

**100**  
future since 1915

## Editorial

Future since 1915 – Ideas will change the world, if they are implemented.

100 years of Utilis – this means an outstanding history, always facing new challenges. This means constant development in a complex and ever-changing field of activity, in our case especially in the field of high technology. In this field, we always seek to be in the forefront of innovation and to offer unique strengths.

Since our foundation 100 years ago, we are still producing in the same place, in the same plant. Today 70 people are taking part in this all-round success. We owe them a tremendous debt of gratitude for their tireless efforts. We also want to sincerely thank our customers and business partners, who allow our company to be a leader in a competitive market. We want wholeheartedly to thank all of them for their trust and their loyalty.

In this anniversary magazine, we are not just relating the company's history and the development of our industry. This tells the story of the growth of a unremarkable tiny company, that has become, step by step, a recognized specialist in high quality tools. This magazine explains how this growth has forged a real corporate culture with a special strength, always established using our own resources here in Müllheim. For the future, we have further great projects in the pipeline, such as the soon-to-be-started extension of our factory building. For this expansion project, we received great support from our neighbors and especially from the city council of Müllheim. They have our sincere appreciation for their excellent service and support.

We are glad to present to you some details and various pieces of information about our company's history the origins and the success of Utilis AG.



Klaus März  
Chairman of the Board



Mario Macario  
Executive Manager



Wolfgang Vilsmeier  
Vice Chairman of the Board

A white handwritten signature of Klaus März on a blue background.

A white handwritten signature of Mario Macario on a blue background.

A white handwritten signature of Wolfgang Vilsmeier on a blue background.

## Imprint

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■ **Utilis AG, Precision Tools**

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# From toolmaker to polymechanic

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## Job descriptions

*Our world is changing constantly. We know this is nothing new. The Greek philosopher Heraclitus already declared, some 2'500 years ago that «Nothing is more constant than change». But did the farsighted scholar also anticipate the speed with which the cycle would change? Probably not.*

Our everyday and professional life has changed tremendously over the past decades, and it requires of us great flexibility and a continuous process of education. Let's think about the case of today's modern communication devices: The grandchild learns while playing – on the other hand, the grandfather has to attend a course to learn to get to grips with those «blasted gadgets», and even then he struggles. In the world of work, we see exactly the same thing; the son who is tal-

ented with his hands wants to emulate his father – he wants to become a toolmaker too. But it's no longer possible to learn this as a profession. Professions and careers have changed radically to adapt to today's products, machines, materials, and methods.

Until 15 years ago, employees were able to train in the following professions at Utilis:

### Toolmaker

That was a typical industrial career. When serial and mass production became necessary, more and more complex and sophisticated tools were required, and so the task of the toolmaker was to produce stamping tools, templates, and matrices. Much of the necessary work involved the toolmaker working by hand. Over time, high-precision machine tools have replaced those manual tasks, with manual processing reduced to adaptation and adjustments. However, the toolmaker also used to fabricate jigs and fixtures for assembling or disassembling components. Cutting and forming tools, measuring devices and gauges all used to form part of the wide range produced in this many-sided profession.

**Theme picture:**

Complete concentration is required to measure a workpiece.

**Picture below:**

Knowledge and ability asked for today – and 50 years ago

**Precision mechanic**

Equipment and components got smaller. Meanwhile, the accuracy demanded became greater, along with the operating speed to produce components. The precision mechanic became a specialist in turning, milling and grinding smaller and smaller parts. The small dimensions demanded of him a steady hand, good eyes, patience, and real dexterity. The hand tools required were primarily the double-cut file and the precision scraper. To assure better surface quality, the precision mechanic had to apply the technique of «lapping». To produce and assemble the mechanical parts of watches, sewing machines, scientific devices, chronometers, or navigation devices, the craft skills of the precision mechanic were also very much in demand.

**Mechanic/Repairman**

The mechanic built and assembled machinery, devices, and components. He had to disassemble them when it was necessary to fix or repair components. Obtaining the right interaction between the several components used to be the mechanic's main aim. His skills dealt with general turning, milling and boring applications. The tasks and skills of the mechanic used to change and adapt to the requirements of the company. The original apprenticeship as a mechanic is no longer available in today's industry. Today in Switzerland, the federal skills certificate (EFZ) for production mechanics covers all the tasks of the mechanic.

**Lathe operator/Milling operator**

These are the specialists in the cutting applications of turning and milling. They know all the specifications and potentials of their machines, and they contribute to improving efficiency in the production of parts for the company. This profession of

milling and turning operator also forms part of the program of the (EFZ) production mechanic.

**Comprehensive Swiss vocational reform 1994–1997**

Gerhard Vogelbacher is the project manager of the 4-year fundamental training program at the Swiss Mechanics' School in Weinfelden. He explains the reasons for and the effects of the vocational training reform as follows:

«From 1994 to 1997, a new nationwide vocational reform was set up in Switzerland. From then onwards, the professions of mechanic, precision mechanic, toolmaker, and operator are to be merged into a new profession of polymechanic, called the «basic polymechanic». Why has this happened? It was noted that the skills and the professional instruction at the vocational school barely differed between the various programs. About 70 to 80 percent of the learning objectives were quite similar. Consequently, these ever-smaller structures were amalgamated into one profession within a broader apprenticeship structure. That allows the vocational schools to have reasonable class sizes. For the training companies, this change has certainly been important, especially with regard to the organization. Suddenly, no toolmakers or precision mechanics were being trained anymore. But today it's all part of the all-inclusive polymechanic training.»

**The polymechanic at Utilis**

The polymechanic performs all the tasks and uses the same vital skills as the various former professions. Utilis also employs polymechanics and offers trainees the profession of «polymechanic specializing in manufacturing». The main work activities deal with adaptation, adjustment and programming using CNC turning, milling and boring machines.



*In the past, we used to type up the packing lists on a typewriter and we walk round to the post office taking the mail and parcels in a small handcart. Today, our field sales person enters the products on his iPad and files the orders directly online. It's fascinating to see the difference between the past and today.*

The basic requirements for running a successful business involve having a modern and high quality range of products in your stock. However, convincing potential customers to buy your products in particular is a different matter. Not only has the sales language changed over the years, but the methods have also altered. Today's communication media and means of presentation allow a quick and efficient, well-documented exchange between seller and customer.

What was it really like back then? Fritz Weiger was a sales assistant and consultant at Utilis for 30 years, starting in 1971; he was internal sales manager prior to his retirement. We asked him to tell us about his job, the procedures, and the processing of the sales orders, and about their transformation over the time he was there:

*«During my 30 years of service at Utilis, fundamental changes have occurred and this in many ways. The only thing that never changed between then and now, our products needed always to be adapted to the last technology.*

*Orders placed by telephone used to be noted down by the sales assistants on the back of used stationery to reduce costs. We didn't know if the required tools were available without going to our stock department. We went downstairs with our orders and prepared them together with the warehouse assistants. Afterwards, we typed a delivery note and the assistants checked all the items ready for dispatch again before sending them off. Every evening around 5:00 pm, the warehousemen used to walk round to the post office with parcels in a lit-*



**Sales yesterday and today**



**Theme picture:**

Advice and satisfaction through professional consulting

**Picture on the right:**

Fritz Weiger, former internal sales department manager from 1971 to 2001

*tle handcart. We always seemed to deliver the parcels too late to please the postman, and he didn't much like the huge quantities either. The interests of Utilis and the postal officers didn't often coincide. The parcels were mainly delivered to the customer during the next working day.*

*Some days after delivery, an invoice was sent to the customer. Soon, a billing machine was purchased, which printed delivery notes and invoices at the same time. Knowledge of stock and dispatching was still only kept in the head of the responsible stock department assistant. Little by little, index cards were created for better management of the store. Unfortunately, the entries were often made a bit late, due to lack of time. After the computer age found its way into Utilis, all these processes were steadily improved.*

*In the seventies, only one external sales executive used to visit customers. The most important customers received a visit from the owner of the company; he also provided support for special cases and tried to find solutions for them. Gradually the commercial team was developed and the sales assistants given intensive training.»*

**Sales nowadays**

Technically competent, friendly, team-oriented and articulate: these are the ideal prerequisites for employees joining our sales team, because the product range has grown considerably over recent years.

Our own product line, Multidec®, and the trademarks, are each supervised by a dedicated sales team. The team for the supply of trademarks is composed of two commercial assistants who process orders and administrative tasks, and three

**Women and their daily battles at work**

*The world of mechanics and tool-users in metal working has been dominated by men. It was generally believed that women did not possess the knowledge to do more than perform basic tasks. If a woman was accepted as an expert, she had normally had to fight long and hard for this. At Utilis, there was a long-term employee with excellent expertise in the field of carbide. One time, a customer called on the phone to get some advice. He didn't trust her and asked quite emphatically to speak to a professional. Grudgingly, she connected the customer to her coworker. After few minutes, she had the same customer back on the wire; the skilled coworker couldn't help him and referred him back to her; then, this time, he listened carefully – and her advice was to his entire satisfaction.*

product managers, who provide technical advice to our customers based in Switzerland. In addition, this structure has an able field sales force supporting it.

The department supervising our own «Multidec®» brand is developing steadily. The sales department now includes personnel with the following competencies: two constructors, two product managers, two assistants/consultants, a technical sales executive, and two clerks in charge of export sales. In addition, an external sales team of four people supports the department. In summer 2014, we also took on an apprentice constructor.

The following departments are important components of our sales:

#### Processing orders

Even today, we still receive orders from customers by phone or fax. Over recent years, however, communication has changed remarkably: today, we receive mostly emails and the updated ERP, called IFAS, is simplifying matters a lot. The use of email has greatly increased accessibility, since it is not limited by business hours. It is also cheaper and avoids the misunderstandings possible with phone calls. With new markets, linguistic diversity has increased. Our international correspondence is mostly in English, while in Switzerland we communicate in German and French.

#### Product management and development

The product management has become increasingly important and complex. Today, just knowing one's own products is no longer enough. The product manager has to have an overview of the whole market situation, which includes knowledge of competitors. Products require constant further development. Development cycles are getting shorter and shorter through globalization and new technologies such as the internet. Furthermore, there are always more potential sellers in the market. What makes one company stand out is not only the high quality of its products but also the outstanding service and custom-built solutions it provides.

#### Offers

Offers on tenders are made daily. They represent an important part of the work. This was already the case in years past, but it's how the offers are laid out that has changed over time, as demands have grown increasingly complex. This is mainly because of requests for specific custom-built solutions. Customers often send a drawing with specifications regarding material and tolerances. The challenge consists in building an ideal tool for the customer. This is quite complicated, as most inquiries need a special design drawing and some investigation in order to work them out.

