

Richard Saslow: Had to always make it better

Obsession with quality built a company



They say success leaves footprints. That being the case, Hu-Friedy's success can be tracked back to the shoes of Richard Saslow.

When 27-year-old Saslow acquired – with help from his father, Joseph, who had been in the dental laboratory business most of his life – a Chicago based instrument company – he didn't know much about the dental business, let alone the company. "Hu-Friedy? What's a Hu-Friedy?" he recalls thinking to himself. In fact, the company was named for its founder, a Viennese immigrant named Hugo Friedman, who started his business on the city's Northwest Side in 1908. When Saslow acquired the company in 1959, Hu-Friedy had six employees – two skilled craftsmen, two in the office, two in shipping. They made great instruments, but were overshadowed by bigger instrument makers who were more savvy in sales and marketing. "[Friedman] was quite a colorful guy," says Saslow, who retired from the day-to-day affairs of the company in 2000. "But we got along very well." However, their relationship was short-lived.

 **HuFriedyGroup**
The Best In Practice

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“We made a deal [for Saslow to buy the company] and shook hands, then Hugo went to St. Petersburg, Fla., for a short holiday,” he explains. “He was going to come back and teach me the business.” Friedman never returned, instead dying of a stroke in Florida. “Now I am the owner of this little company,” says Saslow. “I don’t know the customers, I don’t know dental instruments, much less how they were made or what they were used for.”

But he had a few things going for him. The first was his older brother, Dan, who had acquired a dental distribution company, which he renamed D.L. Saslow, also based in Chicago. “Dan was six years older than me, and he knew the dental field well,” says Richard Saslow. “I’d be on the phone with him three or four times a day.”

The second thing Saslow had going for him was a strong drive for perfection in the products his company made. “He’d work in the factory with the teams there and focus on a single question – ‘How do we make it better?’ ‘How do we make it better?’ ‘How do we make it better?’” says his son, Ron Saslow, now Hu-Friedy’s chairman and CEO.

The third thing was an ability to set aside ego, create a culture

of teamwork and tap into the abilities and expertise of others. “He would surround himself with people who were extremely talented in their particular areas, then engage them,” says Ron Saslow. “He was very comfortable letting other people lead at their particular specialties. That’s how Howard Wax [retired CEO of Hu-Friedy, and now a senior business advisor] had such success. He was very strong in the sales and marketing world,” while Saslow preferred to focus on the manufacturing and engineering functions of the company.

And the fourth was the company’s reliance on distributors. Saslow believed in the value of the dealer distribution channel and committed early on to cultivating strong dealer relationships. “We’ve stayed with dealers to this very day,” he says.

INTERESTING YEARS

Born and raised in Evanston, Ill., just north of the Chicago city limits, Saslow attended Evanston High School and Northwestern University. He served in the Army’s counterintelligence corps and was looking for something to do in the dental industry when he returned. His father heard that Hu-Friedy – a small instrument company located near the now-demolished amusement park, Riverview – was for sale. “It was tiny, but it had a very good reputation,” says Saslow. “I knew I wanted to be in the dental business, and this was the chance to come in and learn the industry.” Then Friedman died.

“The first few years were interesting,” he says. “Here I am, in charge of the place. Probably no one was very happy to see me there. [Friedman] had run it as a disinterested owner. Now here’s this young college kid coming in, and what does he know?”

In addition to the two skilled craftsmen in the factory, Saslow was able to tap into others on a part-time basis in the Chicago area. But he knew that in order to build Hu-Friedy,

he needed to assemble a strong team. He placed ads in the local papers, including those geared to the sizable German and Polish populations in the city. “One thing led to another, and we built a strong team of about 10 people in the factory,” he recalls.

Five years after Saslow acquired the company, fate intervened once again. Two employees left and started their own firm. “So it was, ‘OK, what are we going to do?’” he says. By then, he knew that instrument-making required a great deal of physical dexterity, but that the process could be broken down into multiple steps, such as grinding and polishing. So he adjusted his training program and focused on bringing in talented people who shared his passion for perfection. With a strong workforce in place and a steadily growing demand for dental instruments, the company began to gain momentum. “The periodontal market was growing very nicely in those years,” he says. “That was our main thing.”

A Strong Team

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Still, the early years were tough. “We were a young company. There were major companies that were bigger and more well-known than we were.” So Saslow spent a great deal of time on the road, meeting “everybody in sight,” he says. His brother, Dan, introduced him to distributors and helped him better understand the industry.

THE POWER OF DISTRIBUTORS

In 1970, Saslow’s brother-in-law, Howard Wax, joined the company. He had returned to Chicago from Los Angeles, looking for an opportunity to buy into other businesses. After one deal fell through, Saslow and Wax talked about the possibility of Wax coming to work for Hu-Friedy. “We both had concerns,” recalls Wax. Was it a good idea to mix business with family? They agreed to give it a try, with two conditions: They would move forward for a year, with the understanding that at the end of that year, either one could walk away without hard feelings. Second, they pledged that whatever issues the two might have with each other at Hu-Friedy, they would not take them home to their respective spouses. “We adhered to those principles forever,” says Wax. “As Dick would say, we had 43 one-year contracts.”

