

# KOHLER



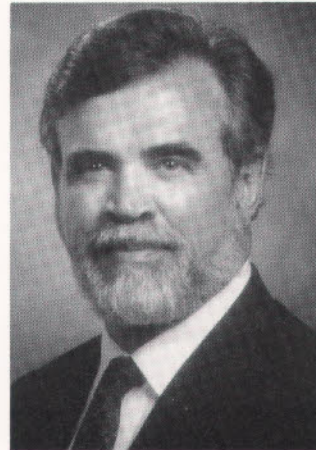
Made in Wisconsin

## KOHLER OF KOHLER

John Michael Kohler  
founded Kohler Co. in 1873.



Herbert V. Kohler, Jr., Chairman  
of the Board and President,  
Kohler Co.



1873 seemed an unlikely time to start a new business in America. A financial panic had begun in September of that year. It was followed by a depression that would affect the national economy for the next five years.

It was in that time of economic uncertainty that John Michael Kohler founded the Kohler Co., today the nation's leading manufacturer of plumbing and leisure products and a major manufacturer of engines and generators.

The Sheboygan (Wisconsin) Times of December 6, 1873, announced the formation of the new company:

*"The undersigned, having purchased the interest of Mr. J.J. Vollrath in the Sheboygan Union Iron and Steel Foundry, have formed a co-partnership under the firm name of Kohler & Silberzahn, and will continue the business of iron, steel and brass castings in their various branches, and would respectfully solicit the continued patronage of the public, guaranteeing that their work shall be the best of its kind. Cast, cast-steel, and other plows are kept constantly on hand, and work of any kind in our line will be made to order."*

John M. Kohler  
Chas. Silberzahn

December 3, 1873

A native of the Bregenzerwald province in Austria, John Michael Kohler had come to this country with his family in 1854. After living briefly in Galesburg, Illinois, the family settled on a farm near St. Paul, Minnesota. The young Kohler remained on the family farm, attending school in the area until 1862 when he moved to Chicago. He became a salesman for a grocery house there and later sold furniture for a Chicago manufacturer. That job periodically took him to Sheboygan, a growing Wisconsin community on the Lake Michigan shoreline 55 miles north of Milwaukee. It was there that he met Miss Lillie Vollrath.

The two were married in 1871, and the next year Kohler joined his father-in-law's machine shop and foundry which produced agricultural implements for farmers in the area, castings for the city's furniture factories, and railroad "frogs," castings that guide a train's wheels when switching from track to track.

The company which Kohler and Silberzahn founded in 1873 employed 21 men in a tiny frame building. Although Sheboygan was hard hit by the depression, the firm moved ahead. Farm equipment and tools accounted for as much as 80 percent of the company's total sales.

# KOHLER

Kohler and Silberzahn terminated their partnership in 1878, and Silberzahn sold his interest in the business to Herman Hayssen and John H. Stehn, German immigrants who worked for the company as machinists. Kohler became the senior member in the new partnership.

The business grew as additional product offerings were developed — feed mills, horsepowers, scrapers, circular and drag saw machines, hog scalders, feed troughs, and ornamental iron pieces that included hitching posts, cemetery crosses, urns and settees for lawns and gardens.

The development which was to have far-reaching significance for the company and its future in 1883, when the firm began making enameled ware and what were the first Kohler plumbing fixtures.

By the turn of the century, 98 percent of the business was enamelware products, and the workforce had increased to over 250 employees. Believing that Sheboygan, now a city of 15,000, was too congested, Kohler moved his company to an unincorporated village named Riverside, four miles west of Sheboygan.

Although the move was dubbed “Kohler’s Folly,” it proved advantageous. Employees built homes in Riverside, eventually renaming the community Kohler Village and creating one of the nation’s few successfully planned garden communities.

Incorporated as Kohler Co. in 1913, the company prospered, adding new products and employees. By World War I, Kohler Co. was known nationally as a plumbing products manufacturer.

This rapid growth can be attributed to strong leadership and product innovation, most notably the development of the one-piece lavatory, the built-in one-piece bathtub, and matching colors in vitreous china and enameled cast iron fixtures.

