

A matter of size?

C&a

face to face

Mike Potts is a new name at Lavendon Access Services, by far and away the UK's largest powered access company. Its new UK chief executive is also new to the access industry. Just four weeks into his new role, Mark Darwin travelled to Lutterworth for a chat.

Living in central London and travelling to and from Lavendon's head office in Lutterworth by train, Potts has a lot of time for reading.

"I would rather travel by train than drive and use the time to catch up on reading the Financial Times, Economist and lately a magazine called Cranes & Access," he says smiling. "Although I have worked in five different business sectors and have a good balanced industry background, I have never been involved in the access rental industry so need to quickly get up to speed."

Many companies prefer a mix of senior personnel including some from outside the industry believing that it gives them a more balanced perspective and business approach. But that is not to say he doesn't know anything about the sector.

Trained as a mechanical engineer he worked for Shell on an oil refinery for five years and was involved in specifying and hiring equipment including scaffolding. That job also introduced and indoctrinated him into a strong safety culture which is obviously a major benefit in his present position. After Shell he



Mike Potts

went to the INSEAD graduate business school in Paris, not only gaining an MBA but meeting his French wife to be. His Parisian studies led to senior management positions more in the sales, marketing and commercial roles over the next 15 years in the paint industry, at Amtico flooring where he was involved in a Management Buy Out and most recently at international vending operator Vendia.

Potts takes over from Andy Wright whose involvement in the Middle East business development project grew so rapidly that he is now permanently based in Dubai.

Part of the range of EPL Skylift products



A 22m Panther platform on cleaning duties in Trafalgar Square, London

So what are Potts' first impressions of Lavendon?

"I am only four weeks in the job and although I have managed to travel around many of the depots, I am still getting used to the company, industry and the equipment," he says. "I have however already got my PAL card, having taken and passed the IPAF Mobile Vertical 3a and Mobile Boom 3b training course – done in-house - which was good fun and which I thoroughly enjoyed."

"A good 'one company' feel"

"Given the company's acquisitive history - particularly in recent years - I was pleasantly surprised at how 'together' it is. My predecessors have done a great job of integrating the different companies and there is a good, 'one company' feel to the whole business. I am particularly excited that there still appears to be a lot of development left in the powered access industry and it is quite a dynamic sector. Perhaps a fresh pair of eyes will be an advantage in developing new ideas?"

He says that a previous role - working in the flooring business -

taught him the importance of product differentiation.

"Too many businesses offer a 'me-too' product and compete purely on price whereas the company I was working for was a master at differentiating on aesthetics, design and quality of the product - which allowed us to preserve the business longer and achieve better prices and results."

As UK chief executive, Potts also sits on Lavendon's Group Executive Committee and is involved in a contributing way to businesses outside of the UK. His fluent French and Spanish may also be a benefit here although he admits his German is not as good as it might be.

For the man in the street, Lavendon's company branding can at times appear confusing. But is this something that he aims to clarify?

"About 18 months ago the UK businesses were consolidated into Lavendon Access Services operating through three brands - Nationwide Platforms, Panther and EPL Skylift - due to the strong local customer affinity to each brand."

Nationwide Platforms and Panther brands are now integrated into a single depot network with some depots supplying both.

These are headed by Peter Douglas on operations with Richard Miller controlling sales and marketing. Rob McMeeking – previously finance director of Lavendon Access Services now heads up EPL–Skylift.

Triple brand super depots

“Later this year we will open a new depot in Bristol that



combines three different existing depots - one for each brand. It will be the first to represent Lavendon Access Services (although the name Lavendon will not be displayed). Whatever the name, the company will be run on the same local/regional basis and not a fully centralised structure.”

Discussion on specific equipment was short as Potts had not yet had the opportunity get to know the various models and types well enough to comment.

“Break downs are still caused by manufacturing/quality problems”

“Our main focus going forward is reliability and safety. Reliability has to be as good as possible and is one area that could be improved. Too many break downs are still caused by manufacturing/quality problems (switches etc). Equipment also suffers serious use on site so it’s important our engineers have the appropriate skills to spot and correct problems before a machine goes out on hire again. However as utilisation increases the time window to get repairs and checks

done reduces. We need to aim not to reduce availability but have the kit in top condition 100 percent of the time.”

“I am amazed how low the rental rates are relative to the cost of the equipment but such low rates cannot continue over the long term. The industry moves as it wants, but we are trying to get sensible rates for our equipment. Low rates are not fair to our employees or shareholders as we are trying to build a long-term, sustainable business. Current rates are just too low for that. The challenge is to explain to clients that the downward spiral of rates is not the way to go and that it will eventually lead to poor service and less reliable equipment.”

“We are also working hard to

improve the safety both of our own staff and those that use the equipment. Late last year Lavendon Group CEO, Kevin Appleton, hosted a Working at Height seminar which highlighted the true cost of accidents and fatalities and the financial benefit of using the proper equipment and doing the job safely. We now offer a range of manual handling attachments for the platforms so that operators are not carrying materials on handrails making site activities much safer.”

A strong start to the year...but?

“January has started well and is looking good possibly because December weather was so bad and had a big impact on the month, which together with the timing of Christmas meant a lot of work was pushed into January. I also think that some contractors are working flat out now to get ahead should the weather in February turn bad. We are all still cautious but are hopeful for growth this year, although the effect of the government spending cuts are still not fully realised and will only be seen in the second half of the year. Rising commodity prices such as steel etc are also likely to have a big impact on construction.”

Ashtead/TVH acquisition?

Any business can be the subject of a takeover – in my business life it is something you live with all the time and not something to fear. The most important thing was the reaction of the

Lavendon Group shareholders who dismissed the offers very quickly. This sends a message to the employees that they have a perception of the value of the company which is way ahead of what was offered. Shareholders see there is value in the current strategy and all you can do is stick with it. We believe we are doing the right thing.

As to whether Lavendon would acquire you can never say never. But we need a period of stability now in order to concentrate on our priority areas of reliability and safety to allow us to build rates and profitability – our number one strategic objective.

Personal File

Played for Watford FC juniors during the Elton John/Graham Taylor era of the late 70s and early 80’s in the six years when Watford FC went from the bottom of the old Fourth to the First (now Premier) division. As goal keeper, he won an FA Youth Cup winners medal in 1982 beating Manchester United in the final. Went on to captain his University team but preferred to follow a career in industry and business rather than pursue football as a career.

Now enjoys watching sport but would much rather participate – but with a teenage family is limited to jogging, swimming, skiing and playing squash. Would rather take the train than drive, but when in the car uses the time for thinking rather than listening to music.



A Nationwide scissor helping with the new Audi R8 Spyder ad



The ‘Working at Height’ seminar last year was a big success



We inherited **decades of experience and trust in the product**,
now we will open and explore new horizons.



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