Press release

Kistler drives its strategic realignment ahead
Pandemic accelerates transformation process

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The Kistler Group, the global market leader in dynamic measurement technology headquartered in Winterthur (Switzerland), has to reduce jobs due to the structural transformation of the global economy. Automobile manufacturers and suppliers to the automotive industry, who are hit particularly hard by the global economic downturn, account for over 70 percent of the Kistler Group’s sales. The situation has been aggravated by the coronavirus pandemic. As at the end of September, the Group's sales had decreased by 23 percent year-on-year.

"With the growing move away from the combustion engine due to stricter CO₂ legislation and social change, a wide-ranging structural transformation is now under way in the automotive industry. The core markets of Germany and China already saw incoming orders falling well below expectations last year," according to Rolf Sonderegger, CEO of the Kistler Group. Kistler was quick to respond last year by launching a comprehensive transformation program to reposition the company. The objective is to tap new markets that are independent of the automobile industry. At the same time, the company implemented steps to save costs. "The coronavirus pandemic has aggravated the situation enormously, with the result that we have no option but to announce redundancies – despite our efforts to save costs, a ban on new recruitment and the introduction of short-time working," Sonderegger continues. Sales are currently running at 23 percent below the prior year's figure. A result of CHF 360 million is expected at year’s end – a year-on-year decrease of 20 percent. The company is currently posting losses.

The job reductions affect a total of 190 full-time positions throughout the world, including almost 30 in Switzerland, 90 in Germany and another 70 at other sites across the globe. 60 jobs are being reduced due to natural attrition; a further 130 will be reduced in accordance with each country’s specific statutory procedures, in a socially responsible manner and in consultation with the relevant employee representative bodies. A social plan is also being drawn up in Switzerland. The scope of the job reductions reflects the regional market situation. In Germany, the sharp downturn in demand from the automotive industry – Kistler’s main customer – is significantly impacting production and sales, so all the German sites are affected by the job reductions. In terms of organization, various sites in Germany and Switzerland will be consolidated and competences will be concentrated.
According to assessments by automobile market experts, the situation will continue to be difficult beyond 2021 – especially as regards combustion engines. “We have to expect a reduction of up to 30 percent in the total number of cars manufactured this year,” says Lino Guzzella, Member of the Board of Directors of Kistler and former President of the Swiss Federal Institute of Technology (ETH), Zurich. The automobile market will only recover gradually in the coming years, he adds.

Rolf Sonderegger summarizes the company’s future realignment: “By launching the transformation at an early stage, we will ensure the company’s long-term survival as well as its future growth. Even though drastic measures are required now that the structural transformation of the economy is being aggravated by the coronavirus pandemic, we are convinced that we are on the right path."

Image material (please name the Kistler group as picture source)

Rolf Sonderegger, CEO of the Kistler Group

Kistler’s measurement technology solutions are used in a wide range of industries, such as medical technology.

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About the Kistler Group
Kistler is the global market leader for dynamic pressure, force, torque and acceleration measurement technology. Cutting-edge technologies provide the basis for Kistler’s modular solutions. Customers in industry and scientific research benefit from Kistler’s experience as a development partner, enabling them to optimize their products and processes so as to secure sustainable competitive edge. Unique sensor technology from this owner-managed Swiss corporation helps to shape future innovations not only in automotive development and industrial automation but also in many newly emerging sectors. Drawing on our extensive application expertise, and always with an absolute commitment to quality, Kistler plays a key part in the ongoing development of the latest megatrends. The focus is on issues such as electrified drive technology, autonomous driving, emission reduction and Industry 4.0. Some 2,200 employees at more than 60 facilities across the globe are dedicated to the development of new solutions, and they offer application-specific services at the local level. Ever since it was founded in 1959, the Kistler Group has grown hand-in-hand with its customers and in 2019, it posted sales of
CHF 466 million. About 7% of this figure is reinvested in research and technology – with the aim of delivering better results for every customer.