

To the Editor

**BEWARE!!!!!!!**

Having recently fallen foul to the current British Banking rip-off, I wanted to warn other Plant Hire Companies out there to urgently check the status of their own 'Finance Agreements' provided by various organisations/banks within the UK, my experience is with HSBC Equipment Finance.

Taking out a 'Fixed Rate' agreement with lenders who loan you money as finance to purchase equipment does NOT mean 'Fixed Rate' apparently. It actually means 'Fixed Term' and should any of you out there be of a mind to terminate such an agreement early – whilst thinking you had fixed your interest rate to allow you to build your business forecast – and would obviously get a rebate on the interest amount should you choose to reduce your fleet size and terminate an agreement early. You wont, you have actually agreed to pay the interest on full term initially agreed and there is no such thing at the moment as a discount of interest.

Does this mean that the FULL amount of interest becomes a 'Capital' amount?

Should we be allowed to claim tax relief on the full amount of Capital cost AND the interest? Will this interest, if the full amount payable is added onto your balance sheet, prove your Company to be insolvent? Are you prepared to pay interest on money you are no longer borrowing?

It seems that even though the recent Government Green Paper advises banks to ensure they do nothing to limit the working capital of businesses, the banks are not following the measures supposedly in place and are in fact doing the exact opposite. They are restricting working capital of all businesses by claiming this interest on monies no longer borrowed by those businesses.

**Wytkin Lifting Services Ltd,  
Derbyshire.**

*While the details of Wytkin's contract were agreed between them at the start, or probably buried in the small print, the fact is that many UK banks are paying lip service to the UK government's request to support businesses through the current economic downturn and yet doing the total opposite. From the calls emails and letters we have seen on this subject, HSBC is the worst of the worst. In particular it has been getting extremely aggressive with a number of crane hire companies this year, mainly those with strong balance sheets but a week cash position. The typical modus operandi is to revalue all of the assets at a fraction of their even depressed value and then claim a default on loan covenants and demand immediate repayment. The implied threat is that they will place the company in administration, if this is done, you can be sure they will call in their bedfellows in crime, the big administrators such as KPMG whose main function is to pay back the banks and other secured lenders, make a decent killing for itself and if there are a few crumbs left pay them to the poor creditors "who should have known better than to do business with the said company". The whole thing is a scandal and – but then this is not the comment page!" Ed*

Dear Sir,

I have just been looking through the latest issue of Cranes & Access and in particular the listing of access rental companies. I see that you have our company in here in spite of the fact that we did not provide you with the information. It is not accurate and I am wondering where you got it from.

We do not want to be part of this feature and do not care for the fact that you have published information that we did not provide. Please do not put us in next year.

**Name withheld as the correspondent did not wish to have any publicity.**

*This year's Top 30 rental company survey was our 12th and has become a useful guide the industry in the UK and Ireland. Over 90 percent of the information is provided by the companies in the chart. Every year a few companies refuse to participate- three this year – while a few others either fail to respond or sent it in late in spite of repeated requests. When information is not provided we estimate the fleets based on prior year's information and by asking the opinion of those who may know, or at least have a good idea. For the survey to be meaningful it cannot be something that individual companies can opt in or out of. Interesting this year we had more companies contacting us to ask to be included in the survey next year. Your thoughts and opinions on this subject would be much appreciated. Ed*

Dear Mark,

I was most interested to learn from your September issue that Grove is going to bring out a new 150 tone RT crane in the wake of the RT1650.

I sold the last of these giant RTs in 1986 to Poland. The customer was Petrobaltic of Gdansk, an offshore drilling company which, at the time, was a Communist joint venture between the Soviet Union, Poland and the GDR (East Germany). The crane had been used as a yard crane at Shady Grove for a year or so and was sold as a used unit with a 12 month warranty and it had some teething problems with the internal stabilisers soon after installation, which took Grove a couple of months to sort out.

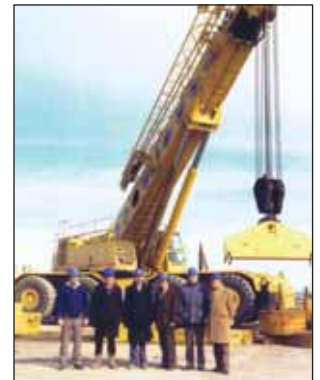
I was summoned to appear before a "Tribunal" headed up by the Soviet managing director, but I had harried the Grove management about it and managed to delay the meeting until I had the parts and the service engineer all ready to carry out the necessary modifications. I defused the situation by eating humble pie, but my Polish interpreter was incensed at the fact that all discussions were conducted in Russian on Polish soil!

The crane worked perfectly satisfactorily after that and in 2008 underwent a complete overhaul and is still in operation – and I am sure that it is the only one left in the world!

I started selling cranes to Poland and the Comecon countries in 1960 and for those who are interested in the techniques of selling to Communist countries in those days, it is all recorded (along with much more) in my memoirs '40 years a salesman' A limited number of copies are left which are available at the special price of £15 including post and packing.

**Yours Sincerely, Dick Lloyd**

Dick Lloyd can be contacted on +44-(0) 1548 531068  
or at 2 Brook Cottages, Sherford, Kingsbridge, TQ7 2A



*Hand over photo of the Petrobaltic delegation Shady Grove 1986*

**Re Open letter from HSE in this month's issue**

Hmm, let me do some maths: 117,000 Lifts in 3 years, 39,000 lifts per year, 750 lifts a week, 107 lifts a day, 4.4 Lifts an hour. This assumes that lifts took place continuously 24/7 with no time off at all in that three year period.

If you assume a 10 hour shift, 6 days a week and two weeks off a year it looks like this 780 lifts a week, 130 lifts a day, 13 Lifts an hour or a lift cycle every 4 1/2 minutes. All day.

Am I missing something or does this sound a little far-fetched? Why would anyone design a crane intended for this work with a lifespan of only 25,000 cycles? What port would buy it? What dealer would suggest it?

What do you think?

Regards,

**Steve, Houston, Texas**

*The crane concerned was in fact a mobile crane, which the letter may not have highlighted, it subsequently turns out that it was on rent to a port. See the Crane Interest Group article on page 49 which provides more information. Ed.*

**Letters to the editor:** Please send letters to the editor: Cranes&Access: PO Box 6998, Brackley NN13 5WY, UK.

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