Kohler’s product line continued to diversify with the 1920 introduction of the electric plant, an engine-driven generator set then called the “automatic power and light.” It was a 1500-watt unit designed to serve the rural market. It delivered 110-volt DC current and was powered by a four-cylinder engine designed specifically for the generator and built in the Kohler factories.

Within a year, a booming electric plant market had developed in the British Isles, especially in historic castles, quaint country inns and elegant homes in the countryside.

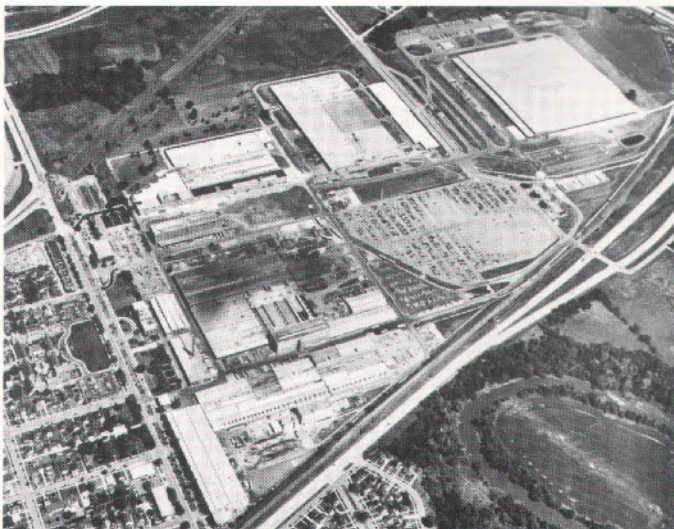
There were other significant installations, too, among them the summer White House at Custer State Park at Hermosa, South Dakota, where four Kohler generators kept the lights burning in 35 buildings including the main lodge occupied by President and Mrs. Calvin Coolidge.

Five Kohler electric plants accompanied Admiral Richard Byrd to the South Pole, providing power for radios, machine shops, equipment and housing for members of the expedition. Byrd’s historic trip presented the world with a dramatic example of the diversification of Kohler Co.

The company’s engine line was another evolution of its original product line. The company’s first effort in the horsepower business was something called the “horsepower,” a quaint machine it made in its small foundry and machine shop back in the 1880’s.

Simple in form and function, it consisted of a series of iron gears turned by as many as six horses hitched to a revolving shaft. The mechanical energy thus developed was transmitted by means of a universal joint and drive shaft to the farmer’s hay baler, feed chopper or pump. From this unpretentious beginning, Kohler has grown to a point where it is now one of the largest manufacturers of air-cooled, cast iron, four-cycle engines in the world.

In production since the introduction of the first



Kohler Co. corporate headquarters and principal manufacturing facilities are located on a 200-acre site in Kohler, Wis. The engine division is shown in the upper center of the picture.



Employees pose with their products — plows, silage cutters and other castings — in front of an early Kohler Co. factory. Note the plow mounted on the roof along with the rain barrels that provide fire protection.

“automatic power and light,” Kohler engines were used exclusively on Kohler generators until 1949 when they were marketed to other equipment manufacturers.

Today, Kohler engines provide power to markets worldwide. They operate coffee bean shredders in Mexico. They power fishing boats in the Philippines, log splitters in Switzerland, car starters in Minnesota, cranberry harvesters in Wisconsin, concrete mixers in California, and sweepers and other equipment in industries around the world.

But it has been the outdoor powered equipment market which has been the most significant of all, triggering a renewed corporate commitment to value, quality and innovation that resulted in the most advanced Kohler engine line yet — the Kohler Magnum.

Kohler Magnum engines, introduced two years ago, are designed to meet specific application and power requirements. Single- and twin-cylinder models incorporate low-silhouette, streamlined styling and a variety of innovative features that promote reliable performance, including:

- Inductive electronic ignition for dependable starting, even in cold weather or when the sparkplug is worn or fouled;
- Posi-Lock, the industry’s most reliable connecting rod cap;
- Oil Sentry™, which shuts down the engine or triggers a warning light when the oil level is low;
- High torque at low rpm to outperform competitive models;
- Consumer appeal in Magnum design to impart a smart appearance to engine-powered equipment;
- Heavy duty ball bearings for heavy loads.

