



# KOHLER® ENGINES *In Action*

SPRING 2007 VOLUME 9 NO. 1

## Kohler Co. Signs Agreement to Acquire Lombardini Srl

Kohler Co.'s Global Power Group entered into an agreement to purchase Lombardini Srl <[www.lombardinigroup.it](http://www.lombardinigroup.it)> from Mark IV Luxembourg S.A.R.L., a subsidiary of Mark IV Industries, Inc. The acquisition agreement is subject to relevant regulatory approval, expected to take place early summer.

Kohler Co.'s acquisition of Lombardini "will provide a strong complement to our existing engine business by adding a complete diesel engine line to serve the needs of our commercial and consumer customers worldwide," said Dick Fotsch, Global Power Group President.

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## Kohler Co. Enters Engine Joint Venture in China

In early May, Kohler Co. announced the creation of a joint venture company between Kohler Engines and YinXiang Ltd. for the development, manufacture, marketing, sale and distribution of general-purpose gasoline engines.

The joint venture, Kohler-YinXiang Ltd, based in Chongqing, China, will provide

■■■■▶ PG 2



The employees of Wood-Mizer, Kohler Engines and KOHLER distributor Gardner celebrate the launch of the new LT40 sawmill.

## Turning Logs Into Lumber

38 HP COMMAND PRO® PERFECT MATCH  
FOR SUPER LINE OF SAWMILLS

With its products operating in more than 30,000 mills in 110 countries, Wood-Mizer® is the undisputed international leader in design, manufacturing and sales of portable sawmills and other wood-processing equipment.

Most Wood-Mizer owners rely on their mills to make money on a full- or part-time basis by producing rough-cut lumber. Wood-Mizer products allow users to make more boards out of each log, compared to conventional circular mills. In addition, the products require less fuel and less effort to operate.

"The engines Wood-Mizer selects for its products must operate in severe climate extremes while offering durability, speed and reliability," explained Greg Brock, Engine Specialist for Wood-Mizer. "We've been relying on KOHLER® engines for more than 10 years and currently use Kohler's 13, 15, 18, 25 and 28 hp Command PROs. When we expanded our product line to include Super Hydraulic sawmills, Kohler's new 38 hp Command PRO was a perfect choice for our new LT40 model."



■■■■▶ PG 3



PG 3  
Patent-pending service features make new engine models more user-friendly

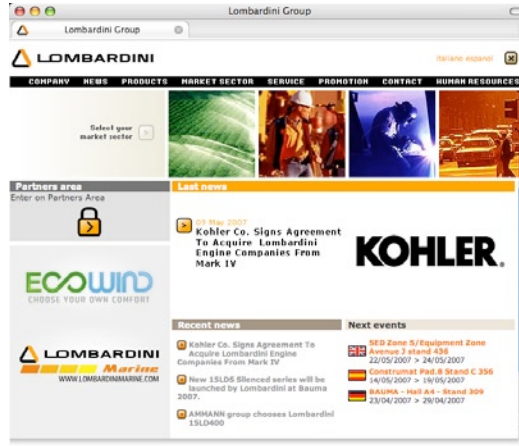


PG 4  
Remaining 2007 industry trade shows

## LOMBARDINI ENGINE COMPANIES

The KOHLER® engine division, in operation since the 1920s, manufactures air- and liquid-cooled, four-cycle gasoline engines in the 4 to 38 horsepower range. KOHLER engines are supplied to equipment manufacturers worldwide in the lawn and garden, commercial and industrial, agricultural and construction markets. Kohler manufactures its engines from three North American facilities and one facility in China, as part of its new Kohler-YinXiang joint venture agreement.

The 85-year old Lombardini Srl, headquartered in Reggio Emilia, Italy, manufactures small diesel, gasoline and petrol engines for the industrial, transportation, agriculture, marine and light-construction industries. Lombardini's diesel and gasoline engine line ranges from 3 to 72 hp.



“By being acquired by Kohler Co., Lombardini will become part of a group committed to growing the engine business globally,” said Dr. Gianni Borghi, CEO, Lombardini Srl. “We’re confident that the combined engineering expertise and worldwide market support will serve our original equipment customers and end customers very well.”

The acquisition will also provide Kohler with an expanded geographical presence in the European and North African markets. “Lombardini is a strong geographic complement to our engine business and we’re pleased to add contemporary diesel technology to our product offering,” said Fotsch, adding that Lombardini’s advances in cleaner, quieter diesel engines were complementary to Kohler’s ongoing commitment to environmentally sound products.

