

# Kordon - Tetra Sales U.S.A. Split

A firm that was the nation's third largest manufacturer and distributor of aquarium products has now become two separate companies

**HAYWARD, CA** - The giant manufacturing, importing and distributing firm that was Kordon-Tetra Sales U.S.A. is no longer a single business but is instead two distinct, separate operations. The announcement was made jointly by Maurice Rakowicz and Dr. Robert Rofen, principals in the firm.

Plans to divide the company and its assets and to alter the management structure has been under study for some time. The firm has been a leader in the aquarium industry for more than a decade, producing and distributing a variety of aquarium foods and related products. Tetra Sales (U.S.A.) is concerned with the U.S. distribution of numerous fish foods and aquarium products produced by Tetra Werke in West Germany. Kordon is a distributing and manufacturing arm producing numerous aquarium products. Under terms of the announcement, the partnership of Rakowicz and Rofen was dissolved on March 1st when Tetra Sales (U.S.A.) and Kordon Corporation became individual firms.

Maurice Rakowicz assumed sole ownership of Tetra Sales (U.S.A.) In addition to continuing to distribute Tetra Werke products, Maurice Rakowicz and John Rea have created a new corporation, Maurice-Johns, to manufacture and distribute a wide range of new products. Dr. Robert Rofen will assume sole ownership of Kordon and will similarly continue with Kordon's current products while developing new aquarium products.

The dissolution of the partnership and changes in ownership are said to include transfers of stock and cash, but the corporations are privately held and terms of the settlement have not been made public.

Kordon Corporation's New Address will be 21595 Curtis Street, Hayward, CA 9454—the telephone number will remain the same - (415) 782-4058.

Tetra Sales' (U.S.A.) address will remain the same—21393 Curtis Street, Hayward, CA 94545—Tetra's New Telephone Number is (415) 786-2000.

## Leader For More Than A Decade!

Tetra Sales, U.S.A. and its parent firm, the Kordon Corporation, were founded by Maurice Rakowicz in 1962 and for twelve years have together been industry leaders. That story is the story of the growth of the aquarium hobby.

## A beginning

One of Maurice Rakowicz' earliest jobs was with San Francisco's Steinhart Aquarium. He held a number of positions there, caring for exotic and rare fish, arranging

new displays, working on the "Science in Action" Program and eventually inherited the less-than-enviable task of finding fresh food for his charges. In that search he helped to discover brine shrimp.

He was one of the first developers of San Francisco Bay shrimp and as word of the food spread among hobbyists Steinhart found itself in the business of selling its supply to amateurs. The aquarium soon gave the business to Rakowicz. At that time he also owned a flourishing retail aquarium store called the "South Seas" in Oakland.

## Tetra sales

Eventually the brine shrimp end became big, he dropped his retail shop, expanded and even began importing fish, at one time flying a used B-25 bomber into a number of South American ports to pick up fish first hand. In 1962 he obtained the U.S. license for Tetra products and business began to boom.

Rofen and Rakowicz met first in the 1950s when both were employed at Steinhart but the meeting had been short lived. Rofen moved to Asia, masterminding and supervising a number of important research chores for the Vanderbilt Institute. He returned to the U.S. in the mid 1960s as a world-famous ichthyologist and joined Rakowicz at Kordon in 1967. He was a partner, vice president and sales manager and for seven years guided Kordon to a series of new sales records. In 1973, for example, a San Francisco newspaper carried a financial story which said the firm had grossed more than \$10 million in sales the previous year.

## Now two in place of one

The division is friendly, each man wishes the other success and if there is a simple explanation it is this: Kordon-Tetra Sales U.S.A. has become big business, the third largest firm in the industry, and in bigness it has reached a point where its future must be charted in careful yet complex terms and it was that which brought the men to their parting.

Maurice Rakowicz seems to see his future in terms of diversity while Dr. Rofen sees his solely in aquarium products. There are indications that both men are right and that both courses can be successful, but each is listening to a different drummer and the division of the established, old-line firm into two will let each man follow his own course.

To see what lies ahead for Kordon and Tetra Sales U.S.A., Aquarium Industry has interviewed the two presidents.



## Tetra Sales, U.S.A.

### Broadening the base

We interviewed both Maurice Rakowicz and John C. Rea, Jr., Executive Vice President of the new firm. We talked with them in John's tastefully appointed office.

**A I:** What segments of the Kordon-Tetra Sales U.S.A. complex have you retained?

**Rakowicz:** Basically we are staying with the Tetra contract, handling the broad line of products manufactured in West Germany by Tetra Werke. This business has grown so large in recent years it alone will take much of our time.

**A I:** How many products are there in the present Tetra line?

**Rakowicz:** 75 or 80, depending on the way you count them. They range all the way from the full line of Tetra foods to accessory products such as AquaSafe.

**A I:** There are rumors that Tetra has new products ready for market. Is it true?

**Rea:** Yes. Very soon we will introduce a couple of Tetra products that emphasize economy, with lower prices designed for volume sales. The first will be Squid Flakes. Other products will include a complete diet for tropical and marine fish and we'll be offering a new approach to bulk foods, an idea we think will let us

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## Kordon

### Old products and new - all aquarium related

We talked with Dr. Robert Rofen, Kordon's President, at his offices in Hayward.