For over half a century, Kohler engines have been pro-

viding reliable, dependable power to the gardening, professional turf maintenance, agriculture and construction markets. The Kohler Magnum combines Kohler’s tradition of excellence with a new emphasis on high technology in design and manufacturing.

On the heels of the successful introduction of the Magnum engine line in 1985, the Kohler Engine Division introduced vertical shaft, twin-cylinder versions in 16 and 18 horsepower in 1986, marking the division’s first successful offering of a vertical shaft product. Primary markets are in commercial turf and lawn tractor applications.

Competent design begins with computer-assisted design (CAD) systems which offer greater productivity, accuracy and capacity than previous methods. With the CAD system, Kohler engineers are able to respond to the design needs of original equipment manufacturers with computerized precision and reliability.

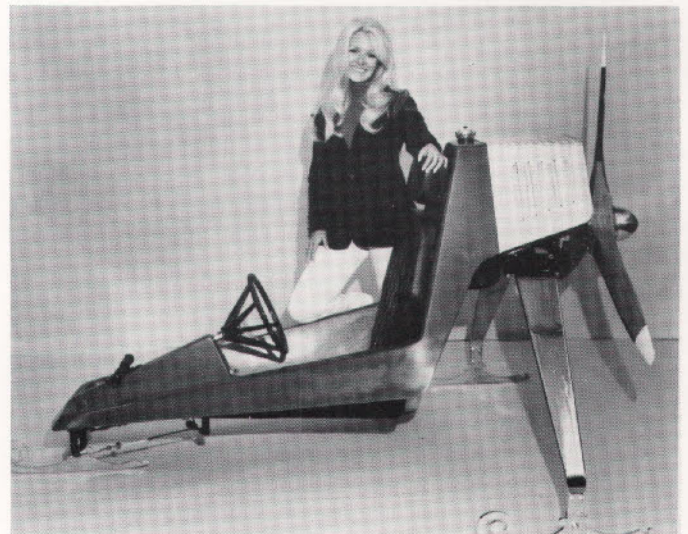
The specifications from the CAD station are transferred directly to the manufacturing area, where computer assisted manufacturing (CAM) converts design parameters into precisely manufactured parts. But the CAD/CAM techniques are just part of the Kohler engine story.

By using computerized inventory control techniques, Kohler has designed an entire manufacturing system which tracks quality from the time an engine is ordered until it is packaged for delivery.

Each engine is assembled using the computerized instructions created when the customer’s order is first entered into the system. After assembly, each engine is inspected, started and test operated. Following testing, the engines are painted, using a computer controlled robotic paint system. The result is a finish that is both striking and enduring. All Kohler Magnum engines carry a two-year warranty.

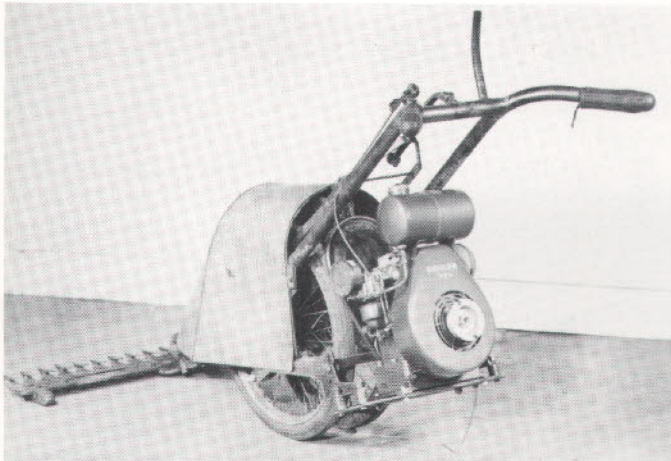


Kohler engines were used to power a homemade snowmobile and

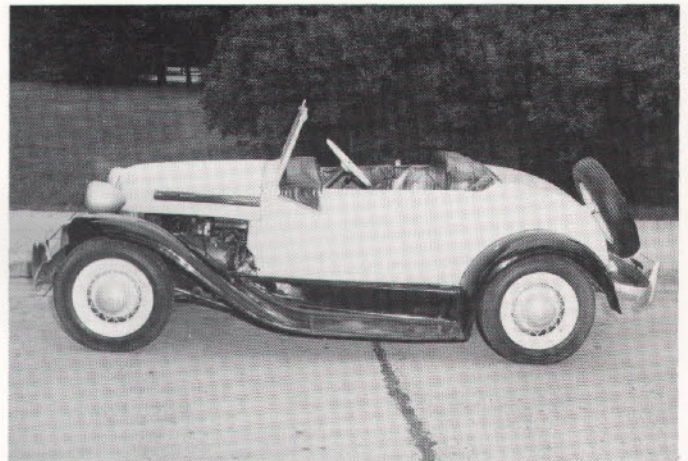


a sleekly crafted ice boat in the 1950s.

