A look back at 2011

The year 2011 was marked by a rash of natural disasters occurring around the globe, including flooding in Australia in January, a major earthquake in New Zealand in February, the Great East Japan Earthquake in March, torrential rains in Japan’s Niigata and Fukushima Prefectures in July, and flooding in Thailand in October. The events of the year left us all painfully aware of the need for business continuity planning. I sincerely hope the affected areas recover as quickly as possible. We will continue to strive to provide long-term assistance where it is needed.

Widespread economic woes continued in 2011. Japan struggled with an electric power shortage caused by the deactivation of its nuclear power plants, as well as with a decline in exports and a resulting shift of manufacturing overseas caused by a drastic rise in the value of the yen. Meanwhile, the financial crisis that began in Greece threatened to engulf the rest of Europe, and a drop in exports to Europe triggered an economic slowdown in China and elsewhere in Asia, as well as in the United States. Facing an uncertain future, businesses were pressed to take action.

40th anniversary

Amid the aforesaid difficult circumstances in Japan and around the world, THK celebrated its 40th year in business on April 10, 2011. We achieved this milestone thanks entirely to the loyal support of our customers and our partner businesses, to whom I offer my sincere gratitude.

Providing innovative products to the world and generating new trends to contribute to the creation of an affluent society—this is THK’s corporate philosophy. From the time it was founded, THK has endeavored to contribute to technological innovations in the industrial world as a pioneer in linear motion systems. We have worked hard to meet the needs of our customers, develop and grow along with our customers, and do whatever we can to help bring about a prosperous society.

With natural disasters striking in rapid succession and the European financial crisis looming on the horizon, however, it is imperative that THK rapidly expand its business into new markets, establish a presence at optimal sites of production throughout the world, and penetrate rapidly growing local markets, in addition to helping Japanese industries become more competitive.

THK is moving quickly to meet these challenges and will continue to make every effort to pursue further growth.
Striving for sustainable growth

Business continuity planning

At THK, we have long understood the importance of effective business continuity planning, and we have prepared accordingly. In the aftermath of the March 2011 Great East Japan Earthquake, however, we are all too aware of how important it is to formulate a thorough business continuity plan. Among other things, this involves creating a framework for restoring operations at damaged plants, securing lines of communication and independent sources of power, ensuring the availability of multiple distribution routes, arranging for the transfer of headquarters functions to alternative locations, securing reserve supplies, and ensuring the safety of the supply chain. It is also essential to ascertain the safety of not only employees but their families as well, and for this the company must provide the requisite training and guidance. THK has steadily addressed all these challenges based on the conviction that we need to be prepared for a long-anticipated major earthquake occurring directly beneath the Tokyo metropolitan area, a major earthquake in the Tokai, Tonankai, or Nankai region, or the simultaneous occurrence of more than one of these calamities.

Arrangements have been made for the transfer of headquarters functions to the GIFU Plant, YAMAGUCHI Plant, and NAGOYA Branch. Preparations are underway to enable identical products to be manufactured at multiple plants, both here in Japan and overseas. With the assistance of our suppliers, we will continue to make every effort to ensure that there are no interruptions in the supply chain.

In closing

We present this year’s CSR Report with a renewed awareness of a manufacturer’s vitally important responsibility to maintain supply. In normal times a business can simply pursue stable expansion of its own business activities. Amid the unprecedented crises of recent months, however, we have recognized anew that by honoring our responsibility to maintain a stable flow of products, not only directly to our customers but to downstream suppliers as well, we help maintain the calm pace of ordinary economic activity and encourage progress toward a rapid recovery.

THK has launched a groupwide effort to ensure that we are prepared for unanticipated situations that arise even in normal times and to ensure that, whatever the circumstances and whenever they occur, we will uphold our responsibility to maintain a steady supply of products. We humbly request your support for this endeavor.