**A I:** What segments of the Kordon-Tetra Sales, U.S.A. complex will you own?

**Rofen:** All of the non-Tetra products. The line-up includes everything from Eheim and Mod-U filters to Wonder Rock, Wonder Magnets, a biological skimmer and Eco Logs - literally hundreds of items.

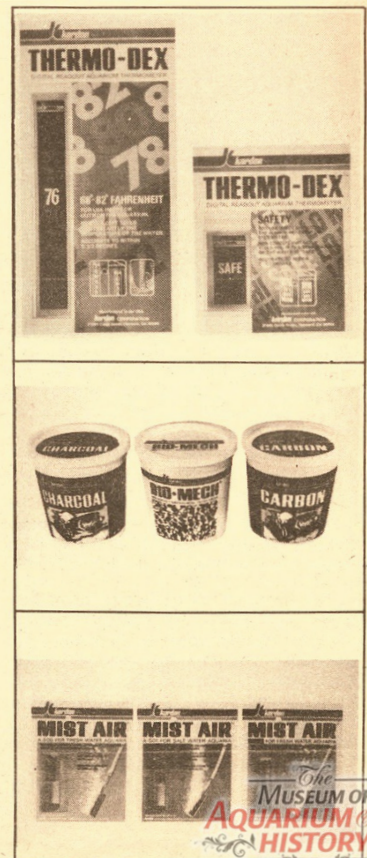
**A I:** The Eheim filter still comprises the largest single line in terms of components?

**Rofen:** Yes. We have the rights to U.S. distribution for the pump and all accessories. It has been rated as one of the top aquarium products for years and we're proud to represent it.

**A I:** Do you plan any changes?

**Rofen:** We will broaden our product line introducing a number of new products. Each one will be designed for the aquarium trade. Kordon's basic philosophy will be to develop new technology in the aquarium field based on products researched from and utilizing scientific sources here, in Europe and in Asia. We want to introduce products that are

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capture a large segment of that market.

**A I:** We understand you plan other, rather important changes.

**Rakowicz:** We are. In addition to concentrating on Tetra products, John Rae and I have formed a second firm, Maurice-Johns. It is concerned with the development, production and sales of other pet products, mostly products for dogs and cats. It will allow us to diversify and broaden our base.

**A I:** Tell us more about Maurice-Johns.

**Rakowicz:** It takes its name from John Rae and myself and will be a distinct, separate firm not related to Tetra Sales, U.S.A. We will concentrate on dog and cat products, quite probably grooming aids, health products and more.

**A I:** Are any Maurice-Johns products ready for market?

**Rakowicz:** One, a dog product being test-marketed in the west. It should be ready for distributors shortly. We will also be developing our own line of fish medicines - but its a little early to talk of that.

**A I:** Will there be any changes in sales or distribution?

**Rakowicz:** There will be no policy changes. Dealers and distributors will order Tetra products exactly as before. We think we've built a happy network and a good relationship with our distributors and we want to follow the same pattern. Retailers will order from the same distributors will work with John Rae and me as before. Our offices and warehouses are exactly the same-the head offices in Hayward and a warehouse in Owings Mills, Md.

**A I:** Are the address and phone the same?

**Rea:** The address remains the same, 21393 Curtis St., Hayward, CA 94545 but there is a new telephone number, 415-786-2000. **AI**

# Kordon...

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unique and which have the kind of prime quality we, our distributors and retailers can back with integrity. We are particularly interested in water quality, water quality control products and fish nutrition. We also plan a series of consumer-related books and brochures, reliable technical information on all aspects of the hobby.

**A I:** Will dealers and retailers see many changes?

**Rofen:** If there is a difference it will be in a better association with the trade. We want a close rapport with dealers and distributors. Distributors will continue to work with Jim Kovathas. He is the new vice president at Kordon, has been its business manager for many years and is well known through out the industry.

**A I:** Since you handle Eheim products will you still promote the Mod-U-filter?

**Rofen:** Emphatically. And we'll add to it. The present Mod-U-Filter is just the beginning of a line. It is based on a water pump adjustable from zero to 170-gallons per hour. We plan to add many new filtering moduies. The first will be a unit for use with diatomaceous earth. Later we plan to add an ion exchange unit, an ultra-violet light system and thermostatically-controlled heating and cooling units.

**A I:** When will the first product be ready?

**Rofen:** Almost immediately. Distributors will be seeing the new diatom unit within weeks.

**A I:** Will there be other products?

**Rofen:** A major area of development has been fish nutrition. Study has been going forward for several years in independent laboratories and universities. We'll be offering a consumer product shortly.

**A I:** You mean Kordon dealers will soon be offering a new line of fish foods?

**Rofen:** Yes. We plan to move quickly into a number of foods, both pre-packaged and in bulk. Test results on the new foods has been very exciting. We think this will be an advanced line of food every bit as news-worthy as when Tetra Min first came into the U.S.

**A I:** Will there be any changes in ordering procedures?

**Rofen:** No. Dealers and distributors will continue to obtain supplies from the same sources in Hayward and in Maryland. We'll be working with the same distributors and our address and telephone numbers remain the same - 21393 Curtis St., Hayward, CA 9454 - 415-782-4058. **AI**