# KOHLER



Other engine application pictures from the Kohler archives show a Jari sickle bar mower powered by a K-7 engine, and a prototype



sports car manufactured by J.C. Boarah Motors Sales of Flora, Ill, which was powered by a K-660S engine.

The Kohler standards of excellence are the result of the efforts of its employees. To demonstrate their commitment to quality and their pride in the engines they build, Kohler employees sign a pledge of quality. This pledge is backed by the ability of any production worker to "stop the line" if quality standards aren't met.

Kohler's commitment also extends to the support of its 10,000 dealers and distributors worldwide. Detailed parts and service manuals, computerized inventory control, and 24-hour emergency parts replacement and service training schools provide aftermarket support.

Kohler Co. today is led by Herbert V. Kohler, Jr., whose creativity and commitment to quality pervade all of its product lines.

A grandson of company founder John Michael Kohler, he is the fifth Kohler to head the firm.

Kohler was graduated from Yale University in 1965 with a bachelor of science degree in industrial administration. Prior to graduation he spent his summers working as a laborer or technician in most of the manufacturing divisions of the company.

He became a director of the corporation in March 1967; Vice-President-Operations in August 1968, and Executive Vice President in January 1971. He was elected Chairman of the Board in June 1972, and President of the company in April 1974.

Today, in addition to its leadership role in the production of engines and generators, Kohler Co. is the nation's leading manufacturer of plumbing and specialty products. With more than 5,600 employees in Wisconsin and 12,500 worldwide, it is also one of the oldest and largest privately held companies in the state and in the nation.

In addition to its corporate headquarters and manufacturing plants in Kohler, the company also has plants in Spartanburg, South Carolina, and Brownwood, Texas, to manufacture plumbing and leisure products, and a sub-

sidary operation in Mexico City which produces engines and generators.

Bold ventures are bywords of the Kohler tradition.

In 1981, the company reopened The American Club, once a home for immigrant employees and now transformed into a luxurious hotel and convention center. The American Club is the only hotel in Wisconsin to receive a coveted Five-Diamond rating of excellence from the American Automobile Association (AAA).

The Club's sister businesses include the Sports Core, one of the Midwest's finest multi-purpose health and racquet facilities; River Wildlife, a 600-acre wildlife and hunt-



The American Club village inn and conference center in Kohler is the only AAA Five-Diamond hotel in Wisconsin. It has 160 luxurious guest rooms, four sumptuous restaurants and an ambiance other hotels cannot match.



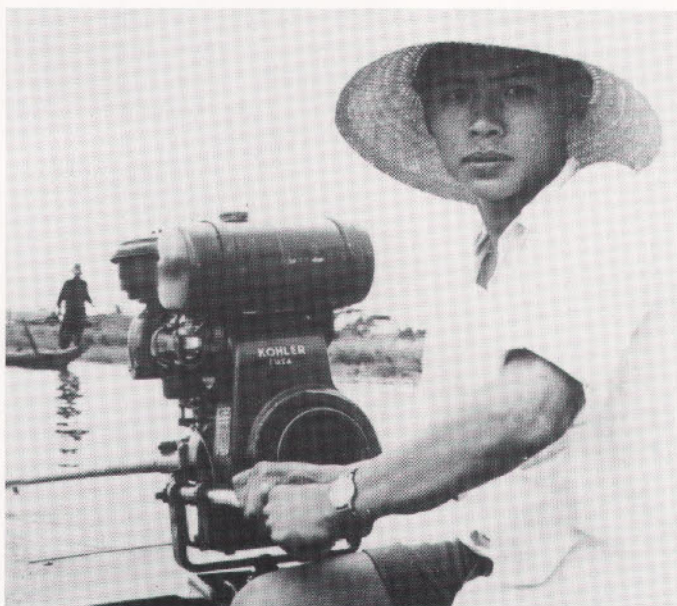
**"Pledge of Quality" commits engine division employees to the highest standards of excellence in every engine they build.**

ing preserve, and the recently opened Woodlake Market and Shops, a unique concept in neighborhood shopping.

