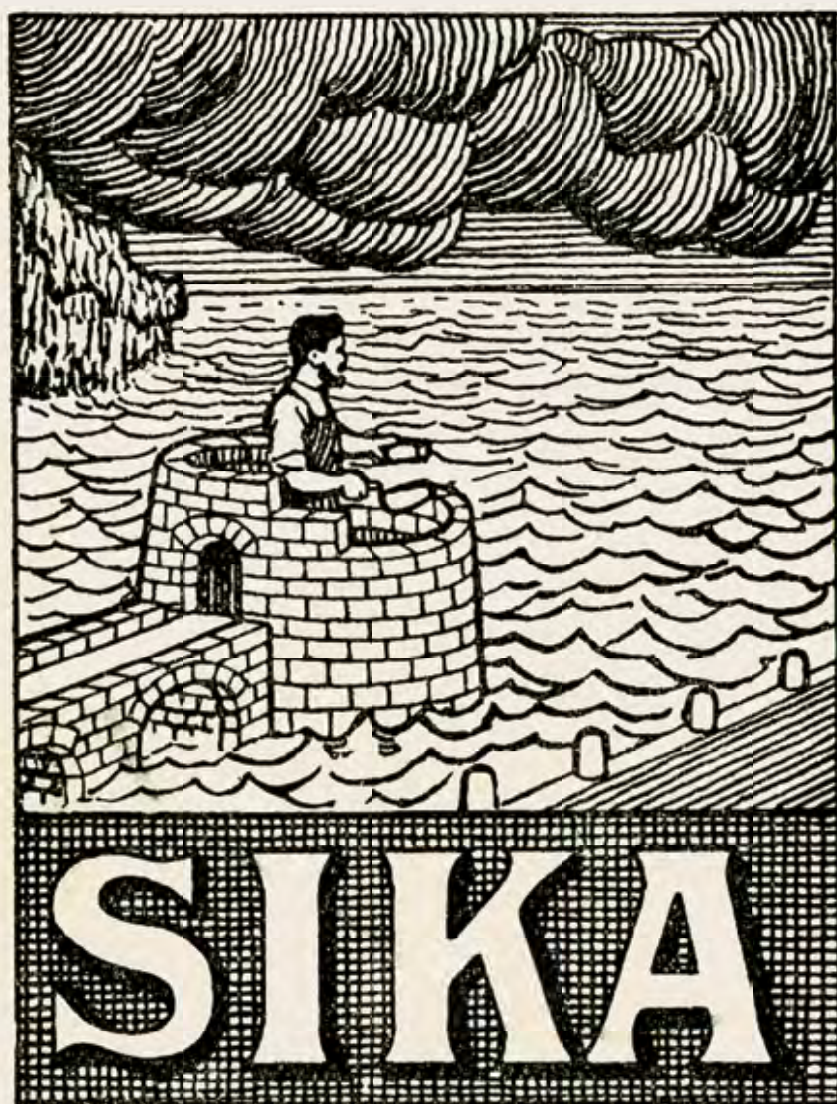


# Dry but never tedious

100 years of Sika





SIKA

Dry but never tedious | 100 years of Sika



Headquartered in Baar, Switzerland, Sika AG is a globally active company in the specialty chemicals business. It provides processing materials for the construction and manufacturing industries (products and components for vehicles, machinery and building construction), for sealing, bonding, dampening, reinforcing and protecting load-bearing structures.

In 1910, the genial tinkerer Kaspar Winkler laid the cornerstone for the firm. Winkler worked himself up from poverty to become a successful entrepreneur, and by the 1920s he was already engaged in founding affiliates abroad. This book tells the tale of how the company was started from scratch to become a worldwide concern, with more than 12,000 employees and subsidiaries in 72 countries.



Dry but never tedious | 100 years of Sika







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# A man of the mountains, but not a hillbilly



Kaspar Winkler has many talents, but driving a car isn't one of them. Every time he's chauffeured in his big black limousine to his small home village in Vorarlberg, Thüringen, a lively reception is guaranteed. The man himself, however, is of a very modest disposition.

The brief visits to his home village are legendary. It always seemed as if Kaspar Winkler was barely there and yet gone already. What he left behind were kind words, a heartfelt "Grüss Gott" and the mandatory visit to his brother, the farmer Josef Anton Winkler. What the two brothers chatted about, we'll never know. However, Elisabeth Winkler, the factory owner's niece from distant Zurich, vividly remembered the bananas he sometimes brought with him when he and his wife came to visit. Back in the 1920s, bananas were not something that could be had in a small farming

village in Vorarlberg, Austria. As such, bananas were a gift that impressed everyone.

Kaspar Winkler was never one who liked to impress people with extravagant gifts. His focus was always on his work, his inventions and his company. Winkler was an inventor, a labourer and a workaholic in the finest sense of the word. His refuge was his workshop, his laboratory. He felt much more at home on a construction site than he ever did in an office or a conference room. He never shied away from hard work, because that was what he'd been conditioned for from a very early age. He was

what they called a "Schwabengänger". Children who were sent abroad to work because of the great poverty that was their family's lot were called "Schwabengänger". Far away from home, they were required to work very hard, usually under appalling conditions. Young Kaspar lost an eye working abroad and from that day on had to live with a glass eye.

His adolescence was strict and very rough. Time and again, he not only kept going, but was able to make the best of any given situation. He kept learning new things and was always ready and willing to work harder than anybody else.

Every time the black limousine with its Swiss licence plates departed the small farm village in Thüringen, leaving only a cloud of dust behind on the Vorarlberg country road, every single person in the village was aware of one fundamental truth: Kaspar Winkler had always been, and would always remain, one of their own. But he'd come a long way and achieved a great deal. At that time, nobody suspected just how much more he was yet to achieve.

1 The four Winkler brothers around 1895. From left: Alois (born 1875), Josef (1864), Kaspar (1872) and Eduard (1870). The picture was staged in a photographer's studio in the Seefeld district of Zurich; Kaspar Winkler's brothers were probably on a visit.

2 Kaspar Winkler's school class; his own notes are in the margin of the picture which dates back to 1880.

3 Kaspar Winkler experimenting with new admixtures, undated.

4 Undated portrait of the young Kaspar Winkler.

5 Portrait Kaspar Winkler.

6 On research in Thüringen, the village in Vorarlberg, Austria, where Kaspar Winkler was born. Fritz Burkard (great-grandson), Elisabeth Winkler (niece) and Josefine Walter-Schäfer (great-niece), November 2006, in front of the house in which the firm founder was born.





*Kasp. Winkler*  
*Granitgeschäft*



*Kasp. Winkler & Co.*  
*Fabrikation de Produits Chimiques, Telescopiques*  
*pour la Construction des Bâtimens*





# Sika is not a stag. Nor is it a fig



Nomen est omen: The name “Sika” is derived from the Italian word “secco,” which means “dry”. That sounds almost too good to be true, but that’s not all there is to the story.

Many roads – and thus many explanations – lead to the name Sika. Explaining the name by way of its chemical derivation is probably easiest. Silicate, for example, contains – in its German translation, Silikat – the two syllables “si” and “ka”. In the early versions of the chemical instructions and their respective patents, it is pointed out that products made by Sika contain a silicate solution. The definition becomes even more precise when the term “silicate” is combined with the common German spelling of the word calcium, which is “Kalzium”. Again, we’ve arrived at Sika. In 1918, Kaspar Winkler explicitly demonstrated the accelerating effect of potassium compounds. Therefore, “silicate” and “Kalium,” which is the German equivalent of “potassium,” also fit the pattern. Some resourceful souls assume that the syllable “ka” in

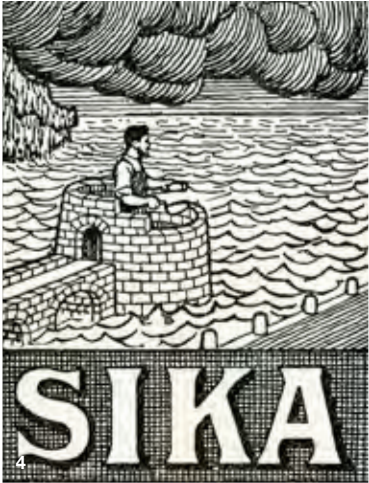


Sika stands for the first syllable of the name Kaspar. However, this hypothesis fails to explain the “si” in Sika.

The names of globally active companies and products available worldwide must be easy to pronounce in (almost) any language and must not lead to false connotations of the term in any of those languages. Since Kaspar Winkler worked for quite some time in Ticino, the Italian-speaking Swiss canton, he should have been aware that Italian-speaking people have a hard time with the letter “k”. Thus, “Sica” might have been a more elegant solution.

This is especially plausible because the term “Sika” has very different meanings in several other languages. The Finnish call their pigs “sika”. The Greek eat “sikas” and enjoy their figs very much. The natives of Sicily were called “Sicans” and the “Sika” were an ethnic group in Indonesia. The sika stag, which long ago immigrated from East Asia, is nowadays a proud resident of every Swiss wildlife park.

No document exists which explains the name “Sika”. The same goes for its logo, the triangle. However, the red and yellow colour scheme seems obvious: Sika-1 is a



yellow paste; Sika-2 a red liquid. In 1973, the colours of the Sika triangle, which are still in use today, were bindingly defined.

Major commercial enterprises often like to adopt the name of a successful product as their actual company name. The present-day Sika logo received its final design in the early 1960s from Romuald Burkard (1925–2004). He was the man who married Kaspar Winkler’s granddaughter in 1953 and later became the head of the company. It was he who paved the way for the corporate design of the company.

From an artistic viewpoint, the logo can be interpreted as follows: the pyramid stands on solid ground. It is an allegory for both longevity and well-protected secrets. It is the guarantee of quality and points beyond its own time. And it also stands for unity and diversity. The yellow text on a red background attracts the attention with emphatic force. The colour red signals both presence and passion, whereas yellow refers to insight and tradition. All in all, it can be said that the Sika logo is consistent with the high expectations that the management of Sika has of itself and its products.

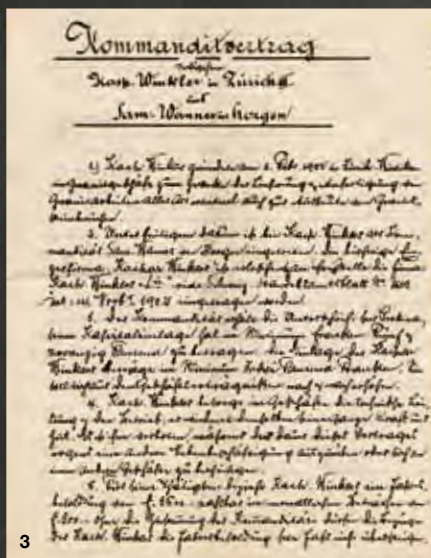
1 In the Peek & Cloppenburg department store in Cologne, Sika provided the structural glass bonding.  
2 The Sika stag, which long ago immigrated from East Asia, is nowadays a proud resident of every Swiss wildlife park.

3 Romuald Burkard, around 1960.  
4 The Sika logo, from around 1910 until 1960. The product trademark “Sika” is symbolized by a pictogram which looks a bit handknitted: a mason working on a fortress-like building, surrounded by standing water under threatening clouds.





2



3



1



During his employment at the Schweizerische Granitwerke, Kaspar Winkler first started experimenting with the development of materials required for construction. He was only a small employee with very modest financial means and very little free time, but what time he had he dedicated to his research. The year 1906 turned out to be a milestone in his biography: for the very first time, he engaged himself in the field of construction chemistry.

34-year-old Kaspar Winkler had very little time on his hands for his experiments and fiddly jobs. He was steadily employed with the Zurich branch of the Schweizerische Granitwerke and a 12-hour work day – especially for someone as dedicated as Winkler – was a normal and regular occurrence. Consequently, he had to work on his experiments in the evenings and at nighttime.

Kaspar Winkler was an inventor who truly put his heart and soul into his work. He was much happier in the laboratory and in his workshop than he ever had been behind a desk. Because he wasn't originally a chemist, he always had trained experts to implement his ideas. And quite a few times he was bamboozled. However, the quality of his work and his products was always much more important to the dedicated inventor than quick financial success could ever be.

At the end of 1907, Winkler applied for several patents. His first eligible projects revealed that his endeavours had much to do with chemistry and very little with construction. He developed a new type of fiberboard which he praised as the new substitute for wood – in terms of resilience, it was supposed to be able to meet the highest standards. He envisioned it being used in the fabrication of refrigerators, in organ building and even in areas such as the casing of urinals.

Whatever he did, however he employed himself, Kaspar Winkler did it with tremendous dedication and always put his heart completely into it. Therefore, his early work must be seen in the light of the dedicated inventor. What he designed late at night and in the early hours of the morning was neither a hobby nor a recreational activity for him – it was an intensive examination of ideas and products. He was a man of action, who always had both feet planted firmly on the ground of reality. He wanted his products to have opportunities in the marketplace later on. But he also had visions. Visions that – at the beginning of the 20<sup>th</sup> century – were not yet ready to be realized.

1 Kaspar Winkler experimenting with new admixtures, around 1930.

2 Undated self-portrait drawn by Kaspar Winkler. Winkler drew only the left half of his face, since he could only see out of one eye. He uses an arrow to point out that he has a glass eye.

3 This is the November 1902 agreement by which Kaspar Winkler formed a limited partnership with Samuel Wanner, the industrialist and member of the National Council.









4

The entry in the commercial register dated 21 November, 1911 (whereby the limited commercial partnership was registered with retroactive effect on 1 November, 1911) proved Winkler’s second founding of a company. Between 1902 and 1905, Kaspar Winkler had already been self-employed. The company he founded back then was named “Kaspar Winkler granite firm,” only to be continued later on as a limited commercial partnership under the name “Kaspar Winkler & Cie”. The business activity lasted for only three years, but the entry for the company was not deleted from the commercial register until 2 March, 1910.

Kaspar Winkler kept on experimenting. By this time, he devoted himself almost exclusively to his construction chemical product additives. He sensed the great potential that the range of Sika products might have. On 2 September, 1911, the first advertisement was published in the “Schweizer Baublatt”. In addition to other products from “Kaspar Winkler & Co.,” the advertisement especially promoted Sika.

**The products had to be made public**

What worked so well in both the workshop and the laboratory in Zurich finally had to have a chance to be used in as many practical applications as possible. In addition to the numerous advertisements – believe it or not, the “Schweizer Baublatt” confirmed an order of 52 advertisements in March 1912 – there was also an intense amount of travel and a diligent dispatch of samples. All of these activities were meant to ensure targeted success. Prominent customers, such as the town master builder of Lucerne, the company of the Schweizerischer Baumeisterverband, Nestlé and the Eternit works, to name but a few, gave him positive feedback and, when times were hard, they provided him with an incentive to continue putting all his eggs in the basket named Sika.



5

**Sika was invented in 1910**  
The notebook was titled “Concept 5”. The series of tests dated between 23 November and 14 December, 1910, recorded in a very careful and neat manner, is numbered consecutively from 131 to 160 and contains documentary records on the product which would later become world-famous under the name of Sika. The consecutive numbering suggests that Winkler started experimenting quite some time before then. Unfortunately, the older notebooks no longer exist. But the surviving notebook proves that Sika was invented in 1910.

