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New man in the driving seat

C&A

Ainscough

In June, Ainscough Crane Hire appointed Peter Gibbs as chief executive, two months after he had stepped in as interim chief executive after the sudden departure of Jeremy Fry. Fry had lasted barely a year in the position after taking over from Janet Entwistle who also left at very short notice.

With six months as head of the UK's leading crane rental company and 27 months experience of the crane industry under his belt, Gibbs spoke with publisher Leigh Sparrow about how things were panning out.

It has been 13 years since the Ainscough brothers sold their business to an MBO led by financial director Neil Partridge, and eight years since the company was acquired by Goldman Sachs. Oaktree Capital then took over and Ainscough's majority investor is now GSO Capital Partners, a part of Blackstone.

Seven years of private equity ownership have not been particularly good for Ainscough - a period dogged by changes in senior management, some of whom seemed oblivious to the fact that crane hire is a people business. That led to a series of ugly disputes with crane operators and ongoing rumours of ownership changes.

Listening to Gibbs, it is hard not to feel that at least difficulties such as these could now be behind it, and

that it might be on the threshold of a golden age – something the company hasn't experienced for at least 15 years. While the Covid-19 pandemic has thrown a spanner into the works, it may have provided a welcome reset button, giving Gibbs time to make further changes while demonstrating his new approach.

Not yet a crane man

Gibbs started the job with similar disadvantages to his three predecessors - at least in some employees minds - in that he was not a 'crane man'. He did though have the advantage of 18 years with the British Army, often in 'hands on' roles, including a decade flying helicopters. The fact that he isn't a career accountant, a 'bean counter', may also have been in his favour.

Gibbs says that enjoying what he does is essential, along with working for a company or unit that is "out in front". "I've always been at the top end of the service sector," he says. "As an ex-serviceman, I like that, it's in my DNA. I wouldn't join a business that was 'bargain basement' because I know it would



frustrate me. I like promoting safety and service."

It is also clear that Gibbs is enjoying the crane business. It wouldn't surprise me if the industry gets under his skin, turning him into a proper 'crane man', generating additional trust and respect of his colleagues. Trust and respect are two commodities that may have been in short supply at Ainscough in recent years, although Janet Entwistle made progress during her time at the helm.

"The most attractive aspect about the sector is that it's more of a career than a job," he says. "It reminds me of my time in the military and my days flying. I know how it feels to sit at the controls, although I'm not naive enough to think I could carry out a lift. I bump into people with huge knowledge and experience in the industry. I've been in some businesses where, after two and a half years, people think you're reasonably experienced. However, I know that I will need an additional 10 years before that happens in the crane industry. Why do we go to work? Hopefully, to do something we love and I think most people working in the crane industry love what they do."



Gibbs gets a feel for crane controls

Skillssets

"Broadly speaking, my key skillset is the ability to engage with a group of people that inevitably have more experience than me. I listen to them and try to support and guide them as well as implementing change and working to gain their trust."

"I've also worked with venture capital companies who normally come in when things have become challenging in a business. Invariably, you find very good people in place, although with things not going well, varying levels of frustration sets in. In these situations, good communication is essential while engaging and supporting the team, as well as standing by your values. The team here will tell you that my values are very strong. If I say I will do something, then I will do it!"

"In some ways, the job is a trip down memory lane taking me back to my military days where problem solving is key and engaging with



Andrew Spink



Derek Gow



Lee Sixsmith



Mark James

a different challenge every day requires close cooperation with colleagues, along with a strong safety and service culture. I believe that Ainscough leads the way in our industry, although there is no doubt that, as a sector, we have had several difficult years. This is a cyclical business, but on a downward curve there's a chance to change. When I started, Janet said: 'We don't do change particularly well here'. My experience so far though is that we do."

Gibbs highlights the challenge of finding the right balance between being close to local customers while benefiting from the synergies of a large national business with the extra overheads that involves. The classic challenge of providing a first class consistent national coverage without losing the local touch.

"We are moving towards an Area Mode with clusters of up to five or six depots working together as a regional team so that we can benefit from national synergies while remaining local."

"We will always put safety first"

"I notice that most incidents tend to occur on crane hire jobs, rather than on contract lifts when experts are on the job and the lift is well planned. As a result they tend to be safe and efficient from start to finish. This £10 a tonne crane hire thing is silly and can prove to be a false economy for the client. It makes much more sense to go with a contact lift. However, if someone just wants us to lift a hot tub over a house, we will be happy to do it, but properly, with road closures and planning. If the customer is happy to pay what that costs, then we are happy to do it. If someone else will do it for a lower price... let them."