The Kohler Design Center, a multi-story showcase of the company's past and present products, includes 26 bathrooms, powder rooms and kitchens created by leading interior designers.

Diverse new product lines have recently been added to the company through a number of "bold venture" strategic acquisitions.

Kohler Co. took a major step into the total home furnishings market with the purchase of Baker, Knapp & Tubbs, the premier manufacturer and largest distributor



**Kohler engines are a preferred source of marine power in the Philippines and throughout much of the Far East.**



**Twin-cylinder Kohler engines roll down the production line, assembled by workers who are committed to the engine division's "Pledge of Quality."**

of furniture for traditional and contemporary homes and executive offices.

The company's purchase of Compagnie Internationale Des Produits Sanitaires "Jacob Delafon", the most recognized name in French plumbing products, was a significant move in established access to European and other international markets. Jacob Delafon has manufacturing facilities in France, Spain, Morocco and Egypt.

During the last 12 months, Kohler's Sterling Faucet subsidiary acquired Polar Stainless Products, a top producer of stainless steel sinks, and Owens-Corning FRP Components Division, the country's leading manufacturer of sheet molded compound bath products. Together these companies fill voids in Kohler's plumbing product portfolio and strengthen Sterling's position as a leading supplier to retail markets.

Kohler Ltd. is the company's new manufacturing and sales subsidiary in Canada. Fiberglass and acrylic plumbing products are produced in Cornwall, Ontario, and Armstrong, British Columbia, and sales offices are located throughout the nation.

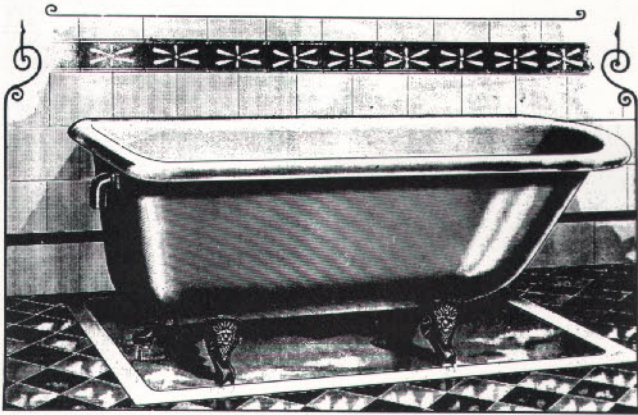
Kohler Japan KK, a subsidiary with sales offices, showroom and warehouse in Tokyo, focuses on the design, development and sales of plumbing and leisure products for the Japanese market.

Kohler's newest bold venture is its championship golf course presently under construction on the southern edge of Kohler Village. Designed by Pete Dye, the public golf course is located on a 200-acre site that lies along the winding Sheboygan River and utilizes every existing feature of the land, with special emphasis on the river.

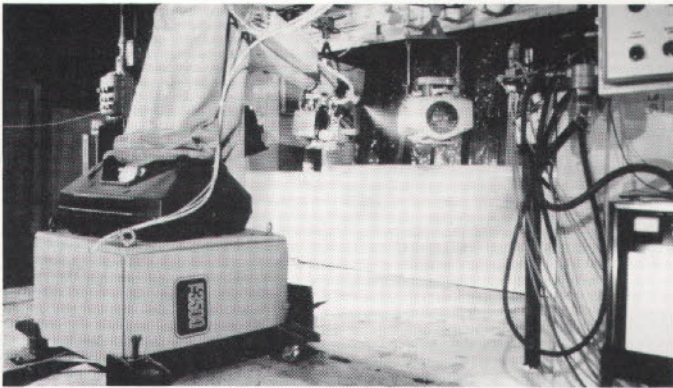
Dye has indicated that the tournament-calibre course will be a "test to the professional, but enjoyable for the average player."