1910 is assumed to be the year when Sika was established. In the beginning, however, the company was not yet recorded in the commercial register. The individual enterprise was in the name of its founder and owner, Kaspar Winkler. One year later, in 1911, Winkler recorded “Kaspar Winkler & Co.” in the commercial register. The purpose of this new company was the “fabrication and distribution of chemical-technical building articles”.

Where the road would lead was not yet clear to Kaspar Winkler. There was no way he could possibly anticipate or foresee the ground-breaking success Sika would one day enjoy. Within the company itself, Sika was in competition with many other “bigger things,” as Winkler called his other experiments. The “bigger things,” however, required a lot of money for their further development – money that wasn’t available. Also, in 1911, Winkler was toying with the idea of taking over the representation of a factory quarry. “I have to start looking for a breadbasket,” he wrote to his previous employer, Carl Blattmann.

This was the very beginning of something that nowadays enjoys a worldwide reputation: Sika, in its role as a supplier, dispatches experts as needed to building sites to lend support to building contractors and guarantee the correct use of all Sika products. It has always been and will always remain Sika’s main objective to help customers generate real added value and stay one step ahead of the business competition at all times. A letter from a customer, written during the early years of Sika, states: “Please send Sika immediately, because we have to use it right away.”

1 A ball mill pulverizer for Kaspar Winkler & Co.’s second manufacturing facility at Geerenweg where they had moved to in 1919.

2 This photo was taken between 1911 and 1913. On the right is the house where Kaspar Winkler lived, at Neugasse 99. It was an older house which had been built in 1876. Neugasse, running towards the outskirts of town, towards the rail viaduct, is in the middle of the picture – it was a neighbourhood very close to Zurich’s main railway station that had not yet been overbuilt.

3 Transporting drums between the nearby Altstetten railway station and the Geerenweg factory where the firm had moved to in 1919. Around 1920.

4 Kaspar Winkler’s first patent in 1907 protected a “procedure for the manufacture of a construction component as a substitute for wood and the like”.

5 Kaspar Winkler submitted another patent application to the Kaiserliches Patentamt [Imperial patent office] in Berlin. It protected his “procedure for the manufacture of insulating coatings on heat-resistant materials”.





The electrical operation of the most famous railway line in all of Europe became possible, not least thanks to Sika. While the sealing of all the tunnels was only one part of the immense construction work required, it was certainly one of the most important parts.

In the years between 1918 and 1922, the Swiss Federal Railways (SBB) had 67 tunnels – including 59,000 m<sup>2</sup> of stone vaults – sealed with a mixture of Portland cement grout and Sika on the mountainous section between Lucerne and Chiasso. This project was preceded by extensive experiments in the 15-kilometer long Gotthard Tunnel and the only 353-meter long Dazio Tunnel near Rodi-Fiesso. Winkler & Co. had to grant a five-year warranty of absolute water impermeability. For those trial runs, Winkler was able to bill 2,418 Swiss Francs. It was a respectable individual order coupled with the gratifying result of the railway experts being satisfied.

It must have been damp in the tunnels on the Gotthard route at the end of the 19<sup>th</sup> century. In fact, it must have been really wet. In many places, there were ingresses of water, veritable torrents. Not such a big problem for steam engines. But it's rather easy to imagine how it must have whizzed, hissed and steamed when the cold mountain water of the Gotthard gneiss pelted

down onto the hot kettles of the monsters flying past. It was a thundering noise in a very inhospitable world.

Before Sika appeared on the scene, bigger cracks were sealed with lead wool or tar. In some places, they even suspended protective mats of galvanized sheet metal from the vault's ceilings. Everything was extremely provisional and mostly unsatisfactory. The hot steam from the railway engines quickly put an end to all those experiments.

There was a definite need for action. The impending electrification called for dry tunnels. Electricity and water simply don't mix well together, and there was also the danger of the wires rusting through. Another problem was that, during the winter, the contact lines could freeze over. Thanks to Sika, there was a change for the better.

**Shepherd boy turned entrepreneur**

Starting the company was a tedious business which, to some extent, entailed substantial losses. Because of the exorbitant price increases of raw materials during World War I (1914–1918), these losses increased still further. When the building permit for a “furnace firing device on the tall chimney located in Neugasse, Zurich” was granted, it was truly the harbinger of a better time – a time which, with the SBB job, heralded the final and definite breakthrough into the market. More than 15 years after construction work began on the Gotthard, an internal SBB report certified the fact that the waterproofing done with Sika grout had “not given cause for any substantial complaints”.

With the Gotthard job, Kaspar Winkler & Co. generated a turnover of approximately 450,000 Swiss francs. The sealing of the tunnel on the construction project of the century required about 350 tons of Sika-1, Sika-3 and Sika-4. Those were absolutely enormous figures, the value of which can hardly be correctly estimated and understood nowadays. However, Kaspar Winkler & Co. made the real profit in an entirely different area: this reference project was the breakthrough for his product range as far as all of the experts were concerned.

The company needed new production facilities. The premises in Zurich, Neugasse, were too small. When the city terminated its lease, Winkler seized his opportunity and moved to Altstetten, a Zurich suburb, in October 1919. Since then, Altstetten has been incorporated and has become the biggest city district in Zurich. To this day, it is also the seat of Sika Switzerland. Nowadays, more than 600 people work in Zurich-Altstetten, but at the time of the move there was only the boss, his 19-year-old daughter Klara, two office clerks, 8 workmen and one apprentice. The naturalization documents for the man who was now “vernacularly adapted” showed an annual turnover ranging between 280,000 and 320,000 Swiss francs.

Kaspar Winkler had made it. The Austrian shepherd boy had become a successful entrepreneur.

1 Gallery work for the Oberhasli power stations, around 1942.

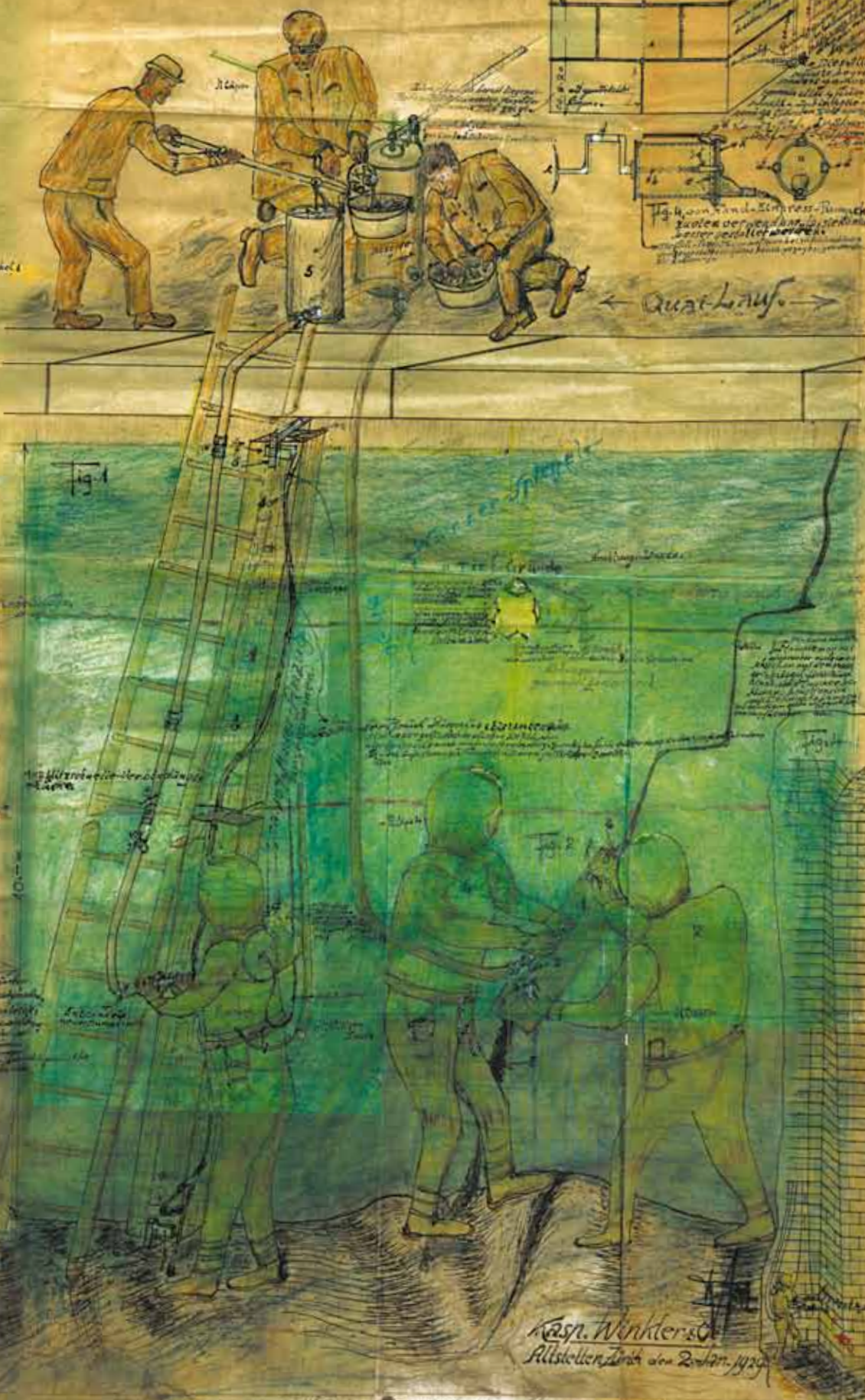
2 The factory company at Geerenweg around 1930. On the left a warehouse built by Kaspar Winkler in 1919, and adjacent to it a lower production section with a chimney. Other production rooms in the long building; on the right the Winkler family's residential building.

3 The personnel at Geerenweg, circa 1920.



Siehe Nr. 155 zur Injektierung von 100  
völlig frischen Lungen, die ausgetrocknet  
sind, die im Quader Steinmauerwerk  
des der Niederlage eines in Brille über  
den Thronse. Des Wasser-Tafel ist 10 m.

49.3



Kasp. Winkler & Co.  
Altstetten Zürich den 2. Jan. 1829

**1** *second* = 1/1000

[illegible]

Die stark kühle Lunge war sehr hart und, kaum  
komme der Ort, dem Pol in der Luft, dann ist es  
in der Luft, die in der Luft ist, die in der Luft ist.



For an innovative entrepreneur, Switzerland is a small country – then and now. Sika's great successes on the Gotthard project raised justified hopes for marketing the product internationally as well. Four attempts at a good start abroad were made: starting in Durmersheim, the story of Winkler's success abroad continued in London, Milan and Paris.

The beginning of all his activities abroad was marked by the attempt to sell licenses with the aid of an agent named Heinrich Treichler, whose job was to sell the entire range of Sika formulas abroad. Apart from Sika, there were all of the other products, such as Conservado, Purigo, Igas, Igol, Plenigo, Servas and Antifrostro. Whoever wanted to produce and sell these products in France had to pay at least 150,000 Swiss Francs. The price for the British market was 350,000, Italy or Germany could be had for 70,000 Swiss Francs. The going price for the Iberian Peninsula was also 70,000 as well. Winkler, or rather Treichler, offered the complete package en bloc for 600,000 Swiss Francs.

## First attempt: a waste of time and effort

Things slipped into gear, but slowly. Even though Treichler had been promised a 30% commission and thus should have been highly motivated, nothing happened. Not a single license was sold. The expansion of possible fabrication rights into North and South America also fell flat. Heinrich Treichler had no luck whatsoever in any of his dealings for the company and not a single deal resulted from this collaboration. The contract between Winkler and Treichler expired in October 1920.

Kaspar Winkler decided to take the matter of the international marketing of his products into his own hands. Thanks to a contract with the company of the brothers Sulzer in Winterthur, Winkler was already shipping some of his products to Egypt. The amounts were small and hardly worth mentioning. For larger volumes, a separate local production facility in the country in question was mandatory – but also easier said than done.

First, the products had to be documented perfectly. This meant that formulas were required – formulas that stated the exact composition of the individual product. 32-year-old chemist Thomas A. Shann, who joined the company in 1920, was just the man for the job. Thanks to him, the existing products were analyzed, recorded and defined for the first time. He determined the manufacturing processes and worked tirelessly to find new ways to simplify and improve those processes. Thomas A. Shann stayed with the company until his retirement in 1955.

## Second attempt: Show me the way to Durmersheim

Durmersheim is located in southern Germany, some 260 kilometers from Zurich. Back then, it could easily be reached either by train or by the increasingly common automobile. All it took was one workday's travel time and you were there. On site was a decrepit factory – the one Kaspar Winkler bought in the summer of 1921. The geographical proximity to Switzerland, the German market, which was ten times bigger than Switzerland, and – last but not least – the common language, were all factors that tempted many Swiss companies to make the leap across the River Rhine.

Moving on to pastures new seemed to be exactly what Kaspar Winkler needed at that time, especially since he had just suffered a severe loss. In February 1921, his wife Klara died. But now he seemed full of energy and was well aware of how urgent and important it was to finally gain a foothold abroad. For his activities in Germany, he founded "Kaspar Winkler & Co. GmbH". Paul Kremser, the German chemist who had been working for him ever since 1911, took over the management of this first foreign subsidiary. Managerial capabilities were what was needed. Kremser didn't have them, and Winkler was very discontented. As his personal notes showed, he himself had to work nearly day and night in Durmersheim. It was just too much for him, and he had to start looking for a solution. Look around he did, and what he found was a completely pragmatic and – especially for that time – revolutionary solution: he sent his daughter to Durmersheim. She was to take over the commercial management of German subsidiary.

Kaspar Winkler paid no attention to the current role allocation. He acted progressively. His daughter Klara left Zurich en route for Durmersheim at the end of February 1923. She had completed her commercial apprenticeship and gathered considerable hands-on experience in her prior position as the authorized representative of the Swiss Kaspar Winkler & Co. She was therefore confident that she could handle the job. Klara Winkler negotiated business deals herself, showing a great amount of personal responsibility in her dealings with

1 In this 1929 drawing, Kaspar Winkler records the principle by which cracks and fractures in the masonry of quays should be waterproofed, down as far as ten metres below the water level.

**A curiosity on the side:** Kaspar Winkler waited a very long time before he had Sika patented. Germany was first in 1918, and Switzerland finally followed three years later in 1921. The existing documents give no clue as to his reasons, which are especially mysterious in view of the experience he had gathered on the subject of submitting and applying for a patent.



**Tunneldichtung**

Generalvertretung  
Württemberg u. Hohenzollern

Jng.







ika

ng, Sikaverfahren  
Büro O. Moegling Stuttgart  
Calwerstr. 54  
Telefon 29124

2 Waterproofing a tunnel in Stuttgart, 1930. The job site black-board points proudly to the "Sika Procedure".









customers. She was also often present at construction sites. Just imagine: In the year 1923, there was a young Swiss woman wearing a long skirt and a broad-brimmed hat on a construction site in Germany. In this harsh world, governed by men, she acted in a confident and competent manner. This caused quite a stir.

Klara Winkler worked hard, and she did what she could. That was certainly a lot. But to build up a new company in a foreign country under the most difficult of circumstances and to position that company in the market required some qualities that Kaspar Winkler's daughter simply didn't possess. The company became dependent on a bank from Karlsruhe. The bottom line was this: the first few years abroad were very difficult for Kaspar Winkler & Co.

**Third attempt: from Durmersheim to London, Milan and Paris**

Nowadays, Sika has 72 subsidiaries and more than 12,000 employees worldwide. High-quality Sika products, such as concrete admixtures, specialty mortars, sealing materials, adhesives, insulating and reinforcing materials, systems for struc-

tural reinforcement, industrial flooring, as well as sealing systems for roofing and buildings, are sold worldwide, and there is virtually no country in which they are not used.

