

# THE BEST QUALITY CRANE MATS



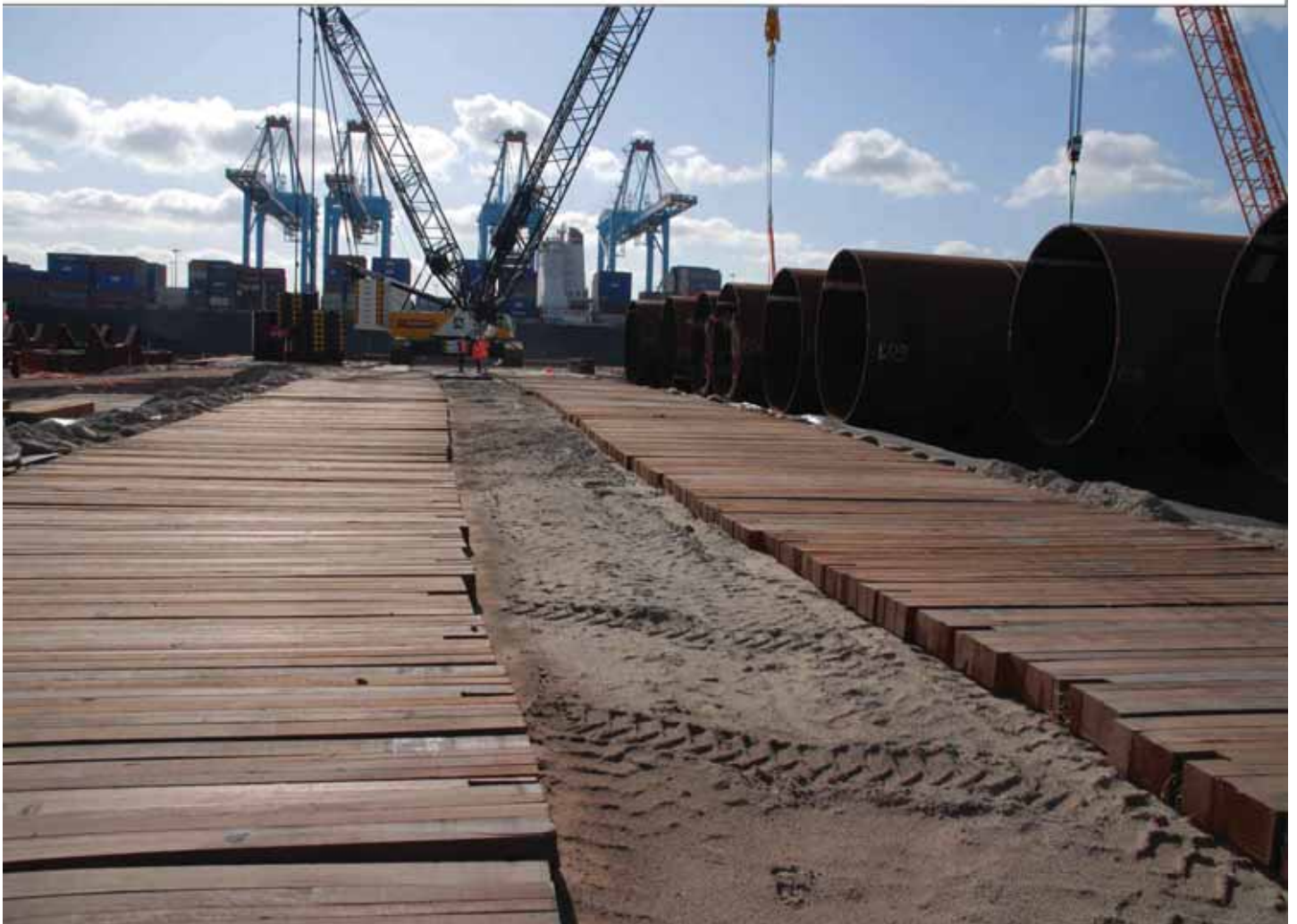
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# MCG 10 year anniversary

One of the main companies not exhibiting at Intermat this year was Manitowoc Cranes. We talked with Philippe Cohet, executive vice president for Europe, Middle East and Africa before the show about the reasons why it decided not to attend as well as the recent ESTA Wind Conference, changes in the UK distribution of Potain tower cranes and the 10th anniversary of the Manitowoc Crane group.

This year marks a decade since the formation of the Manitowoc Crane Group. Potain was added in May 2001 and Grove in June 2002 with Glen Tellock - now Manitowoc group chief executive - taking over as president having masterminded the strategy from his position as chief financial officer. Many were sceptical of the three legged merger at the time, combining two companies with such different cultures with the very Mid-West American crawler crane/shipbuilding mentality of Manitowoc. As a result the company is 'justifiably proud' of having reached its 10th anniversary in such good shape.

"Although celebrations will be low-key, we are very proud of what we have achieved over the past 10 years and of what we have in the pipeline," says Cohet.

"Developments continue and in a few weeks we will open a new factory in Brazil for example demonstrating our continuing commitment to the industry."

## Intermat?

"Not attending Intermat was not an easy decision. We looked very closely at the pros and cons and decided that our marketing spend for this year was better utilised investing in shows in markets with better short term growth opportunities such as the Middle East, Russia and Africa."



Philippe Cohet

"I have nothing against Intermat but unfortunately it is no longer global and has suffered with the growth of shows such as Bauma China taking place at the end of November. It should also be remembered that Manitowoc is only involved in cranes - we do not offer a full equipment line so we have a narrower customer appeal. We are fairly well established in France thanks to the Potain presence and the work we have done over the last few years in France and Benelux has also given our mobile cranes a good brand image and good contacts. We wish Intermat every success and will be back at the show in 2015 assuming our budget allows."

