally see that as an additional motivation and responsibility, as I have to keep that trust and exceed expectations," explains Anže.

When farmers are unsure, they do not invest and we cannot sell

Quality, innovation, development of their own products and representation of foreign brands of the highest quality have been Agromehanika's guidelines for several years. Around 60% of their revenue comes from their own products and around 40% from selling products from other brands. Even during the coronavirus crisis, they did not have to furlough any workers. As part of the food sector, they kept their shops and service center open, while making sure their workers and sales personnel were well protected. "Our exports fell, of course, but retail sales of tractors, spraying machinery and trailers were impacted even more. All these are high value purchases; people do not decide to buy a new tractor overnight. Some have waited for a while, but still decide to go through with the purchase in



Viktorija Lazar, Supervisor, co-owner and wife of Agromehanika founder Friderik Lazar, Franc Selak, Supervisor and co-owner, Janez Pušavec, Supervisor and co-owner of Agromehanike, d. d.

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Agromehanika is the leading manufacturer of agricultural mechanization in central and southeastern Europe. As in every crisis, sales fell during the coronavirus pandemic, but Agromehanika decided to use the extra time to develop and perfect their products.



The fate of annual agriculture fairs is uncertain, affecting opportunities to do business and sell to clients in Slovenia and abroad.



They are one of the few spraying machinery manufacturers to develop their own computer for automation of the spraying process.

Agromehanika in a nutshell:

experience, tradition, flexibility, developmental focus, pursuit of common goals.

the end, as they cannot work without them. But the restricted movement within the municipalities affected sales in our shops. We have shops in only four towns in Slovenia and people were afraid to cross the municipality borders," explains Anže. Jan adds that this problem, which occurs during every crisis, will be difficult to resolve, meaning that they have to try even harder to sell their products. "We have to go to the clients. We organize demonstrations for smaller groups of interested clients, we drive to them, we put ourselves out there," he explains.

They will probably have to do this for a while, as the fate of annual agriculture fairs is also uncertain, affecting opportunities to do business and sell to clients in Slovenia and abroad. Agromehanika fortunately has not had any major problems with foreign suppliers, not even from China or Italy, which were hard hit by the pandemic and where they have several close business ties. They are still on target to meet their mid-term vision and become an important member of the leading group of spraying machinery and compact tractor manufacturers in the EU.

Development and good employees ensure future success

Why is Agromehanika more successful than its competition? Partly this is certainly due to the development of their own technology and improved models of spraying machines, mist blowers and other machinery, which they bring to the market every year. Their development team is working at full capacity and they are one of the few spraying machinery manufacturers to develop their own computer for automation of the spraying process. Anže is optimistic about the future: "This is the perfect time for development, as we do have a bit more time than before the crisis, and we can use it to reflect on our way forward. Our goal is to offer our clients new and improved products when the crisis is over."

The company's firm foundation is confirmed by Janez Pušavec, Supervisor and co-owner, who believes Agromehanika's strongest competitive advantage is the ability to respond to clients and market conditions. "It is important not to be tied to just one market, as you can be more independent and maintain at least minimum production. Even when a crisis hits, the strength of the blow differs in different markets," explains Janez, who has been part of the company for more than four decades. Viktorija Lazar, who has been with Agromehanika through the good and the bad even a decade

longer, believes their best asset is the young generation: "The company is getting younger, which is good, the young had to have an opportunity. I think they are familiar with the history of the company and they respect and value the experiences of the older generation." Franc Selak, another elder in Agromehanika, concludes with this important idea: "A computer cannot replace human relationships. A machine is a machine, and a man is a man. The young have to be aware of that. Even if an order is placed via computer, that does not mean the goods are on their way. The personal relationship is what is really important."

**Jan Šinkovec, Viktorija Lazar,
Franc Selak, Janez Pušavec**

co-owners

Company name: **Agromehanika, d. d.**

Number of employees (2019): **147**

Net sales revenue (2019): **€20.3 million**

Debeluh, d. o. o.

Jure Tomič, Head Chef and soul of Oštarija Debeluh

A Michelin-approved hotspot for gourmets

Jure Tomič, born in 1981 in the town of Brežice, is the Head Chef and the man behind the idea of Oštarija Debeluh restaurant. In all respects, Jure is the most important person in what has become one of Slovenia's best restaurants, in the process gaining the attention of the two most prestigious restaurant guides, the Michelin Guide and the Gault & Millau. In 2020, Jure received the Michelin Plate award, but this was far from his first international recognition. His clientele also has an international character, with most of his guests coming from Croatia and Serbia. "Food is my passion," says Jure, which explains a lot about his success.

"As a restaurateur, you cannot succeed overnight. You can invest in the business for 10 years with no progress, and then it happens. It takes a long time for people to trust you."

Jure Tomič,
Head Chef




Chef's
Stage
2019.
Jure Tomič



"The most important thing for us is that we have been noticed, that we have become part of the culinary map. It means so much to me if a true gourmand comes to Debeluh and tells me all the places in the world where he has eaten, and then he comes to me! I consider this my greatest success," says Jure.

Baker, sommelier, Head Chef at Debeluh

Jure has loved cooking since childhood and followed in the footsteps of his father, who was a chef, by training to become a baker. The entire family was steeped in a love of good food and enjoyed exploring the best Slovenian restaurants' excellent dishes and drinks. However, the family did not own a restaurant until 2002, when Jure commenced the ambitious development of his "baby", Oštarija Debeluh. This is what Jure has to say about the beginning: "Eighteen years ago, the market was hungry for good restaurants with a specific focus. There were not many of us at the time, especially in Brežice, where we mostly depended on Zagreb. At first, we only had grilled dishes on the menu, but our reputation grew and we began getting different types of guest and more of them as well. Our first breakthrough came with the wine."

The first thing to launch Jure out into the world was his training as a sommelier, which resulted in him being recognized as Slovenia's best in

2010. This led to him building connections with some of the best wine growers in Posavje, Slovenia and the world. But why should he remain simply a wine connoisseur, especially given the difficulty of making a living as a sommelier in Slovenia, when he could also venture into the kitchen?

Years of training followed in Slovenia and abroad; years of gaining experience, networking, building relationships with local food producers, restaurateurs and wine growers. Above all, these were years of waiting for the right moment to open his very own restaurant, which now employs the entire family. "Mum works in the service, my younger brother is in the kitchen, only dad has now started to retire and only comes to dine," explains Jure, who supervises everything and everyone at Debeluh. There are six people working in the kitchen, but Jure is the one who gives instructions and teaches them new things. He also ensures that all the dishes have a soul. "Even when I am not in the kitchen, the plates have to be perfect when I bring them to the guests. The connection between the kitchen and the service is very important," emphasizes Jure.

Beating Italians at making pasta

One of Jure's greatest professional achievements was gaining membership of the JRE Association of Young European Restaurateurs. However, he has gone beyond this milestone, receiving the 2019 JRE Best Service award for his ability to transform a simple meal into a unique culinary experience.

In 2015 Jure worked with some of the greatest international chefs at the EXPO 2015 in Milan, following this in 2016 by winning the world pasta-making championship held by the Barilla Academy. Only a few months before receiving the Michelin Plate award, he was described as a chef of the future by Gault & Millau, the second most important restaurant guide in the world, which also awarded Debeluh four out of five chef's hats. Likewise, Slovenian reviewers tend to confer the highest possible ratings on Oštarija Debeluh.

How does Jure comment on all these awards and recognitions? "Everyone has their own rating guidelines. The most important thing for me is that we have been noticed, that we have become part of the culinary map. Of course, I am proud of these awards but I am even prouder that we had built the lion's share of our success before receiving any of them. Our responsibility is to keep improving in the future."

From the very beginning, the vision was to create a unique style for Debeluh. As much as 90% of the dishes on their menu are originals, says Jure: "People do not come to us just because they are hungry. Every dish and



From the very beginning, the vision was to create a unique style for Debeluh. People do not come to Debeluh just because they are hungry.

every plate bear our unique signature. People trust us with their precious time, and we appreciate that." They also pay close attention to the needs and expectations of each guest. "If a family travelling from Serbia to Italy stops at our place for lunch, I know that we should not delay them with a long menu; we should offer them something hearty and refreshing, something to relax them, something I myself would want to eat on a long trip," explains Jure.

Gastronomy is a way of life, and life keeps changing faster

Jure recalls the time when his guests were mostly business owners. "You only had to put a large piece of good meat on the plate, and you'd win them over," he says. With the new generations come not only vegetarians and vegans, but also people who pay attention to what and how much they eat, the origin of the ingredients they are about to eat, healthy combinations and food that resonates with their bodies or which their bodies will not tolerate. Jure's main philosophy and desire is that every guest should leave Debeluh satisfied. "This is very important to me. Of course, money and profit are also important; the restaurant is our livelihood, but it would not be possible without love and passion, and without constantly learning and adapting to the guests' wishes. It means so much to me if a true gourmand comes to Debeluh and tells me all the places in the world where he has eaten, and then he comes to me! I consider this my greatest success," says Jure.



In 2019 Jure received the 2019 JRE Best Service award for his ability to transform a simple meal into a unique culinary experience.

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The Oštarija Debeluh family restaurant is synonymous with excellent food and has been noticed and awarded by the most prestigious international restaurant guides, such as Michelin and Gault & Millau.



The entire family was steeped in a love of good food and enjoyed exploring the best Slovenian restaurants' excellent dishes and drinks until 2002, when Jure commenced the ambitious development of his "baby", Oštarija Debeluh. Jure (left) and Gašper (right) with their parents.

Oštarija Debeluh in a nutshell: passion, excellent food, coziness, careful selection, elegance.

According to him, soft business skills form an important part of gastronomy, because it is hard to define fixed standards for anything. However, he is convinced that the key to writing a success story is an honest and genuine relationship with the guests. "I try to greet every guest and have a chat. A lot depends on their mood," explains Jure, adding that every good restaurateur has to be at least a partial psychologist.

When Jure's mother Metka Glogovšek joins our conversation, Jure immediately points out one of the great competitive advantages of Debeluh: the restaurant is a family business. "If I have to go away, I do not have to worry since I know that the restaurant is in the hands of someone I trust completely. My right hand is my brother Gašper Tomič, but I can also leave instructions with my mum." Mother Metka nods and adds that she never imagined that her Jure would become so successful: "I'm very proud. I never knew he had so much knowledge and such an entrepreneurial spirit. I listen to him and I think I do a good job. Many guests ask about me as soon as they set foot inside. This really means a lot to me," she says.

Founder of a local culinary initiative

Jure always aims for the best, even if it comes at a higher price. Whenever possible, he selects local and homemade ingredients. He uses plates, glasses, and cutlery of the best quality, and has carefully designed the atmosphere and style of the restaurant. The present and the past are intertwined at every step.

Jure also thinks of the wider picture. He is the founder of Okusi Posavja, an event that encourages regional collaboration. "I wanted to use the connections I made through my work. I connected some winegrowers, food producers and a brewery. I don't know how far this will go, but I can already say that we did a lot and rose above the average," explains Jure. He says they will also publish a book to promote the participants and are even thinking about a film. "It's important to build a coherent narrative within the region. When a guest comes to Posavje, everything matters; where will they sleep, where will they drink coffee and which museum will they visit?" he adds.