Who knows, maybe Winkler dreamed about this kind of expansion with all of its possibilities? But if he finally and fundamentally wanted to gain a foothold abroad, he had to act. He knew one thing for certain: he needed a manager with international experience. A competent and equally eloquent negotiator and strategist. Winkler came upon Wey: a not entirely happy encounter.

Jost Wey was a building engineer from Eastern Switzerland, a shrewd man who instantly realized the incredible market potential of all of the Sika products. But he wasn't happy just to be an employee – he wanted to be a partner. He gave the company a loan in the amount of 30,000 Swiss Francs, and from that day on he received a share of the profits.

After the attempts at selling licences and the father-daughter story in Durmersheim, the third attempt abroad finally began to succeed when Wey joined the company. He laid the foundations for subsidiaries in London, Milan and Paris. The booming economy of the late 20s brought with it many orders and, along with the orders, money started flowing into the accounts. Wey, who participated in the profits, had all of the skills of a managing director and was rewarded handsomely with an annual salary of 20,000 Swiss Francs.

Kaspar Winkler needed Jost Wey. He counted on him and placed a great deal of trust in his "international boss". Without him, he could never have established his representations in all of those countries. But Wey entangled Kaspar Winkler in such a terribly complicated and elaborate contract that, in 1932, the company had to be divided with the help of a decree from an arbitration court. It took all of 41 years until, in 1973, the division could be revoked with the purchase of the trademark rights in Germany.

3 In July of 1926, Kaspar Winkler (third from the right) flies from Frankfurt to London with an escort to negotiate the founding of Sika Ltd.

4 The factory building in Durmersheim near Karlsruhe, Baden-Württemberg, bought in 1921.

5 The chemist Thomas A. Shann headed the Kaspar Winkler & Co. laboratory from 1921 until his retirement in 1956. Picture from 1942.

6 Klara Winkler with a group of employees, in front of the factory on Geerenweg, 1929.







**Fourth attempt: “May I introduce my chauffeur?”**

When it came down to it, the chauffeur wasn’t really a chauffeur. His name was Fritz Schenker, and he was Kaspar Winkler’s future son-in-law. On 1 May, 1928, Schenker joined the company, and from that day on, he had to drive his boss – who didn’t know how to drive – repeatedly to the different construction sites. On 20 August of the same year, Schenker married the boss’s daughter. After the wedding, Winkler stopped making the joke about the chauffeur and instead proudly introduced him as his son-in-law. And rightly so – the highly qualified Schenker, who had a degree in chemistry from ETH Zurich, immediately realized that Wey repeatedly and continuously cheated his father-in-law, who was not adept in commercial matters. Fritz Schenker was convinced of what he later put down in writing: “Had those contracts been kept, Kaspar Winkler would not have had much of a say any more in his own company.”

The dichotomy of the trademark rights had drastic consequences for the Sika group. It severely hampered its development. The

lengthy trial, which was often fought with no holds barred, was eventually settled out of court, but it was nerve-wracking and put a terrible strain on Winkler and his family. In the course of this dispute, Kaspar Winkler retired from the operating business in 1932. The management of the company was now completely in the hands of his son-in-law, Fritz Schenker. But Winkler remained the proprietor of the company. It was not until 17 years later, 2 years before he died, that Kaspar Winkler (now 77 years old) signed over the company to Schenker.

The foundation of a stock corporation never seemed opportune – not even in the earlier years. But they eventually came to like the idea of a holding company for the foreign subsidiaries. On 2 June, 1930, the holding company of the Winkler group was entered in the commercial register of Glarus under the name “Sika Holding AG”. The Swiss canton of Glarus was chosen for purely fiscal reasons. The administrative board continued to meet in Zurich.

Economic crisis or not – Fritz Schenker kept pushing ahead with his foreign expansion. In the 30s, he opened several new branches: a sales office in Spain in 1931, a subsidiary in Japan in 1932, representations in Poland and Czechoslovakia in 1933. Anton von Salis, one of Fritz Schenker’s friends, founded the company Montana in Brazil and used it as a base for selling Sika products, thus creating an existence for himself. The close collaboration with Montana, which lasted until the mid-80s, was the foundation of a strong Sika presence in the whole of the South American continent.

What followed was the foundation of the Austrian Kaspar Winkler & Co. in 1934, located in Vorarlberg. The company had its own production facilities. In 1936, a production company was successfully implemented in the United States of America. In 1938, the company was able to gain a foothold in Buenos Aires. Shortly before the outbreak of World War II, Sika was represented by its own subsidiaries in Europe, North and South America and even in Asia.

7 Workers use Sika and Igas sealant to waterproof the passageway to an elevator shaft in the London subway’s “Monument Station”. Circa 1930.

8 Laboratory and research, 1942.

9 Fritz Schenker in his office; on the wall is a self-portrait drawn by his father-in-law Kaspar Winkler. Picture from 1942.

10 Hans Welti, the first apprentice at Kaspar Winkler & Co., operates the central crank telephone. The switches on the wooden box beneath the apparatus allow calls to be transferred.







# Sika holds the fort: a profitable retreat amid the turmoil of war



The outbreak of war in the early hours of dawn on 1 September, 1939 instantaneously caused the greatest difficulties for all of Sika's subsidiaries. Most were located in countries involved in the war – be they Axis Powers or Allied Forces. Communications with the parent company collapsed immediately. War cast its terrible spell on Europe and the economy almost came to a standstill.

It's a known historical fact that neutral Switzerland suffered much less from the horrors of World War II than other European countries. Still, the mobilization took many good and important men away from home to guard the border. Among them was Captain Fritz Schenker, the Sika boss himself. However, after the turmoil of the first few months of the war, Kaspar Winkler & Co. was able to profit from a booming wartime economy.

During the course of the war, the Swiss Alpine region was converted into one big fort, the so-called "Réduit National". In the event of the midland region being lost, neutrality would have been defended high up in the rocky mountain valleys. A plan of such magnitude required fortifications and protected, fortified places for their cannons, which not only had to offer resistance to the enemy, but also to the forces of nature – especially water. Sealing products from the Sika range were used in large quantities for constructing forts.

A lot of Plastiment was used, a product that had become more important – almost as important as Sika – ever since its introduction in 1934. Plastiment liquefies concrete. It renders it more impervious to water and more fracture-resistant. These wonderful and completely unique qualities of Plastiment had already been proven in the construction of the Beni-Bahdel dam in Algeria. The Swiss Army considered this product from Kaspar Winkler & Co. to be the best that money could buy.

Barrages and hydroelectric power plants were also required – many more than existed at the time. Switzerland was threatened by a dramatic shortage of energy after coal imports petered out. At that point in time, it was important to promote electricity and become independent in terms of supply.

Like so many times before, Fritz Schenker – accompanied by his wife Klara and daughter Franziska – took it upon himself to visit the sites in order to promote his products. The managers of the construction site of the Oberhasli power plants in the Bernese Oberland, for example, were so enthused about both the product and the family that the Schenkers were able to take the train back to Zurich with a major contract in their pockets.

- 1 The observatory at the Sphinx summit has an elevator shaft and a tunnel system connecting it to the other buildings on the Jungfrauoch. It was built between 1936 and 1938 with Sika quality and strength enhancing products.

2 Using the Oberhasli process to waterproof the Innertkirchen inlet tunnel 1941/42. The labourers captured the penetrating water in rubber tubes and sealed a large area around them with Sika-4a plaster. Finally, they removed the rubber tubes and pressed concrete into the cavities.
- 3 The concrete dam Beni-Bahdel in Algeria was a prestige project for Sika in the late 1930s. The dam was built in slightly aggressive water and was constructed with Plastiment concrete.

4 Concrete mixer on the job site of a machine-gun bunker in Baden-Dättwil, mid-winter 1939/40. Work had to stop at temperatures below minus 20 degrees.

5 Office scene at Kaspar Winkler & Co. in Zurich-Altstetten, 1942.

6 Plastiment was the ideal product for large concrete structures. 1930s Plastiment advertising brochure for building concrete dams.









Sika under water – a diver uses Sika-4a during the refurbishment of the Peggau power station in Austria, circa 1960.









Kaspar Winkler & Co. increased its product sales dramatically from 485,000 in 1939 to 1.5 million Swiss francs in 1942. The average product price spiraled upwards by about 50 percent (and for Sika, the main product, an increase of 86% was recorded), which was mainly due to the dramatic increase in the price of raw materials during the war.

Apart from the construction of forts and power plants in Switzerland, another factor involved in the vast increase in turnover were the orders coming in from renowned companies such as Georg Fischer AG, Landis & Gyr or Migros – to name but a few. A far-sighted financial policy, however, deliberately prevented profits from rising sky high. Provisions for possible losses were made in case of money ceasing to come in from sinking countries like Poland, Czechoslovakia or the formerly republican Spain.

Even during the war years, Kaspar Winkler & Co. proved to be an innovative company. The war was terrible. But even afterwards, the belief in a better world was undaunted. In 1940, the roofing paper department “Befa” (bituminous elastic surface sealing) was established. In 1941, a second truck, type “Berna,” complete with the logo of Kaspar Winkler & Co., could be seen driving all over the Swiss country roads. In 1942 followed the acquisition of land at Tüffenwies, Zurich, which still remains the location of the headquarters of Sika Switzerland.

At Tüffenwies, Zurich, was a company that manufactured perfumes. Not a bad pre-existing infrastructure for the new owner. The purchase of the property was an important step. With the renovation of the new premises and the relocation, the course for further growth was set.

### Sika kneaded with a dough mixer

Hard to imagine, but true: they were still producing like in a very small business enterprise. The bitumen had to be transported to the first floor in an elevator to be kneaded with the aid of a dough mixer – inconvenient, laborious and not very efficient. Still, they were very successful even in hard times: sales into the Third Reich increased. In 1942, 92 tons of Sika found their way across the River Rhine. In 1943, this rose to 125 tons. In the same year, 177 tons of Sika were sold in Switzerland.

The boom of the war years slowly receded. In addition, repair and maintenance costs rose, thus plunging the company into a deficit of 12,000 Swiss francs in 1944. The relocation of Plastiment production from Geerenweg to Tüffenwies also took place during fiscal year 1944. All of the financially promising and trend-setting products were now being manufactured under the same roof. However, Sika employees kept walking in and out of “Geerenweg” until the year 2007. In 2008 though, the buildings were demolished by their new owner.

- 1 A bird's-eye view of the property purchased on Tüffenwies in 1942.
- 2 The production of putty around 1942. The putty was kneaded by a Werner & Pfleiderer company machine, which was used by bakeries to prepare dough. This is how putty was made until 1962.
- 3 In 1942 Kaspar Winkler & Co. bought a Tempo four-wheel flatbed truck. The picture shows roofing felt being loaded. The wood in the foreground is for firing the bitumen ovens.







# Friend and foe alike – everyone relies on Sika products



World War II created a lot of turnover, but very little profits. Procurement of raw materials was difficult and dictated prices lowered the trading results. Sika products were being used for the construction of strategically important buildings at home and abroad.

Even with only a small amount of cement additive, Plastiment delivered superb quality concrete and, because of that, it was in high demand. The use of Plastiment allowed savings in the use of cement while still allowing the production of pumpable, high-quality concrete with the additional benefit of higher density.

Due to strong demand, the Austrian Plastiment Ges.m.b.H. company set up a branch in Malsch near Karlsruhe, Germany, during the war. By 1942, Sika owned two factories in the Third Reich – one located in the Austrian village of Bings, Vorarlberg, and the other in the German village of Malsch, Baden. During the peak years of 1942 and 1943, both factories produced no less than 500 tons of Plastiment per month. In comparison, only 293 tons were produced in Zurich-Altstetten during the entire year 1942.

When the demand for Plastiment in the Third Reich could no longer be met, the French subsidiary Akis S.A. was able to assist. Akis S.A. was substantially involved in the greatest construction project of the war, the Atlantic Wall. With the aid of Plastiment, the bunkers on the Atlantic and the Channel coast were concreted and Sika sealed aircraft hangars, fuel reservoirs and fortress tunnels. On the Allied side, the British Sika companies operated at full strength. At McCloskey & Company in the U.S. city of Tampa, 24 freight ships fit for the high seas were manufactured. Because of the shortage of steel, their hulls were cast from sheathed Plastiment concrete – an absolute novelty in shipbuilding.

What sounds like a great profit was by no means the case. The extremely high prices of raw materials, the difficulties in procuring those materials, the sales prices that were determined by the government and the high taxation of war profits put a large dent in the overall consolidated results. Fritz Schenker stated in the annual report that the foreign subsidiaries were being controlled by the respective governments. In 1943, the subsidiary in Japan was liquidated under pressure from the Japanese

government. Its managing director, Markus Weidenmann, was marooned there until the end of the war.

The war was coming to an end and the Sika managers were struggling with anxiety about the future. Fritz Schenker was pessimistic about the future of the European subsidiaries. For that reason, the Board of Directors of Sika Holding instructed its subsidiaries to stock up on raw materials. Tangible assets devalued not nearly as quickly as money and could even – in the event that a shortage should occur – gain value. With the aid of well-stocked warehouses and properly functioning factories, Sika wanted to make a fresh start after the war.

The reconstruction of Europe was a long time in coming. Business as usual was simply not possible yet in the war-ravaged countries. The main problem for Sika was that the main holding company was unable to provide its subsidiaries with sufficient financial means to resume their commercial activities. In 1948, the tide turned and things got better. The financial aid provided under the Marshall Plan facilitated reconstruction and revived the building industry from its slumber. Europe awoke from the trauma of war.

1 A Liberty Ship under construction. The hull was made of reinforced concrete. The American Sika Company used Plastiment as an admixture, which thus contributed to Allied armaments, in a brand-new branch of Sika activity – shipbuilding.

2 Kaspar Winkler with his second wife Alice, née Sticher, around 1945.

3 Open-air production of roofing felt – Sika Ltd. founded in Chile in 1942.

4 The concrete ship David O. Saylor. During the Normandy landing in 1944, the US Navy allowed this concrete ship, built with Plastiment, to run aground on Omaha Beach. There it served as jetty for an artificial port to bring supplies to the Allied troops after the landing.

5 The inside of the German Museum's tower in Munich was waterproofed with Sika in the 1920s.

6 Sika Austria at Bludenz-Bings, 1945.





“Cement, Sika, clinker, zinc, glass wool, Eternit – that’s the vocabulary of my calligraphy.”

MAX FRISCH (1911–1991),  
ARCHITECT AND AUTHOR

What Max Frisch wrote – when the war was still raging – could only be conceived as the hopeful announcement of a speedy return to normality. The fact that an architect – and a critical contemporary to boot – mentioned Sika in the same breath as cement, clinker, zinc, glass wool and Eternit, proves how strongly the name, the trademark and the product were anchored in the building industry and among experts. The name Sika had become an indispensable term.

The war was finally over. From its detritus, new life emerged. The reconstruction progressed quickly. The German economic miracle was not long in coming: soon Sika factories reached their limits in terms of production capacity and had to expand. Turnover rose. Sika started expanding on all continents. One subsidiary after another was founded. Sika regained foreign markets that had been lost during the war. New countries were added to the Sika map. It soon became evident that a widely based geographic diversification dramatically reduced the risk for the whole group.

