

News Release

New Strategic Partnership

With Sokedachi, Inc.

Tokyo, April 23, 2019 - Koki Holdings Co., Ltd. (President & representative director, CEO Atsushi Morisawa, hereinafter referred to as “KHD”) announces that it has agreed to an official strategic partnership with Sokedachi, Inc. (hereinafter referred to as “Sokedachi”), which is seeking to design a platform to support everyone in the construction industry, on April 12, 2019.

Details of the Business partnership

1. KHD invests in Sokedachi, Inc. roughly 100 million yen.
2. Sokedachi offers opportunity to KHD for deepening the understanding of customers. KHD will utilize the opportunity for products development and service improvement.
3. Conduct joint marketing and develop services together going forward.

1. Background behind the strategic partnership

There are around a dozen different companies operating recruitment sites as well as job matching apps and services for builders and construction workers in Japan, but currently none have achieved a clear advantage over the others. However, in only a short time since its launch Sokedachi has successfully been able to expand its customer base. At the same time, the company also offers the advantage of direct access to end user data rather than data for each individual builder. Sokedachi also has registered users in 74 different job categories including carpentry, electrical work, and demolition. Roughly 70% of registered users are in categories with high likelihood to be using power tools.

Under its new President Atsushi Morisawa, KHD, which has long history of more than 70 years, is also advocating customer-centric perspective with “Four G’s,”* in a continually changing worldwide trend, and the company has determined that Sokedachi is the most outstanding platform, offering the ability to directly connect with end users working in fields such as architecture, construction, and electrical work. Having reached this conclusion, KHD has been coordinating extensively with Sokedachi and after mutually affirming that their future directions coincide, the companies agreed on collaboration in the form of an advertising tie-up (announced April 2, 2019). This makes KHD the first manufacturer of power and pneumatic tools to partner with Sokedachi.

The companies have also agreed on a proposal to take the collaboration a step further and KHD decided to invest in Sokedachi.

2. Advantages of the strategic partnership

The Sokedachi App currently has around 60,000 registered users, with more joining each day. This strategic partnership will not only allow KHD to display ads to the ever-growing number of registered users, but it will also make it possible to efficiently solicit interviews and conduct user surveys. KHD will leverage these opportunities to listen sincerely to what customers have to say, think from their perspective, and be there for them long-term, which will lead to the development of distinctive products, that benefit customers and facilitate improvements to services offered. KHD is unwavering in its aim to be an indispensable company for its customers, by acting with a sense of speed to make one improvement after another based on out-of-the-box thinking. The company will continue creating the markets of the future while maintaining ongoing cooperation with Sokedachi and engaging in joint marketing and service development efforts.

The world is built by PRO's. We create THE BEST for the PROS to answer their passion and trust.

3. Comments from the presidents

(1) Koki Holdings Co., Ltd. President & representative director, CEO Atsushi Morisawa

We have only just recently announced our collaboration with Sokedachi, but I am very excited to now also be able to announce this strategic partnership. In order to understand our customers, we travel to the “Genba”—the actual place of our users and plants, observing the “Genbutsu”—the actual things that our business revolves around in order to do so. However, the points of contact that we are now gaining via Sokedachi will give us an even deeper understanding of our customers, while also helping us understand the “Genjitsu”—the actual situation, even more accurately. With a sense of speed, we also value “Genzai—right now.” Emphasizing these “Four G’s,”* we will work together with Sokedachi to offer evolving and superior user experiences.

(2) Sokedachi, Inc. President & CEO Yoichi Wagatsuma

I am very pleased that our affiliation with Koki Holdings has now evolved from an alliance into a strategic partnership. We ourselves will of course continue to advance, but we are also determined to strengthen our partnership for professionals with Koki Holdings so that together we can expand our business and breathe new life into the industry. With experts working together to achieve these goals, I am confident that we can be successful. Please look for big things from our companies.

*Note

“Four G’s” refers to four Japanese words, “Genba” (the actual place), “Genbutsu” (the actual things), “Genjitsu” (the actual situation), and “Genzai” (right now).

1. Genba: (the actual place): To thoroughly eliminate unproductive ideologies, by traveling to the locations of our users and to our plants, distribution centers and sales locations, so that truly feel what things are like there and find answers accordingly.
2. Genbutsu (the actual things): To find out what our products and those of our competitors really are, and at the same time to have understanding of how the products are used, and what actually benefits the users by confirming the actual things.
3. Genjitsu (the actual situation): To thoroughly eliminate ambiguous story transmitted from others, by listening to the opinions of our customers, thinking seriously about what troubles them and what they appreciate, and subsequently blaze a trail to true insight based on both Genba and Genbutsu.
4. Genzai (right now): To act with the approach such as making immediate proposal and conducting quick testing, to be able to make improvements three times over the course of three years. Rather than spending three years to improve workmanship that end-user rate as 90 point to a 98-point level.

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<Reference Info>

About Sukedachi, Inc.

Sukedachi, Inc. operates the “Sukedachi” all-in-one smartphone app that coordinates support for the issuance and receipt of work orders, handling of damage and theft insurance for unexpected incidents at worksites, support for procurement of tools and materials, and other related operations. It also has its own original card payment function (Sukedachi Card) through partnerships with major finance companies.

The Sukedachi smartphone app matches workers with their appropriate workplaces simply by entering their job type and residence location. Specify the detailed conditions for each workplace when placing an order, and it can request only the optimal workers for the job. The company also operates Sukedachi Pay, a service for workers, through which payment can be requested and immediately received at the very point in the day when the work is complete, 24 hours a day, 365 days a year. The entire process from request to receipt can be completed easily over the app, without any cumbersome documentation procedures.

Sukedachi runs TV commercials featuring comic entertainers. Their app has accumulated 60,000 users in roughly one year since its launch.

■ Company overview

Company name:	Sukedachi, Inc.
Representative:	President & CEO, Yoichi Wagatsuma
Address:	Nikko Shibuya Nanpeidai Bldg 5F, 2-17 Nanpeidai, Shibuya, Tokyo
Founded:	March 30, 2017
Capital:	779,806,888 yen (including capital reserve)
Description of business:	Planning, creation, and operation of internet-based services
URL:	https://suke-dachi.jp/

For inquiries, contact:

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Company: Sukedachi, Inc.

About Koki Holdings Co., Ltd.

Koki Holdings Co., Ltd. is one of the leading power tool and life science equipment manufacturers in Japan. Those products include power tools such as drivers and drills, garden tools such as brush cutters and hedge trimmers, electrical appliances such as cleaners and high-pressure washers, and ultra-centrifuges. Koki Holdings' world-class advanced technologies have produced reliable and innovative products throughout its celebrated seventy-year history. An extensive sales and service network underpins our superb reliability, with a sales network reaching into all of Japan's prefectures and over ninety-five countries throughout Europe, the Americas, Asia, Oceania, the Middle East, and Africa

Founded:	December 18, 1948
Capital:	17.8 billion yen*
Annual revenue:	191.2 billion yen (consolidated in fiscal 2017)
Employees:	6,446 (consolidated)*

*As of March 31, 2018

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