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STIHL to increase depth of production with planned takeover of muffler manufacturer COSMOS

The STIHL Group is planning to acquire COSMOS Manufacturing Inc., a U.S.-based manufacturer of mufflers. COSMOS, a current STIHL development partner and major supplier of mufflers, is headquartered in South Chicago Heights, Illinois, USA and employs some 200 people in the development, production, and sale of muffler systems and stamped components for small and medium-sized engines.

“This acquisition will deepen our expertise in the development and manufacture of mufflers and other exhaust components,” says Martin Schwarz, STIHL Executive Board Member for Manufacturing and Materials. “This represents a major step forward in achieving increasingly strict emission standards and also reinforces our supply chain resilience.” STIHL has a high level of production depth of over 50 percent, safeguarding value creation at the company and cementing its technological leadership.

Company founder underscores excellent collaboration

Just like STIHL, COSMOS is also a family-owned business. The founder of the company, John Michelin, is withdrawing from the business due to his advancing years. “COSMOS and STIHL have maintained a successful partnership for decades,” he said. “I am happy to have secured the future of the company through the takeover and am confident that COSMOS will be able to operate to its full development and manufacturing potential as a part of the STIHL family.”

STIHL to maintain current COSMOS strategy

The transaction is set to take place as an asset deal, with STIHL founding a new company in the United States called CS COSMOS STIHL Manufacturing. The new enterprise will take over the employees and existing customers and suppliers and continue COSMOS’ business seamlessly and without interruption. “We are building on our well-established partnerships with existing partners,” explains Martin Schwarz. “COSMOS customers will

continue to enjoy the outstanding development services and products they are accustomed to.”

COSMOS Manufacturing Inc. produces some 9 million mufflers annually and supplies manufacturers of hand-operated power equipment, lawn mowers, and tractors. Products also include a range of stamped and deep-drawn parts, such as clutch drums and spiked bumpers. The company was founded in 1972 and offers a wealth of expertise in the areas of development, manufacturing, and industrialization. STIHL awarded COSMOS with its Supplier of the Year prize on two occasions, in 2009 and 2013.

The parties have agreed not to disclose the purchase price. The transaction remains subject to approval by the relevant antitrust authorities.

Company Portrait

The STIHL Group develops, manufactures and distributes power tools for professional forestry and agriculture as well as for garden and landscape maintenance, the construction sector and private garden owners. The product range is complemented by digital solutions and services. Products are distributed through authorized dealers and STIHL's own online-shops, which will be expanded internationally over the next few years - including 42 sales and marketing subsidiaries, about 120 importers and more than 55,000 servicing dealers in over 160 countries. STIHL produces in own plants in seven countries: Germany, USA, Brazil, Switzerland, Austria, China and in the Philippines. Since 1971 STIHL has been the world's top-selling chain saw brand. The company was founded in 1926 and is based in Waiblingen near Stuttgart. In 2021, STIHL achieved a worldwide sales volume of 5.06 billion euros with a workforce of 20,094.

This press release and pictures are available for downloading from the STIHL website at <https://www.stihl.com/daily-pressbusiness-press.aspx> zum Download zur Verfügung.

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