The establishment of Sika start-ups always followed the same pattern: the new subsidiaries sold imported products. Once the products were established in the local market, the sales outlets evolved into production facilities. But Sika not only expanded abroad – new subsidiaries were also established in Lausanne (1944), Berne (1954) and St. Gallen (1957).

The economic recovery that began in the late 40s was to last for nearly two decades in many European countries. The entire building industry experienced amazingly high rates of growth. Sika was well represented in high-volume European infrastructure projects. “Fro-Be” and “Frioplast” were used in the construction of dams. They created frost-resistant air-entrained concrete and were therefore ideal for the rough mountain world.

In 1953, elastic joint strips that guaranteed frictional connections of construction joints on concrete structures were added to the range of products. In the 50s, the production of roofing paper, which had been manufactured in Zurich ever since the war, achieved a profitable turnover.

## The lethargy of the economic boom

With the building boom came the competitors. Many of them. Some were more reputable, others less. In any case, they were aggressive competitors who lured customers with rock-bottom prices. Fritz Schenker, president and Board of Directors delegate of Sika Holding AG, recognized that the economic boom was not merely a blessing. In the annual report of 1956/57, he wrote: “The boom also has its downsides. [...] Today, we have almost reached the conclusion that it would be good for the economy if the boom subsided back to a normal level, [...] which would then separate the wheat from the chaff.” But the thunderstorm which would have a purifying effect failed to appear. The chaff was to remain on the market for quite some time to come.

When, in the course of the 50s, a strong European Single Market was formed, Sika, which generated a great portion of its turnover in Western Europe at the time, did not recognize this as a chance but rather as a threat. Fritz Schenker was afraid of streamlined major corporations. Sika produced mostly locally and in smaller production facilities. But Romuald Burkard saw a particular strength in the independent Sika companies, which he thought should not be squandered or risked hastily. “There are local differences in the building industry which should be respected.” The independent production for a limited local market, so he said, is a service to the customer and therefore essential. Thus he defended Sika’s strategy up to that time.

The company trailed along complacently in the wake of the economic boom, resting on its laurels. There was no progress in the areas of research and product development. The market required nothing new. What had been tried and tested before still worked perfectly well. Work in the laboratories of Kaspar Winkler & Co. in Zurich-Altstetten came to a standstill. But that was the place where all research for the entire group was being done, and exactly where it should be done. They were satisfied with adaptations and small modifications. Sika almost missed out on the new synthetic resin technology – it was a close call.

1 The factory built by the Vorarlberg Sika subsidiary during the Second World War in Malsch near Karlsruhe. Picture from the 1950s.

2 The Aussois concrete dam in France, built with Frioplast between 1949 and 1950.









“Powerful corporations, ten to a hundred times as big as Sika, are now active in the construction chemistry and additive chemistry sectors, thus weighing heavily on the future prospects of our company, especially due to their greater scope for action.”

DR. FRITZ SCHENKER, PRESIDENT AND BOARD OF DIRECTORS DELEGATE OF SIKA HOLDING AG. QUOTE FROM THE ANNUAL REPORT 1959/60

Sika was lagging behind its competitors. Especially in the area of research, which had always been the company’s pride and joy, Sika was simply not up-to-date any more. With just a few jackets and test tubes, some containers for mixing, as well as several bunsen burners like those used in the 30s and 40s, no research deserving of its name was possible. In addition to that, there were personal quarrels within the company. Romuald Burkard, who had a great interest in chemistry and could often be found in the laboratories, wrote in a blunt and succinct manner: “[...] the laboratory is the biggest trouble spot and the one place harbouring the greatest discontentment within Kaspar Winkler & Co.” In the early 60s, the only significant innovation was the concrete additive “Friolite”.

Romuald Burkard’s analysis struck everyone like a lightning bolt. Afterwards, nothing remained the same in the research department. The entire department was completely remodeled and restructured. New and more competent personnel worked in the different laboratories. Better equipment was used. A new laboratory, solely dedicated to synthetic materials, was set up. Within a short time, the research department was thoroughly modernized and enlarged to five times its original size. It was extremely important to make up for lost time in the new area of synthetic resin technology.

In the course of its own company history, Sika had proven time and again that it was able to cope, even in difficult situations. In only two years, Sika caught up with its competitors. More than that – after the successful production of synthetic resins, Sika delved into the field of fermentation. With the aid of this biochemical process, organic acids can be produced. The setting retarders developed from that process, such as “Plastiment RD” (RD stands for retarder), were successfully used in the prevention of construction joints. The fermentation plant, located at Tüffenwies,

Zurich, soon became one of the biggest and most modern of its kind in Europe.

Its own production of synthetic resins, as well as fermentation, changed Sika into a veritable chemical company. No longer did it simply mix together purchased substances – now it made its own intermediate products. Sika became more independent from the truly big players in the industry, and was even able to pressure them into supplying at cheaper prices. The spirit of innovation even changed production methods: until 1963, batches of the pasty sealant Sika-1 were mixed together in tubs, just like in the times of Kaspar Winkler. Productivity was dramatically increased with the newly introduced “continuous process technology”.

Thanks to the intensive promotion of research and production technology, those powerful corporations which were “ten to a hundred times as big as Sika,” no longer posed a threat. Sika was once again able to keep its overpowering competitors at bay.

1 Brazilian Sika laboratory in Rio de Janeiro around 1959.

2 Fritz Schenker (third from right) on a visit in Santiago de Chile, October 1959. Second from right: Alfons Vieli, who set out with 20,000 dollars in cash to found Sika Chile in 1942.

3 The factory of the Japanese Sika subsidiary re-established in 1953 in Totsuka near Yokohama; picture from the late 1950s.

4 Fritz Schenker (second from left) on the construction site of the Kyushu Electric Power Co.’s Hitotsuse dam in Japan, 1963.





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# Halftime and no end in sight: Sika turns 50



What had begun in a cheaply leased building (rented for 1,600 Swiss francs) in Zurich in the year 1910, was – when 1960 came along – in better shape than ever before. 27 companies with 16 factories and 65 general agencies in many different parts of the world were united under the name Sika. In the company headquarters of Kaspar Winkler & Co. in Zurich-Altstetten, 350 people were employed. The net proceeds of the entire Sika group amounted to roughly 50 million Swiss francs. The 50<sup>th</sup> anniversary took place in times of economic boom.

The atmosphere in the 60s was similar to a gold rush. Everything seemed possible. Activity in the building industry – in all the countries where Sika was represented – was absolutely marvelous. There was a definite upward trend.

Things were moving inside the company – and right at the top – as well: Fritz Schenker, the son-in-law of Kaspar Winkler, the original founder of the company, retired from the operating management of the company to make room for his son-in-law, Romuald Burkard. The sons-in-law were the ones who had to take over responsibility for the company. The role model back

then – as far as men and women were concerned – made it impossible for the daughters of both Fritz Schenker and Romuald Burkard (neither one of them ever had a son) to take over the company. On 1 January, 1962, the company headquarters was renamed to “Kaspar Winkler & Co. Proprietor Dr. F. A. Schenker-Winkler and Dr. R. Burkard-Schenker.”

Under the aegis of Burkard, new factories were built in Mexico (1963) and Norway (1968). The Canadian Sika subsidiary built its first factory in Pointe-Claire in 1967 and was awarded the status of a production company. In 1964, Kaspar Winkler & Co. transferred its executive department to a company of its own named Sika Bau AG. The new subsidiary had a perfect start and enjoyed an unexpected boom.

Sika Bau AG had two main tasks. First, to correctly use all existing Sika products on the building sites. Second, it assumed the role of something like a checkpoint within the corporation, a checkpoint for new products and technologies. Another role was as an advisor for all Sika companies abroad and, last but not least, the training of employees. Executives who joined the company were sent to the building sites of Sika Bau to learn the correct use of mortar

admixtures and joint strips on site. The motto was “learning by doing”. Product knowledge was an absolute must for every executive.

Following the Swiss example, many building construction companies abroad came into existence: in Karlsruhe, Germany, it was Plastiment-Isolierbau GmbH, in Vienna, Austria, Sika-Isolierbau GmbH, in Milan, Italy, Sika-Costruzioni S.p.A., in Apeldoorn, Holland, Binda-Bouw, in London, UK, Sika-Contracts Ltd., in Brussels, Belgium, Sika Contracts S.A. and in Madrid, Spain, Sika-Trabajos. The intention was clear: Sika wanted to profit from the economic boom, not just within Switzerland, but also internationally.

All of the building construction companies together generated a turnover of 42 million Swiss francs in 1967. Half of it went to Sika Bau AG, Zurich. In comparison, the company headquarters had a turnover of 52 million Swiss francs at that time. The significance of building construction was enormous in the 60s.

1 A container of ready-to-use Sika in Western Switzerland, in the mid-1950s. With these containers, the master builders came to the Lausanne branch to have them refilled with Sika-4a.

2 In Algeria, Sika had its first base on the African continent in 1947.

3 The shipping and receiving foreman gluing Sika labels on a metal container. Around 1942.

4 Karl Werner in his material test laboratory.







The 60s were eventful years. A change of values loomed ahead. Traditions were being questioned, restless youth was taking to the streets. Europe was in a state of upheaval. Sika reached its limits.

In 1965, “Sika International” was founded in Zurich. It was intended to serve as a central administrative body with the purpose of improving both the management and control of the subsidiaries, but its main objective was to streamline their organization. The headquarters just did not have the required infrastructure to deal professionally and efficiently with the different tasks that continuously kept increasing in number. The sales, production and research departments were newly organized. But, as always, international and Swiss business tasks were strictly kept separated.

Sika became more international. However, in the mid-60s, important things also happened in the village of Dürdingen in the Swiss canton of Fribourg. Sika bought more than 100,000 m<sup>2</sup> of land in 1965. The plan was to build a new factory to be operated under the name “Sika Norm AG”. The old company headquarters at Tüffenwies in Zurich – despite many alterations and enlargements – was bursting at the seams. But Sika needed space. Space for the manufacturing of new products such as sealing sheets made from butyl, hypalon and PVC, foam insulation boards made from polyurethane and polystyrene, fiberglass-reinforced corrugated polyester boards and joint strips made from PVC. On 1 May, 1968, production at the new factory began.

The new factory in Dürdingen was barely built and operating when the leading executives of the company already started looking ahead again, planning the next major growth surge. Critical voices, however, especially that of Fritz Schenker, wanted to consolidate the prior achievements first before planning and realizing further investments. “Would it be a good idea to take a breather?”, the managing director of Sika Norm, Jean-Claude Reymond, asked in the May issue of the in-house journal in 1968, only to answer his own question: “No – the train to the future will leave with or without us. It is for us to decide whether we board this train on time or whether we want to chase after it, risking to be run over by the wheels of time – or rather, the wheels of technical development, in a belated attempt at chasing this train to the future.” The company management reacted – at the suggestion of Romuald Burkard – in a highly pragmatic way to this rather flowery explanation from Reymond and, due to the lack of equity capital, founded “Sika Finanz AG” on 14 May, 1968, with a share capital of 30 million Swiss francs. The traditional family monopoly was dropped in favour of foreign investors.



1 During the inspection an employee presents and measures insulation panels manufactured in Dürdingen. The initial production, however, went anything but smoothly.

2 The personnel was inventive not only when building new machines, but also in regard to their use. The makers of roofing felt discovered that provided it was first wrapped in multiple layers of wax and packing paper and securely lashed, hambone could be heated in hot bitumen at 180 de-

grees. The result was a wonderfully succulent and smoky-tasting bitumen ham, which was often served at company festivities, here at the 1968 opening of Sika Norm in Dürdingen.

3 Romuald Burkard and Fritz Schenker at the opening of the factory in Dürdingen, 1968.

4 Fritz Schenker inspects the new Sika Norm factory in Dürdingen on the occasion of the opening ceremony on the 14th of June 1968.





**Sikanlex-1a**

### The price of expansion

The flip side of the coin revealed itself all too soon. Rapid expansion came at a price. Sika had great expectations of Sika Norm. The novel synthetic products were meant to rejuvenate the product line, while at the same time strengthening the position of the company in the market segment of “standard parts for the building industry”. Instead of the anticipated great returns, however, Sika Norm was operating in the red. But that was not the only misfortune to befall the company: after an economic boom that had lasted many years, building activity now declined dramatically. The entire corporation seemed rattled. Employees lost trust in the company. Sika Finanz AG, the holding company of all the struggling subsidiaries, fell into great difficulties.

These hard times coincided with Fritz Schenker’s illness. He – a man with such a purposeful manner combined with an enormous amount of expert knowledge – might have been able to intervene early on to set things right. His appearance as head of the company would certainly have boosted staff morale. This way, the company had to do without him. When he died two years later, on 8 May, 1971, an employee wrote: “In Dr. Schenker, I have lost someone whom I have regarded in a way as a loving father.”

The downward trend, however, continued. The specter of bankruptcy was looming around the corner. Kurt Furgler, a member of the Board of Directors and later Federal Councillor, ultimately claimed: “Sika has to adopt measures immediately!” Managing Director Burkard complained: “The management has not been properly informed by the lower departments. Because of this, we held onto the expansion strategy too long and with too much optimism.”

With the building of Sika Norm and the purchase of CTW (Chemisch-Technische Werke AG) at Muttensz in May 1968 for 8 million Swiss francs, they had bitten off a bit more than they could chew. The group, which was still run as a “one-man show,” plunged into a deep financial and structural crisis.

The fact that Sika found a way out of the crisis, was able to position itself anew in the market, and look ahead to the new decade with justified hope of better times, was owed largely to the work of the “Research and Development” department. In the crazy year of 1968, the research scientists introduced Sikaflex to the market. Sikaflex was an adhesive as well as a sealant, developed for the building industry. But it soon became clear that it was a very versatile product. The gigantic potential of this groundbreaking new product which was Sikaflex developed slowly but surely.









Aerial view Tüffenwies, Zurich.









It happened on a Wednesday. On 28 July, 1971, the owner family converted Kaspar Winkler & Co. into a corporation – this was the birth of the “Sika AG”. The old name was deleted. The corporation was restructured: from then on, all matters of organization, financing, leadership and accounting were clarified.

It was like a thunderstorm out of a clear blue sky. The crisis of Sika Finanz AG, the ghost of bankruptcy, hit the company with full force. Drastic measures, as well as the restructuring of the company, were inevitable. The members of the Executive Board learned the right lessons from the crisis. Old trodden paths were left. Sika changed into a rationally organized group with modern structures, centralized company management and a uniform accounting system. In the midst of the big crisis – at the beginning of the 70s – an era came to a close. The era of the owner-managed company Sika.

After the death of the long-time Chairman of the Board, Fritz Schenker, in 1971, and under the pressure and influence of the

bank (which was newly represented on the Board of Directors), managing director Romuald Burkard also wanted to take a step back. He retired from the operating business and moved to Sika Finanz AG as Chairman of the Board.

Romuald Burkard nominated Hannes Goetz as his successor. With the 60-year-old chemist, who had headed the research and development department until then, an executive who did not belong to the owner family took over responsibility for the company for the first time. And Goetz was just the man for the job at hand. He navigated the group back into calmer waters. Profitability improved quickly, and the trust of the banks returned. All of this was more than necessary. The next crisis was already knocking on the door.

**The year of probation**

In 1973, the Arab oil-producing countries throttled the production of oil and imposed restrictions on exports. Oil prices multiplied immediately. The situation was aggravated by other factors as well. The economic boom of the 60s continued to have an effect and overheating of demand could be observed within the economy. The economic environment deteriorated.