#### Stock management

Our modern ERP system has definitely simplified stock management, but our large range of products presents a new challenge. It is important to plan far ahead to prevent shortages in supply. You can't just rely on it all to balance out. For instance, you can't foresee a shortage of raw materials owing to a political crisis or to production difficulties on the part of our suppliers.

#### Export

Export sales concentrate on our own «Multidec®» brand, distributed through dealers worldwide. Our

partners send us their special requests and current orders. Once or twice a week, we ship their goods. Our product managers and clerks in charge of export sales perform the technical support and handle the specific offers.

#### Developments over recent years

The globalized markets put new demands on our staff: being a technical specialist is no longer sufficient; the specialist also has to know about administrative processes and be equipped with good language skills. Through the miniaturization of parts – i.e. workpieces getting smaller and more precise – materials have also had to change. Our professional advice to our customers is now more important than ever, since all around the world we face the problem of not having enough specialists. Customers will not only discuss the product itself, but also how they can make best use of it.

#### The external sales department

Direct and personal contact with customers is still a mainstay of the sale of our products. Nine field representatives are therefore working for Utilis in Switzerland, and an additional four of them work all over the world. They help our customers find the right tools for their various applications. The better we identify the needs of our customers, the better we can target the right solution to offer.





Mr. René Freyschlag has been sales representative for Utilis since 2008, in contact with our customers in eastern Switzerland. He gave us an impression of his normal working day:

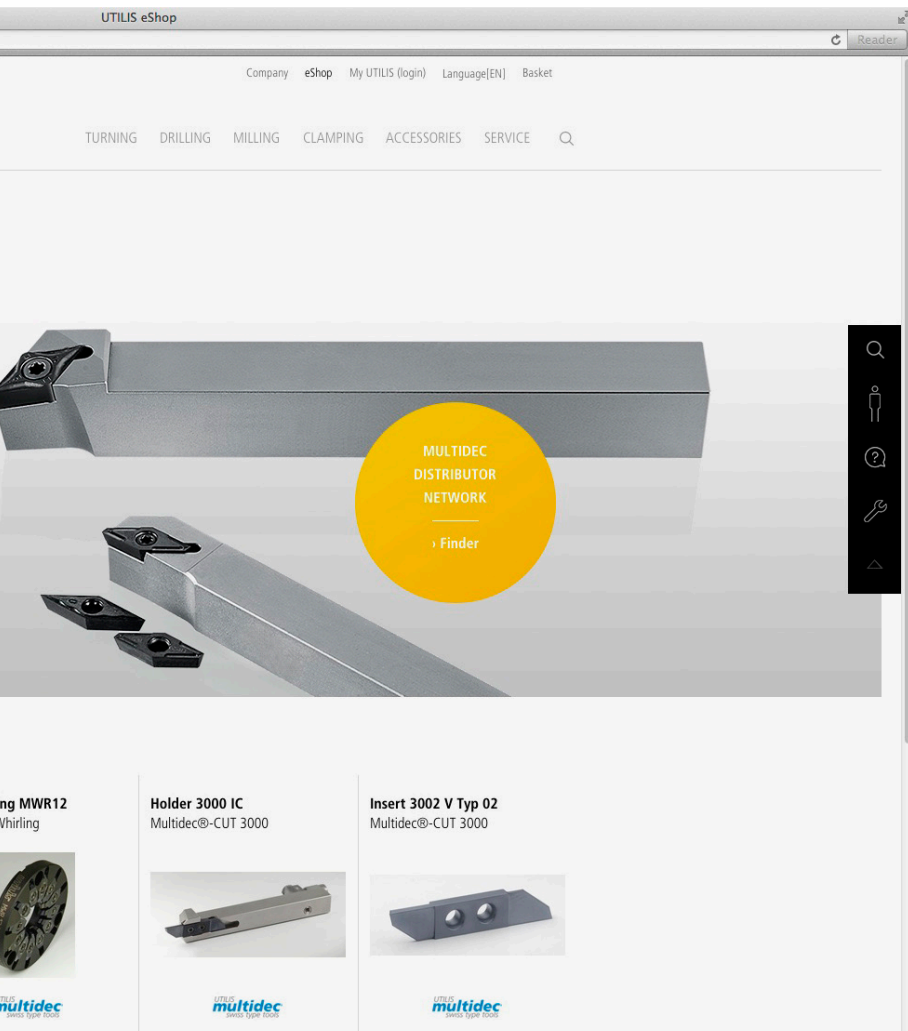
*«In the evening, I prepare for all the visits scheduled next day. In the morning at 6:45 am, I have some coffee and read the news. At 7:15 am, I start my working day. The first appointment, at 8:00 am, takes me to a customer in the tool-making sector. We discuss the status of his current order, and his newly planned investments. I show him the new products from Hitachi, introduced at the AMB exhibition. At the same time, I inform him about the new line of CBN spherical mills from Kyowa. These are now available with three cutting edges, which – depending on the type of use intended – is a good asset for the lifetime of the tool in hard milling applications. At 9:30 am, I have a second appointment. I introduce the new Multidec® catalog to the customer. Then I talk about the new «Multidec®-Lube» system, and about the new directly sintered «GS» cutting insert and its special chip breaker. At 10:30 am, I take a short coffee break. I use this time for dealing with phone calls and reading my emails. Next, I place various orders, arising from previous calls and visits, online in our webshop. Then, 30 minutes later, I meet another customer. We discuss rotary clamping systems and the introduction of the new modules by Hainbuch. I show him the video on the iPad, and then we discuss various solutions relating to his requirements. The challenge is to reduce setup and adjustment time involving ever-smaller batch sizes. By then, the morning is already gone and lunchtime has arrived. I write my report for the morning online on my iPad, I release catalog orders, I read and answer my emails, and I send off some documentation. Of the two more visits scheduled in the afternoon, one concerns a tool test on a customer site. This takes two hours. Around 6:00 pm, I start the drive home. Once in the car, I often run over the day in my mind and think of the next day's schedules.»*

**Picture below:**  
E-shop sales are continuously increasing

**Picture on the right:**  
René Freyschlag, sales representative



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### Sales in the future

The IT sector, along with associated technologies such as web and e-commerce, is continually developing, even faster than the field of tooling technology. Young professionals have grown up with modern technologies and they appreciate their advantages. The most important thing is being able to check cutting data, availabilities and prices around the clock. Utilis invests a lot in meeting those requirements, and in continuing to meet them in the future. We are pleased to present ourselves as absolutely «state-of-the-art» in this our centennial year.



# Intensive research. Foresight. Innovation.

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## Export

*With globalization, the involvement of Switzerland in foreign trade has grown steadily over the last 20 years. Thus, the export industry has gained a high degree of importance. While the export ratio in 1990 was one third of turnover, Switzerland today is earning every second Swiss Franc abroad. At Utilis, we may not quite match this figure, but export is today an essential part of the company.*

A significant part of the turnover of many Swiss companies is generated by the export abroad of their goods and services. This is astonishing at first glance, since international comparison shows that production costs in Switzerland are extremely high. Therefore, «Swiss made» goods can hardly be sold at cheap prices. For this reason, Swiss companies

need to produce exclusive goods, requiring a high level of quality and innovation.

The precondition for high quality is to have well-trained professionals. In Switzerland, the dual education system for young skilled employees imparts an excellent base of theoretical knowledge. Added to this comes practice: only the practical application of the high-level knowledge can yield high quality and competitive products. This involves, of course, modern production machines.

Universities and colleges support the industry and the SME enterprises by conducting intensive research into new materials and technologies. As a result, breakthrough innovations repeatedly come on the market. The sectors with the largest export volume are the chemical industry, machinery, and electronics industries and, of course, the renowned Swiss watch industry.

### *The first export successes*

Is Utilis an export-oriented company? It certainly wasn't 100 years ago. By the mid-20th century,

however, the «Multistar» and «Stabil» brands had already recorded the first export successes. At that time, the main customers were the industrialized countries of Europe, and the emergent Japan.

### The turning point

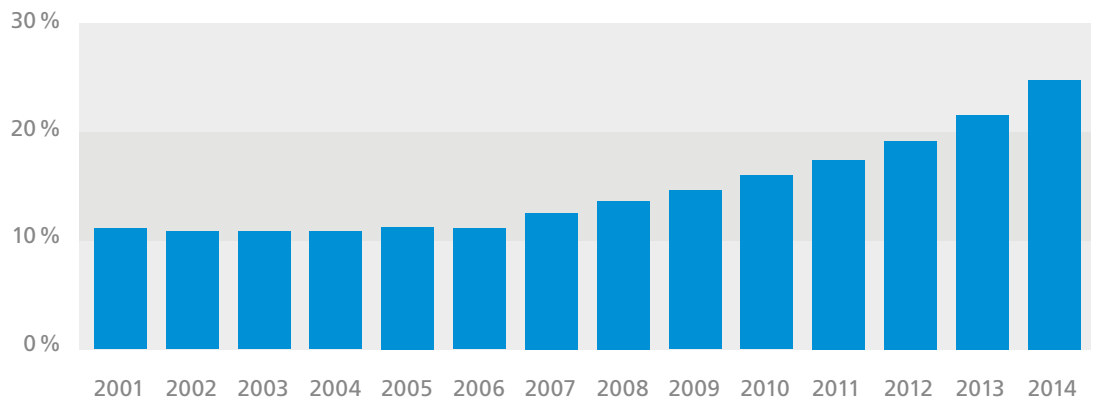
To be dependent, as a distribution partner, on foreign suppliers can be dangerous. If the turnover is too low, manufacturers will be looking for a reputedly more active partner. If the performance figures are evolving in a promising direction, the manufacturers may find it worthwhile to build up their own export organization in Switzerland.

At the beginning of the nineties, the economy stagnated considerably, and the company's management realized Utilis also had to accelerate the development of its own product range. At the same time, the field sales personnel in the west of Switzerland pointed out the growing potential in the tool industry of the Swiss-type lathe. For this reason,

a team from sales, design engineering, development and production searched hard for niches that were not yet filled and for tools with improvement and market potential.

The now very successful Multidec® brand was born. Utilis quickly recognized that the small quantities produced for the Swiss market only would not be enough to keep production efficient. For this reason, the company searched for new markets – which they found.

Utilis was looking for one or more partners in several countries. In addition to good technical knowledge, indispensable criteria included knowledge of the current market environment and an understanding of local customs. Only in France had Utilis departed from this distribution principle. Therefore, Utilis France SARL was founded in 2002 purely as a trading company, in order to supply Multidec® tools directly to the considerable numbers of «décolletage» companies located in the Haute-Savoie.



**Theme picture:**

Export management – the weight of bureaucracy

**Chart on the right:**

Despite the great strength of the Swiss Franc, Utilis succeeded in steadily increasing the export share of the turnover.

**Map on the right:**

Today, Multidec® products are sold all around the world.