Things will never be the same, habits have changed

Jure's experience shows that family businesses can cope better with difficult times, such as the 2008 financial crisis or this spring, when the coronavirus pandemic closed the doors of Debeluh for 70 days. It is easier to convince family members to persevere through thick and thin. "2020 was a really

unusual year. It was difficult when we had to turn off the lights practically overnight. I was understandably worried, even though the business has been really good in the past few years. We have grown by 10% every year," says Jure. Last year, they had almost €442,000 of revenue and €37,000 net profit and for the cherry on top, Jure reveals: "When we opened our doors again on 22 May, we broke all our records of the last 10 years! The results increased by a third even when compared to the best year in the last decade."

However, despite these excellent results, chef Tomič is convinced that things will never be the same. He says that people have changed their habits. Reservations are different, with many guests writing or calling them prior to their visit and wanting to see the wine and food menus in advance. They also want to know what other services are available. The pandemic has unfortunately interrupted investment into a small hotel next to the restaurant, which was planned for this year and would have allowed them to offer their guests a more comprehensive package. "I believe that this is still in our future," concludes Jure Tomič with optimism.

Gašper Tomič

owner

Company name: **Debeluh, d. o. o.**

Number of employees (2019): **7**

Net sales revenue (2019): **€441,925**

eVino, d. o. o.

Gašper Čarman, Director and owner of eVino and co-owner of eVino Danilo

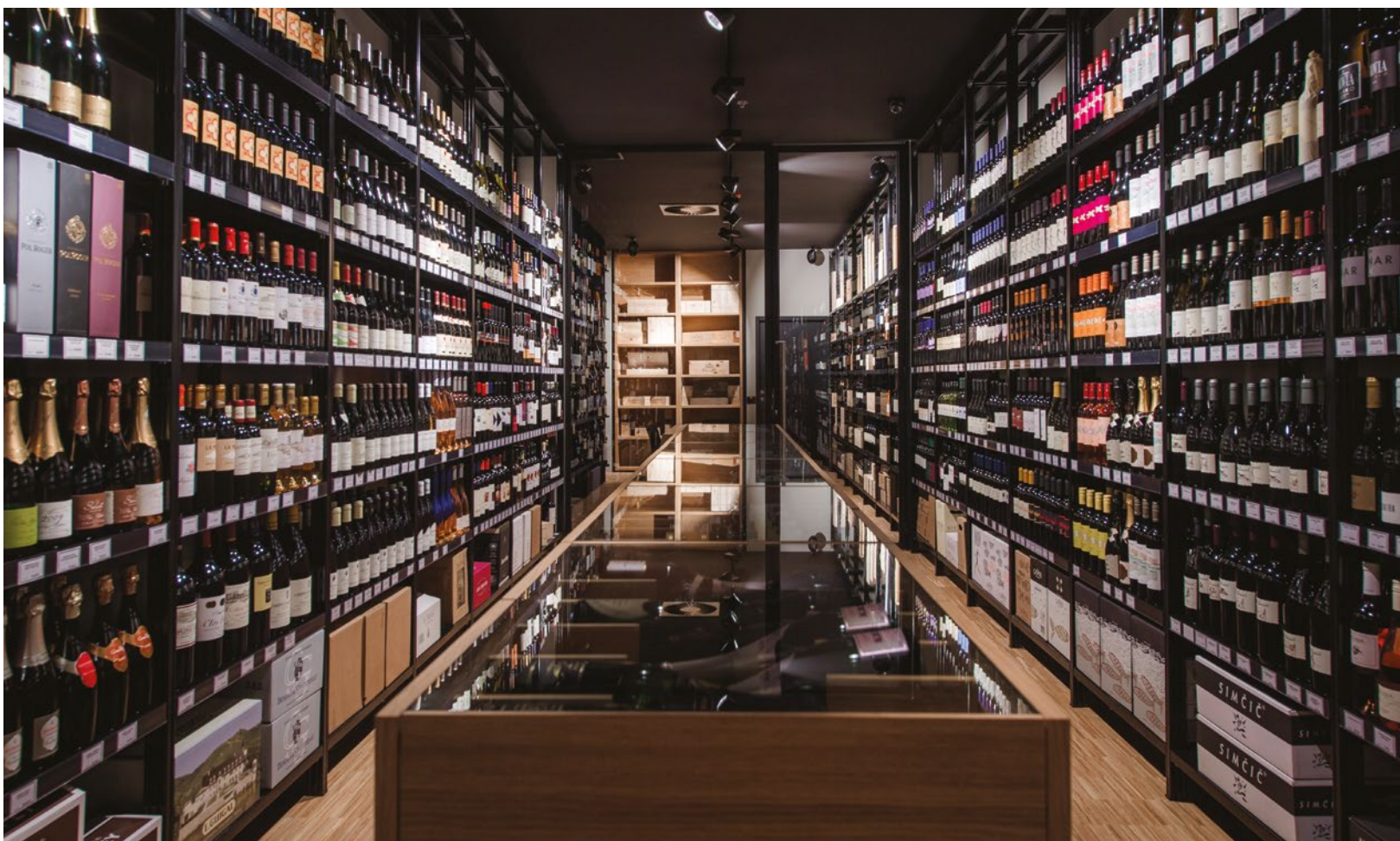
One tradition, three generations, three business ideas

Few family businesses survive their transfer to a third generation, as has been successfully achieved by the Čarman family. Gašper Čarman is the Director of eVino. "eVino began in 2005, during deliberations between a physical or online store, and so the first online wine shop was born," he recalls. Last year, eVino saw €5 million in revenue and more than €450,000 of net profit. Gašper and his sister Nina also co-own the eVino Danilo company, which manages the restaurant that ignited the family business success story.

"Our company's name includes the letter 'e'. I think I hadn't fully realized what this means for our business, which is why I will focus on improving our online store and increasing the visibility of our brand in the next two years."

Gašper Čarman,
owner of eVino





During the coronavirus pandemic Gašper could only be glad of the decision to put his wine shop online, as sales exploded.

Mother was a pioneer of the slow food movement in Slovenia

In the early 1960s, Danilo Kosmačič, Gašper's grandfather and Vesna's father, bought an old restaurant called Pr' Tilh. He renamed it Gostilna pri Danilu and began cooking traditional regional dishes. In 1991 his daughter Vesna, a legendary cook and pioneer of the slow food movement in Slovenia, took over the restaurant and began writing a new chapter. "My goal was to raise the quality of food and offer our guests a new way of eating based on the slow food philosophy, while staying true to traditional regional cuisine. One of the main points of slow food is to cook with local ingredients, to find old, forgotten dishes and bring them back to life," explains Vesna. Vesna and her husband made a rapid decision to take over the family business.

Her children, daughter Nina and son Gašper, quickly became part of the family story. "When I was four, I followed grandpa around the restaurant,"

remembers Gašper. He started tending the bar when he was 14 and then decided to go to the hospitality high school in Ljubljana. "I was very surprised by my son's decision to work in hospitality, but I can understand completely. I also wanted to build upon my parents' work," comments Vesna.

There were several sleepless nights in the next few years, adds Gašper. "When I started working at the family restaurant, I had to work every weekend. Even if I went out the night before, I had to get up in the morning and go to work. Today I'm grateful to my parents for instilling this work habit, as it is very useful when running your own business."

In 2016, Vesna transferred ownership of the restaurant to her children, but has remained involved in the business. Nina took over the management of the eVino Danilo company, encompassing the Danilo restaurant, and Gašper takes care of the eVino wine shop, where Nina is also his partner. She is Head of Hospitality at eVino and manages the bar and the Best Buyers' club. "We are a very close-knit family and we are all still involved in the business, which makes me very happy," explains Gašper.

A business that began in a restaurant's garden shed

Working in the family restaurant encouraged Gašper to focus on wines. The Čarman family restaurant has always been famous not only for its excellent food, but also for its high-quality wines, and the guests always loved to visit the wine cellar where Gašper and his father Dušan kept an exclusive selection of the best Slovenian wines. "The restaurant guests would often ask me where they could buy more bottles of a wine they had liked. So, I asked the winemakers to bring more bottles with their next delivery and the guest was able to choose them at the restaurant. This is how the business started," says Gašper, whose first wine shop was housed in his father's shed in the garden of the family restaurant in Reteče.

What does wine mean to Gašper? He says that it is definitely one of his biggest passions, right next to food and good company. Wine is an "extremely interesting world, you can never learn everything". At eVino he receives up to 100 different wine samples every month and only around three of these make it to the shop. "We organize monthly wine tastings and invest time, dedication and care to make sure our customers can enjoy themselves at home."



In 2017, Vesna transferred ownership of the restaurant to her children, but has remained involved in the business. Nina took over the management of the eVino Danilo company, encompassing the Danilo restaurant.

Today Gašper is one of the greatest wine experts in Slovenia. He entered the world of oenology as a teenager, when he completed the exams for a sommelier of first and second degree. Later he expanded this knowledge and studied abroad, at the world-famous Wine & Spirits Education Trust school in London. In 2012 he began preparing for the Master of Wine title, awarded by the British Institute of Masters of Wine, which is recognized as the highest achievement in the world of wine. Gašper has not yet attained this title, but he says that the process of studying for it has greatly enriched him.

A fish is their trademark symbol

In 2005 Gašper opened the first online wine shop, offering eight Slovenian wines. As online shopping had not yet taken hold at the time, he also focused on the distribution of wine to restaurants. As this wholesale business grew, he moved eVino to a new location in Ljubljana. This turned out to be a good business move and the company thrived.

The next logical step was to create his own wine brand. Encouraged by the retailer Hofer, he came up with the Gašper brand, designed in collaboration



Restaurant Danilo is based on the slow food philosophy, while staying true to traditional regional cuisine.



Čarman family

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Online wine sales increased 12-fold during the coronavirus pandemic.



Gašper wines are sold in 16 countries, including Russia and Brazil, which makes Gašper particularly proud.

eVino in a nutshell: family, tradition, courage, responsiveness, ambition.

with Darinko Ribolica, an oenologist from Goriška Brda. At the beginning in 2013 they started with 4 wines of Slovenian winemakers. Today, Gašper wines are sold in 16 countries, including Russia and Brasil, which makes Gašper particularly proud. They sell most wine to the UK and are also very successful in the Austrian and Swiss markets.

“When we first started collaborating with the Brda Wine Cellar, our bottled output was 3000. Last year there were almost 200,000,” says Gašper to illustrate the brand’s success. Gašper wines are also known for having fish illustrations on the labels. The fish for Gašper Selection wines is drawn by a different Slovenian artist every year. “My first idea was to have a donkey on the label, but then our designer came up with the fish. I liked this idea as fish were also a trademark symbol of the Danilo restaurant when it was still managed by my grandparents. This year our labels carry an illustration by Tobias Putrih, one of the best-known Slovenian artists in America,” says Gašper.

Online sales exploded during the pandemic

During the coronavirus pandemic Gašper could only be glad of the decision to put his wine shop online, as sales exploded. “Suddenly everyone, including the large retailers, was asking about our wines and we had to work hard to meet the demand. Wine sales have increased 12-fold during the pandemic,” explains Gašper. In June, wine sales were 10% higher than the same month last year, but the restaurant only brought in a third of previous sales under the same comparison.

Gašper says that their first action, when everything closed due to the coronavirus, was to send an e-mail to all their clients reassuring them that they did not have to settle their outstanding invoices during the quarantine. The response was overwhelming and full of gratitude. “My instructions were that we should not call anyone with the intention of selling or getting payment. We were only calling to ask if everyone was OK and healthy.”

He also adds: “If not for the quarantine, I would spend half my time abroad but now we have moved everything online. For me the quarantine was a great time, as I could spend it with my family, my wife and daughter. I was home by 4 p.m. every day. We had picnics, drank some good wine and relaxed.”