Increasing unemployment rates, shrinking income and the resulting reduction in spending power did the rest. The recession of the years 1974 and 1975 hit the construction industry with full force. The construction volume in Switzerland sank by about 30 percent. For CEO Goetz, 1974 was, in his own words, “the year of probation”.

Securing jobs was one of the company’s primary aims. But unfortunately, personnel had to be dismissed, and those who remained had to accept a reduction in wages. In Switzerland alone, the staff was reduced by 20 percent. In view of future challenges, assistant managing director Mario Oss was determined to preserve the core of the company. While manufacturing had to reduce the volume of production, the company held on rigidly to their efficient research and development department. This proved to be a smart decision. The promising developments of new products and further improvements to existing products were what lead Sika out of the crisis and gave the company the edge over its competitors.

1 New research and development centre Tüffenwies, Zurich, 2008.

2 After Burkard had stepped down as Chief Executive Officer, a non-family member for the first time took charge of the Group’s operational management. In the picture, the owner couple Franziska Burkard-Schenker and Romuald Burkard, 1978.

3 New production plant for elastic adhesives at Düringen, Switzerland, 2008.

4 Spribag manufactured concrete mixing and spraying equipment. In the picture, a “Universal wet and dry spraying machine”.

5 Research division of Sika.

6 Sikagard, protective coatings for concrete.









# Concrete and catchy: the «Sika Spirit»

“Sika’s employees feel a high level of personal responsibility for their job and the company as a whole.” This statement from a young Danish employee is easy to understand against the background of the “Sika Spirit”. Sika puts a lot of trust in its employees. What they all call the “Sika Spirit” also stands for an optimistic attitude with regard to the future of the company.

In the early 80s, the term “Sika Spirit” was first used at a trade-fair appearance. It soon became the slogan for a very humane and unique company culture. Employees should no longer perceive themselves simply as small cogwheels in a vast and complicated mechanism, but as an essential part of the company’s wheelwork. In Switzerland, the “Sika Spirit” was especially promoted by an in-house magazine called “Unter uns” (in English: “Among us”), which Romuald Burkard brought into being in 1963. Until today, the paper is still being published under the same name.

Romuald Burkard is considered the father of the “Sika Spirit”. With slogans such as “joy in co-operation,” “courage to innovate” and “forceful persistence,” the active Rotarian tried to gather Sika employees around him to form a community. It made no difference whether they were workers in overalls, scientists in lab coats or managers clad in fine cloth of tweed – the “Sika Spirit” was and still is the common denominator for mutual trust and fair conduct.

“Unter uns” is the platform for the opinions of all Sika employees. At the same time, it’s an open forum with an animated exchange of information. Those who remain at home learn about business trips by engineers and managers. Foreign Sika employees introduce themselves to the domestic audience. Nobody is excluded. Everybody is included. Elitist behavior is taboo. The Sika Spirit creates not only trust, but also transparency.

The transparency that the company strives for is well-matched to the mission statement which – back in 1973 – answered the question “What is Sika?” as follows: “In our mission statement, we want to depict the target state. [...] The way we see ourselves within our environment and the way our environment sees us – that is our mission statement or our self-image. [...] Our mission statement is a free and independent declaration of will, with which we try to define our group.”

Meant originally as a set of guidelines for members of the higher management levels, this mission statement soon characterized the self-image of the entire company. The mission statement was continuously adapted to new requirements and challenges. Quite early, topics like environmental protection, business ethics and quality came up for discussion.

**Corporate Philosophy:** Sika promotes a working atmosphere which enables employees to develop according to their professional and personal abilities. A co-operative management style with delegation of tasks to the lowest possible level favours co-operation of employees on all levels. Discrimination is not tolerated in any form. [...]

- 1 Skilled motor industry workers appreciate Sika's service.
- 2 President of the Board of Directors Rudolf Villiger during a visit to the Sika factory in Chile, 1997. An employee practised three sentences in English for several months, and would now use them to greet the President, Villiger was told. Solemnly the employee delivered what he had learned by heart: “I am glad that you are here. I am happy to work for Sika. God bless you.”
- 3 The couple Franziska and Romuald Burkard-Schenker with his children, 2000. From left: Fritz, Carmita, Gabriella, Monica, Urs.
- 4 Inauguration ceremony for a factory in Colombia. The picture shows CEO Ernst Bärtschi and Doris Leuthard, Member of the Federal Council.







## Romuald Burkard on the topic of company management

“People must be offered the opportunity to develop within a company.  
It’s fascinating to watch people grow with an assignment.”

“It’s important for an employee to know that his worries matter to me.”

“If someone is encouraged to explain his work to me, then that’s important because  
by doing so, he can demonstrate that he knows more about a particular matter  
than I do.”

“The worst possible scenario for an employee is to be ignored.”

“To me, running a company feels like doing dynamic architectural work.”

“Motivating others to perform well is what makes the running of a company interesting  
to me.”

“My sense of achievement is another man’s success.”

“Before employing someone, one ought to have a look at his wife.”

“Unions can be true partners. I am very happy that the tone between the social partners  
here is in no way as unsavory as it is in other countries.”

“Employees should be given a lot of leeway. Even when it’s evident that something  
is not going to work out, one should just give them their head. In return, the employee  
has to take the consequences for his mistake.”

“When talking to employees, it’s important to speak about private matters as well.  
That’s the only way to get to know people.”

“When I talk to an employee, I have to know enough about a certain matter so that  
I won’t understand oranges when he’s talking about apples.”

“Walking through a company where no one laughs is distressing to me.”







There are two sides to every coin. Even the oil crisis of the 70s had some positive effects. Although building volume shrank on the mainland, a big building boom took place in the shipyards and the waters of the North Sea. This boom created large turnover sources for Sika.

With Sikaflex, and especially with its sales champion, the polyurethane filler Sikaflex-1a, as well as the newly launched Top mortars, Sika was on the right path to a successful future. In general, after the oil crisis, special products – which were not as dependent on “black gold” for their production – were promoted. Thus, the possibility which Sika pursued some years later with great tenacity and even greater effort, already presented itself in 1976: access to the industrial market.

A different but equally important group of products able to withstand the crisis was called “renovation and maintenance”. In order to reduce the dependence on building activity in the future, the range of products under the name of “renovation and maintenance” was specifically enlarged, a strategy which is still being pursued today.



Another victim of the recession was the production of roofing paper. Even though production was maintained for another few years, it soon became clear that the oil crisis had finished off roofing paper. In the future, there was no more money to be made in that area.

**Moving to new sources**

The embargo of the oil-exporting countries forced Western industrialized countries to look for new solutions. These solutions were found in the North Sea. Oil companies started tapping new sources in the North Sea on a very large scale. A new technology was introduced – a technology that Sika could profit from. Concrete production platforms were being built. Sika was a part of this business right from the very beginning and supplied a large range of products: the concrete additive Intra-plast, as well as the joint compounds and adhesives of the Sikadur and Sikaflex family.

The highly overpriced oil brought petrodollars in great quantities to the desert sands of the Arabian Peninsula. What else could the local treasurers do but build and keep building? They did this so thoroughly that the word “building boom” hardly does justice to the proceedings. In just a few short



months, entire city districts, industrial plants and universities came into being. Sika knew exactly how to use its great expertise and excellent products gainfully in the Middle East.

**Heja Sika**

The Scandinavian Sika subsidiaries proved to be the real drawing card. Building oil rigs became the second most important source of income. But the Sika subsidiaries in France and Austria also did an excellent job. Sika was now so well-organized internationally that local crises could no longer threaten the company as a whole. The geographical diversification which had taken many years to develop now paid off – reason enough to continue with this strategy until today. Because even after 100 years of Sika, the company still pursues the same goals. The annual report 2008 states: “With carefully considered investments [...], Sika continues to ensure its capacity for growth worldwide. The group focuses on acquisitions with the goal of purchasing new technologies which will either complement the core business or close geographical gaps.”

1 The Wilson bridge near Washington DC ran the risk of collapsing under the traffic load. Since 2007, a new bridge, built in part with Sika technology, leads over the Potomac.

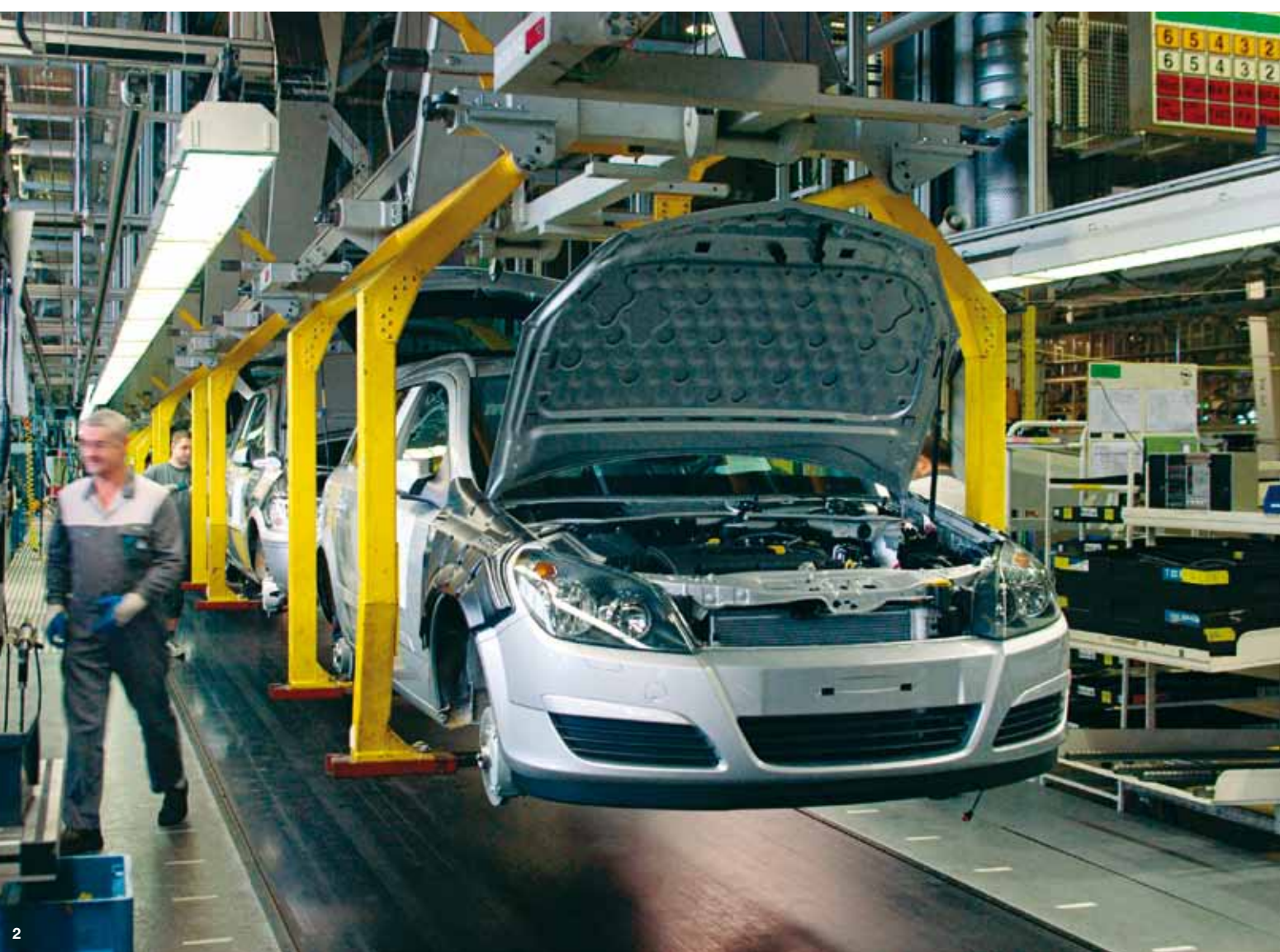
2 Sika conquers new markets thanks to Solaroofs system.

3 The flood of petrodollars brings a blossoming desert in its wake. Cities, highways, and airports emerged where once there had been desert same only.

4 Thanks to Sika ViscoCrete it was possible to pump concrete up to the top-most floors of the 190 metre high “Turning Torso” in Malmö, Sweden, and to give the fair-faced concrete façade a surface smooth as glass.

5 Construction of one of the Ekofisk oil exploration platforms in the 1970s. Sika provided concrete admixtures, adhesives and putty for such platforms built with concrete.









Sika got moving – namely in the direction of the industry. The economic crisis of the 70s proved to be a fountain of youth for the company, according to Chairman of the Board, Romuald Burkard. From this fountain, new products emerged and with them came the conquest of new business areas. In the lead were the areas of “repair and maintenance” as well as “adhesives for the automobile industry”.

Starting in 1977, the group turnover slowly started to rise again. While turnover had been 243 million Swiss francs in 1976, it rose to 286 million Swiss francs by 1979. Profit after taxes increased from 5.4 million to nearly 13 million Swiss francs in the same period. Jointly responsible for this gratifying business development was not least the strategy of trying to gain a foothold outside the building industry.

Negotiations were held with the Unikeller Holding AG regarding a merger of the two companies. Unikeller Holding was mainly – with a ratio of 75 percent – active in the area of soundproofing in the automobile industry. This was a branch of industry which seemed very lucrative to Sika, which successfully developed and manu-

factured adhesives. The merger was nearly perfect when unexpected differences thwarted the deal in May 1980. Sika was not daunted by the failure: Sika Finanz AG nevertheless increased its capital modestly, but still from 30 to 40 million Swiss francs. For the time being, the company decided on a “policy of well-dosed dynamics,” which simply aimed for internal growth.

**An adhesive opens new doors**

It was the adhesive Sikaflex which finally opened the door to the automobile industry in the 80s. This time, all by itself and without outside help. However, the Sika Board of Directors expressed its concerns: “Too risky,” they said, “what if complete series of cars have to be recalled because of faulty Sika adhesives?” The promoters of this new step into the industry had yet to do a great deal of convincing. But they finally succeeded. Not least because of the active support of Hans Peter Ming, who was then the managing director of Sika Switzerland. He correctly interpreted the signs of the times. This new area of operation was named “Sika Industry”. The research and development department in Zurich conducted the first series of tests with the big automobile manufacturers Peugeot and Mercedes-Benz.

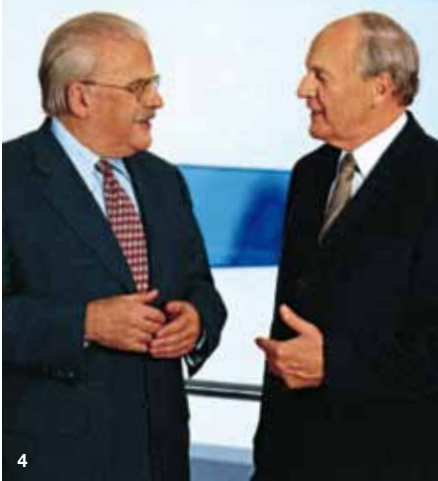
The group management gave Sika Industry its well-deserved blessing in 1983 by accepting it into the Sika mission statement. Thanks to industrial adhesives, Sika Industry rapidly evolved into Sika’s second main pillar. The actual starting signal sounded in 1986: the German automobile manufacturer BMW used Sikaflex for the first time in the production of its BMW 7 series.

