

# VOLVO CONSTRUCTION EQUIPMENT

## The Story



From its beginnings nearly two centuries ago in a machine Shop in Eskilstuna...  
to one of the largest manufacturers of construction equipment in the world

Today, Volvo Construction Equipment owns a tremendous range of over 150 pieces  
of equipment designed and developed to build the world we live in. They are produced  
on four continents and distributed in more than 200 countries through dealerships and  
rental outlets. All built to the Volvo standards of quality, safety, and environmental care.  
The Volvo Construction Equipment range includes: wheel loaders, compact equipment,  
wheel mounted and crawler excavators, motor graders, and articulated haulers.

# VOLVO

Construction Equipment

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## The Volvo Construction Equipment story began over 170 years ago in Eskilstuna, Sweden

In 1832, a brilliant young engineer, Johan Theofron Munktell, arrived from Stockholm to help train local craftsmen and develop the local engineering industry. He founded the **Eskilstuna Mechanical Workshop** where he became the driving force behind many innovations. Here, they made printing presses, threshing machines, traction engines, and in 1853 the first Swedish steam locomotive. As demand for these products grew, it was decided, in 1868, to move threshing machine production to Hallsberg, about 100 kilometers from Eskilstuna. Today this is the site of **Volvo Construction Equipment's cab factory**. In 1906, the factory produced the first Swedish steam roller, 1913 saw the first Swedish tractor and 1924 the first Swedish motor grader.

In 1844, two talented Swedish engineers, the brothers Jean and Carl Gerhard Bolinder, started a machine shop in Stockholm. In time they pioneered production of crude oil engines. Bolinders became famous for building the world's first truly practical submarine. By 1920 they were the market leader in the manufacture of hot-bulb crude oil engines for fishing boats.

It was natural that these two outstanding companies would find great strength together. They merged in 1932 and 40s, BM, as it became cultural machines, specialising

to become **AB Bolinder-Munktell**. During the 1930s known, was a major Swedish manufacturer of agricultural farm tractors.



On July 25, 1924, there was another key moment in Volvo's history – Gustaf Larson and Assar Gabrielsson met for dinner at the Sturehof restaurant in Stockholm. It was there that the two men agreed to establish a new car manufacturing company. The result was **Volvo**, the Swedish company that was to become a global enterprise.

Later, during the second world war, Volvo began co-operating with Bolinder-Munktell in the production of farm tractors and other machines. In 1950, Volvo acquired BM. The first tractor with a diesel engine appeared in 1952 and, two years later, the first wheel loader. This proficient front-end loader was the forerunner of the first articulated loader.

In 1956 the company formed an agreement with the **Lihnell company** of Braås in southern Sweden, chiefly a maker of wagons. The idea of making an all wheel driven wagon was born and, in 1966, the world's first articulated hauler known as 'Gravel Charlie' was launched.

In 1973, the company name was changed from AB Bolinder-Munktell to **Volvo BM AB**.

Reorganisation within Volvo in 1977 saw Volvo BM concentrating solely on the development, marketing and production of construction equipment, particularly wheel loaders and articulated haulers. Over the next few years some of the finest machines linked to the Volvo name were put to work in the worldwide construction industry.

The story now moves to North America. The **Clark Michigan Company** was founded here in 1903. Originally making drilling tools, Clark had, since 1952, been building dozing and haulage equipment for the construction industry. In 1983 Clark acquired **Euclid**, another American manufacturer of haulers. Euclid had begun life a hundred years earlier as the George Armington Company. In 1985, Volvo and Clark Equipment Company merged their construction equipment subsidiaries, bringing the three brandnames Volvo BM, Michigan and Euclid together as the **VME Group**.



Back in Europe, in the final years of the 19th century. Hubert Zettelmeyer had started a road construction company in Konz, Germany. Soon his new company had produced its first steamroller, the foundation of the **Zettelmeyer** business. From the 1950's the company became well known as a manufacturer of compact wheel loaders achieving a leading market position in Germany. VME started acquiring interest in the company in 1991.

Four years later, in 1995, the Volvo Group bought Clark's 50 percent ownership of VME. From now on it would be known as **Volvo Construction Equipment**. Also in 1995 Volvo Construction Equipment purchased the French company **Pel-Job**, Europe's first manufacturer of compact excavators.

In North America, over a hundred and thirty years earlier, **Champion Road Machinery** began building the new highways of a growing nation. The early horse drawn graders soon gave way to tractor powered models. Over the years improvements in the engineering and performance had given Champion graders a strong market position. In 1997 Volvo acquired Champion and **Volvo Motor Graders** became an industry standard.

A year later, in South Korea, Volvo became the first foreign company to invest in the Korean industry when they bought the heavy construction equipment division of **Samsung Industries**. A major target for Volvo Construction Equipment had been the crawler excavator market, and within a few years a range of new Volvo excavators emerged from the Changwon plant.

In 2001, Volvo made another major move into the rapidly expanding compact equipment market. Volvo Construction Equipment developed a new backhoe loader. They also acquired skidsteer loader, telehandler, and compaction roller products. Over the years, in-house product development and strategic acquisitions have given Volvo Construction Equipment a comprehensive product portfolio.