The aim is to become the leading regional wine seller in the former Yugoslavia

Gašper has daring plans for the future. His goal is to make eVino one of the most recognizable online wine sellers in Europe and the leading seller in the former Yugoslav region, where they are now only present as representatives of foreign wine brands. Their first step will be to strengthen the brand image in Slovenia and abroad, which is why they have increased their investment in online marketing.

“Fifteen years ago, few sellers decided to set up online shops. Today everyone wants to move their business online. Our company’s name includes the letter ‘e’. I think I hadn’t fully realized what this means for our business, which is why I will focus on improving our online store and increasing the visibility of our brand in the next two years,” concludes Gašper.

Gašper Čarman

owner

Company name: **eVino, d. o. o.**

Number of employees (2019): **18**

Net sales revenue (2019): **€4.8 million**

Evrosad d. o. o. Krško

Boštjan Kozole, Director

Ivan Kozole, Owner

You can bite into Evrosad's apples throughout the world

From a difficult inception in 1995 and having undergone three significant challenges, the Evrosad group has come to own more than 500 hectares of land. Their annual output of around 20,000 tonnes of fruit and vegetables represents roughly a third of Slovenia's entire production. They chiefly export apples to large retail chains and specialized fruit wholesalers in 18 countries, 13 of which are in the EU and six in the Middle East. The story of Evrosad from Krško began with Ivan Kozole and is today continued by his son, Boštjan Kozole, who sees only challenges rather than obstacles in his path.

"Our goal is not to become the largest company in the Slovenian agricultural sector but we want to be the best."

Boštjan Kozole,
Director





Their goal is not to become the largest company in their sector but they want to be the best.

The courage to reach for the stars

The Kozole family founded Evrosad in 1995, when they bought 270 hectares of orchards with all the associated equipment, machinery and inventory from Mercator Agrokombinat. Shortly afterwards, Ivan and his partner were joined by Ivan's son Boštjan, who is now in the process of taking over the company. The company's early days were not easy, after taking over mechanization and cold storage which had not been renovated for seven years and were sorely in need of repair. "Only my father's courage and his belief in the fruit industry paved our entrepreneurial path out of the system," comments Boštjan.

Boštjan first imagined his future was in the law, before finding his passion in handball and sports management. In 1995 he was working as a semi-professional director of the Krško Handball Association. "Who knows where life would have led me if father hadn't founded Evrosad when he did," says Boštjan. His experience with sports management left an important mark, as he discovered the motivation that comes from working with a success-driven team. His first role in Evrosad was to cover legal matters and manage all the processes involved in denationalization. "The Slovenian Denationalization Act from 1992 was very awkward; properties were supposed to be returned

in kind. This had a large impact on our industry, since we own a lot of land. Completion of these processes took around 10 years and some issues still remain open," explains Boštjan. In 1998 and 1999, circumstances led him to take over exports when one of the workers had to go on medical leave. "When he retired, I took over sales," adds Boštjan. Then his father Ivan let him know that he expected him to get a diploma. The thesis Boštjan defended at the Gea College focused on the restructuring of Evrosad and was very much practice based.

Forged in the fire of three momentous challenges

Agricultural work, such as producing fruit and vegetables, can lead to sleepless nights. Constant change, outside influences and anxiety over whether there will be anything to harvest cause many people to throw in the towel. For others, this is the motivation they need to adapt and find better solutions and Boštjan says that Evrosad was forged in the fire of three important challenges. The first came in 2004, when Slovenia entered the EU. "At that time, I was finishing my degree and taking over the management of the company. Father was still actively involved, but he took

a step back and was focusing on his area of expertise as an agronomist. This solved many problems, since each of us did his own work. There were still some disagreements, but it never got so bad that we could not continue working together the next day," explains Boštjan. When Slovenia joined the EU, Evrosad lost its main markets, Croatia and Bosnia and Herzegovina, where they had exported half of their products. In searching for new markets, they decided to tackle the most difficult, which was the UK. "We had to adapt our selection, raise our quality and standards, and change our strategy and philosophy," says Boštjan. "With this first milestone we set a good foundation and put Evrosad on the international map of fruit and vegetable producers."

After 2004 they also began exporting to Romania, Russia and the Baltic countries. Apple sales to Dubai, one of their most important customers today, followed in 2010 and two years later they secured entry to the Egyptian market. Their second major challenge came in 2014, when Russia placed an embargo on European imports. "The Russian embargo caused great damage to our sector," emphasizes Boštjan. Evrosad responded with a period of great diversification, during which the Ormož company transitioned to organic production. "We increased the production of pears and peaches, started growing cherries, strawberries, plums and last year

also expanded to vegetables, which are becoming an increasingly important segment," explains Boštjan. At first, they sent their apples for processing, but now they make their own juice. "For the third year in a row, only Evrosad is importing kiwis from New Zealand. Recently we also opened a market and started distributing fruit and vegetables at the highest level," he says proudly. They also sell Granny Smith apples, which sell very poorly in Slovenia, to the Maldives, where they are offered to wealthy guests. "I said to myself: If the French and the Italians export, why shouldn't we?" adds Boštjan, revealing his ambition.

The third challenge and milestone for this family company was meteorological. The 2016 frost destroyed 75% of their crops and the following year's similar conditions took 95%. In 2018 the harvest was too successful and consumption reduced, so prices fell. In the last two years they have again faced frost, but this year with the added complication of the coronavirus. However, during its diversification period, Evrosad also focused on protection against climatic challenges. "We invested in anti-hail netting, irrigation systems, a misting system to prevent frost damage and a sorting center. We also expanded our cold storage by a factor of three," explains Boštjan.



"Only my father's courage and his belief in the fruit industry paved our entrepreneurial path out of the system," says Boštjan.



The concept of local self-sufficiency became even more important during the coronavirus pandemic. Evrosad noticed that the demand for local fruit and vegetables increased dramatically.

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By conquering the UK market, Evrosad put itself on the map of the most important fruit and vegetable producers.



As a tribute to his father, in line with the company's philosophy, Boštjan has created a new range of brandy made from William pears, called *Zima*.



During its diversification period, Evrosad also focused on protection against climatic challenges.

Evrosad in a nutshell: entrepreneurial spirit, local production, self-sufficiency, development, collaboration.

Not the largest, but the best

“Our goal is not to become the largest company in our sector but we want to be the best,” says Boštjan. Their distribution chain is very short, which means that final consumers can bite into an Evrosad apple only a few hours after it was picked. As the biggest fruit and vegetable grower in Slovenia, they see themselves as part of the industrial sector: “Agriculture is all too often put into a separate category. It’s true that this industry is unique in many ways, but we are still talking about products with certain associated costs, competition and market specifics.”

Today, the Evrosad group unites three companies, the parent company in Krško, Sadjarstvo Blanca and Sadjarstvo Ormož, and has 30 contractual partners, 23 of which grow fruit and seven produce vegetables. They also collaborate with the universities of Ljubljana and Maribor. An advantage of their collaboration with local producers is higher quality products. After five years of organic farming, various analyses, on which the company spends several thousand euros per year, show that their fruit and vegetables are healthy and of high quality. “Our strawberries may only survive four or five days in the fridge, and not two or more weeks like the Italian and Spanish ones, but that doesn’t matter, as ours are so delicious that you will eat them in less than an hour. It’s the same thing with peaches; the Italian ones are beautiful, big, have a wonderful color and no taste. The scent of our old heirloom varieties is obvious from feet away,” points out Boštjan.

Eating locally, especially during the coronavirus pandemic

Ivan Kozole, the founder, is retiring from the company at the age of 78. “I have taken over the management of the company, but father is still an Authorized Representative,” explains Boštjan. As a tribute to his father, in line with the company’s philosophy, Boštjan has created a new range of brandy made from William pears, which are still grown in the family hometown in the fruit growing region of Marof. The brand is called Zima, which means winter. “The bottles were designed by my nephew Emil Kozole, with a label telling the story of my father as a young man, when he worked for a fruit grower during the year and distilled a special drink during the

winter,” says Boštjan, explaining this gesture of respect. The company is also starting a campaign to promote local Slovenian fruit, aligned with existing campaigns for local milk and meat. One aim of the campaign is to educate consumers about locally available seasonal fruit and vegetables, as the common belief that all fruit and vegetables should be available all year round is simply not sustainable.

The concept of local self-sufficiency became even more important during the coronavirus pandemic. Evrosad noticed that the demand for local fruit and vegetables increased dramatically. “People wanted to take care of their immune systems and health. The most in demand were apples, which is the only Slovenian-grown fruit available in March and April,” say Boštjan about this difficult period. Their new approach will allow them to grow the company and encourage Slovenians to reject imported produce in favor of locally grown, delicious, healthy and seasonal fruit and vegetables.

Ivan Kozole

owner

Company name: **Evrosad d. o. o. Krško**

Number of employees (2019): **125**

Net sales revenue (2019): **€10.1 million**

Fine Culinar, d. o. o. Consult Commerce, d. o. o.

Miro Cerkovnik, Director and co-owner

Matjaž Cerkovnik, Head of Sales

Two companies with the same philosophy and a single heartbeat

Amid the flood of industrially prepared food, people have begun to appreciate homemade, locally-produced meals and to seek out traditional dishes and tastes. The Fine Culinar and Consult Commerce companies from Gorenjska supply predominantly frozen products, inspired by traditional recipes and made from local ingredients. Harking back to the ways of our grandmothers, such an unhurried approach to cooking usually has no place in our hectic modern lifestyle. The two successful companies, led by the Cerkovnik family from the town of Tržič, have the same owners and directors and can be seen as two sides of the same coin. They also share the same guiding philosophy: to offer customers good, healthy, nutritious, high-quality, traditional and tasty Slovenian food. What then is the difference between them? In short, Fine Culinar produces the range of largely frozen products and Consult Commerce sells them.

“We are all family; this is how we work. We do not believe in repressive relationships, discussions are the most important. I visit the production facilities every day, the employees should not feel left behind.”

Miro Cerkovnik,
Director





The main specialty of the *Dobro in zdravo* brand is rolled dumplings – štruklji.

From planes and cookies to dumplings

Miro Cerkovnik worked as a flight technician with the former Adria Airways for more than 30 years and his wife Darja worked in the Tržiča paper industry. When economic problems arose, it was time to think about their future. Darja has always had a passion for baking, treating her friends and family to homemade cookies. One day in 1996, the couple decided to build their own bakery to make cookies and desserts with their own hands. As usual, things did not change overnight and it took them a good three years to build the shop in their spare time. The first family company, Slaščičarstvo Cerkovnik, was thus born at the turn of the millennium. Darja took charge of the baking, but the entrepreneurial Miro assumed a management role, despite continuing long working hours in his job. His 15 or even 20-hour workdays continued until 2012, when he finally said goodbye to aircraft and immersed himself in the food industry. Slaščičarstvo Cerkovnik had become an established company, growing both its revenues and range of products and developing a sound philosophy. In 2011, Miro heard that the food production and marketing companies, Consult Commerce and Fine Culinar, were being sold in Žabnica. "At first, I told myself that I really didn't need to open another front at 52 years of age, but I talked to my wife and kids anyway. Matjaž, my son, gave me all the encouragement I needed. He praised my entrepreneurial spirit at an age when most other people only think about retirement. And after careful consideration I decided to sign the contract," recalls Miro, now owner and Director of both companies. This was a turning point, but there was anything but smooth sailing ahead.