Since its inception, Sika Industry has continuously increased its share of group turnover and has been primus inter pares since the very beginning. It took the building boom in China, the Middle East, parts of Europe, South America and India until the “Construction Chemistry” business division was finally able to outdo the “Industry” department once again.

- 1 A BMW of the 7 series, whose windscreen is bonded with Sikaflex.
- 2 Use of Sikaflex adhesives in the OEM field on the assembly line.
- 3 Sikaflex considerably facilitates the replacement of damaged wind-screens.
- 4 Bonding the roof of a coach with Sikaflex, around 1996.
- 5 From house building to construction of vehicles: sealants and adhe-sives from the building trade were used in cars for sealing seams or bonding windcreens and bodywork.







Sika abandoned its fixation on construction chemistry and conquered new territory. In 1982, Sika took over Lechler Chemie GmbH in Stuttgart, Germany. The press was thrilled. However, the Chairman of the Executive Board, Hannes Goetz, warned against a cluster risk and the “Germanization” of Sika.

Lechler was no lightweight. After all, the company employed 1,100 people and generated a turnover of 160 million DM at the beginning of the 80s. In comparison, Sika had 3,000 employees and generated a turnover of 400 million Swiss francs. (Back then, one DM was worth 0.84 Swiss francs.)

Lechler Chemie devoted itself mostly to paints and antirust coatings, special products for road construction, special synthetic resins for toolmaking, modelmaking and moldmaking, and many other things.

The Zurich newspaper “Tages-Anzeiger” wrote enthusiastically on 21 September, 1982, in its weekly edition for foreign countries: “Sika has taken a very big and carefully planned step in the direction of the expansion of both markets and product range. [...] With the acquisition of Lechler Chemie, Sika has scored a coup it has had its eyes on for a long time: the affiliation of a larger enterprise which already has a significant market position [...]”

**Sika and the strong men**

The “Tagi,” as the newspaper was commonly known, seemed to hit the nail on the head as far as Romuald Burkard was concerned. He actually wanted a growth surge and wanted to press forward into new markets. Chairman of the Executive Board Hannes Goetz was the one who played the spoilsport. He warned against “Germanization”. A conflict that had been simmering for a long time broke out openly between Sika’s strong men. Further fuel on the fire was Burkard’s nomination of Hans Peter Ming to the Executive Board. Goetz and Ming certainly did not get along well together. They were as different as fire and water. Knowing that he could

not have prevented the appointment of Ming to the Executive Board, Goetz promptly announced his immediate resignation at the meeting of the Board of Directors on 4 May, 1982.

Goetz’s rash resignation irritated both press and staff. Especially because Sika was recovering from the crisis of the 70s, mostly thanks to Goetz. It was he who had led the deeply indebted company out of the crisis and back to where it could operate in the black again. Who could and should replace this man? Burkard was forced to act. With Mario Oss, a man of longstanding experience, he appointed an old veteran to the seat of the Chairman of the Executive Board.

After only 4 years at the top, Oss retired in 1986. For the next twelve years, Hans Peter Ming controlled the fate of the company. It was he who led Sika to the threshold of the new millennium.

- 1 Check of a coating. Protects against corrosion in a tank installation.

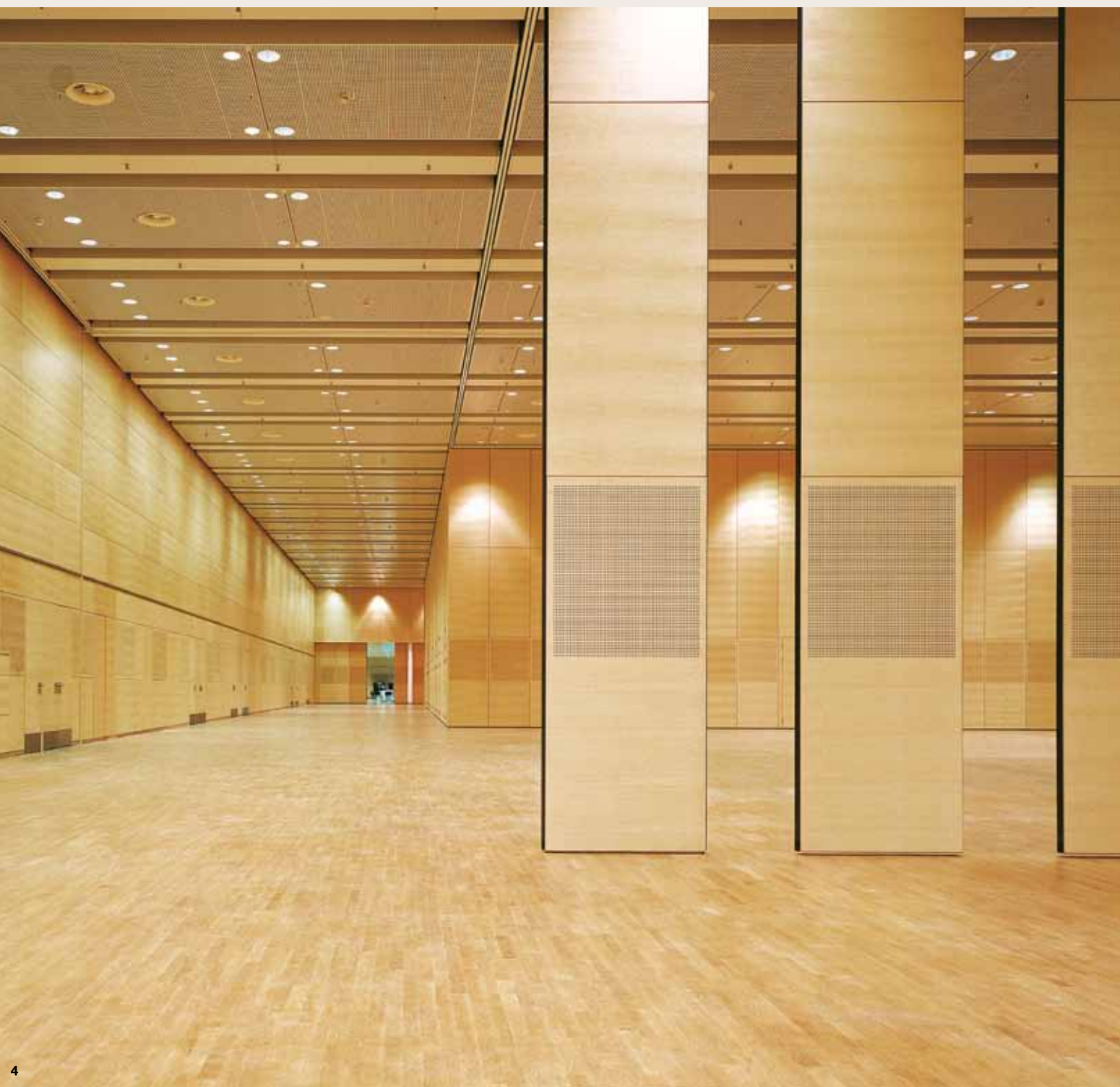
2 The Lechler Chemie GmbH location in Stuttgart-Stammheim in the early 1980s.

3 Application of SikaWrap reinforcing fabric to pillars.

4 Interim CEO Ming (left) in discussion with his “second” successor, Walter Grüebler. This time Sika had more luck in its choice of a new Chief Executive.
- Walter Grüebler, who was already a member of Sika’s Board of Directors, proved to be a good choice for the job. After the sudden departure of Richoz had alienated the company and the stock market, Grüebler brought new stability and continuity.

5 Mario Oss, Vice-Chairman of the Executive Board 1971–1982 and Chairman of the Executive Board 1982–1986, during his speech at Sika’s 75-year anniversary.







Sika wanted to become recession-proof and defined a so-called “immune system against depression and setbacks” as the current company dogma.

The management of Sika didn’t want to catch a cold every time the building industry sneezed. Since 1987, the company was in the ascendant again. Turnover constantly increased, and in 1989, it surpassed the one billion Swiss francs mark. Between 1980 and 1990, the company’s turnover tripled (from 362 million to 1,000 million Swiss francs). It was time to secure what had been achieved so far and, for that reason, strong support pillars had to be erected.

Pillar number one: a worldwide geographical presence. Pillar number two: diversification between the area of construction chemistry (the current core business) and the area of adhesives, sealants and insulating materials for industry (as a future-oriented growth market). Pillar number three: a suitable product range policy in the areas of construction and industry in order to serve the markets for newly constructed buildings and initial equipment, as well as the markets for repair and maintenance.

At the end of the 80s, Sika generated almost three-quarters of its turnover in the Old World. The subsidiaries in East Asia as well as those in North and South America gained substantially. In addition, there were the emerging countries. Their structural engineering methods slowly converged with the Western model.

In 1990, Sika introduced its current wave of new company start-ups. The red triangle with the yellow lettering gleamed in Singapore, Korea, Taiwan, and the Philippines, and eventually even in Vietnam and the People’s Republic of China. Starting on the East Coast of the USA, Sika conquered first California on the West Coast, then Middle America and eventually the Southern States. With the fall of the Berlin Wall and the collapse of the Eastern bloc, even former Warsaw Pact countries now offered potential for expansion.

**Romuald Burkard steps down and cedes his place to former Federal Councillor Kurt Furgler**

In 1990, Romuald Burkard, now 65 years old, (almost) retired. He still acted as president emeritus on the Board of Directors. His old friend and former Federal Councillor Kurt Furgler took his place.

Three years prior to his retirement, Romuald Burkard did away with antiquated Sika traditions. The first one to go was the roofing paper factory on Tüffenwies. During the mid-60s, it had been something of a strong pillar of the company. But by now, the paper soaked in bitumen to form a moisture barrier on top of buildings had served its time. Also, the good old roofing paper no longer fit Sika’s new image as an innovative company in the area of special chemistry.

Soon after, the production of integral hard foams was terminated. A little later, the production of foam insulating boards followed suit. However, new profitable and promising business segments such as the department of “synthetic sports surfaces and industrial floors” were soon added.

Back in the 20s, Sika had already begun using casting mortars for flooring. In the 70s, a polyurethane-coated cement casting mortar by the name of Sikafloor was launched on the market. And then, at the end of the 80s, Sika set out to conquer the market in earnest. The future belonged to the fully synthetic – meaning entirely made from synthetics – sports surfaces and industrial flooring. Moreover, the semiconductor industry took on even greater significance. Manufacturers of complex high-tech products depended on clinically clean floors within their production facilities. The high demands on those special synthetic floors opened up a whole new and partially unexplored field for Sika.

- 1 A jointless and antistatic Sikafloor cleanroom flooring in a hospital.
- 2 Bonding of assembly units and window panes in the construction of railway vehicles.
- 3 Sikafloor jointless flooring.
- 4 SikaBond adhesive for parquet floors.
- 5 Easy-care and robust. A coloured industrial epoxy floor covering with polyurethane additive in a Porsche factory, mid-1980s.
- 6 Today, bonding technology is a matter of course in shipbuilding.













“Switzerland was formerly the only and unchallenged centre of the Sika group, just as Paris was the only centre of France in the time of the kings. And we have done well. The next decade demands even swifter local governance and even easier identification of each individual customer in the world with ‘his Sika’. In order to back up this trend, Sika must have even more national ‘centres of excellence’ in the future, each with a well-equipped research department.”

PEDRO KELTERBORN,  
MEMBER OF THE GROUP MANAGEMENT  
IN THE YEAR 1989

In 1993, the Board of Directors decreed that, until the year 2000, the weight of the company had to be distributed within the different global regions in such a way that Western Europe should be allotted half of the company turnover instead of the previous three-quarters. The implementation of that goal surpassed the strategy.

The share of turnover of the Asian Sika companies doubled between 1990 and 1997 from 7 to 14 percent. The Sika subsidiaries in North and South America increased their share from 15 to 25 percent. Almost 40 percent was generated outside of Europe during this time.

Sika has definitely become cosmopolitan: in the 90s, Sika conquered East Asia and Turkey. Hungary, the Czech Republic, Slovakia and Poland followed. Not much later, the Sika triangle became known to the Irish, the Peruvians, the Bolivians, the Greeks and the Slovenes. Soon after, the people of Lebanon and Costa Rica also came to know the logo.

In terms of economic policy, the 90s were characterized by decreasing trade barriers and the development of new and bigger domestic markets. Sika was forced to meet these new challenges. The fact that chemical construction products were barely known in Eastern Central Europe was a great advantage. There was no real local competition. However, with the fall of the customs barriers, several subsidiaries penetrated one single market. Sika decided to reduce the production of products that were sophisticated in terms of manufacturing and yet easy to transport to just a few locations. Starting in 1994, the three-year plan for the “regionalization of European production” was implemented.

While Sika started to conquer the last blank spots on its map of Europe, Asia and South America, the great recession of the 90s was already knocking on the door. The building industry was hit especially hard. However, group turnover only sank mini-

mally, while cash flow and group profit increased. The three-pillar model had proven its worth: the subsidiaries in East Asia compensated for periods of economic weakness in Europe and America. Sika Industry, the second pillar, supported the results and, eventually, the products in the “repair and restoration” line proved to be impervious to the economic downturn.

Journalist Peter Morf published an article in the business paper “Finanz und Wirtschaft” on 21 October, 1992, in which he praised Sika as a “strategic model”: “While many companies were shipwrecked by immature diversification strategies, Sika covered its back successfully against fluctuations in economic activity with a well-thought-out strategy. With regard to its product range, Sika has never been in danger of penetrating completely unfamiliar business areas without any synergies to its core business.”

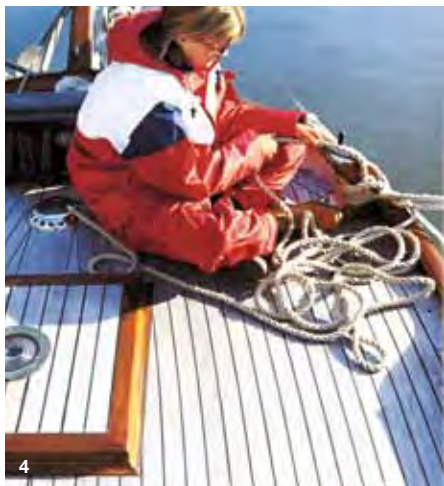
Starting in 1993, economic recovery was under way in America, and as of 1995, this was also true for parts of Europe. In Latin America and East Asia, Sika was able to create additional turnover with the production of volume products in the concrete and mortar admixture sectors. Switzerland, however, remained depressed for quite some time.

- 1 The Nina Tower in Hong Kong should have become the highest building in the world. But because of the nearby airport, a height of “only” 319 metres was allowed. Picture from 2007.
- 2 Dam, Huites, Mexico, 1994.
- 3 With concrete additives, joint sealants and shotcrete accelerators, Sika contributed to the construction of this sewage plant in São Miguel, Brazil. Picture from 1994.
- 4 Sika planted its triangle in the four corners of the world. The picture shows the sign of the newly founded Sika subsidiary in Ecuador, 1987.









In 1995, nothing at all indicated a good start to the new millennium. On the contrary. Only drastic measures helped to keep the group on track. But the appointment of Walter Gruebler on 1 January, 2000 as Sika's new CEO provided the company with a promising start in the new millennium.