The golf course was scheduled to open in June of this year, but heavy rains last fall delayed construction plans

# KOHLER



The first Kohler bathtub was a hog scalding/feeding trough from Kohler's farm equipment line. John Michael enameled the inside of the fixture, added feet and drains, and changed the company's course of history.

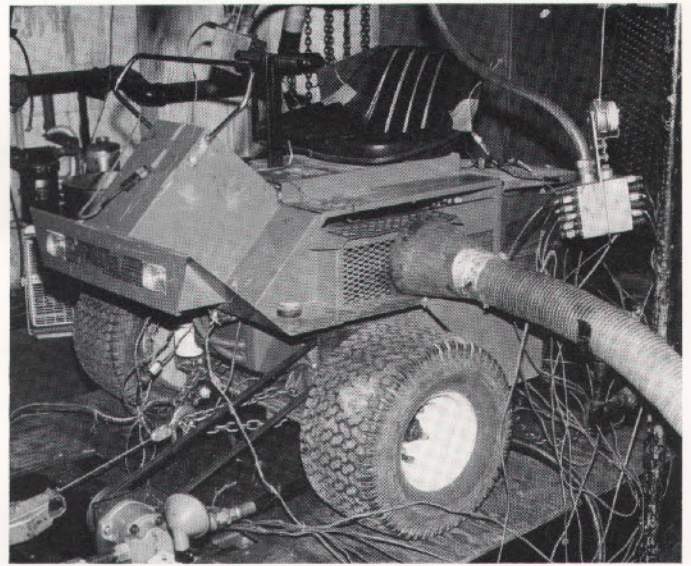


Computer-controlled robotic painting insures that each engine receives a finish that is both durable and attractive.

and the course is now expected to open in early 1988. A \$1 million log and fieldstone clubhouse overlooking the river and golf course is presently under construction. The 15,980-square-foot building will include a dining room, outdoor eating area, meeting rooms and pro shop. It is expected to open to the public later this year.

The golf course is an integral part of a long-range plan to make the Kohler environs a viable travel and residential destination. The goal was first envisioned in a 50-Year Master Plan adopted by the company and Kohler Village in 1973, and has since been enhanced by residential and commercial developments throughout the community.

Kohler Village was one of the first planned communities



Exhaustive testing plays a major role in the success and proven track record of Kohler's new Magnum engine line.



A view of the clubhouse on the Kohler Company's new championship golf course.

in the nation, initiating a village master plan in 1915. Its chief architect was Walter J. Kohler, then chief executive officer of Kohler Co.

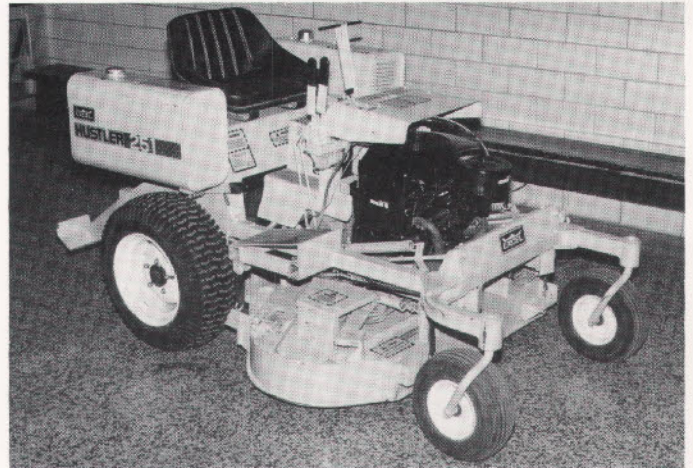
The plan called for a broad avenue to separate the industrial sector from the residential community. Curving streets, numerous parks and a "greenbelt" around the community made Kohler Village a "garden community at industry's gate." The Kohler Stables, home of championship Morgan horses, lies within the greenbelt; Kohler Farms, where prize Chianina and Chiangus cattle are raised and the source for a new, flavorful, healthier brand of beef, is located just south of the village and golf course.



Back in the days of crewcuts, the K-161 Kohler engine was a popular power source on the farm.



Kohler Magnum 14-HP engine drives Jacobsen's three-gang mower.



Excel Hustler 251 with a Kohler 18-HP Magnum engine.



A man-made lake near the clubhouse on the front 9 of Kohler's new golf course currently under construction.