## «Always be alert and able to withstand the changing times»

Jim Gosselin is the founder and owner of Genevieve Swiss Industries, Inc. The company distributes Multidec® products in the US and operates as trading partner of Utilis. In an interview, Jim Gosselin reveals to us what are the most popular products in the US and how he sees the future of the metal industry.



**Jim, you have been selling our Multidec® tools in your country since 2006. Please introduce your company.**

Genevieve Swiss Industries, Inc., also known as GenSwiss, was started in 2002. We specialize in tools and accessories that advance small parts manufacturing. I founded the company as the exclusive importer for PCM Willen. They produced static and live tool holders for Citizen machines. I had 15 years of experience selling Citizens, and I felt that American customers could benefit from these products. There were few sources in the USA for the specialty tools used daily on Swiss-type machines. My plan was to be the source of these specialty tools.

**How have you discovered Utilis, respectively Multidec®?**

In 2005, I visited the EMO show in Hannover. I was hoping to find a line of high quality cutting tools to represent in the USA. PCM introduced me to Mr Macario and we immediately had a good rapport. While many tooling companies were copying each other, Utilis was unique. The insert holders were hardened and ground. The inserts were all ground and it was a complete line.

**Which tools from Utilis are mostly requested from your customers?**

In most cases, customers don't know what they need. They come to us with a machining problem and we try to find with them a solution using Utilis tools. Three of our most popular solutions have been the 3002 cut-off tools and the VPGT and VPXT Top inserts. The cut-off tools are a no brainer; once we convince a machinist to try the 3002 cutoff they are blown away by the tool life and the savings from not having to replace crashed cutoff holders of competitor products. The VPGT and VPXT Top inserts never stop amazing me. They are the rock in our sling and we constantly put them up against Goliath applications. A video of one application can be found on our website at [www.genswiss.com/toolingvideos.htm](http://www.genswiss.com/toolingvideos.htm).

**What are your customers' main branches of activity?**

We have many customers who work in the medical field, however many customers are jobshops. They do work in every field from sporting firearms to semiconductors.

**How do you assess the future of the metal processing industry within the USA?**

This is always a difficult question to answer. The economy will always be up and down. The question is difficult because of emerging technology. Much of the everyday tools we have used have been swept away by new inventions, which eventually are replaced by another emerging technology. To stay on top, we always need to be vigilant and seize the opportunity of change in order to continue moving forward.

**Thank you very much for this interview, Jim.**

## Success French-Style

During the 1990's, Utilis was already willing to break into the market of Swiss-type machining. Thanks to a dynamic executive and managing board, Utilis released an innovative and modern range of Swiss-type cutting tools and tool systems. First, the Multidec® range was supplied in Switzerland. Success came swiftly, and because of this quick success, the complete and innovative product portfolio was soon to be exported abroad.

The Utilis board decided then to focus on the European market; France was one of those first targets. For about ten years, Multidec® tools had been sold by a local dealer in France. This was rapidly successful. Consequently, Utilis' managing board decided on another strategy in the early

2000's: set up directly a subsidiary in France, to lead the B2B sales while having a direct contact with users. On 1 January 2003, Utilis France SARL was officially established.

### Homeland of technology

The French homeland of the Décolletage industry (the French name for Swiss-type machining) is the Arve Valley in Haute Savoie, which is actually the best area in the country to establish Utilis France SARL; this area is located between Geneva and Chamonix-Mont-Blanc. Production plants were set up there during the 19th and 20th centuries, because of the hydraulic energy provided by the Arve River.

With a strong and proud industrial history, this zone hosts more than 900 companies within a ra-

dus of 25 km. All those firms are related to the décolletage industry in one way or another. For this very reason, the «technic vallée» has been the best choice of location to supply Multidec® tools.

For their first site, Mr Magli and Mr Juillerat chose premises in Marnaz, on Mont-Blanc Avenue 597, which were conveniently located near a main traffic artery, and offered excellent parking facilities, etc. In time, as the activity expanded, these facilities then became too small. Utilis France therefore moved in January 2012 to another new building, called «le valtec», based in Thyez, allée de Glaisy, in the Glaisy industrial area. There, the new office offers all the advantages now required by the company.

**Picture on the left:**

Jim Gosselin, Utilis trading partner in the USA

**Pictures below:**

Utilis France office and Fabrice Dupont, directeur de l'agence

*Customers*

For Utilis France SARL, this concentration of industrial companies opens up significant business potential, and particularly as regards the supply of Multidec®. Moreover, customers are right here close at hand. Multidec® cutting tools and tooling systems, specially developed to equip Swiss-type machines (i.e. turning machines with sliding headstocks), meet the very rigorous expectations of customers; they are «Swiss Made» premium tools. The Multidec® brand has an excellent reputation in the Savoie region, and throughout France.

*A complementary premium supply*

Utilis France SARL supplies complementary premium systems and tools, in addition to the Multidec® product range, with our lasting concern for quality and service. For this reason, Utilis France SARL has sought partnerships in order to broaden its range of supplies. Keeping a cohesive range of such supplies is a fundamental of partnership with premium brands. We choose suppliers who comply with Utilis' corporate ethos: adaptation to customers' expectations, in technics and in sales. «TOOLING PARTNERS» means a vital synergy for the Multidec® brand.

The range supplied by Utilis France focuses principally on the «décolletage» industry. That means the products have been developed for experienced users aware of innovations at the cutting edge of technology. Productivity is naturally «imposed» by the very principle of décolletage itself. Furthermore, the various segments supplied by this industry really put the squeeze on costs. On the other hand, Utilis is willing to accompany clients through the processes, to ensure a good use of tools and tool systems in applications. For this reason, Utilis has naturally established close cooperation with its customers. This partnership has been possible thanks to the great capacity for listening and the technical knowledge of the two men who founded Utilis France. Utilis France's image is still closely bound up with both co-founders today.

On the one hand, Utilis France hires technical sales engineers for the external sales department. They are concerned to offer their customers a valuable service and to add real value.

On the other hand, sales assistants in the invaluable back office ensure that customers know they are in good hands. The excellence of our advice, service, and respect for our customers is without any doubt one of the important keys to our success.

The number of customers of Utilis France has grown rapidly. Among these clients, some count as «close», i.e. from the Arve Valley, within a radius of 500 meters. ... More and more new customers also come from all over France (Bordeaux, Paris...).

Our internal sales department runs the service to our customers from the Parisian area and from the center, east, and west of France. Our team is able to provide technical help and advice. In addition, we directly serve our customers from the Arve Valley through the welcome desk. Other shipments, for the rest of the country, are made using the postal services or other private companies.





# The valuable co-worker in the background

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*Administration offices / Managerial departments / Marketing*

*Customers and suppliers usually keep in touch through the sales assistants, buyers, and the management. They rarely come into contact with the warehouse manager, accounting manager, or personnel manager. These are the diligent laborers in the background. Without those people and their active support, a failure-free operation flow would be unthinkable.*

Although they are barely visible from the outside, their work is invaluable. Let's talk about our employees in the administration offices and our managerial departments. They are the experts in the background, who work with figures, consign items for the customers, solve IT problems, or organize exhibition booths. Actually, without those professionals, Utilis wouldn't be such an accomplished company, that's for sure. That's

why we'd like to tell you about their jobs in this magazine as well.

## *The first impression counts*

«Grüezi, bonjour, buongiorno!» That's how the two friendly and easy-to-talk-to lady switchboard operators welcome you when you dial our phone number +41 52 762 62 62. They are the first contact for incoming calls from customers and business partners ... Utilis has a strong slogan that we believe in: «You never get a second chance for your first impression.»

When renewing the telephone switchboard a few years ago, the management had to choose between a standard operated and a fully automated system. Although today a phone call could be forwarded without assistance, due to incoming phone number recognition and the use of certain keys like \* # 1 2 3, the choice still fell unanimously on an operated switchboard. Our new switchboard is modern and convenient: at any time, the onscreen display shows you who is available, busy, or out of the office.

Our front desk is not only responsible for the switchboard. The two operators are also able to supply

stock information. If the call concerns questions of a more specific nature, for instance about cutting speed or rake angle, it is forwarded to a product manager. In quieter moments, the front desk staff is scanning files, writing delivery date reminders to suppliers, or performing other special tasks.

**Theme picture:**

Be friendly and competent: first impressions count.

**Picture on the right:**

Mini-disc from the 1980's

**Picture below:**

Connected worldwide

*From shorthand to emails*

«Mrs Balmer, please take a dictation!» Our manager's secretary won't be expecting to have to perform this task nowadays. Shorthand and Dictaphone are relics from the past. Today's letters and messages are typed on the computer, and are printed or sent by email. The remit of the secretary has changed considerably over the past thirty years. One duty remains the same: opening and distributing the daily postal delivery, although real letters are decreasing owing to the use of emails.

Another task, which is not always easy to handle, is managing inventories of catalogs and documents from our tooling partners. Even when ordered on time, the shipments often fail to arrive as desired. This is incomprehensible to sales assistants who have promised to send customers a catalog within the next few days.

Many invoices arrive still by post. After being checked by the relevant department, they are documented in the administration office, entered, and on the due date passed on to the accountancy office for payment.

In our administrative department, our commercial



files are checked by their supervisor and by the vocational school.

*Numbers: not gripping, but vitally important!*

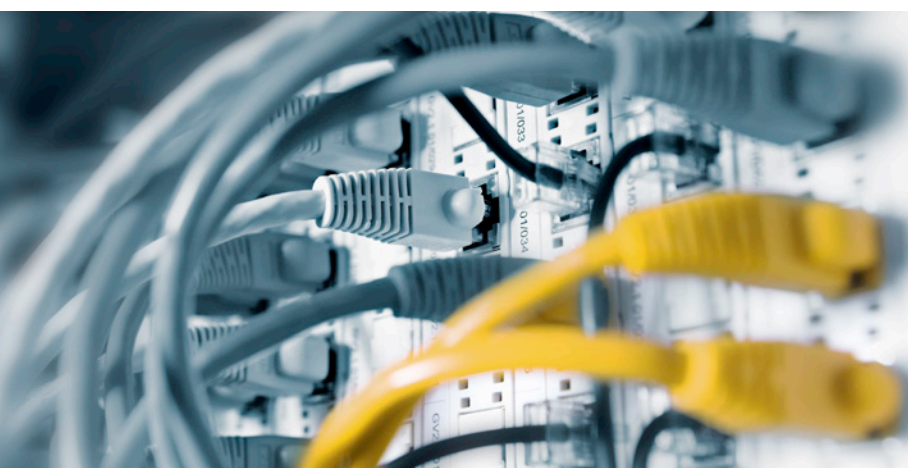
At first sight, accounting seems a dry and emotionless task. However, (almost) everything that happens in a company initiates a flow of money. The cash operations are meticulously checked, from a sandwich snack up to a business lunch, and including the damages incurred if somebody driving out of the parking lot hits a tree planted since their arrival.