Manitowoc did have a presence at the show, supporting one of its French Potain dealers, sales and rental company Matebat.



Grove GTK 1100 in Poland

"We are not turning our back on the Western European market but nothing is better than meeting with Russian customers in their own country - often they do not want to travel to Paris, Las Vegas, Munich or Shanghai. CTT Moscow in early June will be quite a large show with most manufacturers present - the world has changed and we have to make choices. Intermat has a place to play in France and Europe and will probably be better than three years ago because of the improved economy but for me it is more regional than global."

In spite of its shift in focus Manitowoc has however decided to

maintain its customer open days for Grove in Germany and Potain in France.

"Customers like these visits where they can meet not only the commercial team but design, production and quality engineers. It has a cost but is important because we are pushing the quality and reliability of our products."

The company finalised its Potain MDT248 in time for display at Intermat which completes its range of flat-top cranes. The Potain Igo T130 launched last year has now completed its quality review of the first 15-20 cranes and this will be followed by an official launch in the



Potain MD 560B working on the Lee Tunnel project in London

USA. The company is also working on reinforcing its luffing range which it sees becoming more popular, not only in the UK, but in many other countries where sites have operating restrictions.

### Arcomet pulls out of UK

Just before the interview, news was breaking that Potain's UK dealer Arcomet was pulling out of the market?

"Arcomet has made the decision to pull out of the market based on its historical performance in the UK, combined with the difficult market and low rental rates," said Cohet. "We will be reorganising our UK distribution selling top-slewing cranes direct to customers from Manitowoc UK headquarters in Gawcott, near Buckingham, while self-erecting cranes will be sold by West Midlands-based Ladybird Crane Sales which was appointed Potain self-erecting tower crane distributor for the UK earlier in the year."

"We are fully committed to our UK operation, we would of course like to sell more cranes in the UK so that it might be more profitable, but the division is not losing money. We just have to be patient."

### 2012 market?

"The market is still full of uncertainties. Positives are Russia - which is why we are supporting it so strongly - the Middle East and Africa. Unfortunately Southern Europe remains extremely flat, particularly in Spain and Italy but Germany and Scandinavia are

better. Customers are still nervous and the financial community is not helping which is why we are moving towards offering financial packages. Lets say we are cautiously optimistic about the end of 2012 and early 2013. Within the different sectors mobiles are faring better than tower cranes, and in towers the self erectors are better than the top slewers."

"The good news is that emerging countries - India, Brazil and Russia - are still delivering, however China is showing slower growth than the others. If the Chinese home market is not delivering the growth expected then they may look for it overseas which further increases competition."

### Product differentiation

"Despite the economic downturn we have kept our engineering development efforts at a constant level and have launched several new products such as the GMK 6400, 400 tonner which with its single engine and two drive axles and is seen as being very innovative, setting the standards for future large mobiles."

"We are in the process of reorganising our engineering teams across the product lines. For example Potain tower crane engineers are experts in lattice structures so they are now talking to the US crawler crane designers helping with their lattice structures. We have a big expectation from these collaborations in the medium term."

"Short term, we have launched less models than we would have liked, but one of the reasons is the amount of engineering resources dedicated to the new engines and Tier 4 starting in 2014," he says. "Initially we thought this would be much easier but the new engines we have received from the suppliers are so different - heavier and bulkier - so we have to redesign all the carriers on the cranes which has



Manitowoc 31000



Two Potain Igo T130 cranes in Aarhus, Denmark

taken up most of our engineering time. This is now almost completed so we can devote more resources to new models."

### ESTA Wind conference

"I thought it was a good conference which highlighted the problems of using larger capacity cranes in tricky conditions. The price level for the rental guys is not there and it's going to get worse as the windmills get taller and heavier."

"The GTK 1100 which was launched five years ago is still very much alive and at the conference I spoke with several customers who thought the GTK might be a solution to deal with erecting the larger turbines. Many like the GTK concept but pointed out problems such as its overall weight, with permits needed to move it, and the time taken to move between turbines is longer compared to a crawler crane. But in the future it may be that windmills will be larger single installations producing four or five MW which may give the GTK an advantage. We have two GTK rental units for those wanting to try it, so hopefully we may see more in the market. At the moment we have sold 15 and they have been quite successful in China. Developments have been carried out to the GTK counterweight on the super structure to improve boom capacity and we have asked to add the Megawing for more power in order to lift the latest heavy turbines."

### Manitowoc 31000

"The crane is now fully tested and ready and the first will be delivered this year," says Cohet. "We are in advanced talks for the second unit - which is built - which may go to a customer in America possibly shipped this year."

"Everyone in Europe is impressed by the technology and the smoothness and speed of the variable positioning counterweight."

Originally we aimed to sell two Model 31000 a year for five years,



Grove GMK 6300L in Switzerland

but the dip in the global economy has delayed this. Hopefully we can start with two this year and continue. In my region I can see possibly one in Africa, one or two in the Middle East and one in Europe."

### New cranes?

"We are working on more modern designs and better features. We particularly want to use the variable positioning counterweight from the 31000 on other models. The Model 16000 is a very popular crane and is probably not for replacement but we may see a new crane bigger than the 16000?"

The Manitowoc crawler crane brand does lack presence in Europe and we need to find the right time and product to address this. We have lots of ideas, some of which may surface at Bauma next year - possibly one or two new tower cranes and maybe a couple of prototype crawlers in a year or so."