

Who Should Own a Drone Company?



The big boys are buying new toys. Why they're doing this is perceptively explained by our regular columnist Adena Schutzberg.

Have you been keeping up with which of the big non-defence focused geospatial companies are acquiring drone makers? Here's a short list: In April 2012, Trimble acquired Gatewing, based in Belgium. In February 2014, Hexagon, owner of Intergraph and Leica Geosystems, acquired Aibotix, based in Germany. In April 2014, Google announced plans to acquire Titan Aerospace, based in the US. What do these companies have in common? They are involved in spatial data acquisition. They are also well-known as acquirers. They have large existing user bases.

Let's consider these companies' geodata acquisition technologies before the acquisitions. In the past, I thought of Trimble as a GPS company. Now it's: 'transforming the way the world works.' Among the industries it's transforming: agriculture, engineering and construction, transportation and wireless communications infrastructure. Before acquiring Gatewing it had a solid base in imaging, LiDAR sensors and image processing systems.

Meanwhile, Hexagon Geospatial (of which Leica Geosystems is part) is home to Hexagon's remote sensing, photogrammetry and related products. Hexagon itself is a 'leading global provider of integrated design, measurement and visualisation technologies.' Like Trimble, before the acquisition, it offered a range of digital imaging cameras and software to process and manage the collected data.

What Next for the Information Organiser?

Google 'became' a geospatial company in 2005 when its Google Maps changed online mapping and advertising forever. I thought of, and still think of Google as Google, a company very different from most in our industry. The company officially describes its corporate mission as organizing the world's information. Google is well known for its technology to capture street scenes for its 'Street View' product. Fans of the worldwide service have excitedly watched the company's sensors capture imagery while strapped to cars, trikes, and people, as they move across the landscape. While not so well known, Google acquired ImageAmerica, a company that made and flew aerial image sensors, back in 2007. More recently, Google announced it would acquire satellite company Skybox Imaging. The plan, they say, is to use the satellites both to gather data to update its mapping products and to provide Internet access to those who need it. Why buy a manufacturer instead of buying and using a drone just as these data collecting companies use cars, bikes and the like?

The drone manufacturing business, especially the commercial one, is rather new. Car, bike and plane manufactures are mature and entrenched. And, insofar as they are still around, these manufacturers are efficient at making inexpensive, safe and reliable transportation platforms. My sense is there are likely to be more significant breakthroughs in the drone competitive landscape in the next few years than in cars, bike and planes. Having the design and development teams as part of the company gives Trimble, Hexagon and Google the ultimate say in the features and functions in new products. And, all of these companies might benefit from synergies with technologies they own.

What Business are you in?

Trimble's inertial navigation systems, Hexagon's image compression tools and Google's self-driving car come to mind. These acquisitions and the changes they suggest remind us of a very telling statement Jack Levis made about his company, United Parcel Service (UPS) one of the largest shipment and logistics companies in the world. 'We used to be a trucking company that used technology. Now we are a technology company that happens to use trucks.' I think Trimble, Intergraph, Google and their customers will soon be in the same situation with drones.

Which other companies might be scouting out a drone manufacturer for acquisition? How about Microsoft? It owns the UltraCam line of aerial sensors as well as the Kinect, which includes a well-hacked low-cost sensor in its video game technology. How about Amazon? While 'drone delivery' may still be a while, in July the company began querying the US Federal Aviation Administration for permission to test drones on its own property. The company already manufactures e-readers and will soon ship a sensor-enabled phone. I think we can expect more interesting names to be added to the list of 'technology companies that happen to use drones' in the coming year or two.

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