The registration of the invoices and the processing of incoming payments are largely automated. Debt collection is more arduous. Most of the time, however, customers prefer to pay the bills on the due date – may we heartily thank our model payers!

Every month, a statement of satisfactory and orderly accounting is contained in a financial report, which in turn contributes to the annual financial statement. This data serves two purposes, providing documentary evidence for the authorities, and at the same time information on which the board can base its business plan.

*From people – to people*

In the HR department, the tasks are very diverse: every month all the correct wage payments arrive on time in each employee's account. The HR department also handles several funds and insurances involving payments to organizations as AHV, SUVA, the retirement fund, and various other administrative bodies. Those tasks come under the responsibility of the «Administration and Finance Manager» and his assistants, with support from the office administration.



apprentices are able to get their first business experience. The head secretary is in charge of their training. Together with all other supervisors and the vocational school, she arranges their schedule. Today, the apprenticeship scheme is more extensive than some years ago, because now all commercial apprentices have to document all units of work, learning situations and processes covered. Those

*What would we do without computers ...?*

When a particular program or the ERP itself is not working, the whole office is thrown into confusion. A quarter of an hour seems to last an eternity. This shows clearly how working life has changed over the last century. Without a computer, we are at a loss; we feel useless and outmaneuvered. 100 years ago, everybody would have laughed to see someone sitting in front of a square box, typing information and orders, waiting for answers to arrive and then just printing them out – even more so, had they realized just how completely reliant we are on those boxes.

There are two distinct areas: hosting the ERP server, and the IT infrastructure of Utilis. All the workstations are connected to the internal network server. Utilis France, the subsidiary based in Savoie, is also connected to our network servers. To ensure the management of such an infrastructure, and to keep it operational all the time, a competent IT specialist is required.

This employee works in collaboration with our suppliers of software and hardware, and this cooperation has to be efficient to solve problems as they occur. Sometimes such problems can be quite amusing: for example, when a co-worker complained about the inadequate length of a foot-operated switch cable, our IT specialist simply had to put the mouse back on the desk.

*«The Multidec® catalogue is a success story. It's a very useful tool, the ideal supplement to the online platform. It is revised every two years. In this way, it has been providing a very good illustration of our Multidec® brand for 10 years.*

*Today it involves more than 460 pages. The ongoing demand for new developments lead us to put all our energy into this achievement.»*

*Order, deliver, dispatch*

Most tools sold by Utilis are made of small parts. There are no high-level racks, giant forklifts or heavily loaded trucks to be found in Müllheim. «Small is beautiful» is our slogan! So we have thousands upon thousands of inserts, tool-holders, tooling systems and accessories waiting in compartments and drawers to be sold and dispatched. Always having available space for new items represents a real logistical challenge for our warehouse manager and his team.

Some of our supplies come from our own production of cutting tools and tool-holders, and some from our trading partners' tools and systems in Switzerland and abroad. Our own products are laser marked and well packed. After the grinding operation, a large quantity of our cutting inserts is shipped daily for coating. A full-time employee performs this task every day. The deliveries from our trading partners arrive throughout the day from different forwarders like TNT, FedEx, Swiss Post, and so on. 10 or 15 years ago, parcels used to be dispatched mainly by post.

After 2:00 pm, it's getting frenetic in our logistic department; our German trading partners address their parcels to our forwarder based in Konstanz (Germany). All shipments arriving before noon will be cleared immediately. Thanks to our location near the border, by early afternoon we are already able to receive all our orders from the previous day. After reception, the tools pass a quality check, get registered in the ERP and are stored in the warehouse.

Incoming orders are continuously recorded by the sales assistants, and the packing lists are printed directly in our logistic department. We also print the storage location and the place on the packing list,





to facilitate easy retrieval of all the goods for shipping. At 4:00 pm at the latest, all deliveries received from our trading partners are recorded in the ERP. That enables the sales department to check a generated list of back orders, to see whether customers are waiting for newly recorded tools and to release them for delivery. At 5:30 pm, the completed consignments and the mail are collected by Swiss Post and taken for processing at the parcel center at Frauenfeld. 98 % of priority shipments are successfully delivered within 10 hours.

### Advertising today

Located in the countryside of Thurgovia, an innovative mid-sized company is producing outstanding goods. The goods are of the highest quality, the service is excellent ... Yes, it's no exaggeration, they do all this and more. It's just that not everybody knows about it. You should let the whole world know – via smoke signals, or a carrier pigeon, or the pony express ... but those means of communication disappeared long ago. Of course, «marketing buzz» is still the best and cheapest strategy to spread your advertising efficiently. Today, however, this on its own is no longer enough.

In the long run, you cannot expect your accountant or your IT-specialist to maintain the marketing department in the way that's required. That's why the management decided in 2007 to engage a full-time marketing specialist. Since 2013, a highly proficient team of two has been in charge of the marketing department. Those professionals are responsible for keeping everything smart and presentable both internally and externally. Their tasks are almost as complex as producing and grinding tools. These include: corporate identity, catalogs and flyers, ad-



**Picture on the left:**  
A well-structured stock is essential.

**Picture on the right:**  
Parcels are ready to be shipped by post.

**Picture below:**  
Utilis booth on the Prodex exhibition 2014 in Basel

vertisements, the web-site, and special events like centenary and exhibitions.

Exhibitions provide an outstanding opportunity to meet interested visitors, and to introduce your products to them. Long before the exhibitions actually commence, the marketing team has to do an immense amount of preparation: they have to determine the size of the booth, conceptualize it, supervise its construction and set up the products and all the documentation. Finally, they have numerous little things to fix, just in time for the opening and the arrival of the public.

Utilis exhibits regularly at exhibitions such as EMO in Hannover or Milan, at PRODEX Basel, at SIAMS Moutier and at SIMODEC La Roche-sur-Foron (Savoie). Utilis is also represented by our worldwide dealers at several international exhibitions.



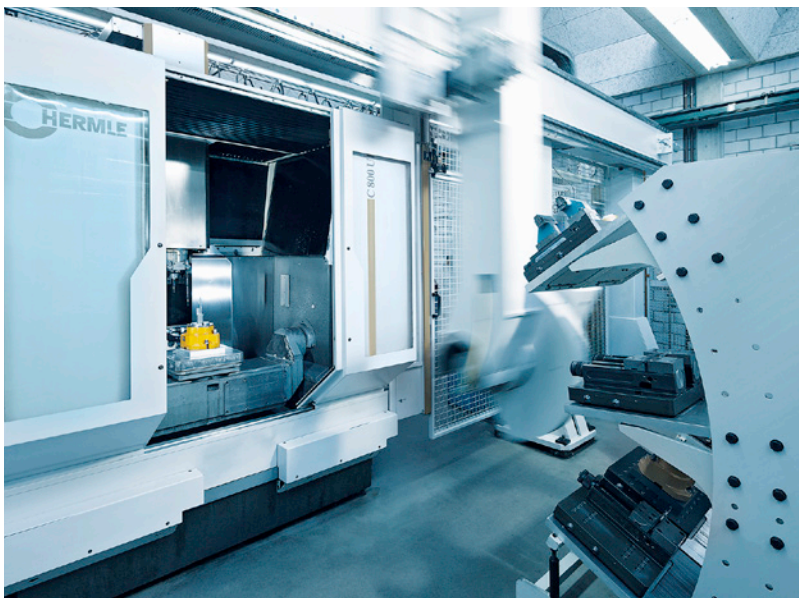


# No machines – no tools

18

*Means of production*

*Tradition, experience and knowledge are no longer enough to satisfy today's productivity demands – you need powerfully effective machines.*



Thanks to constant innovation, Utilis offers tools of the highest quality. This aspiration requires a continuous renewal of the machine park and all other means of production. As regards the key machines that are in constant use, we regularly take the older, last-generation machines out of service, and replace them. On the other hand, less frequently used machines are well maintained; so well, that they be up to twice the age of some of our trainees in the workshop when they graduate from the course. Naturally, every proud mechanic likes to work on a machine with the latest technology – even though he enjoys tinkering with and polishing his old car in his spare time.

The following machines are in use for the manufacturing of our Multidec® product line:

## *Hermle 5-axes machining center*

### **Technical data:**

Travel range: X-axis 800 mm, Z-axis 500 mm,  
Y-axis 600 mm, C-axis 360°, B-axis  $\pm 110^\circ$

The machining center can work with 87 tools and 18 pallets of workpieces.

### *Nakamura turning machine*

**Technical data:**

Maximum turning diameter 335 mm, maximum turning length 300 mm, bar capacity 71 mm  
Travel range: X-axis 265 mm, Z-axis left handed 350 mm, Z-axis right handed 980 mm

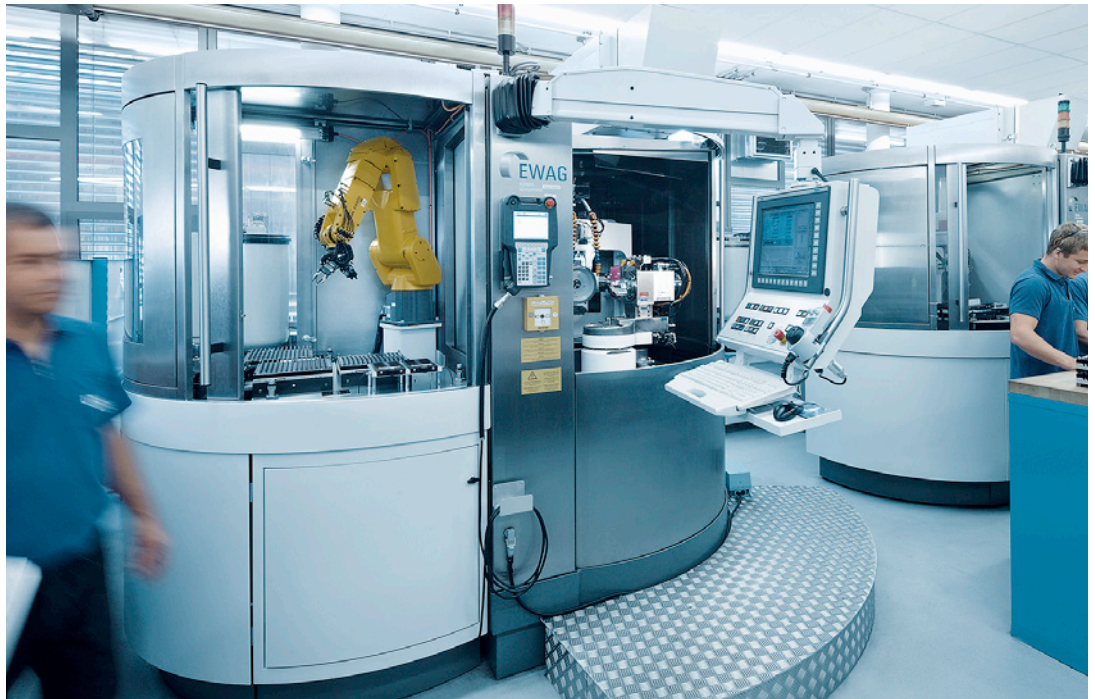
The machine is equipped with 12 driven tools per turret.

