

# Passion since 1883: Vorwerk looks back on 140 years of success story

**Wuppertal, 24.03.2023.** Vorwerk is 140 years old – and that means 140 years of passion and innovation. The company can look back on a long history of success. Founded in the valley of the Wupper river as a carpet factory, Vorwerk also moved into the production of household appliances (Kobold vacuum cleaners) in 1929. The advantages of the first, powerful Kobold model could not be conveyed via retail sales - the birth of direct sales at Vorwerk, certainly the most important milestone in Vorwerk's history. Today Vorwerk is the number one direct sales company in Europe and the world-leading direct seller of high-quality household appliances. In 2021, the Group generated sales totaling 3.4 billion euros, a new company record.

#### Thank You, Community

The company owes its success chiefly to the people who are enthusiastic about the company and actively support it. The Vorwerk community consists of 100,000 sales advisors and some 9,000 employees, as well as many, many customers around the world. It is precisely these people's passion that has made Vorwerk so successful.

## **Vorwerk's Company History**

Back in 1883, Carl Vorwerk founded Barmer Teppichfabrik Vorwerk & Co., a small carpet factory and the cornerstone of today's global brand. In doing so, he demonstrated entrepreneurial prowess because until then, high-quality carpets had only been manufactured in England. In 1907, Carl Vorwerk handed over the reins of the company to his son-in-law, August Mittelsten Scheid, who was himself the scion of an industrial family in business in Barmen since 1764. By 1909, the Vorwerk name had already become a familiar one beyond the region and the company was growing rapidly. It stepped up its carpet production, erected new buildings and set up the company's own machine workshop. By this time, too, the product spectrum was constantly expanding and at that time, ranged from car axles to gramophone motors.

The invention of the radio brought the market for gramophones to its knees. A new idea would save the day, though: The gramophone motor became a motor for a vacuum cleaner. In 1929, the Kobold was something of a small revolution: a handy appliance - but nevertheless one that was very effective. The market was not yet ready for that innovation, however, and prospective customers could not appreciate the advantages of the Kobold model from merely seeing it on sale at a retail store. Once again, a revolutionary idea would save the day, namely the introduction of direct sales in Germany – certainly the most important milestone in the company's history. Brought back from the USA by August Mittelsten Scheid's son, Werner, in 1930, this people-oriented sales concept would become Vorwerk's trademark and the secret of its success.

In 1953, Dr. Erich Mittelsten Scheid took on sole management of the company and initiated far-reaching changes, such as expanding the product range and opening up further to international markets. In 1968, akf bank became the first service brand to join the Group.

During the Second World War, "war-essential goods" were produced at Vorwerk, in part by forced laborers. Vorwerk has actively dealt with these events as part of its corporate history within the framework of a study and has also participated in the foundation initiative of German industry for compensation for Nazi forced laborers.



In 1969, Erich Mittelsten Scheid handed the Vorwerk reins over to his nephew, Dr. Jörg Mittelsten Scheid, who from 1969 to 2005 played a crucial role in shaping the company, turning it into an internationally successful corporate group. Expansion of the product portfolio is among the achievements that fall within his time at the helm: Already in 1971, the Thermomix became the first multifunctional food processor and cooking appliance to be launched onto the market. Pushing ahead with its consistent strategy of internationalization, Vorwerk founded its first foreign subsidiary abroad in China, in 1990, and subsidiaries in Eastern Europe soon followed. At the end of 2005, Dr. Jörg Mittelsten Scheid stepped down from the management of the company, but today continues to oversee the company as Honorary Chairman of the Supervisory Board. With Dr. Thomas Stoffmehl, Hauke Paasch and Dr. Thomas Rodemann, a three-member Executive Board now manages the fortunes of the Group, whereas the owner family provides continuity in its fifth generation.

## **People are the Focus**

We are convinced: When people meet in person, worlds and opportunities open up. A personal product demonstration creates magical moments and a lasting connection between people - and in Vorwerk's case, worldwide. People have always come first at Vorwerk. Direct sales is the company's recipe for success: product demonstrations are social events at which people come together, discover their love for the product and become members of the Vorwerk family. Without a doubt, the Vorwerk advisors play a very special role here: they are the faces of our company and essential to our success - and they will continue to be just that in the future, too.

## **ABOUT VORWERK**

The Vorwerk SE & Co. KG family enterprise was founded in 1883. The holding company's registered office is located in Wuppertal, Germany. Vorwerk's core business encompasses both the production and sale of high-quality household products (Thermomix® kitchen appliance, Kobold vacuum cleaner). As a direct sales company, Vorwerk always seeks direct contact with its customers. Here, the advisor is at the center of activities and serves as a central point of contact for the customer. The Vorwerk family also includes the akf-group. Vorwerk generated consolidated sales of 3.4 billion euros (2021) and operates in more than 60 countries.

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