"When it comes to safety we have a very strict policy that the crane

operator's decision is final. Only yesterday we had a call from a client complaining that an operator had refused a lift. It turned out that wind speeds would have made the lift dangerous and the operator wanted to wait until it calmed. I let the customer and our operator know that he did the right thing. It is of course important to communicate the reasons in a polite manner and suggest a solution, but I would be really angry if the operator had done the lift when he thought conditions were dangerous. If in doubt... don't do it!"

Coping with pandemic

"As soon as Lockdown hit we put a contingency plan in place because we knew we had to remain open to deal with key infrastructure jobs such as the Nightingale hospitals, essential utilities and other critical work, but we were down to about 20 percent volume for a couple of weeks," admits Gibbs.

"Everyone at Ainscough has done an outstanding job. Building on the values of Martin Ainscough we put a policy in place to 'leave no person behind'. Many colleagues were placed on furlough, but we used our time wisely with an enormous amount of training, including the first online Appointed Person training in the UK. We also trained depot and sales desk staff who normally don't have that. We are now bringing colleagues back off furlough and will continue to do so as volumes recover. Not one person refused to turn in when required or accept short term policies such as pay cuts for salaried staff. Everyone in the business has backed the plan, something I'm immensely proud of."

"During this time we also changed our system. To be honest, I'm surprised I have any hair left, but we are now benefiting and have made great strides towards being



Apprentices- (L-R) Daniel Stagg with apprentices, Reece Barclay, Jason Carr, Charlie Kett and Oliver Clynych.

more digital, introducing handheld devices etc... I believe we will come out of this situation both stronger and better. I look with awe at what Martin Ainscough achieved and hope that we can do something similar this time around."

"There is still nervousness in the business given the recession, and it is likely to be tough along the way, but I am optimistic. The Chancellor's plan to Build! Build! Build! is boosting confidence and as activity picks up it's starting to look like we might see a 'V-shape' recovery. Looking ahead there will be more than enough business for the industry as a whole."

Bringing young people into the industry

"Our leadership team of Mark James, Lee Sixsmith, Andrew Spink, and Derek Gow are very much at the heart of our business with

their mix of skills and experience. We meet every day and I'm very confident that we have a wider team that believes in our values and is confident in our plans and strategies."

"However, when you look over your shoulder at long term crane operator succession, it's not a pretty picture. We owe a duty to our youth and have a new apprentice plan to bring young people into the business and the industry. It's a brilliant opportunity for young people - some of whom are facing some difficult years ahead - it is a great career for anyone willing to roll up their sleeves who has a bit of banter. We will train our young people as an AP, help them get their HGV licence, look after them and provide a great long term opportunity. We hope to reach a point where five percent of our employees at any one time are apprentices."



The operator's decision is final



Ainscough stepped up employee training during Furlough (pre social distancing)



Current ownership

GSO is the principal investor in Ainscough and appears to believe in the business and its direction. Gibbs has been encouraging them to get more involved. "I have taken them to Hinkley Point C and on a trip to Scotland. They are proud of the critical work that we do."

As to GSO's longer term plans, Gibbs says: "Fundamentally, they are looking for a return on their investment but the continuity they are providing enables us to invest in the deck of the ship and make the business more robust. Our owners are invested in us and committed

to supporting the company as we build it up."

Niche cranes

Ainscough has stepped up investment in mobile self-erecting tower cranes, but not spider cranes or heavy crawlers.

"There are good companies out there that do a great job in those areas and we have some excellent partners who are the experts in those fields," he says. "We prefer, at least for now, to work with them as partners when our clients need those specialist services. However, we won't work with companies that don't live up to our values."

"We continue to invest in new cranes although we do have some that are a little long in the tooth - something you can't get away within the logistics business - but many cranes don't rack up significant mileage or hours. Even so, engine emissions are becoming a key issue. We have just taken three 60 tonners and several new Liebherr MK 88-4.1 and MK140 mobile tower cranes and are upgrading to cranes with Stage V engines ready for more growth next year."

"The industry has allowed the crane business to become a commodity and we must all work hard to get away from that. Relentless training,

day in, day out, is a key element in that. We need to be selling solutions instead of rates. I think we will have an opportunity as an industry to get out of this mentality and, if we don't take it, we will regret it during the next economic cycle. I'm more than happy to lend my weight and play my part in helping the industry develop as a whole."

One thing is for certain Peter Gibbs is more than willing to be clear and up front in laying out his beliefs strategies and commitments and comes across as someone who 'walks the talk'. The Ainscough team will certainly be hoping that he does.

Ainscough has expanded its mobile self-erecting tower crane fleet





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