**Theme picture:**  
Nakamura turning machine

**Picture on the left:**  
Hermle machining center

**Picture on the right:**  
Ewamatic Line grinding center

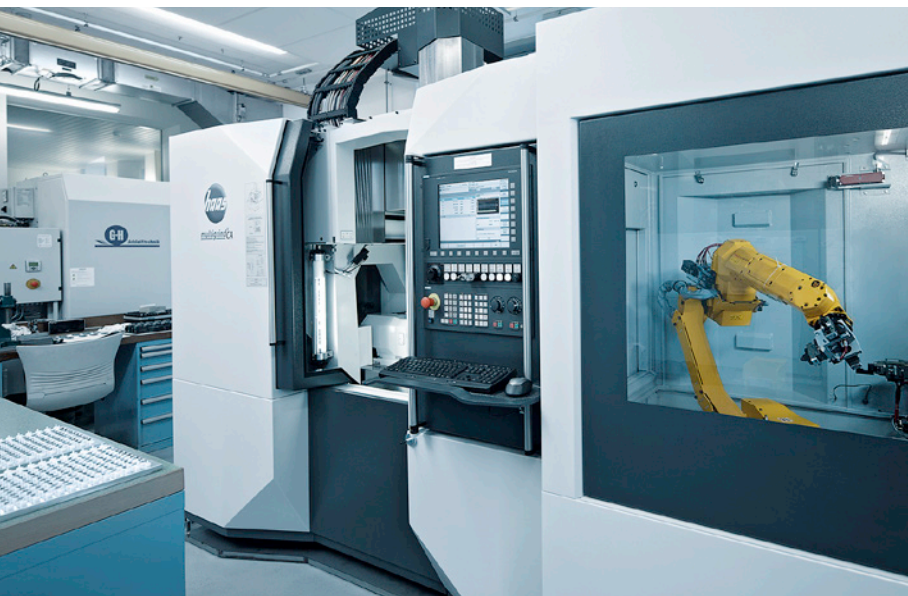
**Picture below:**  
Haas CA universal CNC grinding center



### *Ewamatic Line grinding center*

**Technical data:**

6 axes, 6 grinding spindles, rotation speed 6000 RPM (1/min)  
X-axis 360 mm, Y-axis 240 mm,  
Z-axis 240 mm, B-axis  $\pm 120^\circ$ , C-axis, A-axis  
Fanuc robot with 6 axes



### *Haas CA universal CNC grinding center*

**Technical data:**

5 axes, 1 grinding spindle with HSK 50E, rotation speed 8000 RPM (1/min)  
X-axis 540 mm, Y-axis 300 mm,  
Z-axis 300 mm, A-axis rotary axis revolving speed 1000 RPM (1/min), C-axis  $300^\circ$   
Fanuc robot with 6 axes



# Always at the forefront

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## Products

*From the waterwheel to the «GS» chip-breaker, our industry never stops changing. While this makes our task challenging, it's also very exciting. Our history shows that Utilis has always kept pace.*

Over the last decade, the products developed and diversified by Utilis have undergone a remarkable transformation. Furthermore, the company is not only an innovative player on the market, but also a flexible one, always adapting its structure and strategy to external factors and changes. This flexibility is fundamental to the approach of its owners, executive directors and managers.

*An excerpt from the history  
of our products*

Waterwheels used to belong to the production program of the early Twentieth Century. Water-

power was a much utilized energy source in those times, but electricity soon took over. Increased global mobility led to the establishment of a new market potential: components for bicycles, motorbikes and (Swiss) cars. Utilis made these components in series: for example, dynamos were produced, some even protected by a patent.

Until the fifties, Utilis used to run a «car repair shop». Work performed there included servicing, repair, fixing, and renovating cars.

The «Ovomaltine blender» was Utilis' signature and long-running product, developed and produced in cooperation with the firm of Dr. Wander AG to prepare and serve Ovomaltine beverages in restaurants and cafés. That was in 1939. From this time onward, Utilis produced this mixer in the same form for decades. Today, it may still be found in some nostalgic old bars. As of 1989, the company Proform AG has taken over production and distribution of those devices.

The wide range of products used to include centrifuges for blood, kitchen mixers, and components for scales. As early as 1915, when the legal status of the company was changed and it was renamed Utilis AG,

**Theme picture:**

New Multidec®-Cut 3002 insert with «GS» cheap-breaker

**Picture on the right:**

The Ovomaltine mixer, a bestseller for years and years

**Picture below:**

STABIL boring bar system with the first models of removable inserts



tools increased several times over. Carbide was too hard to be suitable for interrupted cutting. However, it became the accepted material for use in high speed turning, grooving and cutting. The first, and at the time expensive, carbide inserts used to be brazed directly on to the tool. Then the machine operator had to grind the required shape of cutting edge into the carbide himself, which demanded a high degree of professional knowledge.

Before long, a solution that entailed separating the insert from the shaft allowed for a quick replacement of the cutting edge. The STABIL boring bar system was developed, designed to machine average- to large-diameter holes, using HSS and carbide removable inserts on a tool holder. This first development was released in the 60s and then on sale until the 90s in central and southern Europe.

it began producing its own metal cutting tools in order to sell them to the Swiss market. At that time, the new material, HSS (high-speed steel), took over the cutting tool industry. Utilis therefore produced a variety of tools such as taps, threading dies and milling cutters out of HSS, while also manufacturing the accompanying measuring devices, such as control gauges, plug gauges and control abutting gauges.

The iconic classic product is without a doubt ENDFIX, launched in 1925. This cutting tool enables the manufacture of metal bars or pipes with different forms of extremities. The cutting inserts can be ground on demand to the required shape and geometry. Those inserts are then set up on a standard tool-holder. The tool-holder is then set up in an electric drill and works the extremity of the bars (of a diameter of 2 to 20 mm). Though no longer Utilis' bestseller, ENDFIX is still the oldest manufactured product included in today's sales program.

After the Second World War, carbide replaced HSS; cutting speed was improved and the lifetime of the

The grinding and sharpening costs, relative to the lifetime of the cutting edge, were already a matter for discussion. Removable carbide inserts were therefore already increasingly replacing brazed tools on the market. That was when Utilis released the UNIPLAT program. The aim was to supply a range of removable inserts with two cutting edges and different work angles, adaptable to several tool-holder sizes. Unfortunately, this range was not a lasting success on the market. The technical compromise had, in fact, a negative effect on the tool's stability.

In parallel with UNIPLAT, the company pursued the question of cutting off «wide diameters». Utilis searched to find a solution for setting up and clamping the removable inserts in order to achieve cutting off applications with cuts as small as 2.5 mm. Utilis launched GIVAMA, the first cut-off system using removable cutting inserts. This line was included in the successful MULTISTAR cut-off program in 1975. With this new line, Utilis was able to break into the international market at that point. The tools were successfully distributed in Western Europe and Japan.

Utilis didn't want to be left on the sidelines where milling tools were concerned, and so a complete program of inserts and holders, called UNIMILL, with as many cutting edges as possible, was launched in the mid-1980s. This system, with its high cutting forces, had its limitations, however, when used with the new CNC machining centers and the automated tool changes. Then Utilis noted that the pull-in forces of the new clamping systems were lower than with the conventional manual clamping systems. Utilis therefore developed the Delta Control system to manage the setting up and control of these forces. This system is still in our sales program and is still being sold worldwide.



The number of customers in French-speaking Switzerland (the area we call the Romandy) continued to grow. The various work applications and methods were quite different from those in industries in central Switzerland. The parts were more precisely finished and of smaller sizes. New materials such as titanium and medical steels came with new requirements for cutting tools and cutting conditions. At the same time, the evolution of machines, with the replacement of the old, conventional cam-operated turning machines by new CNC Swiss-type turning lathes, changed the demand for cutting tools. Bruno Alioth, the external sales manager at the time, anticipated this. He lived in that part of Switzerland, and was in constant contact there with customers of the Swiss-type turning industry.

The young general manager at that time, Mario Macario, took Bruno's ideas on board and supported the launch of a new program targeting this business segment. In the early nineties, the project team at Utilis AG laid the foundations of the very successful Multidec<sup>®</sup> tooling systems brand. This success is based on the method developed by Utilis that marries the assets of conventional turning tools with the technology of the Swiss-type automatic lathes. After that, new ideas came flowing in to improve performance, based on the premise that the cutting edge is where the sustainable profit lies for the customer.

The development of our own product lines has been – and still is – our main priority. To offer the best competitive prices and to ensure constant superior quality, we are continuously investing in our top-level machine park.

The appropriate turnover has been achieved, thanks to the expansion of export sales. Utilis has extensively targeted the main markets in Europe, Asia, and Northern America. This has enabled Utilis to find successful representatives for Multidec<sup>®</sup> abroad.

**The development of the Multidec<sup>®</sup> brand**

- 1992: First steps of the introduction of Multidec<sup>®</sup>-CUT, -TOP and Multidec<sup>®</sup>-ISO for the Swiss-type lathes in the watch industry.
- 1993: The first year of sales has been a success for the product line.
- 1994: First meeting of the Multidec<sup>®</sup> task force. This study group still exists today and meets four times yearly, to determine and analyze the new expectations of the market, in order to anticipate the next changes of products and the adaptations required for the existing system. The main goal is always be ahead of the competition.
- 1996: Release of Multidec<sup>®</sup>-WATCH, a special program for the watch industry.
- 1998: Release of Multidec<sup>®</sup>-Bore Micro, a program for internal turning of small parts starting from diameter 0.5 mm with a patented setup system.
- 2002: Release of the line Multidec<sup>®</sup>-CUT 3000. This step meant a big evolution for Utilis and the existing program of the CUT-Systems. It was a courageous step, which proved to be the right one since it led Utilis to advance to a market leadership position.
- 2007: Expansion of the CUT 1600 line in order to meet the increasing demands of the micro mechanic industry.
- 2007: Multidec<sup>®</sup>-Whirling: First research to develop a new system for efficient machining of long external threading of medical parts.
- 2009: Release of the new Multidec<sup>®</sup>-Whirling system equipped with up to 12 cutting inserts. This new system quickly conquered the market and is still considered the leader today.
- 2012: Tool Systems: introduction of a new tools system to be adapted to new lathes, in compliance with several current clamping systems, allowing the setup of the Multidec<sup>®</sup> toll holders and cutting inserts.
- 2013: Multidec<sup>®</sup>-Lube is the new innovation by Utilis, dealing with integrated cooling. This system allows a precise cooling jet to be guided through the tooling plate and the tool holders.
- 2014: Introduction of a new carbide grade with excellent properties to work in today's modern materials.
- 2014: Release of the new «GS» chip breaker: these new cutting inserts are produced with a totally new modern process. Utilis developed this new technology in collaboration with its carbide supplier. The new inserts with the «GS» chip breaker allow a significant improvement in productivity for the production of large series.

