Home is where the hearth is

There is something primeval and comforting about a real fire that means people continue to install wood-burning stoves in their homes, even though their heating needs are now more likely covered by a central heating system. Stoves are now regarded as a decorative add-on rather than a primary heat source and this change in perception presents stove manufacturers with new challenges. Managing Director of Váll-Ker Kft., István Tóth, talks about why, at 72, he is still happy to go to work.

EB: Mr. Tóth, of the ten shareholders, you are the last to retire. What keeps you going so long after retirement age?

István Tóth: I could certainly afford to retire if I wanted to but I still enjoy my work. My motivation is not financial but social. I want to do something good for other people. I do this in my professional life by ensuring that the company is successful and that it continues to provide satisfying employment for the people that work there, and I also do it in my private life. I am president of the local handball club and active in a number of business associations and clubs.

EB: The hearth is often described as the heart of the home. However, more homes are now heated centrally. What place does that leave for your stoves?

István Tóth: We produce a very wide range of wood-burning stoves. Some have a relatively low heat output of around 5 kW and are largely decorative while others have a substantially higher output of as much as 15 kW combined with a boiler function. We even have cook stoves with a hotplate on top. We have many different stoves for many different needs, of which setting a decorative focal point in the living room is just one. I would say that in the last five years, the market has shifted towards a greater perception of the wood-burning stove as a fashion item and we have adapted our product range accordingly.

EB: How have your stoves evolved?

Váll-Ker exports over 30,000 wood-burning stoves each year, mainly to Germany, Denmark and the UK.
István Tóth: Improving efficiency continues to be a key focus of product development work. In the past, an efficiency rate of 60% was considered good. Today, we must achieve 90% to meet regulations. Technology has improved to make this possible but it still has much more to offer. Here, our stoves will be integrated into the Internet of Things and building management software. We are currently working on a stove which can be activated remotely by telephone so that there is already a cosy warmth emanating from the stove when the occupants arrive home.

EB: How is your production keeping pace with new technology?

István Tóth: We have the most up-to-date factory for stove production in Europe. The company shareholders have always accepted that it is better to reinvest our profits back into the business rather than taking them out in the form of dividends. Thanks to this investment and EU grants, we now have fully computerized production lines and a strong reputation for quality. We have also won many awards including Company of the Year in 2013. Last year, I was very proud to be recognized personally with one of the highest distinctions available for a Hungarian entrepreneur – the Cross of Merit of the Republic of Hungary.

EB: What are the most important qualities for success?

István Tóth: I think it is important that we do not worry too much about what our competitors are doing but focus instead on setting our own targets and achieving them. Teambuilding is also important and we have regular events to bind our employees to the company and reward them for their hard work.

EB: What goals have you set yourselves for the next five years?

István Tóth: We want to become the leading producer of stoves in the European market and we want to exceed the efficiency standard of 90%. We have produced more than half a million stoves in Europe so far. We look forward to delivering the millionth. That is what fills me personally with pride.