The long hard road to handmade dumplings free of preservatives

They soon discovered several problems they had not foreseen. The contract with their largest client was terminated even before the sale was complete, with credit significantly more extensive than had been planned. If not for Miro's tenacity and perseverance, the story could have taken on a completely different tone: "At one point I held the phone to call the seller and tell him the deal was off. But I changed my mind and decided to persevere. When you bite into something, you have to see it through."

To enhance their capabilities of marketing and production from Consult Commerce and Fine Culinar respectively, Miro also bought two registered food brands, Kraljestvo štrukljev and Dobro in zdravo. They soon had to abandon the former and concentrate on the Dobro in zdravo brand, whose specialty had always been traditional Slovenian dumplings. Made with different doughs and fillings, always hand-rolled, without preservatives and using premium ingredients for an authentic taste, they were far removed from their industrial look-alikes. "Our tartar buckwheat dumplings were recognized as the most innovative Slovenian product of 2014," proudly explains Miro. Even though dumplings lead the way, their other products follow closely: from strudels and pancakes to cannelloni, moussakas, souffles, pockets with different fillings and filled buckwheat krapu dumplings.

Food that nourishes the body and the mind

The profiles of the companies' clients are diverse, from public institutions, such as kindergartens, schools and nursing homes, to the largest retailers in Slovenia, including Hofer, Spar, Lidl, Mercator and Tuš, plus restaurants and hotels. What distinguishes them from their competition are that their products are handmade from local ingredients, without any additives or flavor enhancers. "I always ask myself what I would give to my children. Healthy food keeps as strong, fit, full of energy and ready for everyday challenges. This kind of food keeps our brains healthy," says Miro. He adds

that they try to find ingredients locally whenever possible, with at least 80% from Slovenia, even though the scale of their production can make this difficult. They collaborate with well-known chefs to develop new recipes and apply the handmade methodology to most of their products. "Our pancakes are handmade; we can cook eight at once in our pans. Our dumplings – more than 20 kinds of them – are handmade from scratch, we prepare the dough and roll them manually," explains Miro. "This is the added value of our products, we can offer consumers the exact taste they remember from home, the taste that reminds them of their mother's or grandmother's cooking," he adds.



Darja took charge of the baking at Slaščičarstvo Cerkovnik, but the entrepreneurial Miro assumed a management role, despite continuing long working 15 or even 20-hour workdays. In 2012, he finally said goodbye to aircraft and immersed himself in the food industry.



The two successful companies, led by the Cerkovnik family from the town of Tržič, have the same owners and directors and can be seen as two sides of the same coin.



Miro visits the production facilities every day, maintaining contact with his employees.

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Fine Culinar products are handmade from local, high-quality ingredients following the traditional recipes perfected by our mothers and grandmothers.



Their pancakes, included in sweet and savory meals, are handmade; they can cook eight at once.

Fine Culinar and Consult Commerce in a nutshell:

quality, healthy food, tradition, local production, entrepreneurial spirit.

Not only local ingredients, but also local people

Together the companies employ 50 people, 35 at Fine Culinar and 15 at Consult Commerce. Most of them are 20 to 30-year-old women from nearby towns. The Director describes the relationship with the employees as excellent, with trust on both sides. Last year, the combined revenue of both companies was €4.3 million. This year they wanted to keep their growth figures in the range of the last few years, between 12% and 15%, but the coronavirus pandemic threw a spanner into their plans. "Because we produce and sell food, we thought that we were not in a vulnerable group; people still have to eat. But we were wrong. We were very dependent on supplying kindergartens and schools, and when they closed in mid-March for two months, we realized that we cannot be so dependent on these clients and that we had to invest more in retail. That's what we are doing now, and we are also considering delivery and an online shop, following the trends in Slovenia and abroad. But true progress is incremental. Dad was very successful, he has a great feeling for employees and I want to continue his success story," says Matjaž, Miro's son and successor at the head of the companies, which they plan to combine into one entity in the future.

Entrepreneurial values that unite father and son

Matjaž joined the family company three years ago, having previously gained leadership experience in construction and marketing. Finally, the temptation to continue the family tradition became too strong. "I did not decide to come to the family business and take over the management of the family company on the spot; Dad and I talked about it for years. I am personally most interested in production technology, but I have to familiarize myself with all areas of the business," says Matjaž. A similar process occurred in Slaščičarstvo Cerkovnik, where the business side was taken over by Katja, the daughter of Miro and Darja, after Darja retired. Miro has stayed in the company as an Authorized Representative. "All three companies are a part of me, I live and breathe with them and with my employees. Even when on holiday, I don't like to go far, I prefer Bohinj, so that I can jump back and see if things are going fine from time to time. I'm glad that Matjaž and I share the same values, which are fairness to suppliers, clients, consumers and especially employees. These things have to be in order, just like taxes," concludes Miro.

Miro Cerkovnik and Darja Cerkovnik

co-owners

Company name: **Fine Culinar, d. o. o. and
Consult Commerce, d. o. o.**

Number of employees (2019): **45**

Net sales revenue (2019): **€4.3 million**


Genis, d. o. o.

Janko Štefančič, Owner and Director

Stane Štefančič, Founder, former owner and Director

Environmentally-friendly and organization-focused information solutions

For centuries, business transactions could only be recorded using paper. Development of IT caused a business revolution so that today it is no longer a question of whether a company should implement an e-business system; paperless business has become an imperative. The only real remaining question is how to implement efficient and holistic IT solutions, allowing companies to focus on the tasks that bring them added value. Genis has been searching for answers to this question for more than a quarter of a century.



“Our goal is not to have 50 or 100 employees; what we want is a stable business and natural growth.”

Janko Štefančič,
Director





Stane Štefančič (right), founder, former owner and Director, Janko Štefančič, owner and Director at Genis d. o. o. and his wife Ana Štefančič, Head of Operations.

First electronic invoicing in Slovenia

Stane Štefančič, the founder of the Genis family company, entered the world of computers and IT as early as 1972. He worked on population projections as a student at the Urban Planning Institute of the Republic of Slovenia, and after completing his degree, he collaborated with several Slovenian companies either as head systems engineer or one of the IT managers. Encouraged by Slovenian independence and increasingly confident in his experience, Stane began considering his own independence. "At the time there were many people in IT who worked as craftsmen, creating IT systems on their PCs, but my idea was to implement an engineering approach. And so, in May 1994 my third child, Genis, was born. The name means 'generating information systems'. The company was well received by our business partners, IT was on the brink of a revolution and my personal connection with the best developers in the USA gave us an important edge," says Stane about the first business steps. At the beginning, he and his business partner and co-owner had to do everything by themselves. "My sons, Marko and Janko, were too young to be part of the company, but computers had always been part of our family life. We got our first home computer in the 1980s. At the time I mostly tried to make sure the kids would not play computer games too much, but I don't think I was very successful," laughs Stane.

In its first years, the most important contract Genis signed was with the Lotus company, known for its Lotus Notes program (now called HCL notes), the first integrated platform for e-mail, teamwork, document and workflow management and development of document-focused applications. "After that, we had several large successes with pioneering implementations of electronic internal operation systems in Slovenia. We worked with companies such as Lek, Mura and Sava. Sava Group still uses the same system, both for its tire and tourist companies; we just updated it as needed. We also expanded into other industries and other companies thanks to our excellent references," says Stane. The expansion of their business was very successful; in 2001, they even received the IBM award for outstanding achievement for their work on SAP e-Invoice projects in Lek and Sava.

Since the very beginning Genis has actively collaborated with foreign consulting companies on the implementation of modern IT systems. In 1997 Genis also became the Slovenian representative for Gartner, a global research and advisory group. Head analysts at Gartner brought Genis information on cutting-edge approaches to IT implementation across the world, since most large companies make their decisions based on information received from the Gartner Group. Marko, Stane's oldest son, was initially employed in the family company, but later decided to strike out on his own. In 2004 he founded his own company, took over the Gartner group representation for Slovenia and eventually expanded his activities to Kazakhstan.

Taking over a company during a crisis

What exactly is this system offered by Genis? Their main product is the e-GenDoc IT solution, which allows companies to integrate efficient workflows into all segments of their business, such as orders, sales and organization. It is perfect both for medium-sized and larger companies with thousands of employees. "The most important thing is that no document ever gets lost, that all documents can be accessed with just a few clicks and are completely traceable. This makes several processes faster and implements a competence order; it is formally known who is responsible for what, who ordered something, who signed it and who accepted the package. The system takes care of typing and calculations, all that is left to do is monitoring. All this optimization within the company brings much greater efficiency," explains Stane with the help of his youngest son, Janko Štefančič.

Janko, who officially took over management of the company in 2013, admits that computers were effectively his birthright. "I have worked in Genis ever since high school. I took on different tasks and I know everything

in detail. Computers are in my blood, and as opposed to many young people today, who take new technology for granted, I understand the historical foundations of today's computer science and IT. The transfer of the management and ownership of the company from dad to me took 10 years. It was very helpful that the transfer happened during a great economic crisis, as this meant I was exposed to the more difficult side of the business right from the beginning and have not only experienced growth. This experience has been very helpful in the current situation, as we were better prepared to face a crisis," explains Janko.

Coronavirus increased the demand for e-solutions

Genis is part of an industry that weathered the first wave of the coronavirus crisis relatively well. The demand for the e-solutions they offer did not decrease and actually rose. But even Genis had to adapt to the changed circumstances. Practically all employees – just over 30 of them – stayed home and worked from their home offices. This is how Janko sees his



Our employees know that we all work for a common goal, they know our vision and values, which is why they like their work.



In 2005 Genis overhauled the entire Civil Register of the Republic of Slovenia. The system has since been updated and improved, but its core remains unchanged thanks to its solid foundations.

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Genis is a leading developer of applications and document management systems that support workflow processes in corporate organizations and public administration.



Stane Štefančič, the founder of the Genis family company, entered the world of computers and IT as early as 1972.

Genis in a nutshell:

IT, solutions, development, digitalization, entrepreneurial spirit.

relationship with the employees: “It turned out we didn’t have to implement any additional monitoring mechanisms; we made a plan and the work got done. Our employees know that we all work for a common goal, they know our vision and values, which is why they like their work. But they are also well rewarded for their achievements and good work, both financially and in other ways, for example with flexible working hours. If it’s a sunny day outside and the afternoon is perfect for exploring nature, I see no problem with employees finishing a bit early, they can simply compensate in the following days. But one thing is clear: the work has to be done on time. The main thing is trust, which needs to be built and then maintained.”

Meanwhile the business goes on and in the IT world especially, progress is made at the speed of light. Today, e-business and digital transformation are just the basis, which is why Genis offers several modules to companies needing a more complex support system, such as e-Office, e-Processes, e-Invoices, e-Orders, e-Contracts, e-Sessions, e-Meetings and e-Travel Orders. Considering the increased and more pronounced transfer of e-business to smartphones and tablets, Genis has also developed several solutions to support this step, such as their first cloud-based software solution in 2015.