Picture below:  
 Holder Multidec<sup>®</sup>-Cut 3000  
 for inserts



In parallel with our own products, Utilis is selling Swiss and foreign trademarks that are leaders in their market segments. Utilis supplies the following leading trademarks in Switzerland:



**Becker, Germany, Puchheim near Munich**  
Develops and manufactures precision cutting tools made of ultra-hard cutting materials such as natural diamond, synthetic diamond and CBN.



**CeramTec, Germany, Plochingen**  
Experts in ceramic cutting tools. One of the world leaders in the manufacturing of high performance ceramics.



**Ceratizit, Austria, Reutte, tooling partner since 1952**  
Global player for cutting tools, supplies innovative and modern cutting tools. The skills and knowhow in cutting tools and cutting materials are the core competencies of the company, which produces its own carbide grades from its own mines.



**Dümmel, Germany, Hülben**  
Development and production of premium carbide cutting tools for the application of turning and milling.



**Erix, Sweden, Gothenburg**  
Manufacturer of automatic back spot facer for deburring and chamfering.



**Hainbuch, Germany, Marbach**  
Leader in the market segment of clamping equipment for work pieces for milling, turning and grinding. That includes chucks, mandrels, tension elements and quick adapting systems.



**Hemo, Switzerland, Kriens**  
Development of high quality work pieces and clamping systems. The company also supplies automated clamping equipment with complex and special solutions.



**Hitachi, Japan, Tokyo**  
A complete range of cutting tools for tool-and-die makers and the molding industry. Supplier of a large range of high quality standard end mills and milling cutter bodies including inserts.



**Komet Group, Germany, Besigheim**  
Manufacturer of a large range of solutions for boring applications. Through the acquisition of the JEL and DIHART brands over the last few years, KOMET has become the most complete supplier in this market segment.



**Kyowa, Japan, Ugo**  
Manufacturer of PCD precision tools like spherical mills, end mills, chamfering mills and drills from diameter 0.1 to 6 mm, to machine materials such as non-ferrous metals, hard materials like ceramics, quartz, carbon, graphite etc.



**Kühlmitteldüsen**  
**Rihetec, Germany, Schorndorf**  
Specialist for cooling nozzles for CNC lathes – tools from professionals for professionals.



**Rineck, Germany, Marienfeld**  
Largest choice of tool holders for the mold and general machining industry.



**Schaublin, Switzerland, Delémont**  
Utilis is an authorized dealer for Schaublin collets. The brand is known worldwide for the quality and precision of its products.



**WTO, Germany, Ohlsbach**  
Manufacturer of high quality driven tools. This equipment is well known for its high quality and technology, which are continuously adapted to even smaller working spaces in several types of machines.



# *Exploit all production capacities*

24

## *Subcontracting*

*Every worker deserves his pay – nothing exceptional, you might say. Most people do this every day, don't they? But in terms of practical economics, contract work has another, very important, meaning.*

A search on the internet for the term «contract work» will be a lengthy process, whichever search engine you use. The results will take you to forums dealing with labor union slogans. They will take you back in time, to Marxism and beyond that to ancient civilizations. That is not where we want to go. Because in the industry, «contract work» has a very pragmatic meaning: one company orders machined parts or components from another. The contractor supplies drawings, and sometimes, the material for machining. In some cases it's possible that only a sample of the parts is available. In that case, the subcontractor receives the execution plans and the required material from the provider. The reasons for subcontracting are quite diverse; possibly the client

doesn't have his own machining factory. He does the engineering, the assembly and the sales, but buys all the components. Maybe the customer doesn't have the right machines to perform the tasks required, or has a temporary lack of capacity.

### *Free capacity for others*

Utilis has always manufactured and sold its own products. However, the machines are not all used to their full capacity all the time. A turning machine that works only in the morning doesn't pay its way. Overhead costs, such as depreciation, capital costs and space, remain the same whether the machine performs all day long or not. Therefore, free capacity must be offered to other companies. Utilis has been practicing this for a long time. Thanks to the high quality of the work and the parts we deliver, and owing to our considerable expertise, subcontracting has become an important field of business to us.

One of our biggest customers for subcontracting work is the company Profiform AG in Adlingenswil. This company is an innovator in precision mechanics. A longstanding business partnership connects



**Theme picture:**

We also manufacture components with the highest precision for our customers.

**Picture below:**

Turning machine to produce workpieces of «wide» dimensions

both companies. Both companies are very close, because Profiform AG was established by Peter Huser, son of Josef-Paul Huser, longtime owner of Utilis.

*Interview with  
Kurt Müller, Profiform AG*

**Mr. Müller, in which fields do you supply your components?**

Our components are sold to all classic industries. Our P-program supplies industries including prototypes, model making, jewelers, schools and many other fields.

**In which cases do you require subcontracting work from Utilis?**

There are many cases, but above all for cutting tools, tool holders, collets, for grinding and honing applications. In fact, we maintain a very intensive collaboration.

**How do you evaluate the performance of Utilis?**

Our relationship is based on trust. And we would describe the relationship and the delivered work and parts as «superb».

Thank you very much for this interview.



*The company Profiform AG was established in 1985, Today (in 2014), 18 people work there. The company specializes in four areas of business: classic subcontracting, modular assembly, our own production (P-program), and smaller developments for specific engineering.*



# Be ready when the bell rings

## Working and framework conditions

*Today we have to face difficult pressures regarding time. We have to be reachable and operational everywhere and at every time, even out of conventional working hours. Sometimes we say to ourselves, things used to be better in the past ... only we happen to have found an old note about the factory's rules.*

48 working hours per week, penalties for late arrival, a bell announcing the start of the work period, strict control of breaks, control of time spent in the locker room, and finally, control of workers' day-to-day conduct – all of these things appear unreal to us today, but the daily working practice used to be this way back in 1919.

To mark our Utilis centennial, we have released items from our archives. We were surprised at just how strict these severe rules used to be. It's hard to imagine stopping working exactly on the bell, then having only 7 minutes precisely to leave the workplace and the factory. For today's workers, that seems just unbelievable. For us, it's been ab-

olutely fascinating to discover some of the regulations below and to present them to you.

### Conventional work periods

#### Factory rules on 07.30.1878

The actual working duration must be 11 hours a day. On Saturdays and on the day before a holiday the working duration must be 10 hours.

#### Factory rules on 12.15.1919

Duration of working time – not including breaks – is organized on a basis of 48 hours per week, as follows: 8¾ hours during the first five days of the week, then 4¼ hours on Saturdays.

#### Common labor agreement of the manufacturing mechanics and metal industries for the time from 07.01.2013 until 06.30.2018:

According to article 12.1: the working year consists of 2080 hours (52 weeks × 40 hours), not including breaks. The accounting period of twelve months may differ from the regular calendar year.

### Daily work period

#### Factory rules on 07.30.1878

The beginning and end of work periods may change with the seasons. Schedules are announced when they are about to be modified. Every worker has to

# Fabrik-Ordnung

der

## Utilis Zürich

Schweizerische Werkzeug-Fabrik

Werk Müllheim.

1. Die tägliche Arbeitszeit beträgt 11 Stunden, an Vorabenden von Sonn- und gesetzlichen Feiertagen 9 Stunden, d. h. mit Arbeitsschluss spätestens um 5 Uhr. Die Arbeitszeit-Einteilung wird in jedem Arbeitslokal angeschlagen.

2. Die Lohnzahlung findet alle 14 Tage und zwar am Samstag statt, wobei jedoch der Lohn von 6 Arbeitstagen als Standgeld stehen bleibt. Dasselbe verfällt dem Arbeitgeber, wenn der Austritt in ungesetzlicher Weise stattfindet. Regelrecht Austretende können ein Zeugnis beanspruchen.

3. Die gegenseitige Kündigungsfrist beträgt 14 Tage. Die Kündigung kann an jedem Zahltag oder Samstag erfolgen. Mit den einzelnen Arbeitern können kürzere oder längere Kündigungsfristen durch schriftlichen Vertrag vereinbart werden.

4. Grösste Gewissenhaftigkeit in Ausführung der übertragenen Arbeiten, Pünktlichkeit, Ordnung und Reinlichkeit wird jedem Angestellten zur Pflicht gemacht; Anstand, Mässigkeit und gute Sitten zu beoachten, soll Ehrensache für jeden sein.

5. Jeder Arbeiter ist für die ihm anvertrauten Gegenstände verantwortlich.

6. Auf Bussen wird verzichtet. Dagegen zieht jede Verletzung dieser Fabrik-Ordnung Verwarnung nach sich. Erfolgt die Uebertretung jedoch wieder oder wird den amtlich genehmigten Spezial-Reglementen und den schriftlichen Weisungen zum Schutz von Gesundheit und Leben der Arbeiter nicht Folge geleistet, so erfolgt Kündigung, in schweren Fällen sofortige Entlassung.

7. Die Fabrik-Ordnung ist in den Arbeits-Lokalen anzuschlagen und jedem Arbeiter beim Eintritt ins Geschäft einzuhändigen.

Müllheim, im Juni 1916.

Utilis Zürich,

Die Betriebsleitung: **A. Ernst.**

Vom h. Regierungsrat des Kantons Thurgau genehmigt unter § 1713.

Frauenfeld, den 21. Juli 1916.

Der Präsident des Regierungsrates:  
sig. **Hofmann.**

Der Staatschreiber:  
sig. **Schneller.**

in his place on time, ready to start working. The entrance of each employee is checked systematically. Action is taken against employees for delays: in addition to the missed work time, an equivalent penalty will be deducted. It is forbidden to enter the changing room before the end of work.

### Theme picture:

Times are changing, clothes and equipments, too

### Picture on the right:

Old internal regulation, approved by the executive office

NB: At this time, penalties came out of the local workers' health insurance.

### Factory rules on 12.15.1919

A special timetable defining the organization of working time is placed in the workshop and published by the local authorities. The workplaces open their doors 10 minutes before the start of the regular work period. On the «starting» bell, each employee has to be operational at his own workplace ready to execute his tasks. The bell will sound once more to signal the «end of work». Stopping working or going to get changed before the signal are not allowed. After the bell, employees have 7 minutes in which to leave the workshop.

