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Topcon, Sokkia combine to create world's leading survey instruments supplier

Two leading manufacturers of precision surveying instruments – Topcon Corporation and Sokkia Co., Ltd., both with corporate headquarters in Japan – combined effective February 5.

With the recent approval of the Japanese Fair Trade Commission, Topcon purchased more than 32 million shares of Sokkia stock for about \$194 million; the shares Topcon purchased represent about 94 percent of outstanding stock.

Combining the two companies creates the world's leading supplier of surveying instruments. Both companies provide turnkey positioning solutions for surveyors worldwide. Subsequent to this combination, Sokkia will become a wholly owned subsidiary of Topcon Corporation after all steps are completed.

Topcon and Sokkia have offices throughout the world, including the U.S., Canada, Central America, South America, Europe, Africa, the Middle East, China, Korea and Malaysia.

Ray O'Connor, president and CEO of Topcon Positioning Systems of Livermore, California, said, "This friendly combination of two major companies with extensive product lines and excellent distribution networks creates new opportunities for customers, dealers, and employees of Topcon and Sokkia."

He said, "The initial meetings with executive management from both companies have been held and the shared excitement about the abundant opportunities for growth is very obvious."

"Both Sokkia and Topcon have incredible dealer networks," O'Connor said. "They are the best in the industry. This joining of our companies not only protects those networks but provides respective dealers with additional opportunities for growth."

Ed Yamanaka, president of Sokkia Corporation, of Olathe, Kansas, said, "It is rare that such an outstanding opportunity comes along to combine two global major market players that have similar corporate cultures, while preserving their individual identities. This sends a clear message to the industry that this new, stronger company takes the responsibility of being the leading supplier of surveying instruments very seriously."

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With more than 160 years combined in the business of manufacturing precise measuring instruments (Sokkia was founded more than 85 years ago, Topcon more than 75 years ago), the companies “bring to the marketplace a history of innovation, quality products and exemplary service after the sale,” Yamanaka said. “Our companies mirror each other in the offering of full complements of survey equipment and accessories, robotics to GPS, conventional total stations to advanced data collection, from post-processing software to layout, and from lasers to levels.”

O’Connor said, “It will be business as usual for both companies, with no change in brand or distribution network. But, a combining of resources of this magnitude creates natural synergistic opportunities in the key areas of engineering and manufacturing that will allow both companies to perform certain business operations more efficiently. Combining these two strong leaders in the survey industry dramatically and positively changes the dynamics of the global survey marketplace.

Yamanaka said that there is also a “striking similarity in the way the two companies embrace their distributors as true partners in the business and how they have advanced those relationships for the benefit of all.” He said both companies also have a similar approach in working with service and support issues. Topcon and Sokkia utilize “regional technical support, trained repair staffs, online help, on site product training by qualified technicians . . . all are part of the normal course of business for both companies.”

O’Connor said: “What could be better? Two companies, similar operating philosophies, business operations, and corporate culture . . . working together to be the best positioning company in the surveying industry.”

Topcon Positioning Systems, a developer and manufacturer of positioning equipment, offers the world’s leading selection of innovating precision GPS, GIS, laser, agriculture, optical surveying, and machine control products, software, and applications. Topcon Corporation is traded on the Tokyo Stock Exchange (7732).

Sokkia Corporation is the United States subsidiary of Sokkia Co., Ltd., Tokyo, a world-leading manufacturer of precision measuring systems. Sokkia's diverse product line provides complete measurement solutions for surveying, mapping and GIS, industrial measurement and construction applications.