Open doors to foreign markets

Since 2000 Genis has been responsible for a comprehensive overhaul of the Civil Register of the Republic of Slovenia. Their first project was the upgrade of the Central Population Register, which included an Oracle database and citizens’ access to their own personal data. “The redesigned basic civil registers (register of births, deaths, marriages; register of residential addresses; register of aliens; register of personal documents, such as biometric passport and ID card; electoral registers) based on cutting-edge digital technologies and the Oracle database became operational in May 2005. The first population registers during the time of Maria Theresa of Habsburg took the form of church archives. The first civil population registers were instituted in 1812, during the French occupation. By the end of the 19th century, civil registers were regulated by law and in 1974 Slovenia instituted the first independent maintenance of civil registers. The project of digitalization began right away, but all the documents were still in paper format. With our comprehensive overhaul in 2004, the registers began operating completely digitally. To ensure a smooth transition we consulted with the client to design a data model, a processing model and define the software specifications. The newly developed software was introduced to the administrative units, which significantly reduced the waiting times for citizens. The new civil registers contributed significantly to the outstanding success of the Slovenian administrative portal e-Uprava,

which came second among all EU members in 2007,” remembers Stane. Janko adds that they had to invest a lot of hard work, energy, understanding and knowledge to create a register that is still operational so many years later: “Technological updates are required from time to time, but the core has not changed since 2005, which tells you we laid a really good foundation.”

It seems long term planning is part of Genis’s genome. “Our goal is not to have 50 or 100 employees; what we want is a stable business and natural growth. But the fact that the coronavirus gave digitization a very large boost will definitely help us realize our plans for the future. We want to create online services with a wider range of use than those we offer currently. Some of our strong points are also niche processes, which means we have a lot of knowledge about specific fields within industries. Doors to foreign markets are also open to us. In Africa, for example, less than a third of children are registered. The UN has put aside five or more billion dollars for register implementation, but the real challenge is finding the right connections and building good business relations with local companies,” say the father and son, thinking out loud about the future. They are so unanimous in their thoughts that we have to ask them whether Genis also dominates family discussions, especially as Janko’s wife Ana is also his right hand in the company. “Less and less so,” replies Stane. Janko adds that the key is finding a balance between work and private life: “Without dad’s support and his knowledge we would not be where we are now. My wife and I also constantly think about Genis. But at the end of the day we have to be able to put it aside and find some time for our children and for each other.”

Janko Štefančič

owner

Company name: **Genis, d. o. o.**

Number of employees (2019): **28**

Net sales revenue (2019): **€2.3 million**

Kmetija Pustotnik, d. o. o.

Katarina Brence, Authorized Representative and co-owner

Eilzabeta Brence, Sales and Marketing

Milan Brence, Director and co-owner

Žužana Brence Konc, Deputy-Director and co-owner

Nikolaj Brence, Farm owner

Ana Brence, Food Technologist

Cheese dairy masters and enthusiasts turning towards culinary tourism

The two generations of the Brence family are writing a successful entrepreneurial story for the Pustotnik Farm with their business niche of cheesemaking. The father, Milan Brence, took over a traditional farm with 500 years of family history at the age of only 24. "My wife and I understood from the very beginning that we had to develop two separate units: a traditional farm and a company to lead us toward a variety of interesting opportunities." The Pustotnik Farm as a company had over €960,000 net sales revenue last year, almost €26,000 net profit and nine employees. This year, despite the pandemic, those employees have increased to 12.



"People never complained around here. Everybody talked only about what to build and what to develop in our village."

Milan Brence,
Director and Co-owner





No step forward at the Pustotnik Farm happened by chance; they were always prepared for it.

Farm and business go hand in hand

“It is hard to make a farm fit the patterns of the economy, since nothing on a farm is permanent,” explains Director Milan. “There is no hourly wage or social security on a farm – you have to give it your all. Things are never so bad you cannot survive, but you are constantly battling with nature and natural resources. Žuža and I have thought about it like this: If I got the farm from my ancestors who developed and held it for centuries, we have to improve it and leave it in even better shape. But what pulled us out of farming was our business.”

As a young man, after completing his agriculture degree and mandatory military service, Milan returned from the city to the countryside and “bit into” the management of the farm. His son Niko also became the head of the farm before his 30th birthday. Milan and Žuža strongly believe that children should be given the opportunity to take on responsibilities and grow when they are young enough. Only this way can they successfully continue the family business.

“We all worked on the farm as children. It was our way of life. We were given responsibilities appropriate to our ages, which was very educational,”

confirms Katarina. Her father adds: “Our family is relatively large, we have two sons and two daughters, which is why we wanted to make sure everyone gets their fair share as soon as possible. This will make it much easier when we decide to retire from active involvement in the business.”

People never complained in the Poljanska valley

Milan inherited his entrepreneurial spirit from his father, who was a very progressive thinker. He was the president of the local community which owned a construction company. “People never complained around here. Everybody talked only about what to build and what to develop in our village. Such things stay with you.”

After Milan and his wife took over the farm, they stayed in agriculture for a while. “Agriculture is a social category, not an industry you could live off. When our children went to kindergarten and school, we did not have enough money for all their activities. This encouraged us to begin processing milk as a supplementary activity,” explains Žuža. She had studied chemistry, but when she was presented with the opportunity of learning cheesemaking in Switzerland, she took it. As she says, in the 30 years since, not a single year has passed without investing money, energy and time into education.

Ready for every step forward

No step forward at the Pustotnik Farm happened by chance; they were always prepared for it. After Slovenia became independent, Žuža sent a handwritten request for a stall at the Ljubljana market, which she still has in her archive. "This stall was essential for our development, not only because of the additional money, but because we could talk to a wide range of customers who gave us feedback and told us their wishes. When we started selling at the market, we had only one product, cheese. We did not know how to make other things at the time."

In the early 1990s, the Spar retailer also came to Slovenia. A family friend suggested that they could become its supplier. So, they founded a company in 1991, obtained the HACCP certificate and became the first private cheese dairy in Slovenia.

A new generation takes the reins

The children grew up and left home although the eldest, Beno, came back to help on the farm after gaining a philosophy degree. Later he left again, this time to study traditional cheesemaking processes still used only in the Alpine regions of Austria and Switzerland, and for now remains abroad. Katarina studied hospitality and tourism in Maribor and when she was only 20, she proved her worth by organizing the opening ceremony for the new dairy, an event for 800 people that attracted the attention of customers



Based on current health food trends and the rising popularity of goat's milk, they have been able to support a local farm focusing on goat farming and they also support sheep farmers.

and the media. Today she actively manages the hospitality and retail sides of the business, while Niko, who took over the farm, manages the livestock. The youngest, Elizabeta, finished high school in Austria and wanted to study in Vienna, but her sister's maternity leave drew her back to work at the company immediately after school. Niko's wife Ana, a food technologist, also plays a crucial role at the cheese dairy and has many ideas for future products.

"Until 2010, when we started building the cheese dairy, we felt no pressure to participate in our parents' business," explains Katarina. But with the cheese dairy, the children's paths were laid out. The parents developed the farm, which produces the basic raw material, and took it to the next phase, with the product as the added value. Now their children work towards the logical next step, culinary tourism.

In 2015 they rented a large space in the Ljubljana Koseze market and opened a dairy café. Their products can be found in the Mercator and E. Leclerc retail stores, and last year they became a premium supplier for Maxi Market.

They can offer a higher price for cheese milk

Cow's milk makes up 60% of the production at the Pustotnik cheese dairy and the remaining 40% comprises goat's and sheep's milk bought from partner farms. Based on current health food trends and the rising popularity of goat's milk, they have been able to support a local farm focusing on goat



At Pustotnik Farm, they are maintaining a traditional, largely manual milk processing method.



Their products can be found in the Mercator and E. leclerc retail stores, and last year they became a premium supplier for Maxi Market.

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Children need to be given responsibilities and the opportunities for development when they are young. Only this way can they further develop the family business.



There is no hourly wage or social security on a farm – you have to give it your all.

Kmetija Pustotnik in a nutshell: responsibility, commitment, entrepreneurial spirit, quality, partnership.

farming and they also support sheep farmers. Milan explains: "Our good name, numerous clients, and recognized quality allow us to set a higher price for our products. This means that we can pay our partner farms a better price for their sheep's milk."

They have made several investments to improve working conditions at the Pustotnik Farm, but retained what makes them special: a traditional, largely manual milk processing method. To apply for European funds, they would have to increase their scale of production, but they refuse. The Brence family wants to work and live sustainably and keep a healthy balance between hard work and rest.

"Our parents changed an ordinary farm into a cheese dairy and shop and we, their children, try to maintain that and find out what makes us happy. Maintenance alone takes a lot of work, which leaves less time and energy for thinking about progress and development," ponders Niko. But they are not short on ideas.

They could barely handle all their orders during the pandemic

A third of the Pustotnik Farm products are sold in the tourist sector. According to Milan, Ljubljana is full of their products and most go to restaurants, which had to close during the pandemic. As they could not interrupt production, they used a van for deliveries to individual homes. "Katarina and I posted on our social networks that we were offering home delivery. In two days, we had so many orders we could no longer handle them via phone and e-mail," says Elizabeta.

About six months earlier the sisters began thinking about an online shop. "We did market research and discovered that this is not a quick and simple process. The main challenge was logistics, the so-called cold chain. People in Slovenia were not used to buying food online. But when the pandemic arrived we were able to open our online shop in 10 days!" The support of a leading Slovenian online shop provider made their decision even easier. The response was incredible, and the family was surprised by the loyalty of their customers. But Milan knows that this is the result of long years of work: "Before, people bought our products at the market. When they could no longer do that, they found us through different channels." Katarina explains that this resulted in a massive change in their work processes and rapid development exceeding that of the previous 10 years.

From excellent products to excellent experiences

How will the Pustotnik Farm develop in the future? Katarina answers: "If we want to realize our development plans, we must first be 100% on top of what we have now. We have been gradually optimizing our organization and standardizing processes in the cheese dairy, on the farm and in sales for years."

She is also considering expanding their product range. Niko's wife Ana adds: "We have to reach a point where we always have sufficient stock of matured cow cheese, because it always sells out so quickly." She points out that they have already reached the standard of quality for semi-hard cheeses. As she also loves mold cheeses, she hopes they will soon be able to offer their own blue cheese.

Niko, who manages the farm, says that they will expand the cow shed and increase the number of animals, to which Katarina adds that they also want to make their cows more comfortable by renovating the facilities. They are also considering buying additional land or pastures, as currently only part of their herd can be let out to graze.

"Their storage rooms and cool rooms are already too small," says Katarina, "but other areas have a lot of potential. We offer excellent products, which means we could also offer cookery classes, culinary events and so on." She adds that culinary and local food trends all point in this direction.

"Doing business is often very difficult. Things can be strained, unpleasant. This is when you have to adapt, work through disagreements and leave them in the past. This can be easier to do in a family," concludes Katarina.

Katarina Brence, Milan Brence and Žužana Brence Konc

co-owners

Company name: **Kmetija Pustotnik, d. o. o.**

Number of employees (2019): **9**

Net sales revenue (2019): **€961,333**

MI Elektronika d. o. o.

Ignac Mertik, Founder and Authorized Representative

Sonja Rastoder, Director

Their engineers are their business advantage

The Mertik family from Brezovica pri Ljubljani has lived and breathed their family business, MI Elektronika, for a good three decades. Now one of the largest EMS providers of printed circuit board (PCB) assemblies in Slovenia, the company began as Ignac Mertik's side business in the 1980s. Around two years ago, he passed the reigns to his daughter Sonja, who has followed in his footsteps with great success.

Today the family enterprise employs 50 people and last year they made €7 million in revenue with €1.5 million profit. Their plans, which include employing around 200 additional people in the next 10 years, are ambitious but realistic, considering the company's dynamic revenue growth of over 250% in the past five years.

"Our policy is to pay our workers fairly, as this is the only way to get what you want from them. Only fair payment deserves to be rewarded with fair work."