### Management Process Order (MHB) 200\_19 Utilis AG, valid for 2014

Working hours in the workshop:

flexitime                      fixed hours

#### Monday –Thursday:

06.00 – 08.00                      08.00 – 11.30  
11.30 – 13.30                      13.30 – 15.30  
15.30 – 18.00

#### Friday:

06.00 – 08.00                      08.00 – 11.30  
11.30 – 13.30                      13.30 – 16.00  
16.00 – 18.00

#### Breaks:

09.15 – 09.30 (automatically deducted)

### Paydays

#### Factory rules on 07.30.1878

Payday is scheduled every other Saturday. For each employee, 6 days' pay is kept back. Payment in advance will not be granted.

#### Workshop ground rules on 12.15.1919

Payday is scheduled every 14 days on Friday afternoon. Six days' pay will be kept back until the next pay period. The amount is paid and a pay slip provided according to Article 112 of the factory rules. The employee has to check the amount against the number of hours worked. In case of discrepancy, the employee has to make a claim immediately.

### Management Process Order (MHB) 200\_19 Utilis AG, valid for 2014

The payment is made on the 25th day of every month. The payday is advanced when the 25th of the month occurs during a weekend or a holiday.

The 13th salary is paid with November's payment. Any applicable bonus, determined by the administration board, is paid in April.

### Notice of termination

#### Factory rules on 07.30.1878

Two weeks' notice of termination is observed for each party and the last workday is scheduled for a Saturday. Should the work be terminated before the end of this period, all benefits and bonuses on the wage will be lost and will be paid into the local workers' health insurance. Serious negligence and lapses in discipline are causes for immediate dismissal; that involves a loss of all benefits and bonuses with no possibility of making a claim.

#### Factory rules on 12.15.1919

The employment can be terminated by either party as from any Saturday or payday.

#### Today, according to the Swiss code of obligations

According to article 335c: the employment can be terminated within one month's notice during the first year of service; then within two months' notice between two and nine years of service; and finally, within three months' notice after ten years of service.



*give-and-take*

**Theme picture:**

The trainee has to take note of his tutor's advice.

**Picture on the right:**

Trimming: not everyone's favorite task, but necessary

**Picture below:**

Apprentices at Utilis, late 2014



*Apprenticeship training means: taking responsibility and developing together. It is also about having a formative influence on the profession, and about passing on experience. This is the reason why Utilis attaches great importance to youth training.*

Companies that train young people fulfill an important function in our professional education system. This is how companies select and train those who will assist and represent their professions in the future. This explains why Utilis has always accorded a high degree of relevance to apprenticeship training. Our youngsters are our future professional polymechnics and management assistants.

Switzerland has established a binary educational system: trainees visit a vocational or technical school on certain days. On all other weekdays, apprenticeship training takes place in a company – learning practical work and helping in different tasks. Stu-

dents of high academic ability have the chance to graduate with a higher diploma. This enables them to enter the University of Applied Sciences without having to pass further exams.

**A profitable investment**

Basic education is characterized by a partnership concept. On the one hand, companies invest time, staff, and the necessary funds. On the other, they get productive work in return, while the young people also breathe new life into the day-to-day functioning of the company.

Utilis offers apprenticeships as polymechnics and management assistants. Since summer 2014, we have also had a trainee position in construction. Experienced instructors are responsible for guiding and supervising the apprentices, whose training is practical and work-oriented, thanks to new modern tools. In an interview, two of our apprentices share their daily experience with us.



## Education opens many doors

The profession of management assistant can be learned at three different levels: **Basic Education**, **Extended Basic Education** or the **Advanced Vocational Certificate of Education**. Expectations regarding learning targets and scholastic achievement can be adapted to each apprentice's abilities. Utilis normally offers two apprenticeships for **Extended Basic Education** or the **Advanced Vocational Certificate of Education**. In an interview, Carmen Santo, a student in her 2nd year, talks with us about her apprenticeship experience.

### Why did you choose the profession of management assistant?

I chose this profession for the classic reason: it's very good for my education, and it will lead on to many opportunities after my apprenticeship.

### Why did you choose Utilis as training company?

At high school, I was able to get a look at Utilis on some of my work experience days. I was given plenty to do and I wasn't bored at all. At other companies I visited, I felt bored and I didn't feel as welcome. The other workers were very nice and supportive to me while I was at Utilis. When a problem arose, people were so helpful. I was very impressed by this company, and when they offered me an apprenticeship contract at my third day of work experience, I accepted there and then.

### How long does the management assistant apprenticeship take?

This apprenticeship lasts for three years. The vocational school is in Weinfelden. I go there every Thursday and Friday.

### What is a typical day like?

Right now I'm working in the administration department. In the morning, I open the day's mail and deal with that. Then I collect the new orders from customers for catalogs, flyers and documen-

tation, and dispatch them. When new catalogs arrive, I affix the labels. I work just on whatever needs doing. In the afternoon, I check the payments from customers and maybe send some more documentation. If I still have time left, I book stock changes, and if there's time, I scan the paid invoices. Finally, I frank all the letters, and get them ready for posting.

### What is your favorite task?

I like dispatching documentation, because every request is specifically about a product line; I'm not so fond of checking the accounts.

### What does a typical school day look like?

At 8.35 am, school starts with five lessons on the morning timetable and three in the afternoon. On Friday for example, I have three lessons of computer science, two hours of German, and finish with three hours of French. The stricter the teacher, the more we learn. I like school quite a lot.

### Are there any interim examinations?

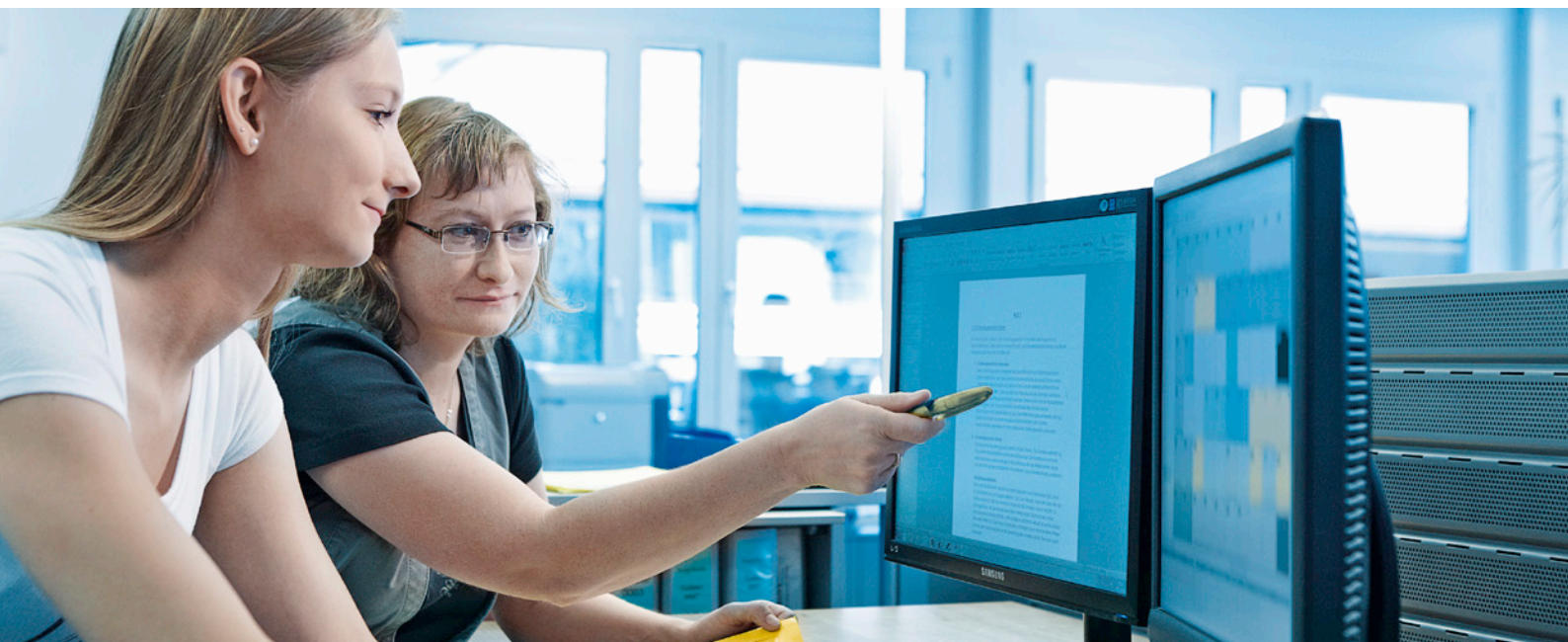
In my 2nd year, I've already passed my French and computer science exams. In my 3rd year, I'll also be taking the optional subject of DELF (in Commercial French). During this final year, I'll only be going into school one day a week.

### What is your personal and professional goal?

After my apprenticeship, I would like to change my profession. I don't think I will be carrying on with office work. I would love to see something of the world, and I guess I can't really do this sitting in an office. My goal is to find a position as a flight attendant with SWISS International Airlines. I love foreign languages and I really like traveling, so I think this job would be ideal for me.

### Do you want to add something?

If I had to choose all over again, I would still choose Utilis. It's been a real pleasure working here, and the working atmosphere is very pleasant.





## Education: A good foundation for the future

With the Swiss-wide vocational reform of 1994–1997, the training of mechanics, toolmakers, precision mechanics and machine fitters was merged to form basic vocational training in polymechanics. Utilis offers apprenticeships with the focus on production. There are normally four training places to be filled. In the following interview, Benjamin Rast, a 4th-year apprentice, relates his everyday life as a trainee.

**Why have you chosen this apprenticeship as a polymechanic?**

I've always enjoyed craft-based work, and I wanted to get to know different skilled trades; then the work experience day as a polymechanic really convinced me.

**Why have you chosen Utilis as the company where you do your training?**

I like the work, and I like the size of the company. For me, it's also important that there aren't too many of us apprentices, so each apprentice can benefit from good, individual training.

**How long does the apprenticeship take?**

The apprenticeship as a polymechanic lasts 4 years. In the 1st and 2nd year, I spent two days in vocational school and three days working at the company. From the 3rd year onwards, you only do one day of school per week, and four days at work.

**What is a typical day like for you?**

A normal working day begins with me greeting my teacher and the workshop manager. Then I turn on the machine and start working. Each day we have many different production orders to edit, and each apprentice has his own set tasks, such as disposing of waste, putting out fresh towels or clean-

ing down the lunch table. At 9:15 am, we have a 15-minute break, and at 12 noon, I have my lunch at home. Before I go home, I clean my machine, which takes about 5 to 10 minutes.