## Scott Chen Named Managing Director for Kohler-YinXiang Ltd.

**Scott Chen** will serve as Managing Director of the new Kohler-YinXiang Joint Venture (JV) Organization.

Chen will lead and coordinate all activities required to successfully launch a line of vertical and horizontal engines with Kohler’s joint venture partner in the People’s Republic of China. His initial focus will be to form and staff the JV entity and develop its business and technical capability. He will lead in designing new engines, implement quality and delivery systems, and coordinate general business activities.



In appointing Chen, Bartelt said, “Scott’s knowledge and experience in engineering and business management make him an excellent choice for this new

opportunity. At Kohler he has excelled in a variety of engineering and management roles, from research and development to design, performance and manufacturing.”

Chen began his career at Kohler Co. in 1995 as Senior Mechanical Project Engineer. He advanced to Senior Staff Engineer, and, in 2000, was named Supervisor – Advanced Engineering Analysis. In 2004, he was named Manager – Staff Engineering.

Chen earned his bachelor’s and master’s degrees in engineering mechanics from the National University of Science and Technology in China. He holds an executive M.B.A. from Marquette University and a Ph.D. in mechanical engineering from the University of Wisconsin – Madison.

## JOINT VENTURE IN CHINA

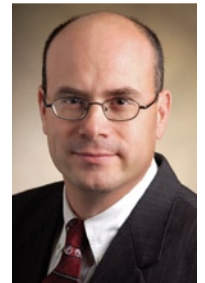
Kohler an increased global presence in the worldwide small gasoline engine market and establish a new cost-effective manufacturing location to support the KOHLER engine business.

“Kohler has been seeking a strategic partner over the last two years to help us grow our presence in the small-engine market and enhance our product offerings, said Paul Bartelt, President – Kohler Engines. “We are confident that in YinXiang we have found a very capable partner that is strongly aligned with our strategic objectives. The joint venture, which will focus on engines, is a key element in our strategy to better meet our customers’ needs.”

Scott Chen, a Kohler Engines veteran, has been named Managing Director for this portion of Kohler Engine’s business and will report to Bartelt.

This joint venture does not have any impact on current employment in Kohler’s three other manufacturing facilities in Wisconsin, Mississippi or Mexico. Manufacturing of the new engines will occur in a leased facility in Chongqing while the joint venture partners construct a new custom-built facility.

YinXiang, founded in 1997, manufactures motorcycle engines and motorcycles, ATVs, go-carts, and general-purpose engines and equipment.



Paul Bartelt  
President –  
Kohler Engines



Throughout 2007, Wood-Mizer will celebrate its 25th anniversary with a national tour that includes Kohler as a key partner. KOHLER® products are a perfect match for Wood-Mizer's high-end equipment.

FROM PG 1

TURNING LOGS INTO LUMBER

The LT40 cuts up to 550 board feet per hour and comes standard with hydraulic loading arms, log turner, log clamp, roller toeboards and more.

"We needed a stronger gasoline engine that met EPA regulations," Brock said. "The air-cooled, 38 hp Command PRO meets every requirement we have. Compared to other engines it has less weight, less vibration, is less expensive and provides more power than we expected it would."

"Plus, it's almost bulletproof. We tested it in all types of conditions and put it under real stress, but we weren't able to bring it to its knees. The blade actually stopped before the engine bogged down," Brock added.



A group of Kohler representatives recently visited Wood-Mizer's manufacturing facilities to see some of the first LT40 Super Hydraulic sawmills roll off the assembly line. At Wood-Mizer's corporate headquarters, the Kohler guests experienced the thrill of actually operating Wood-Mizer sawmills.

During 2007, Wood-Mizer is celebrating its 25<sup>th</sup> anniversary with a national tour that includes events

across the country. The company has outfitted a 53-foot semitrailer to serve as a traveling stage, museum and demonstration platform.

A specially chromed KOHLER Command PRO engine is featured on the tour's anniversary sawmill which will be given away at a special drawing at the grande finale event in Indianapolis on October 13.

"We have a great relationship with Kohler Engines and our KOHLER Distributor, Gardner," said Karen Allen, Senior Purchasing Agent for Wood-Mizer. "We're thrilled to have Kohler as a key partner for our 25<sup>th</sup> anniversary celebration. Their products are a perfect match for our type of high-end equipment."