Ignac Mertik,
Founder and Authorized
Representative





Last year MI Elektronika achieved revenue of €7 million, with €1.5 million profit.

The story of an entrepreneur from the periphery who succeeded in the mainstream

Ignac was born in Lendava, in the northeast of Slovenia, to a family with a long farming and winegrowing tradition. "My great-grandfathers were winegrowers and my father continued that tradition so that we became one of the largest winegrowers in that part of Slovenia, when it had become big business. Of course, we could not do all the work by ourselves, which is why we hired workers, sometimes as many as 25 per day. I can say that entrepreneurship has always been in my family DNA," recalls Ignac.

In the mid-eighties, Ignac began building his entrepreneurial future, but he had already laid foundations elsewhere. After high school, he first worked and gained experience at the Elma company in Ljubljana and in the early eighties he accepted an invitation to work for IMP Avtomatika, which later became Danfoss Trata. He stayed with them for six years, first as a technologist and later in the sales department.

In 1986, he finally decided to pave his own way and founded a small electrical engineering workshop, which eventually grew into MI Elektronika. Their first client was IMP Avtomatika, for which they made central heating regulators and sensors. The break-up of Yugoslavia was a difficult period for many enterprises and MI Elektronika had to let several employees go, but their fortunes improved after 1996, when they began manufacturing their own products.

International raw materials combined with Slovenian knowledge

Today, MI Elektronika is one of the largest companies offering PCB assembly services in Slovenia. While these represent their main product line, they also provide final mounting of the assemblies, manufacture cables and develop and produce their own EMI filters. Some years ago they also began developing and manufacturing LED lights.

MI Elektronika provides components for PCB assemblies to the most discerning clients in the fields of medicine, welding technologies, aeronautics and gambling. They buy raw materials on the international markets, but all their knowledge comes from Slovenia, as Ignac points out: "Our greatest advantage comes from our 32 engineers who integrate their knowledge into the assemblies we produce. These are then sold on the international market as Slovenian know-how. The most challenging products are assemblies for the medical industry, which are very technologically-demanding and usually only ordered in small quantities." The components made by MI Elektronika are also used in the fields of stomatology and facial care, which increasingly use laser-based technologies.

MI Elektronika directly exports around 8% of its production, but through their clients as much as 90% of their products are ultimately employed abroad. "Our largest markets are the USA, South Korea and China," says Ignac. In addition to several Slovenian awards and recognitions – the 2014

Central Slovenian Gazela Award, the 2018 Delo Business Star Award and 2019 Bronze Slovenian Gazela Award – they also received the “Creators of the century” award from Perspective, the International Economic Forum (IEF) with 1178 members from nine southeastern and northern European countries. This award put MI Elektronika among the 300 most promising companies from this region.

The grandson that kept the company in family hands

Ignac never doubted that his daughters, Sonja and Tina, would enter the family business and today they both work in the company. “I raised my children with an entrepreneurial spirit,” points out Ignac. “I never gave my daughters pocket money, so they had to earn it. If they had some free time after school, they could work at the company, write down their hours and they got paid,” he explains. “This is how my sister and I bought our first Poni bicycle,” recalls Sonja.



MI Elektronika is building a new plant where they plan to move the current production. Their aim is to have 250 employees by 2030.

Today Sonja’s son Alen also works part-time at the company. His was the one voice to convince Ignac that the company should stay in the family. “I once got a tempting offer to sell the company. But when my grandson reminded me I had promised him that he too could work in the family company, the deal was off,” laughs Ignac.

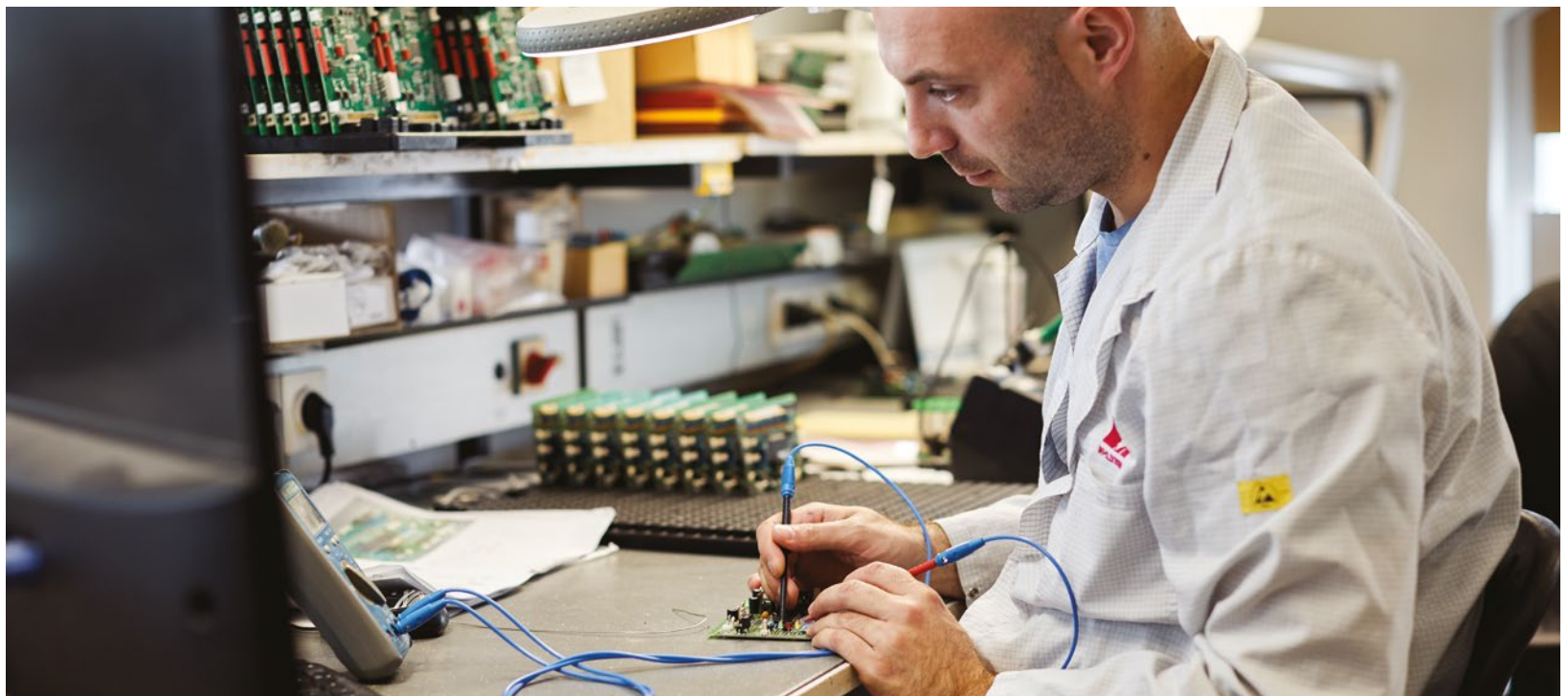
Before Sonja, who studied economy, took over the family enterprise, she gained significant experience in the Ljubljana sales department of a multinational company. “I gained a lot of experience related to working with people and I saw how things work in northern Europe, where everything is very organized,” she explains. Was she afraid to put on her father’s shoes? “He still makes the important decisions,” is her answer. Ignac says he stays out of the day-to-day operation of the company, but as its Authorized Representative he still helps with the finances and takes care of strategic projects. His younger daughter, Tina, is a chemical engineer who controls the company’s sorting and storage of materials.



Tina Ivančič, Ignac Mertik, Sonja Rastoder and her son Alen Rastoder.



Their policy is to pay their workers fairly, as this is the only way to ensure optimum performance.



Their main advantage is represented by their 32 engineers who integrate their knowledge into the assemblies, which are sold in the global market as Slovenian knowledge.

MI Elektronika in a nutshell: knowledge and development, commitment, social responsibility, entrepreneurship, family.

Expanding the pool of clients in response to the coronavirus

What business results can MI Elektronika expect in 2020, after the coronavirus pandemic has altered almost all aspects of the economy? Ignac says that all things considered, results will not be much worse than last year. He is very happy that the mood in the company is returning to its pre-pandemic optimism. "Buyers who were very restrained at the start of the crisis have returned and we are back to working at full strength for 10 hours per day," he explains. They have also decided to put more energy into maintaining relationships with existing clients and finding new ones. "During the pandemic we realized that we needed to expand our client pool, which is why we gave new powers to our marketing department," adds Sonja. Both also point out that the coronavirus showed them how important it is to react quickly.

Headcount of 250 by 2030

One of the strategic projects MI Elektronika started even before the coronavirus pandemic is the construction of a new state-of-the-art plant

for PCB assemblies in Logatec. They plan to move their existing production to the new plant with the aim of having 250 employees by the end of the decade. "Our current building in Brezovica became too small," says Ignac. "A small company with a few dozen employees has to fight really hard to get business, but as a company with several manufacturing lines, we can work with large clients. Our aim is to have 15 manufacturing lines," he says, explaining the company ambitions. The new location will also expand their storage capacities, which are now at their limit.

At MI Elektronika they know that the knowledge of their employees is the key to their added value. They also firmly believe that employees deserve to be rewarded. "Our policy is to pay our workers fairly, as this is the only way to get what you want from them. Only fair payment deserves to be rewarded with fair work," points out Ignac, who is very proud that hardly anyone wants to leave their company.

At least as important as fair payment is also education and the systematic training of younger generations. MI Elektronika offers internships for students of faculties and high schools in Ljubljana. They keep the best students and offer them employment. They realize that young knowledge "makes the world go round", which is why they regularly collaborate with young researchers from the Technology Park Ljubljana.

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MI Elektronika is building a new plant to which they plan to move their current production. Their aim is to have 250 employees by 2030.

Ignac Mertik

owner

Company name: **MI Elektronika, d. o. o.**

Number of employees (2019): **50**

Net sales revenue (2019): **€7.1 million**

Rast Tim, d. o. o.

Tadej Grm, Head of Sales

Gregor Grm, Head of Purchasing

e-Branjevka: healthy produce delivered to every office in Slovenia

The Rast Tim family enterprise found its market niche in delivering crates of fruit and vegetables to companies promoting healthy eating among their employees. The e-Branjevka online store processes orders, which exploded for home deliveries during the coronavirus pandemic.

Seven years ago the Grm brothers, Tadej and Gregor, took control of the company, which now involves their mother Zdenka, father Marko and Tadej's wife Sonja. The parents were there to help from the very beginning; mother in her spare time, as she had a full-time job, and father fully involved in logistics. The Grm brothers have forged an excellent team and are now reaping the rewards of their determination. They supply a daily dose of vitamins to around 250 companies, or more than 20,000 employees. They do not hide their ambition to expand their deliveries of fruit and vegetables beyond Slovenia's borders and into neighboring markets.

**"If you have a goal,
you will do anything
to reach it."**

Tadej Grm,
Head of Sales







The whole family contributes. Gregor, parents, Tadej and his wife Sonja.

e-Branjevka was inspired by their grandma's garden

Tadej and Gregor entered the business world almost a decade ago. At the time, 20-year-old Tadej was studying for a degree at the School of Economics and Business in Ljubljana and Gregor was working as a construction technician. During that period, online shopping was becoming increasingly popular worldwide and Slovenia was no exception. As a business student with a strong entrepreneurial spirit, Tadej saw an opportunity, inspired by his grandmother's abundant harvest of garden produce in the Dolenjska region, where the family spent their weekends.

