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As Hans-Georg Frey approaches the end of his second year as Liebherr-Werk Ehingen managing director, C&A took the opportunity to ask him about his term at the company so far, his market expectations for mobile cranes and Liebherr's plans for the future.



Cranes & Access: *Mr Frey, you took over as managing director of Liebherr Werk Ehingen in 2002. Has everything developed the way you had hoped?*

Hans Frey: At the beginning of 2003, the market environment for mobile cranes was a tough one. The world market for AT (all terrain) cranes had shrunk by 20 percent and we had a lot of new and used machines in stock.

Since then, we have worked very hard at Liebherr Ehingen to get over these difficulties. All credit to my team. We closed 2003 in profit, and it ended up being our third best year to date. So yes, things have definitely developed well. Better than I had hoped for in fact.

C&A: *How did the situation with the German AT crane market at this time affect Liebherr?*

HF: For the first time after years of decrease, the market showed growth. After a 40 percent drop from a record year in 2000, the German market rose by 13 percent last year. Liebherr has participated in this rise, improving its own market share by five percent.

C&A: *The competition has announced further market share gains. What is your prediction for Liebherr?*

HF: In 2003, we were holding market shares worldwide and improved them in Germany. In 2004 up until now, we have clearly seen global market share growth with an increase of several percent again in Germany. If this continues, I am

confident that we will reach our target for the year. And if there are no surprising incidents, 2004 will be a good turnover and profit year.

C&A: *At the moment Liebherr, through its 'Y-Guy' boom suspension system, is facing a possible patent infringement on Demag's Sideways Superlift (SSL) boom technology. How do you think the case will end?*

HF: In our opinion we did not, and do not infringe Demag's patent-rights with our boom systems. Still, to be on the safe side, we made clear modifications to the boom suspension of our LTM 1500 mobile crane. The smaller LTM 1400 features an entirely different boom construction.

The most important thing, however, is that the customer is not affected by this lawsuit. Legal proceedings are still completely open, though, so I would not like to predict when the case will end.

C&A: *On the advent of the LTC 1055 'City' concept crane, seen for the first time at bauma earlier in the year, Liebherr joined the market for single-cab cranes. Will you be developing this range?*

HF: The LTC 1055 is a very interesting concept. Technologically, it's completely different to our competitors' city crane versions. It is very compact and has an excellent load bearing capacity. Liebherr has great knowledge and experience of hydrostatic drive technology from its wheel loaders, for example, which is also a great advantage.

We will now observe how the crane performs on the market and how the single-cab crane market, as such, develops.

C&A: *With a potential production capacity for over 1,200 AT cranes, is Liebherr now concentrating on special machines like the LTC 1055 or the mobile tower crane?*

HF: We have a large factory to fill, so we focus on reaching good production levels, which includes the LTC line and the LG 1750. All machines are produced as part of a single line. The size of a line depends on the size of the machine. We do not like to build cranes as individual 'one-time' projects.

C&A: *You mentioned the LG 1750, the lattice boom crawler crane on a wheeled carrier, also seen for the first time at bauma. Is it possible to break-even with such a machine, or is it more of a specialised, prestige project?*

HF: The LG 1750 is not a prestige object. We will build the LG as part of small series. The advantage here is that the upper and slewing platform come from our established LR 1750 crawler crane. This means that we do not have to return to the drawing board in this regard. The crane has been developed to meet the increasing demands of the wind energy sector and turbine erection.

C&A: *There is new legislation concerning the next generation of engines that will be used for cranes, including a call for reduced*

emissions. Will Liebherr be introducing new engines, or will it turn to another manufacturer?

HF: We are today already ahead of our competitors in light of the new engine requirements and emissions levels. We launched Euro III years ago. Liebherr Bulle is working at full stretch to fulfil the new requirements and of course we will reach these with Liebherr engines.

C&A: *What are your thoughts on a potential recovery of the local crane rental market?*

HF: The UK market in the last few years has been steady and this year we are seeing a significant increase by more than 20 percent already. We hope this development will continue in 2005.

C&A: *What advantages do Liebherr customers have over those of the competition?*

HF: This is closely connected with the firmness and reliability that only a family company the size of Liebherr can offer. We have developed good crane concepts, load capacities, booms and drive systems. Overall, we offer our customers sound, solid cranes.

Another important factor is our excellent after sales service. The more complex a machine is, the more important it is to provide good customer service. Only with this in place can customers get the best productivity from their machines. That is why Liebherr has made a large investment in a service and repair shop in Biggleswade, UK.

Finally value preservation and resale value are also important factors.

C&A: *Finally Mr Frey, C&A would like to end this interview with our regular:*

'What is your favourite..?'

C&A: *Film?*

HF: Easy Rider

C&A: *Song?*

HF: Simply the Best (Tina Turner)

C&A: *Gadget?*

HF: Digital Cameras

C&A: *Hobby?*

HF: Tennis, Skiing, Sailing