



The World  
of Atlas Copco

A world leader in compressors, generators, construction and mining equipment, industrial tools, assembly systems and equipment rental.

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## The Evolution of Atlas Copco

**1873-1890**  
**Founding of a Company** AB Atlas was founded in 1873 with the mission to **manufacture and sell railway equipment**. At the time, it was the largest manufacturing company in Sweden. Among the company's founders was the financier A. O. Wallenberg, owner of the Stockholm Enskilda Bank. The Wallenberg family has been associated with the Atlas Copco company since its inception.

In addition to railroad equipment, AB Atlas manufactured **steam engines** and **fixed steel constructions** for bridges, buildings, and church steeples.

The early years of profitable business were followed by years of losses, as railway orders dwindled and the company had to restructure. In 1890 Atlas went into liquidation, but was immediately restarted under the new name Nya AB Atlas (New Atlas Company).

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**1891-1916**  
**Restructuring years** With new management, Nya Atlas progressed more favorably and new, profitable business areas were sought. In addition to **steam locomotives, steam engines and machine tools** were important elements on the New Atlas Production line.

The company soon expanded into **pneumatic tools** (with the sale of riveting hammers and drills in 1901), **compressors** (with the production of piston compressors in 1904), and **rock drilling equipment** (with the presentation of the first rock drill in 1905).

The first pneumatic tools produced by Atlas were actually intended for the company's own workshops. But word spread of their greater efficiency and reliability, creating demand from other major Swedish workshops.

[More details](#)

**1917-1949**  
**Merger and international expansion** In 1898, Marcus Wallenberg acquired the Swedish rights to produce Rudolf Diesel's patented engine. A new company was founded for this: AB Diesels Motorer.

In 1917, **AB Atlas merged with AB Diesel Motorer**, becoming AB Atlas Diesel, with the mission to refine the diesel engine. At the same time, production of steam locomotives was phased out. Atlas delivered its 174th and last locomotive in 1917. Despite the focus on diesel engines, it was the **compressed air tools** area that turned out to be the most successful. After World War II, Atlas launched a method combining a light rock drill with pusher leg and drill steels with tungsten carbide drill bits. This method proved superior to competing methods and became known all over the world as the "**Swedish Method**."

A number of new sales companies were established to market the method worldwide. New production companies were also added. The biggest newcomer was the Belgian compressor manufacturer Arpic Engineering.

In 1948 the diesel business was finally sold after producing 5,447 diesel engines.

[More details](#)

**1950-1969**  
**Focus on design**  
**and development**

Atlas was now completely focused on **compressed air**, and the journey to worldwide leadership in this area began. In 1956, this was manifested by changing the company's name to Atlas Copco. "Copco" stands for Compagnie Pneumatique Commercielle, from a Belgian subsidiary.

Atlas Copco delivered its first screw compressor in 1954. In 1967, the company was ready for another major step with the presentation of a compressor that produced oil-free compressed air (no oil was injected into the compressor chamber). The oil-free machines opened up new markets and applications for Atlas Copco.

In 1968, a major reorganization was undertaken and three new business areas were formed: Mining and Construction Technique, Airpower, and Tools.

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**1970-1983**  
**Growth**  
**through acquisition**

When Tom Wachtmeister became President and CEO of Atlas Copco in 1975, he initiated a process of structural changes and rationalizations. A number of strategic company acquisitions paved the way for a **broader product range and enlarged markets**.

In the early 1980s, the Compressor and the Mining and Construction business areas were world leaders within their fields of operation. The third business area, Tools, was still relatively small and had a lot of potential. In the coming years, the industrial technique area would grow substantially, through acquisitions as well as product development.

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**1984-1996**  
**A multi-brand company**

In 1984 Michael Treschow was appointed managing director of the Industrial Technique (formerly Tools) business area. Via **strategic acquisitions**, Atlas Copco's position was strengthened in important markets. According to a conscious multi-brand strategy, the values of the new brands were preserved. When Michael Treschow succeeded Wachtmeister as President and CEO in 1991, the multi-brand strategy was consolidated in the whole company.

The Industrial Technique business area began supplying multiple nutrunner units in the late 1960s. Due to increasing requirements from the auto industry, Atlas Copco Tools became a major supplier of **advanced industrial power tools**. In 1994, a revolutionary new nutrunner was launched, the Tensor S Power Focus. Using entirely new motor technology, the Tensor S is a fast, uniquely light tool for precision tightening of critical joints.

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**1997-2002**  
**Focus on rental**

In 1997, Giulio Mazzalupi became the new CEO for Atlas Copco. He decided to involve Atlas Copco in the rapidly growing equipment rental market. The acquisitions of the major U.S.-based rental companies, Prime Service and Rental Service Corporation, were well in line with Atlas Copco's strategy to get closer to customers' processes and increase revenues from activities when the products are in use.

In 1999, a fourth business area was established, Rental Service, and in 2001 Prime Service and Rental Service Corporation merged to develop synergies and to better serve customer in the U.S.

As an international manufacturer with waste logistic operations, Atlas Copco has clearly realized the enormous possibilities of the Internet. Internet technologies are now being integrated within all business areas to support processes that are related to people, products and customers.

[More details](#)

**2002-**  
**Focus on profitable**  
**growth**

In 2002, Gunnar Brock became the new CEO for Atlas Copco, and the Group focuses on profitable growth in order to secure long-term profitability. The three strategic directions are **organic and acquired growth** within existing business areas, **innovations and continuous developments**, and expanding the "use-of-

**products**", including maintenance, spare parts and accessories, and equipment rental.

In 2004, there was a major acquisition of the Drilling Solutions business in the United States. It forms a new division within the Construction and Mining Technique business area.

In 2005, the professional electric tools business, with the two divisions Atlas Copco Electric Tools and Milwaukee Electric Tool, was divested.

[More details](#)

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