"Grandma always had leftover fruit and vegetables, and every Sunday we returned to Ljubljana with a car full of them for our friends and neighbors. When I saw how much demand there was for fresh produce, I started considering ways of turning this into a business," says Tadej, reflecting on the company's origins. His older brother Gregor quickly became passionate about the idea and in 2013, they took the reins of the company

to create the e-Branjevka brand. They split the workload so that Gregor took over finances and Tadej, who had decided to leave school, managed everything else. "I had to devote all my time to this business, otherwise we would not have been able to get it running. We had no capital and no financial backup from our parents, so we had to do everything ourselves. Gregor was a great help, as he was already employed and could invest in the company," remembers Tadej.

The beginning was not easy, but the brothers also had the support and help of their parents, Zdenka and Marko, who are still part of the company to this day. "When the company gained traction, dad was unemployed, so we started working together. We loaded the fruit and vegetables into the truck early in the morning and drove the boxes to our clients. When the business grew, mum also helped in the afternoons. I remember when we had an order for fruit delivery to a company on New Year's Day. We were making the fruit crates until four in the morning and by six they were delivered to the client. That was a very short night, but if you have a goal, you will do anything to reach it," recalls Tadej.

Crates of health à la carte

During the first few years the young entrepreneurs made home deliveries of fruit and vegetables, but they soon realized that this was not worthwhile. Households usually did not order large quantities and logistics were complicated, so they investigated a new market niche. They began selling to companies who wanted to offer their employees fruit and vegetables in the workplace. They overhauled the old business model and soon saw success. “Why would we deliver fruit and vegetables to homes, if we could deliver to companies? This allows the companies to encourage a healthy lifestyle among their employees, and the employees can also order fruit and vegetables to take home,” explain the Grm brothers.

As companies usually do not have appropriate storage for fresh fruit and vegetables, Gregor, who is a skilled carpenter, made wooden crates and small stands for them. “We set up the first fruit stands in Kolektor Etra,

which was also our first large client,” remembers Tadej. During the first few years they made all their deliveries with one van, but that was soon insufficient because their business network expanded significantly. “Today we deliver to companies everywhere in Slovenia, from Ljutomer to Portorož, crossing the whole country twice every week. In Ljubljana, we make deliveries every day, and every second day in the Gorenjska and Dolenjska regions,” explains Tadej.

Their competitive edge is that companies can choose which fruit they want in their crates, a model that Tadej compares to an à la carte restaurant. In the e-Branjevka store, companies can select crates of different sizes with predetermined combinations of fruit and vegetables or alternatively, specify the types of fruit when placing the order. The Grm brothers prefer to deliver locally produced seasonal fruit and vegetables, some of which they grow themselves in several strawberry fields and greenhouses. “Gregor also planted 300 raspberry plants at our grandma’s place,” adds Tadej.



The brothers Grm supply a daily dose of vitamins to around 250 companies, or more than 20,000 employees.

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During the coronavirus pandemic, home deliveries of fruit and vegetables increased by 95%.



They confess that they were not aware of the importance of brand visibility before the pandemic.



They deliver to companies everywhere in Slovenia, from Ljutomer to Portorož.

e-Branjevka in a nutshell: ambition, determination, entrepreneurial spirit, online retail, local.

Home delivery exploded during the pandemic

Before the coronavirus pandemic the Grm family delivered a daily dose of fresh vitamins to around 250 companies and more than 20,000 employees. Initially the crisis hit their trade quite hard, but they exploited the new circumstances by overhauling their business model once again. Almost overnight their focus shifted to home deliveries of fruit and vegetables.

"We talked to some companies whose employees were working from home during the pandemic and offered to deliver fruit and vegetables to their homes. This initiative was well received by the companies and now the business is returning to normal. Our delivery to individual homes increased by 95% during the pandemic, which would not be possible without good logistics, which is a key factor for consumers when it comes to online shopping. We are also glad that companies are returning with their orders, which have now reached 90% of the pre-pandemic numbers," explains Tadej.

They also decided to invest more into online marketing in order to increase the visibility and popularity of the e-Branjevka brand. Tadej's wife Sonja, who is their warehouse manager and knows every client's wishes like the back of her hand, was very helpful in this department. Tadej confesses that they were not aware of the importance of brand visibility before the pandemic: "Now we think completely differently, as 80% of our final customers turned out to be employees of the companies to which we delivered before the coronavirus outbreak. We want consumers to be more aware of our brand, so that e-Branjevka is their first choice when the next wave hits." Before the coronavirus they had nine employees, now their team comprises 11 members.

The sons want to accelerate, but the parents sometimes put the brakes on

When we ask the Grm brothers about their plans, they are very clear about their ambition to expand their fruit and vegetables deliveries beyond Slovenia and into neighboring markets. Tadej believes this is a realistic goal: "If we can deliver fruit to Slovenian plants, why couldn't we deliver it to the Audi plant in Ingolstadt, Germany. I believe we can reach anything within 500 kilometers from Ljubljana." The Grm parents still have some influence, while in contrast to their sons, they sometimes prefer to put the brakes on when it comes to business, according to Gregor. Zdenka and Marko are still actively involved in the business; Zdenka is Director and owner and Marko still likes to help haul the fruit crates, even though he is already over 60.

Last year, Rast Tim achieved €540,000 in revenue and €15,000 net profit. "If we repeat last year's business results this year, we will be more than happy," concludes Tadej.

Zdenka Grm

owner

Company name: **Rast Tim, d. o. o.**

Number of employees (2019): **7**

Net sales revenue (2019): **€543,082**

Tradicija Avsenik, d. o. o.

Primož Avsenik, Student, waiter

Nataša Avsenik, Bookings and Museum Receptionist

Aleš Avsenik, Restaurant Director

Katarina Avsenik, Accountant

Gregor Avsenik, Owner

Monika Avsenik, Student, singer

Sašo Avsenik, Sašo Avsenik Band Leader

The Avsenik tradition lives on

The Avsenik name is more than just a synonym for folk music. It embodies a company and a family in which hospitality services are deeply intertwined with music, event organization and tourist services.

From beginnings as the Jožovc restaurant, the family venue grew into an event hall with concerts for up to 350 people, with the number of visitors even higher during the Avsenik Festival. Before the coronavirus crisis the company employed 20 people but now they are starting again. In the future the entrepreneurial success of Gregor and Katarina Avsenik will be continued by their children, Sašo, Aleš, Nataša, Monika and Primož.





"The heart is not enough. You have to put in your heart and soul and all your knowledge, but also keep all the employees connected. There are no soloists, everyone is important."

Gregor Avsenik,
Director



The Avsenik story began with grandparents Ivan and Mara, who managed the Jožovc restaurant in the town of Begunje na Gorenjskem until their late retirement.

From restaurant to company

The Avsenik story began with grandparents Ivan and Mara, who managed the Jožovc restaurant in the town of Begunje na Gorenjskem until their late retirement. "Around 1978, they put the restaurant up for rent. It was old and in need of renovation," explains their grandson Gregor. At that time his father Slavko and uncle Vinko Avsenik were already famous musicians and many people wanted to visit the house in which they were born. "Father decided to renovate it and the refurbished Jožovc restaurant was opened in 1988," continues Gregor. Gregor himself, a trained musician and Slavko's youngest son, took over its management. This was a hard choice, but his priorities were clear: first the company, then family and finally music as a hobby.

Gregor and his wife Katarina made a home for themselves in Begunje na Gorenjskem and began writing a new story, intertwining the threads of the restaurant and the guesthouse, the events and the music. "Slavko's parents let us do what we wanted. We had room to breathe," says Katarina. Her work was mostly in the office. "My area of specialty is numbers. Gregor developed new ideas and I kept the finances in order," she adds.

Up to four sold out events per week

The Avsenik music guided development from a guesthouse and restaurant toward organization of events, especially those which were music-related. "We organised Happy Fridays in the smaller rooms, sometimes with Slavko's collaboration. Later we began talking about Wednesday nights – the traditional day for evening events in the garden," explains Gregor. Their first house band was the Gašperji. However, the garden events were always at the mercy of the weather: "Will they open the umbrellas and see the event through, or will they cancel it? So, in 1997 we opened an event hall." This is when the hospitality services took a back seat and events became the priority. "We had two, three, even four sold out events per week. The buses were standing in line, guests were brought in by tourist agencies, we did not need to do any special marketing," says Gregor.

A constant balancing act

Their success culminated in 2007, a year before the 55th anniversary of Avsenik music, when they added the Avsenik Season to their already rich program, culminating in the first Avsenik Festival in 2008. "I wanted my

father to see that his music lives on, even though he is no longer actively performing. He was proud and happy, despite his dislike for the word 'proud,'" adds Gregor. During the five-day festival the visitors could see a small piece of the large Avsenik legacy. Since 2013, the festival has been organized bi-annually and lasts three days. The festival was also the first business enterprise to connect all the members of the Avsenik family.

Managing the music industry side as well as hospitality services and accepting a large number of visitors while maintaining high quality is, as Gregor puts it, "a constant balancing act". The most difficult task, which he has always found challenging, is managing the employees. "The heart is not enough. You have to put in your heart and soul and all your knowledge, but also keep all the employees connected. There are no soloists, everyone is important," he explains.

Tradition with a clear vision: a more modern future

Eight years ago, Gregor handed the management of the restaurant and house to the company's Director Nataša Farkaš and then at the end of last year, the position was entrusted to Gregor's son Aleš. Katarina adds: "I'm glad we came back together as a family; we live and breathe together. But it can also be difficult. Aleš is currently in a really bad situation; he had everything sold out as recently as last Friday, but he had to close down."

"I'm learning by doing. I have the passion, the energy and I'm gaining experience," emphasises Aleš. He now has a broader picture of the hospitality and music sectors. "There is more to it than simply putting a meal in front of a guest," he adds. He sees that the future holds many options and improvements and is very happy that his parents trust his management. "We have to work within certain limits, since our guests expect tradition. We are taking the same approach Sašo had to music: we are making the Avsenik family slightly more modern while staying true to tradition," describes Aleš.

Avsenik music on concert stages, not just at village fairs

The next generation is bringing a breath of fresh air not only to hospitality services and event organization, but also to the music legacy, an important part of the family success story. Sašo, Katarina and Gregor's firstborn son, regularly performs at the Jožovc restaurant with his Sašo Avsenik Ensemble. He has been passionate about folk music since childhood. "With my father's support I visited uncle Vilko, who taught me a lot," says Sašo, who recorded his first album in 2009 at the age of only 18. The Avsenik name helped his group to move from opening act to main attraction very quickly. They play folk music with their own twist: "Modernization may not be the right word, I would say we are making it more accessible."



The next generation is bringing a breath of fresh air not only to hospitality services and event organization, but also to the music legacy, an important part of the family success story.



The Avsenik Festival was the first business enterprise to connect all the members of the Avsenik family.

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Managing the Avsenik tradition is a huge responsibility. We have to work within certain limits while looking for new ways forward.



The Avsenik music guided development from a guesthouse and restaurant toward organization of events, especially those which were music-related.

Tradicija Avsenik in a nutshell: family, music, tradition, quality, hospitality.

Sašo points out that the Avsenik music is suitable for concert stages – and not just village fairs – because of the quality of the sound, the values it promotes (family, environment, nature, honesty, work) and its positivity. He adds that his grandfather Slavko was an exceptional musician. “He and Vilko invented this type of folk music, in which they praised the beauty of Slovenia. Perhaps their most famous song is Slovenija, Od Kod Lepote Tvoje from 1973. At that time, this was a completely new sound, it invoked Slovenian identity and coziness,” he enthuses. The song Na Golici is said to be one of the most played instrumental pieces in the world and in 2020 the Avsenik Brothers Ensemble was nominated for the European Citizens Prize.