Premillennial hard times: Walter Gruebler's predecessor, André Richoz, had to vacate his seat after a mere seven months. What happened? For one thing, Richoz' short term in office was overshadowed by the long reign of Hans Peter Ming, who retired as CEO in 1998 on account of his age. Another thing was probably Richoz' inability to communicate. The basis revolted and the paper "Facts" titled: "Ice Age in Flims, Sika chairman Hans Peter Ming had to part with his CEO". In the Grisons holiday resort, the "General Manager Meeting" which passed this resolution and thus paved the way for Gruebler, took place at the beginning of July 1999. The stock price, which had been quite turbulent for a short time, soon recovered its former strength.

What started so well in the new millennium had to weather a crisis five years earlier. In 1995, Sika had to issue a profits warning. For many, this was a surprise, especially in the light of the proverbial Sika optimism.

The prices of bearer shares plummeted. Switzerland suffered yet another crisis in the building industry. The two sectors of building construction and mechanical engineering were in recession.

Under the motto "concentration on the core areas, innovation and profitable growth," unprofitable and marginal areas were restructured or eliminated. Sika was to become "more flexible" and "slimmer". In 1996, Sika sold the production department of Sika Robotics and merged the rest with the other problem child from the area of machinery, Aliva. The result was the foundation of the new subsidiary, Sika Equipment AG, Widen. Only seven years earlier, Sika had entered the narrow sewer tunnels for the first time with its company "Robotics AG". This, however, was not the blessed start in mechanical engineering they had hoped for. The remote-controlled robots didn't sell well. Member of the board of directors Heinz Ronner even called Aliva a too expensive "ramshackle joint".

Those reforms were not yet enough for Sika CEO Hans Peter Ming: "The belief in machinery has been lost [...]," he criticized in

1997 in front of the Board of Directors. "Profitability would only be short-lived. We must aspire to sell (the company)." And president emeritus Romuald Burkard added: "The relationship with the machines has always been impaired. [...] The area of machinery is a bottomless pit." Further significant steps followed.

The strategy of "concentrating on core areas" proved to be a great blessing. Thanks to the elimination of unnecessary ballast, Sika was able to act quickly. What followed was the perfecting of adhesives and sealants of Sika Industry which were now being used in the building of yachts, even complete cruise ships, as well as in truck building, for rail cars, ship containers, even elevators, gas meters and washing machines. The newly developed Sika Transfloor found its way onto the cargo area of commercial vehicles.

Sika was very consistent in pursuing its strategy with regard to improving profitability and concentrating on core areas. In 1998, Sika became a trendsetter in concrete technology thanks to its new Visco-Crete technology. Amazingly, a quarter of the group's turnover was generated with products that were not yet five years old.

- 1 With the acoustic floors of Sika-Cufadan it is possible to massively reduce noise in the passenger rooms of cruise liners.

2 Seam sealing with polyurethane sealant. Ship container Hapag-Lloyd.

3 Bonding of assembly units and window panes in the construction of railway vehicles.
- 4 Sika stays on course – on sailing dinghys as on the world's largest cruise liners, from bonding windows and floors to cabin walls. Picture from 1997.

5 From 1989, Sika for a while tried its hand at manufacturing remote controlled sewer-cleaning robots for inaccessible areas. Picture taken around 1989.

6 All over the world, truck manufacturers have confidence in Sika adhesive systems.





Committed to responsibility by success: the red triangle went green. In Sika terms, environmental protection means real and lasting added value along the entire value-added chain and, in combination, a careful balancing of economic, environmental and social aspects. Environmentally compatible products, as well as employee safety and the safety of the local population, are Sika's absolute priorities.

Economic, environmental and social aspects are ever more closely tied together. Sika takes due account of this context and is committed to the principles of sustainable development. It is important to satisfy the needs of the present generation as best as possible without risking future generations no longer being able to do the same or even having to suffer as a result. Below are four examples of sustainable product development:

Efficient use of raw materials and energy: Milling aids for the concrete industry accelerate the milling process, thus reducing energy consumption during the production of cement by 10 percent. Milling aids are also able to improve cement quality.

Containment of climate change: Adhesives for solar installations and wind generators are perfectly adapted to extreme operating conditions. Sika products have proven themselves in the area of electricity production from renewable energies.

Sustainable systems for mobility and transport: Structural adhesives made by Sika help the manufacturers of cars, trucks, buses and railcars to manufacture lighter

vehicles. If a car weighs 100 kilograms less, it requires 0.3 litres less fuel per 100 kilometres.

Saving water in concrete production: Sika ViscoCrete reduces water consumption by nearly 40 percent. A conventional concrete formula requires about 200 litres of water per cubic meter of concrete. Thanks to Sika, roughly 80 l/m<sup>3</sup> can be saved.

**Lasting commitment**

Sika already became involved in environmental protection back in the 60s. For example, Sika products prevented the efflux of dangerous substances from sewage plants. Sika emphasized: "An important factor in water pollution control". Sika's commitments are long-lasting. In 1980, the advertising brochure "Begegnungen mit Sika" ("Encounters with Sika") underlined: "Sika engineers and research scientists commit their knowledge to the benefit of the environment, [...] so that, for example, we still have clean drinking water tomorrow."

In 1987, the head of the research and development department, Claude Schnell, demanded the creation of a 50% part-time position for "matters of toxicology, poisons

and ecology". Substances that were harmful to the environment were immediately and radically banned from tried and trusted products and production processes. The development of water-soluble varnishes, for example, without the use of toxic solvents, happened during that time. New environmentally friendly products which "account for ecological needs in regard to their economic purpose" were newly launched on the market.

**Sika stands for maximum transparency**

In 1989, Sika added strict environmental guidelines to its company concept. In the same year, the concept "ecology within the Sika group" was fixed in writing. In 1990, the staff position "ecology" was created within the central department for research and development. Sika took such thorough care of its environmental protection tasks that by the end of the 90s, Sika stock was being traded in the portfolios of various ecological investment trusts.

In 1991, Sika, together with other big companies in the industry, was actively involved in the "Responsible Care" project. This was a voluntary initiative of the chemical industry with the aim of improving environmental protection. Sika laid its cards on the table: starting in 1995, the annual report shows Sika's CO<sub>2</sub> emissions during the entire business year. This is the maximum of transparency. Since 2005, Sika has been an active partner in the Global Nature Fund. The Romuald Burkard Foundation supports social and ecological projects.

The red triangle is definitely "green".









It had become hard to keep track of the Sika group. At the beginning of the century, new problems brought about by enormous growth and numerous acquisitions had surfaced. More concise and clear information had become necessary. Organizational adaptations were inevitable.

At the general meeting of 8 May, 2002, the shareholders approved the renaming of Sika Finanz AG to "Sika AG". Finally, one is tempted to say. Time and again, Sika Finanz had been confused with a financial institution. In the same year, the research and development department was incorporated into "Sika Technology AG". "Sika Services AG" provided the areas of marketing, production and logistics for its subsidiaries.

These adaptations cut the cord that had been holding together the headquarters and the group for some 80 years. Sika Schweiz AG became a regular subsidiary without any special functions. Terms such as "headquarters" or "former headquarters" disappeared from the Sika vocabulary. The address in Zurich-Altstetten instantly lost the glamour it had been basking in since the 1920s.

Whether in its role as the headquarters or merely as a subsidiary, Sika has made history in Zurich-Altstetten and did much to change the sleepy suburb into the biggest district of the city.

### A shorter leash for the subsidiaries

A fraud case at Sika in Taiwan in 2002 led to the decision that, in the future, Sika subsidiaries would have to pay superfluous resources over to the holding company. Walter Gruebler, who led the company between 2000 and 2004 in his role as CEO, shortened the leash of "his subsidiaries". The huge internal cash flows resulting from this measure led to a disproportionate increase in the net profits of Sika AG, which in turn led to a decrease in bank loans of hundreds of millions. The enormous financial growth enabled Sika to invest greater amounts in the development of staff and production capacities.

In 2006, a change in management structure was initialized: it had become important for the company to pit itself structurally against continuous growth. The structures were adapted according to the four most important customer groups: "Concrete" (concrete manufacturers), "Contractors" (special manufacturers), "Distribution" (building material suppliers) and "Industry" (industrial customers). At the group level, four identically named "business units" were created. They are meant to ensure professional customer support, rapid decision-making and more efficient local support.

But not only that – Sika has also acted globally. In 2002, the "Europe" region, which had experienced major growth, was divided into North and South Europe. IMEA incorporates India, the Middle East and Africa, ever since the year 2007. The IMEA region was able to increase its turnover in 2007 by 35 percent and by 30 percent in 2008.



- 1 In planning already, Sika is a partner.
- 2 Corrosion protection in a wind park.
- 3 Supplementary reinforcement of a bridge with the Sika CarboDur system.
- 4 Application of the SikaWrap reinforcing fabric.
- 5 Waterproof concrete foundation, built with Sikaplan sealing sheets which are bonded with hot air.









# Everything is possible: Sika at the DIY superstore

Back in 1990, Sika sold its products – except for Scandinavia, France, Spain and Latin America – exclusively to professionals. The managers of those regions were those who pointed out the enormous potential of direct sales to amateurs via do-it-yourself stores. At first without success, but then good profits brought about a change of mind.

Home improvers want what professionals have. That’s a fact. Always and everywhere. If Ronaldo scores a goal with Adidas, every hobby soccer player needs the same shoe. It makes sense: if you watch Sika professionals at work on the construction site, you don’t want second best at home – it’s got to be Sika too.

In 1996, the Sika Board of Directors declared the “distribution business” to be a strategically important business area and started developing it systematically worldwide. By the end of 1999, 25 designed and handily packaged products were available to amateur DIYers. And they bought them. The area of building material retail was developed into a “platform for growth” to compensate for cyclical fluctuations in the project business. Direct sales were actually able to absorb and stabilize declining sales figures in other areas.

At the end of 2005, more than 80 articles in more than 100,000 stores worldwide were available to consumers. Sika finally returned the love of the hobby builders. Clever products such as the all-inclusive ready-mix mortar solution “Sika Mix & Go” collected awards such as the “Worldstar Award for Packaging Excellence”. In 2005, the “Schweizerische Stiftung für Marketing und Unternehmensführung” (the Swiss Foundation for Marketing and Business Management) awarded Sika with a prize for the care and positioning of the Sika brand as well as for its extraordinary rate of innovation.

- 1 The yellow containers are also available in small retail stores, even in the most remote places.
- 2 In India, Sika is prominently positioned even in the smallest building materials store. Picture around 2003.
- 3 Sika branch in North Africa in the 1990s.
- 4 Sika DIY display stand.
- 5 Sika products for professional and DIY use.







Bangkok airport, Thailand.







# Sika on every front – a contemplation on all four directions under the sign of the NRLA



Sika’s success story began at the Gotthard. Today, Sika has proven its great experience and competence once again right there at the Gotthard: the new Transalpine rail link (NRLA) will eventually be 57 kilometres long – the longest railway tunnel in the world. The tunnel system runs for a total of 135.5 kilometres. Trains will race through the tube at a speed of 250 km/h, traversing the Alps from North to South (and vice versa). Sika has been part of the project from the very beginning. In the Western United States, Sika has also consolidated its presence. And in 2007, Sika opened its sixth factory in China.

If all goes well – and nobody doubts that it will – the first express trains will traverse the Alps on the new Gotthard route in 2016. A masterpiece of engineering will be complete. Since the year 1994, when work started on the first exploration shaft, Sika systems have been in use.

The challenge is enormous: it is essential to deal successfully with the high temperatures and great humidity below ground. In very special situations, it must be possible to maintain the pumpability of shotcrete for 8 hours and over great distances. The concrete must be easy to process, yet must also solidify immediately. Special mixtures of SikaTard and accelerators such as Sigit AF make this possible.

In Taiwan, they have trains as well. Fast ones. Sika delivers a shotcrete system for their “High Speed Rail” project, in which Sigit technology is being used. The alkali-free shotcrete accelerator makes concrete solidify very quickly, thus allowing a high layer buildup without a significant reduction in strength.

Sika has a local presence in the East: new national businesses in Romania, Bulgaria and Serbia augmented the Sika family starting in 2002. In the same year, logistics centres in Greece and Slovakia followed. The Turkish branch got a new factory. In 2003 and 2005, new companies were set up in both Russia and the Ukraine. They form the basis for further growth throughout Eastern Europe. Azerbaijan and Kazakhstan followed suit. They complete

Asia as far as Sika’s presence is concerned – it’s no longer a blank spot on the map.

On the Eurasian continent, things are gradually moving East. The motto in the United States is: “Go West”. Sika has been present in the Eastern states for quite some time. But concrete admixtures should be manufactured as close to the customer as possible. Therefore, Sika is continuously building new production facilities in the Western states of the USA and in Canada.

In 2008, Sika was able to win the following major projects, among others: New York City Water Tunnel No. 3, the Freedom Tower in Manhattan, major road construction projects in Algeria and Eastern Europe, tunneling projects in Greece, Austria and Italy (Brenner Base Tunnel) and major mining projects in Sweden.

1 Without Sika concrete admixtures, the construction of the Gotthard base tunnel, here in the Bodio section, would not be possible.

2 Concrete injection system Sika PM500.

3 Tunnel construction workers have confidence in Sika shotcrete sealing systems.

4 Sikaplan tunnel membrane.





“The fact that the financial markets finally realized what Sika really does has contributed greatly to the positive development of the share price.”

URS F. BURKARD, MEMBER OF THE SIKA BOARD OF DIRECTORS

For three decades, the shares of the family enterprise Sika carved out a nondescript existence. Not until 2003 did the shares eventually take flight. Until then, Sika was not really recognized on the stock exchange and was always traded below its real value. “Sika’s undervaluation is obvious,” CEO Hans Peter Ming dictated to the editor of the paper “Finanz und Wirtschaft”. “We know that we have to work on this subject.” Changing the name from Sika Finanz AG into “Sika AG” was a first and decisive step in the right direction.

Ming summed it all up: “Over the past 50 years, we’ve grown about 9 to 10 percent per year, and during the past five years we’ve doubled our profits and continuously upped our dividends.” Ming’s conclusion was that no investor would probably ever be able to obtain Sika shares as cheaply as at the start of the new millennium.

In 2003, the shares started to increase in price continuously. At the end of the year, they topped the 500 Swiss francs mark. Sika developed into a virtual high flyer. For the first time since the introduction of the SPI (Swiss Performance Index), Sika topped the total market and the shares hit 2,594 Swiss francs apiece on 20 July, 2007. That was the all-time high. Not bad, considering the fact that the Sika security was taken off the market at 411 Swiss francs one day after its publication.

“The main reason for the turnaround in the share price,” Walter Gruebler analyzed, “is that foreign investors have discovered Sika.” He added: “American and British investors in particular have contributed to the boom our shares have experienced. Swiss investors weren’t doing anything at that time.”

Urs F. Burkard put it in a nutshell when he delivered the following analysis in a conversation on 17 January, 2008: “Walter Gruebler as CEO has succeeded in explaining Sika and everything the company stands for in an easy and simple manner to all of the financial analysts, bankers, investors and journalists.”

Sika’s biggest purchase so far occurred at the time of the great escalation in the Sika stock price. Effective on Christmas 2005, Sika took over Sarna Kunststoffholding AG. At the time of the takeover, Sarna had 1,150 employees and was about as big as Lechler was in 1982. Now, the number of Sika employees has exceeded the 10,000 mark for the first time.

1 At the Jurisprudential Institute of the University of Zurich, designed by top architect Santiago Calatrava, the parquet has been bonded with SikaBond.