To learn more about Wood-Mizer products and the company's 25<sup>th</sup> anniversary events, visit <[www.woodmizer.com](http://www.woodmizer.com)>

## Service Features Make New Engine Models More User-Friendly

BY MARK VANDESLUNT  
MANAGER, FIELD SERVICE



The new 34, 36 and 38 hp, V-Twin KOHLER® Command PRO® models meet new EPA Tier III and CARB emission requirements and include several patent-pending features that extend the engines' performance, simplify serviceability and make the engines more "user-friendly."

Top-mounted oil filters, large oil drains, quick-service removable cylinder shrouds and hydraulic lifters that never need adjusting all help to make these engines both efficient and easy to maintain.

A unique, top-mounted, easy-access oil filter features a no-drip oil system that only requires changing after 150 hours. When the filter is removed, a cup moves upward with the filter and opens a drain valve that drains oil out of the filter into the crankcase before the seal is broken between the filter and the housing. This results in less spillage and a cleaner servicing of the engine.

The top-mounted heavy-duty air filter has an integrated rain cap that diverts water and houses a cyclonic filter that clears out larger pieces of debris.

To obtain literature and additional service information, visit <[kohlerengines.com](http://kohlerengines.com)>



KOHLER ENGINES IN ACTION is published by Kohler Engines for its dealers, distributors and OEMs.  
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## Remaining 2007 Trade Shows

### EXPO GREEN

Sept. 7-10, 2007  
Bologna, Italy  
<[www.expogreen.it](http://www.expogreen.it)>



Kohler will be among the early exhibitors at this new show, which debuts this September to attract economic operators and industry professionals, gardening and outdoor activity enthusiasts. The show presents a complete overview of machinery, equipment and materials for professional gardening, leisure time, equipped parks and gardens and sports. Expo Green will take place every two years.

### GIE+EXPO

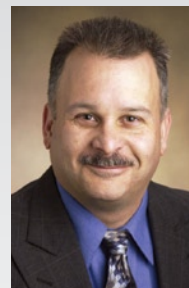
Oct. 25-27, 2007  
Louisville, Kentucky, USA  
<[www.gie-expo.com](http://www.gie-expo.com)>



The GIE and EXPO shows will join forces for the first time as one show, featuring a 20-acre outdoor demonstration area adjacent to the indoor exhibits. Kohler will be among the 500 companies with exhibits indoors and outdoors. GIE+EXPO is North America's largest industry showcase for outdoor power equipment available through dealers, retailers and distributors for consumer, professional and rental use.



Manny Rumao, Product Manager – International, and Hugo Keltz, Director – Sales, Service and Distribution for Kohler's EMEA region, prepare for visitors from the BAUMA show, held April 23-29 in Munich. Rumao said the new higher horsepower engines attracted the most attention from visitors worldwide. Kohler will return to the show in 2009.



## Welcome

Welcome to our first issue of Kohler Engine's revitalized *Kohler Engines in Action* newsletter. This newsletter will demonstrate the "Legendary Power" behind KOHLER® engines, the applications they power, and the people who sell, service and rely on

Kohler to get the job done. We want to bring the legendary performance of KOHLER engines to life — and showcase our distributors, dealers and end customers who have been a part of the Kohler heritage.

As an essential member of the Kohler family of businesses, Kohler constantly strives to establish new levels of excellence within the industries and markets we serve. Every day we work to fulfill our mission of improving the level of gracious living for each person who is touched by our products and services.

Kohler has a tradition of leading the way in product design and technical innovation — that's only a piece of our ongoing commitment to delivering the highest quality product to our commercial and consumer engine families. Each KOHLER engine is built with pride by the men and women of our Wisconsin, Mississippi and Mexico facilities. Our products have consistently demanded a premium price in both consumer and commercial applications, due to differences in function, differences in materials and differences in design detail, but the level of quality remains constant and will be supported through a single level of service. When our customers purchase any KOHLER engine, they can be confident of a single level of quality, regardless of price. They can also be confident that Kohler Engines will remain true to defining the frontiers of ideas, craftsmanship and technology, and the service necessary to keep the engine in top performance.

I hope you enjoy this and subsequent editions of *Kohler Engines in Action*. I welcome your comments.

RICH KOEHL  
DIRECTOR – MARKETING & QUALITY

[KohlerEngines.com](http://KohlerEngines.com)