Music is also a constant in the life of Monika, who sings in the famous Slovenian a cappella choir Perpetuum Jazzile. She also sometimes joins her older brother’s ensemble on stage. “In the last year of my grandfather’s life I grew really close to him. I started discovering his music and it showed me his purpose and told the story he was building for so many years,” explains Monika.

Their museum is part of the future

Gregor’s mother Brigita was the one who started managing a gallery which hosted temporary guest exhibitions and became a permanent home for the Hohner instruments and the awards received by the Avsenik ensemble. “My father Slavko was an interesting man. He never wanted to boast of his success and would not take more than one wall in the museum,” points out Gregor. An exhibition was organized to celebrate the 55th anniversary of Avsenik music and the Avsenik museum finally opened its doors in 2016, on Slavko’s birthday and a year after his death. This is where Nataša, who is about to complete her interior design degree, sees her place. She has prepared the exhibition material for the renovated museum, became partially employed at the company in 2019 and has also worked in the restaurant. “I want to know the entire house and work in several fields,” she adds.

Primož, Gregor and Katarina’s youngest, still goes to high school and currently greets the guests and helps with the service. “He is amiable, precise and has a good work ethic. The guests need a genuine contact with an Avsenik, and now that my main focus is management, Primož is this contact,” says Aleš, describing his brother.

Birds who returned to the nest

According to Gregor, Aleš and Saša, coronavirus has brought things back to the beginning. “I want the young generation to set their own goals and gain experience,” says Gregor. After 32 years of work he is slowly retreating from the business to have more time for music and his guitar. The combined strength of their five children makes the Avsenik family unstoppable. “There have been a few years when we were spread out. Now we are all back together – each working in his or her field, but writing the same story,” says Aleš. Monika adds: “They say that birds fly out so that they can return back home.”

Even the coronavirus, which caused a fall in the number of visitors and eventual closure of services, has not brought the Avsenik family down. They started flirting with digitization and online exposure. Sašo began communicating with fans through their Facebook site. The stories of the Avsenik family came alive in the photos of the restaurant, delicious homemade dishes and their employees, but the main aim of the new channels was to help with the exposure of their music and events. “It is important to be responsive, flexible and adaptable during a crisis. And when the coronavirus came, we did not wait long. We stopped and calmed down for a moment, but now we are testing new approaches,” explains Aleš optimistically. “Every hurdle can also bring something good. It forces you to step back and try something new, which can turn out to be even better,” concludes Katarina.

Gregor Avsenik

owner

Company name: **Tradicija Avsenik, d. o. o.**

Number of employees (2019): **16**

Net sales revenue (2019): **€1.2 million**

Family Business Services

Helping you succeed for generations

Why choose EY?

- ▶ We serve **75%** of **500** of the world's largest family businesses (familybusinessindex.com).
- ▶ We have advised generations of the world's most entrepreneurial, innovation-oriented companies and understand the complex issues that they face.
- ▶ We understand the difficulties of balancing the concerns of the family and the intricacies of the business.
- ▶ We know what it takes to address the dual challenges of securing the long-term success of the company and managing the risks of growth.
- ▶ EY's tailored services offer a wide range of professional business services aimed specifically at the unique requirements of family businesses.

Our approach

More than 80% of the world's businesses are family owned – they are the driving force of the world economy. This is consistent with the findings of our research, which EY Slovenia prepared in cooperation with the Faculty of Economics, University of Ljubljana. The research confirmed that 83% of companies in Slovenia have family control over their strategic direction. Family businesses, in general, are better placed to ride the turbulence of today's volatile financial markets. Yet we know that just 30% of family businesses make it through the second generation and only 13% survive the third. Each family business is unique, but with over 90 years of experience and a professional network spanning 151 countries, we know that many share similar advantages and face common challenges.

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Our unique "Growth DNA of a family business" model addresses every facet of your personal and business agenda. It aligns our personalized range of business services to address your specific needs from capital management, sustaining growth, effective tax management and balancing risk, to culture and CSR. And it forms the foundation for the planning of ownership and management succession.

The EY Global Family Business Center of Excellence

The EY Global Family Business Center of Excellence is a powerful, online resource. It gives you access to our insights, experience and people; and to connect and learn from fellow family business leaders around the world.

EY Slovenia and family businesses

EY Slovenia is closely cooperating with the EY Global Center of Excellence. Through our local program we connect and present Slovenian family businesses. With the support of the Center we also link them to the global stage through dedicated events and the EY award of excellence for family businesses. In addition, we have begun to actively support businesses with succession planning from organizational, tax, legal and other aspects, as well as various dimensions of development and (international) growth.

Visit our new website ey.com/en_si/family-enterprise.



EY's Growth DNA model of Family Businesses highlights the interlinked nature of the eight characteristics of successful family businesses

EY Growth Navigator™

Accelerate your journey to market leadership

When most businesses think about strategy, they think about how to focus people, systems and processes on delivering customer value and ultimately growth. However talking to, and working with, clients through their business cycle coupled with our own research has shown us that, while this strategy is successful for some, focusing upon a broader set of activities can help deliver accelerated growth. That's why we have developed EY Growth Navigator™.

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Connecting your knowledge of your business with our knowledge and experience in the market can help deliver accelerated growth. EY Growth Navigator™ uses our research and 30 years' experience of working with hundreds of the most dynamic companies and growth leaders.

At the end of your EY Growth Navigator™ session with your EY advisor, you will have a set of actions, prioritized according to your strategic needs, to help you take the necessary steps to achieve the next level of success.



Spirit Slovenia

Effective planning for ownership transfer is the key to success

SPIRIT Slovenia encourages timely preparation for transfer of ownership in Slovenian family enterprises, focusing on building the competencies of successors.

The majority of Slovenian businesses are family enterprises, which play an important role in developing the economy. Common characteristics of the most successful Slovenian family enterprises are their innovative approach, good family relations, growth, focus on local development, care for employees, plus a regional and international reach. These companies contribute significantly towards maintaining expectations of strong and sustainable economic growth. A notable feature separating family enterprises from other organizations is their approach to business strategy development, which combines family, business and ownership interests.

SPIRIT Slovenia (“the Agency”) offers a range of activities and services for family-owned businesses. We encourage timely recognition of upcoming challenges, effective preparation and a rapid response. Challenges facing family businesses include establishing a management structure, professionalism, succession and issues affecting company growth. The Agency invests considerable energy in activities related to succession, as most businesses will face this challenge sooner or later.

Transfer of ownership is one of the phases in a company’s life cycle that presents difficulties for most organizations. Therefore, we established the National Service for Transfer of Ownership, SPIRIT Slovenia, in 2019. Our activities include networking, supporting events to make entrepreneurs

aware of timely preparation for ownership transfer and co-funding events facilitating exchange of experience and transfer of competencies between entrepreneurs and their successors. SPIRIT Slovenia also has authorized advisors to counsel and guide entrepreneurs who are training a successor, preparing for transfer of ownership or undergoing the process and wish to take advantage of the voucher financial support system.

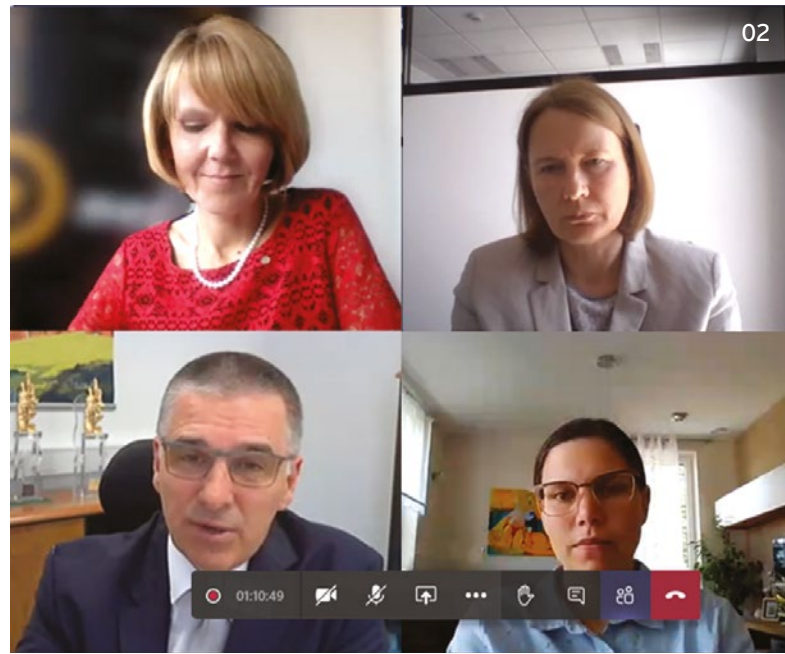
To support activities co-funded by vouchers for transfer of ownership, we have established a database of professional service providers and a catalogue of training available to successors. The voucher program offers financial support for activities related to all types of ownership transfer and addresses challenges specific to family enterprises transferring ownership between generations. For comprehensive support, family enterprises can turn to our Agency or seek personal support within the SPOT system, various entrepreneurship incubators or in technology parks.

We are happy to encourage and promote the success of Slovenian family enterprises, in collaboration with EY Slovenia, which puts the best Slovenian family businesses on the world map of successful family companies. SPIRIT Slovenia aims to increase the visibility of Slovenian family business on the global stage and is proud to support its promotion in this publication.



REPUBLIC OF SLOVENIA
MINISTRY OF ECONOMIC DEVELOPMENT
AND TECHNOLOGY

Last year's highlights



01 LOTRIČ Metrology, the winner of the EY award of excellence for Family Business in 2020 **02** Because we were unable to attend the annual World Entrepreneur Of The Year event in Monaco, we organized a “webinar of excellence” with LOTRIČ Metrology **03** Family Business Slovenia 2019 Book **04** Launch of Family Business Slovenia 2019 Book

Mediade: Our job is to get you recognized as the best

Everyone wants to work for a company that is the best in the world at something

We learned the secret to keeping the best talents – despite the international competitors willing to pay them double – a couple of years ago from a successful entrepreneur.



Working for the ambitious

Mediade's clients are companies of different sizes and seniority. What unites them is their ambition for growth and development that allows them to overtake their competition.

Mediade tool shop

At Mediade tool shop we put our passion into developing highly efficient communication tools. Our "Tool for the leaders" and our internal newsletters help the talent understand their company's goals and pave the way towards their realization.

In our analysis of the quality of communication (April 2020), 66% of participants categorized formal information provided by their employer as one of the three most trustworthy information sources.

Trust and respect

Our *Marketing Trust* guarantees that your expectations will be met with original ideas and impeccable implementation. We are setting the highest standards while embodying business excellency and ethics.

We are here to help you make your product, your innovation, or the team you are so proud of shine like diamonds. The Family Entrepreneurship project, as part of which we cooperate with EY Slovenia in writing and promoting stories of family businesses, has been shining since 2015.

Inspiring change

Our *Rotor* program encourages and facilitates changes. Our workshops and projects motivate employees to grow and learn, which leads to better work commitment and better understanding of their company's values.

The companies who use this program note:



Family Business Slovenia 2020

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Jani Ugrin is a freelance photographer currently based in Ljubljana, Slovenia. His work encompasses many aspects of photography; however, people are the common denominators in his work. He works in the fields of commercial, corporate, music and portrait photography. He cooperates with various agencies and companies both in Slovenia and abroad.

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