← Passages and way out  
↓ Baggage claim  
→ Customs and immigration







Sika is a brand. But what is it that sets the brand Sika apart from others? What makes it distinctive and thus unique? Innumerable factors play a role. But one factor stands out clearly – loyalty. Loyalty to quality. And the loyalty of the employees to the company, from which arises the obligation to take good care of the Sika name. And this has been the case for one hundred years.

Looking at the history of Sika and comparing it to its competitors, it soon becomes clear that most of its rivals sooner or later fell prey to the appetite of a major group. After several stopovers, they were usually bought either by BASF or the chemical giant Dow Chemical. Sika has always preserved its independence. Sika has remained true to itself.

There have been lucrative offers. Many of them. But the property situation has always prevented a hostile takeover. Even 100 years after its foundation, Sika is still controlled by its founding family according to their voting rights. The devotion and loyalty of the family guarantees the security, stability and continuity of the company.

Sika – with all of its employees – has experienced much, been through a lot, overcome many hardships and accomplished great things. In the annual report for 2007, Sika recorded top numbers once again. One year later, the Board of Directors came to the following conclusion: “The year 2008 will go down in history as the year when global market conditions changed more quickly than ever before in economic history.” The “Industry” business area is being hit especially hard by the crisis in the automobile industry. The construction industry is not affected nearly as much. But even so, it currently operates at a very modest level.

On the eve of its grand anniversary, Sika sees itself well-equipped for the coming boom after the crisis. Is this the Sika optimism that has been mentioned so often, yet criticized just as much? Possibly. But one thing is for sure: Sika is a solidly financed company with a wide range of excellent products and a clear strategy – the signs for the future bode well. In addition, the fact remains that, over the past two years, Sika has generated nearly one-third of its turnover with products that are not even five years old. Furthermore, at the end of 2008, Sika holds 13,039 trademark registrations in 163 countries. During fiscal year 2008, Sika applied for 70 new patents. The strategic orientation with the aid of the four business units “Concrete,” “Contractors,” “Distribution” and “Industry,” guarantees the postulated customer proximity. At the general meeting in April 2009, Walter Gruebler informed the shareholders that, even during the recession, Sika has been able to gain additional market share almost everywhere.

1 Terminal 4 of the airport Madrid-Barajas, opened in 2006, was conceived by British top architect Richard Rogers and built with various Sika systems.





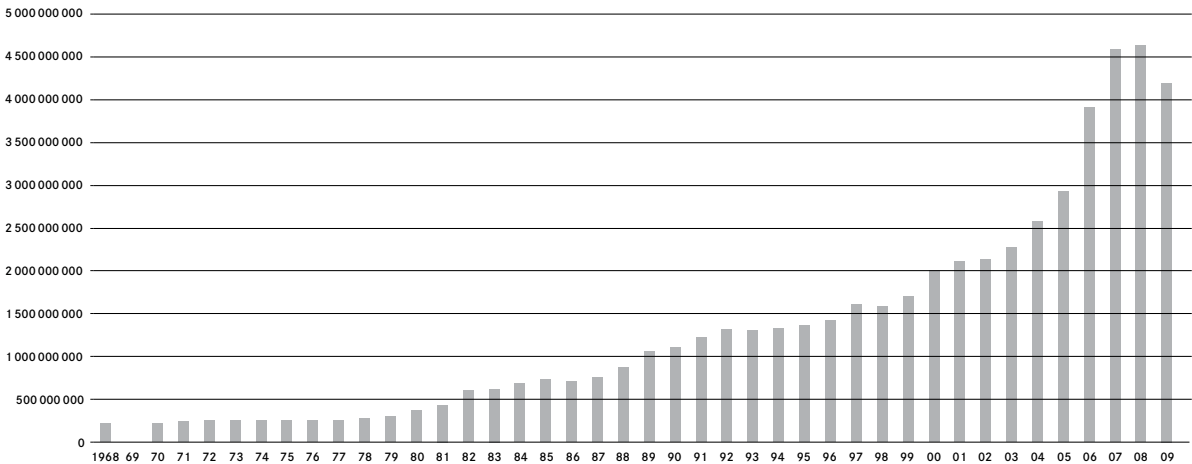




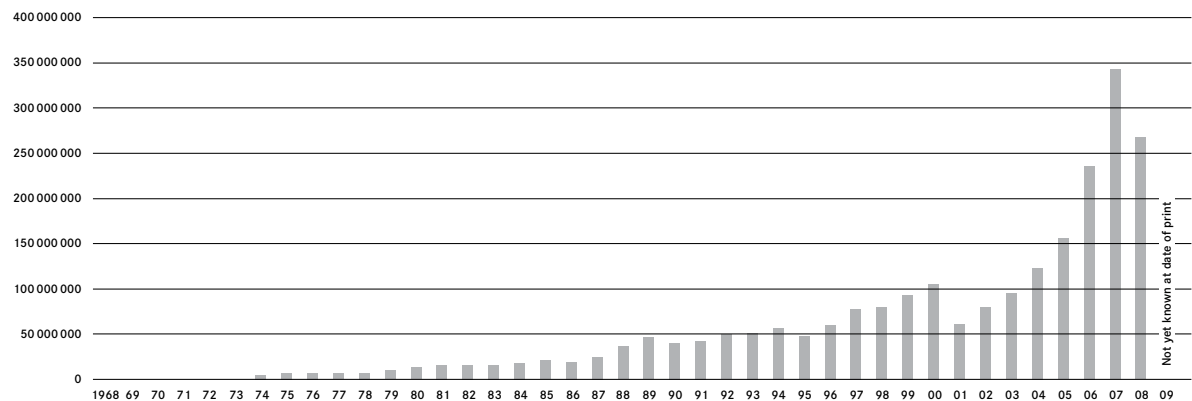


Football stadium Letzigrund, Zurich.

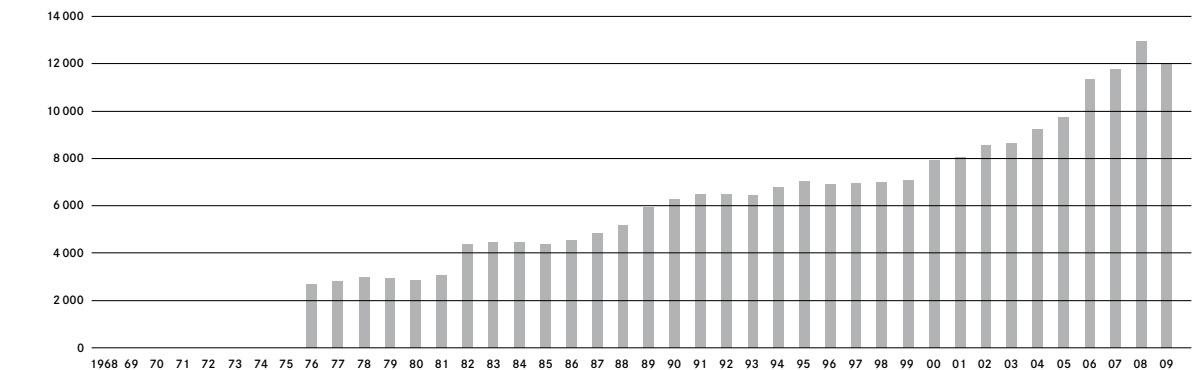
Consolidated group turnover



Consolidated group net profit



Group employees





# Acquisitions

COMPILED BY PETER LAENG

| Year | Company   | Country                        | Field of activity   | Turnover at date of purchase<br>(in millions of CHF) |
|------|---|--------------------------------|---|--|
| 1968 | Chemisch-Technische Werke AG (CTW)  | Switzerland                    | Bituminuous waterproofing membranes and road building materials   | 21   |
| 1981 | Conco Corp.   | USA                            | Concrete admixtures   | 1  |
| 1981 | ISO   | France                         | Concrete admixtures   | 1  |
| 1982 | Lechler Chemie GmbH with Inertol AG, Sital Lda.                                   | Germany, Switzerland, Portugal | Repair mortars, protective coatings, industrial floors, joint sealing compounds, chemically active agents | 132  |
| 1983 | Zeecon Division of Crown Zellerbach   | USA                            | Concrete admixtures   | 4  |
| 1985 | Guttaterna SA   | France                         | Joint sealants  | 8  |
| 1985 | Hunt Process & Co.  | USA                            | Construction chemistry  | 5  |
| 1987 | Chemical Sealing Corporation (Chemseco)   | USA                            | Sealants and adhesives for the automotive industry  | 24   |
| 1987 | A/B Adheseal  | Sweden                         | Sealants and adhesives  | 5  |
| 1987 | Ernst Bräm AG   | Switzerland                    | Outdoor sports surfaces   | 4  |
| 1989 | Aliva AG  | Switzerland                    | Shotcrete machines  | 23   |
| 1989 | BV Descol Kunststof Chemie with BV Diac (Descol International Application Center) | Holland                        | Outdoor sports surfaces   | 11   |
| 1989 | Karl Held GmbH  | Germany                        | Plastic waterproof sheetings (Marketing Sika membranes)   | 1  |
| 1989 | Johnson Coating Sdn. Bhd.   | Malaysia                       | Façade plastering   | 5  |
| 1989 | Underground Support Division of Commercial Intertech Corp. (with Von Moos)        | USA                            | Tunnel reinforcement systems  | 17   |
| 1990 | Bitumuls AG   | Switzerland                    | Bituminuous road building products  | 16   |
| 1990 | Taraflex SA   | France                         | Roof waterproofing membranes  | 8  |
| 1990 | Sika (Pty) Ltd. (purchase of partner interest)                                    | South Africa                   | Sika Programme  |  |
| 1994 | Sika Robotics AG (purchase of partner interest)                                   | Switzerland                    | Sewer rehabilitation robots   |  |
| 1997 | P.T. Sika Nusa Pratama (purchase of partner interest)                             | Indonesia                      | Sika Programme  |  |
| 1997 | Intesika C.A. (purchase of customer base from licence holder)                     | Venezuela                      | Construction chemistry  | 3  |
| 1998 | Sika Maroc SA (purchase of partner interest)                                      | Morocco                        | Sika Programme  |  |
| 1998 | Sika Egypt S.A.E. (purchase of partner interest)                                  | Egypt                          | Sika Programme  |  |
| 1999 | Holderchem Euco AG  | Switzerland                    | Construction chemistry  | 17   |
| 1999 | Sternson  | Canada                         | Construction chemistry  | 8  |
| 1999 | KH Anticorrosion  | France                         | Steel anticorrosives  | 3  |
| 2000 | Sika-Trocral AG (purchase of partner interest)                                    | Switzerland, Germany           | Plastic waterproofing membranes   |  |
| 2000 | Tivoli Klebstoffe   | Germany                        | Industrial adhesives  | 60   |
| 2000 | Magna Exterior Systems Belgium SA (Magna acoustics business)                      | Belgium                        | Acoustic insulation materials for the automotive industry   | 12   |
| 2000 | Cufadan   | Denmark                        | Sound-absorbing floors for shipbuilding   | 4  |
| 2000 | Australian Admixture Corporation (Euco Australia)                                 | Australia                      | Concrete admixtures   | 4  |
| 2000 | Sika-Deteks (purchase of partner interest)  | Turkey                         | Sika Programme  |  |
| 2001 | HT-Troplast Distribution Company  | UK                             | Plastic waterproofing membranes   | 13   |
| 2001 | Sider Oxydro  | France                         | Repair mortars  | 5  |
| 2002 | Heidelberger Bauchemie's Addiment Division  | Germany                        | Concrete admixtures, cement admixtures, dry mortars   | 46   |
| 2002 | Assets of the Armorex Group   | UK                             | Synthetic resin floor sealers, coverings for hardened concrete floors, cementitious levelling mortars     | 7  |

| Year | Company   | Country              | Field of activity   | Turnover at date of purchase<br>(in millions of CHF) |
|------|---|----------------------|---|--|
| 2002 | Sika Qualcrete Ltd. (purchase of partner interest)  | India                | Sika Programme  |  |
| 2002 | Sika Taiwan Ltd. (purchase of partner interest)   | Taiwan               | Sika Programme  |  |
| 2002 | Sika Mauritius (purchase of partner interest)   | Mauritius            | Sika Programme  |  |
| 2003 | Addiment Italia S.r.l. (purchase of a 50% interest in HeidelbergCement joint venture with Buzzi Unicem) | Italy                | Concrete admixtures, cement admixtures                                  | 18   |
| 2003 | Engineering silicones division purchased from Wacker GmbH   | Italy                | Silicon-based adhesives for glass and metal façades                     | 17   |
| 2004 | Concrete admixture division purchased from Scancem Chemicals A/S (HeidelbergCement)                     | Norway               | Concrete admixtures   | 7  |
| 2004 | Concrete admixture division purchased from Cementa A/B (HeidelbergCement)                               | Sweden               | Concrete admixtures   | 3  |
| 2004 | Stabiment Hungaria GmbH (HeidelbergCement)  | Hungary              | Concrete admixtures   | 2  |
| 2004 | PU adhesives division from Casco A/S  | Denmark              | Industrial adhesives  | 26   |
| 2004 | HT-Troplast Distributor   | Ireland              | Plastic waterproofing membranes   | 6  |
| 2004 | Joint sealing division of the Secaicho group  | Japan                | Joint sealing compounds   | 34   |
| 2004 | Assets of Fosroc New Zealand  | New Zealand          | Sealing and bonding compounds, construction sealants, façade protection | 19   |
| 2004 | Sika Bolivia SA (purchase of partner interest)  | Bolivia              | Sika Programme  |  |
| 2005 | Sarna Kunststoff Holding AG (with subsidiaries in various countries)                                    | Switzerland          | Plastic waterproofing membranes   | 379  |
| 2005 | Polymet KIB division of the Maxit group   | Germany              | Sealing systems for bridges   | 19   |
| 2006 | Sucoflex business division of Huber-Suhner AG   | Switzerland          | Sealing strips, plastic waterproofing membranes                         | 20   |
| 2006 | Haberkorn Abdichtungssysteme GmbH   | Austria              | Plastic waterproofing membranes (distributor of Sarna products)         | 27   |
| 2006 | Performance Coatings Division of DuPont   | Germany              | Steel corrosion protection, fire protection, floor coatings             | 60   |
| 2006 | Proxan Dichtstoffe GmbH   | Germany              | Sealing compounds for insulating glass and construction joints          | 4  |
| 2006 | Covercrete  | Canada               | Industrial floor coverings  | 7  |
| 2007 | MRT Construction Products   | Canada               | Concrete admixtures   | 3  |
| 2008 | Assets of Tricosal GmbH & Co. KG with Tricosal BBZ AG   | Germany, Switzerland | Waterproofing systems for civil engineering                             | 35   |
| 2008 | Pelplast A/S  | Sweden               | Industrial floor coverings  | 3  |
| 2008 | Industrial flooring division of Valspar Corporation   | USA                  | Industrial floor coverings  | 21   |
| 2008 | Industrial flooring division of ICS Garland Inc.  | USA                  | Industrial floor coverings  | 17   |
| 2008 | Cappar Ltd.   | Canada               | Industrial floor coverings, protective coatings                         | 4  |
| 2008 | Sichuan Keshuai Admixture Co., Ltd. (80 %)  | China                | Concrete admixtures   | 18   |
| 2009 | Iotech Ltd.   | UK, Belgium, USA     | Liquid membranes, sanitary coatings, prepolymers, dispersions           | 81   |
| 2009 | Jiangsu TMS Admixture Co. Ltd. (majority holding)   | China                | Concrete admixtures   | 15   |



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