One of the first things they did was update Hu-Friedy’s catalog, which was a woodblock-cut publication that hadn’t changed much in 20 years. They also changed Hu-Friedy’s product numbering system so that numbers coincided with those of the rest of the industry.

But it was another bout of misfortune that sent the company in a direction that ultimately would lead to its success. Prior to Saslow’s acquisition of the company, Friedman had been sued by one of his largest customers – Litton Dental Products, a division of Litton Industries – which accused him of unfairness in his discount structure. After Saslow acquired the company, he settled the suit, agreeing to give Litton credit on a finite number of future purchases.

Litton instructed its sales reps to sell as many Hu-Friedy products as possible, given that the company was getting a credit on each sale. Had the distributor continued to buy Hu-Friedy’s products at its historic rate, it would have taken several years to earn all the credits awarded by the settlement. But sales picked up, so much so that the distributor burned through its credits in barely a year. After that, sales continued at the higher rate.

“It demonstrated the power of the distribution channel and what they could accomplish,” says Wax. Hu-Friedy pressed its advantage, diligently honoring the credits Litton was due and delivering products promptly. The company went overboard to show Litton

how committed it was to the relationship. Once Litton used up its credits, its business with Hu-Friedy continued to grow.

Early on, Hu-Friedy recognized the importance of dental schools and students. The business strategy was a simple one – go to the dental and hygiene schools and introduce the students to Hu-Friedy. The desired result was for graduating students to ask their distributor for Hu-Friedy products as they entered the industry. Thus began the company’s dedication to

focusing on the full professional life cycle of a dental professional – from student to practitioner.

QUALITY FIRST

“He has an unrelenting drive for perfection,” says Ron Saslow, speaking of his father. “In the early days... we separated ourselves from competitors by having a much better product... That drive toward perfection not only set the stage for the company, but also says something about his leadership style. When meeting with him, it wasn’t just to talk about today’s issues and opportunity, but how we’ll address and make things better for the future.”

Dental Distribution Hall of Fame

“He was in the factory every day, working with the teams there. He recognized his passion was for making an impact on the company and the industry by driving better products.”

“I would say there is probably no individual in our industry more committed than Dick to delivering the profession the highest possible quality of product that can be achieved,” says Wax. “And he would not rest on his laurels and say, ‘Gee, our product is the best.’ He would continue to challenge, ‘You always want to be better than the competition.’ And he made sure that message was understood by our team as they came to work every day.”

Saslow developed collaborative relationships with dentists around the country, particularly those in the schools, and the company’s catalog became populated with instruments with dentists’ names attached to them. “We worked very closely with a lot of the thought leaders all over the world,” he says. Dentists would approach him about making instruments for specific applications. “We spent a lot of time trying to solve some of their problems. If they really liked it, they would put it on what we called the school list. Then they would become popular.”

LEADERSHIP STYLE

Saslow never employed an autocratic style of leadership, says Ron Saslow. “His magic was, he was able to build a relationship among the Hu-Friedy teammates that was strong. He would engage teammates to, ‘Let’s make this better.’ And his relationships were as strong with the person on the floor as with the faculty at the university.”

Says Wax, “We sometimes disagreed, but at the end of the day, he empowered me to drive sales and marketing decisions, while he drove the decisions that went on in manufacturing, engineering and purchasing. Never ever in 43 years did he say, ‘I’m in charge, and this is the way it’s going to be.’”

Since stepping down from his day-to-day duties at the company in 2000, Saslow has moved into a senior advisor role. “Though it was hard for him to give up the reins, he was very helpful moving into that role and understanding that it was necessary for me, in partic-

ular, to learn and start making decisions and benefiting from those decisions,” says Ron Saslow. “A lot of people, particularly entrepreneurs, have a difficult time doing that. He was not like that. That’s a unique skill.”

Not one to seek the limelight, Richard Saslow was satisfied with Hu-Friedy earning a reputation – not him personally, says Ron Saslow. “He was in the factory every day, working with the teams there. He recognized his passion was for making an impact on the company and the industry by driving better products.”

“When I think of the legacy of Dick Saslow and Hu-Friedy, [I think] of products of high and consistent quality,” says Chuck Cohen, managing director, Benco Dental. “It reminds me of a quote I read a long time ago about Lego. ‘Have you ever seen a broken Lego piece?’ The answer is, you never have, because one of Lego’s innovations was their consistently high quality. The same could be said for Hu-Friedy.”

“It’s one of those things you take for granted until you think about it,” continues Cohen. “Dick did an amazing job on something seemingly so simple, but we all know it isn’t.”

Says Ron Saslow, “It really gets down to that passion, that excitement for continuous improvement. A lot of people say that, but he really taught everyone here how to live it.”

Quality Counts

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