

Press Release

30th September 2009

A Happy Ending for the Beer Coaster:

Papierfabrik August Koehler AG takes over the insolvent Katz Group

Oberkirch, 30th September 2009 – For over 100 years beer coasters have been produced in the Black Forest for the whole world, and it will remain that way. On the 1st October 2009 the August Koehler AG Paper Factory based in Oberkirch, world leader in thermal paper production, will take over the Katz Group based in Weisenbach, who declared insolvency in April.

The beer coaster and cardboard producer Katz, who until recently enjoyed a worldwide share of up to 65 % of the market, will be integrated into the Koehler Group as an independent company. As the new managing director, Daniel Bitton will concentrate on production in Weisenbach and in the USA. Investments of six to eight million Euros should boost turnover in the next two years.

For the 160 employees in Weisenbach, the acquisition of Katz by Koehler means that their jobs have been secured. "We are happy to be able to guarantee the continued existence of a company so rich in tradition, to be able to offer the employees long-term perspectives and to give the region decisive impulse", said Kai M. Furler (CEO Koehler Paper Group).

Despite the integration into the Koehler family, Katz will retain the status of an independent company. This means that all Katz Group locations, with the exception of Großschirma in Saxony, will be retained. The range of products including beer coasters, pizza boxes and other products for the packaging industry will also remain unchanged. "Through investments and modernisation we will raise production and turnover to 3.2 billion beer coasters in the next two years", said Werner Ruckebrod (COO Koehler Paper Group). "That is only possible with a strong and reliable partner like the Koehler Paper Group."

The Katz Group has lived through a number of highs and lows in recent years. The family company, founded in 1903, was bought out for the first time in 1978, at the time by the company group Pfleiderer. Katz expanded quickly and became world leader in the field of beer coaster production. That brought investors onto the scene who took over Katz in 2005. However, they were not in the position to prevent the consequences of the economic crisis in time. Katz sales declined and on 14th April 2009 the company filed for insolvency at the Baden-Baden district court.

Optimism prevails after the takeover from Koehler. "We had been looking for a new product which would promise success for a long time. With a material such as cardboard we are treading new terrain at Koehler. We are sure that this path will bring us forward on the international stage", says Bruno O. Schwelling (CFO Koehler Paper Group).

“Koehler and Katz are a good match”, finds Kai M Furler, eighth generation family member of the Koehler board of directors. “Koehler and Katz share many similarities; both companies have grown coming from the small firm sector, are both world leaders with traditional products and both have the aspiration to be cost-leaders. That is why the Katz Group fully met our requirements right from the beginning.”

The Papierfabrik August Koehler in Oberkirch was founded in 1807 and has since established itself as the producer of special papers on the worldwide market. The range of paper includes thermal papers, carbonless papers, fine and special paper, coloured and technical papers, décor papers. Koehler is the world market leader in thermal papers – receipts are printed on Koehler quality paper all over the world. The Katz Group, with its head office in Weisenbach, specialises predominantly in the production and marketing of beer coasters. Recently their share of the market in this sector amounted to around 55 percent in Europe and 93 percent in the USA. You can find more information about both companies on the following websites: www.koehlerpaper.com and thekatzgroup.com.

Papierfabrik August Koehler AG

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