**What are your favorite tasks?**

I prefer working on repairs, prototypes and small series, because these operations are very varied and you can learn a lot.

**And what would you rather erase from your task list?**

Emptying the vacuum cleaner and cleaning.

**Where are you attending the vocational school?**

At the Educational Center for Technology in Frauenfeld.

**What are you studying at the vocational school?**

We study many technical subjects, for example, technical drawing, material engineering, manufacturing technique and electrical engineering. But we also do general education, sport and English. We have a lot of things to learn during those four years, in order to pass the LAP diploma at the end.

**Are there any intermediate exams?**

In the second apprenticeship year, we have to pass an exam on some parts of the course. The practical work is evaluated and tested, split into four categories: milling, turning, manual machining, and assembling.

**What is your personal learning or career goal?**

The important thing is to pass the final exam. And then, I want to take as much as possible from what I've learned, to use in my future career.

**Picture on the left:**  
Carmen Santo and her tutor, Paola Ceccon

**Picture above:**  
Benjamin Rast inspects a tool

A photograph of a modern, multi-story building with a light-colored facade. The word "UTILIS" is written in large, blue, sans-serif capital letters on the right side of the building. The sky is blue with some clouds, and the sun is visible in the upper right corner, creating a lens flare effect.

UTILIS

# The cornerstones of a successful century

32

## History/Milestones

*In the second half of the nineteenth century, in 1868 to be precise, the Ernst brothers established a mechanics workshop in Müllheim. In 1915, the factory was converted into a joint stock corporation, named UTILIS AG. From then, the business steadily grew – in continuous, precise, committed steps.*

### 1860

This year is written in the keystone of the arch above the basement entrance on the eastern side of the building. We can trace the origins of Utilis at least as far back as this.

### 1868

Jakob Ernst and his brother Albert establish the mechanics workshop and the millwright's factory. In order to have enough space, they converted the wagon maker's with adjoining forge and barn into a workshop.





**Theme picture:**

The Utilis building in Müllheim has been expanded and rebuild several times.

**Picture strip below:**

Archive pictures of Utilis

## 1900

Change of the company's legal status into Ernst & Cie.

## 1915

Change of name to Utilis Zürich, Swiss Tooling Factory, and change of the company's legal status into a public limited company.

## 1920

Change of name to The Swiss Tooling Factory «Utilis», Müllheim, and later to «UTILIS MUELLHEIM, tools and devices factory».

## 1925

ENDFIX cutting tools launched: tools designed to work cutting applications at the extremities of metal bars and pipes. Those tools are still sold in almost the same form today.

## 1939

In collaboration with the Dr. Wander Company, producer of Ovomaltine (a famous Swiss chocolate malt drink), a blender for those milk drinks was developed and produced for many decades. We can still find some of these blenders in long-established restaurants and cafes today.

## 1947

The building of the workshop is extended on the eastern and southern sides.

## 1952

Utilis takes over the distribution of cutting tools for the entire Swiss market from the Plansee GmbH Company (based in Reutte/Tirol). This long-term collaboration with the company, now called CERA-TIZIT AG still continues. Further agencies followed, see page 23, «Our TOOLING PARTNERS».

## 1960

Production of tool-holders for cutting inserts.

## 1970

First modern grinding machines are brought into service.

## 1974

Office extended into the attic of the building.

## 1980

NC-Technology arrives at UTILIS.

## 1985

Building extended on the northwestern side, to allow more space for the new larger CNC machines.

## 1990

Office space in the attic further extended. Southern side partially demolished, and then a new three-level part built.

## 1992

Multidec®, our own products range is launched.

## 1994

Quality management: certification ISO 9001.

## 2002

Utilis France SARL established in Thyez, Haute-Savoie near to Geneva.

## 2008

The move into the newly built part of the workshop to produce inserts. There are new offices upstairs.

## 2013

Sales office opened in Shanghai, PRC.





## The Management

When a company is about to celebrate its centennial, many different people will clearly have contributed to this success. Utilis has an impressive list of these by now. Although the owners have changed, one thing remains the same: the focus on our passion for precision.

### 1915 to 1931

Albert Ernst-Spühler is the sole shareholder and runs the business until he dies.

### 1931 to 1944

Emilie Ernst-Spühler, Albert Ernst's widow, takes over the share capital and runs the business together with her daughter Margrit and for some periods also with her son Albert.

### 1944 to 1969

Albert Ehrismann-Ernst and his wife Margrit are the new owners and managers of the company.

### 1969 to 1989

Josef Paul Huser takes over the entire share capital and runs the business together with his wife.

### 1989 to 2004

The Romabau-Holding AG in Weinfelden, later called SIH Holding, takes over the shares of the Huser family and incorporates Utilis into their holding company structure.

### 2004 to today

As part of a management buyout, the SIH Holding sells the shares to:

The family Gundula and Klaus März  
 The family Karin and Wolfgang Vilsmeier  
 Mr. Mario Macario  
 Mr. Roland Weber  
 Mr. Robert Bachmann

**Picture above:**  
 The Board (from left)  
 Wolfgang Vilsmeier,  
 Robert Bachmann, Klaus März

**Picture on the right:**  
 The Executive Office  
 Marco Boss, Roland Weber,  
 Mario Macario



Throughout a career of a serving Chairman, it is rare to celebrate the centennial of one's own company. It gives us a great pride to be able to enjoy the 100 years of Utilis together. We are particularly proud of this, knowing that – because of the fast pace of change nowadays – the average «lifetime» of a company, according to the statistics, is only about seven and a half years.

We can assume that lot of right decisions have been taken, while very few mistakes have been made, over the past 100 years, keeping Utilis successful in a highly competitive marketplace for precision tools. Looking back on this good foundation, we can see the uncompromising nature, strategy, organization, and corporate culture of Utilis. All those factors have led to our meeting the expectations and the needs of the clients. Thus, our customers are still ensured daily of high added-value products, service, and consulting.

A successful active management is a question of deep belief. We believe deeply in our ability to lead our customer-oriented strategy in a challenging market environment. This commitment and these values will continue to be at the centre of all our activity as a company for the next 100 years of «Utilis».

On the same basis as our own development and production of Swiss made tools – thanks to a modern method of manufacture – our collaboration with the best worldwide suppliers of precision tools allows us to offer an impressive range of high quality products. Moreover, our skilled employees in the internal and external sales department are able to offer you a high quality service: our business processes are set up to deal conclusively with problems that users have encountered, and to offer them appreciable value added.

Utilis knows precisely how the precision tools work. Our staff knows precisely what they look like, and how they have to be set up. This is because we listen to our customers, and because our profession is based on finding the right solutions to solve their problems. Utilis is a «marketing company», in a very positive sense: a proactive approach is the best way to develop sustainably the position of the company in the market. Thus, we believe in our ability to face the hard times ahead in the 21st century.

What are we expecting on our way to the next 100 years of success? As the saying goes: «Nothing is more unpredictable than the future». Nevertheless, we intend to stay on track.

Firstly, every company must adopt a real saving strategy – we have come a long way, with the worst financial and economic crisis for 80 years. Nor are we completely safe today (in 2015). Nevertheless, governments and national central banks have done a great job to protect and preserve us – especially the Swiss National Bank (at least up to 10.31 on 15 January, 2015); the FED (from as early as 2008), with their expansionist policy, and latterly (from February 2015), the European Central Bank (ECB). On the other hand, Utilis does everything to ensure and foster its business environment. At the current time, the basis for this is already in place at least in as far as America, Europe, and South East Asia are concerned. Business development for the first half of 2015, above all, will show how Switzerland in general and Utilis in particular fit into the picture:

1. We believe growth in the USA to be outstandingly good; for that reason, we hardly focus on this market. We also defined very ambitious objectives with our North American importer and dealer.

2. We believe that China will be going through a rather more delicate period. On the one hand, the housing sector, a key sector, is about to slow down. On the other hand, the trade balance inversion and the growth of the domestic market mark a major shift for Chinese industry. We believe that the economic players in China follow a regular pattern of investment, with an economic growth reaching 7.5%. We assume that China will have a «soft landing», after experiencing an average annual growth of 10% over several years. Utilis has therefore also expanded its presence in this market long term, while establishing its own Chinese representative office. This will enable Utilis to respond better to customers' specific expectations, and to take advantage of Chinese growth.

3. The European Union, driven by the European Central Bank and Germany – as engine of growth – faces a relative economic downturn. This was still the case in 2014. We assume that the ECB will keep interest rates low for many years to come, and will implement its «Quantitative Easing» program started by the end of January 2015, based on the American and Japanese model, with a volume of around 1.2 billion Euros. The impact of international «currency wars» on European economies is seen as a difficult challenge for the future of the Euro area and for the euro as the common currency. We are especially mindful of the economic recovery of Germany and Austria, but also of France, Italy, and Spain. This is significant for Utilis, because it means that these countries will remain our most important export and procurement markets in Europe.

4. Switzerland has been enjoying prodigious economic growth since 2005. The Swiss economy has been seen as one of the most competitive in the world, leaving other countries behind (so to speak). Despite this undeniably very strong overall expansion by Switzerland by the end of 2014, the abandonment of the cap on the euro minimum rate came as a shock – especially for Swiss SMEs and for Utilis. We are however, taking action to meet this great challenge, and to face it with all the means and the powers at our disposal! We remain entirely confident of our healthy position in this, our domestic and primary market. Despite the disproportionate strength of the Swiss franc, we have taken the uncompromising decision to go right ahead with further development and – starting from this centenary year 2015 – to enlarge our Swiss production plant in Müllheim. Thus, we will keep on producing high quality Swiss-made precision tools made by our highly skilled employees, and we will be much more able to supply those tools in Switzerland and in the international market. In the future, we are willing to reach an export rate of appreciably over 50 % of the turnover, in spite of the inflated Swiss franc, thanks to the «Swiss-made» quality.

5. We entirely agree with the words of Professor Joachim Schwass, specialist in management of family companies at IMD Business School in Lausanne: «Thanks to synergies between capital and management, family companies have the potential to outperform any other form of business organization, in terms of performances.» Anyhow, that makes sense at Utilis: both owner families are not only active as regards the pure administration of the business, but are also active in carrying out the long-term management of the general doctrine of the company. «Unity of doctrine» plus «family spirit» leads the corporate culture in the management of the operation and in strategic marketing.

Thus, we will continue to do our best to be an outstanding and a reliable partner for our customers, our employees, and our suppliers. We will do our best to keep upholding and further strengthening the reputation for «Utilis and Multidec® quality» that is universally held in such high esteem. Together with the entire staff, we are ready to supply our products and service successfully worldwide for the next 100 years. We look forward to continued good cooperation that is productive and equitable, based on the foundation successfully established over a hundred years ago.

Yours sincerely,

Wolfgang Vilsmeier