

On the up?

The loader crane industry is in a state of flux. **David Taylor** reports on the important changes taking place

If you are a builders' merchant, or a plant hirer, or you deliver portable site huts, you're probably in the market for a few lorry loader cranes. If so, the chances are that you'll have a few Atlas machines. You might have a few Hiabs, too.

These two names have dominated the UK market for lorry loader cranes more or less ever since the lorry loader concept arrived on these shores. Until about 10 years ago, these two companies, one German-owned, the other Swedish but part of a Finnish group, were neck and neck in the race for the title UK Market Leader. Only Atlas has ever manufactured loader cranes in the UK – it has a factory in Hamilton, Scotland.

Today, there's no contest: Atlas Hydraulic Loaders is the undisputed UK market leader with a share that is generally agreed to hover around the 50 per cent mark. Hiab is probably not even in second place. That title is claimed by Austrian manufacturer Palfinger, which is represented by TH White in England and Wales, and Outreach in Scotland.

In a market as crowded as the lorry loader sector, such claims to fame are hotly disputed and fragile egos are easily



bruised. World-wide, Hiab is the leading brand, and even in the UK, a lorry loader is, to most people, a "hiab" whoever made or supplied it.

The beginning

Another popular bone of contention is the genesis of the folding knuckle boom lorry loader crane. Most people assume it was invented by Hiab, but the most convincing case is put forward by Danish manufacturer HMF which produced its first machine in 1951 – a cue for indignant outbursts from just about everybody else.

Lorry loader cranes are very popular machines and, in the past 30 or 40 years, have revolutionised the efficiency of many a haulage contractor. Simply

by installing one of these compact lifting machines to the lorry chassis, the operator dispenses with the need for a second vehicle and is free of any reliance on lifting or loading equipment at the point of delivery.

But although the British are enthusiastic users of lorry loaders, we cannot claim to be sophisticated users says Kevin White, sales director with Barnsley-based AV Cranes which is the UK distributor for the Italian manufacturer Amco Veba.

"I think that the UK market, from a technical point of view, is still about three years behind the rest of Europe", says Mr White. "Job for job, the equipment used in mainland Europe is superior in terms of specification to what we

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The London Eye - one of the more unusual applications for a Hiab



use here. We tend to buy the truck first and then look for a crane to do the loading – only to find that the truck isn't up to the job...you still get the occasional guy turning up in a Luton van saying 'I want a 100 tm crane on that'", he adds.

The typical loader crane application in the UK is a modestly-sized folding crane mounted on a flat-bed trailer or rigid truck, used with a hook or pallet forks to offload bagged or palleted bulk goods. Builders' merchants comprise a major proportion of the customer base – a lorry loader on a flatbed trailer is the ideal way of delivering one-tonne bags of sand or gravel and pallets of bricks, tiles or concrete blocks, to building sites.

AV Cranes has prospered by largely avoiding the high volume, low value mar-

ket dominated by Atlas, and focusing instead on niche requirements, tailoring its machines to offer added value to a smaller, more specialised customer base. Accordingly, Mr White estimates that the average unit price of his machines is about three times that of Atlas. "For example, every second crane I sell has radio remote control. With Atlas, I'd be surprised if it were one in fifty", he says. In a market he estimates at around 2,500 units per year, AV Cranes sells 120 annually.

Beside the Amco Veba range, AV Cranes will offer specialised grabbing cranes by Marchesi, marine cranes by Sormec and small units, suitable for mounting on a pick-up, from Next Hydraulics. All are Italian-made.

Italian influence

The Italian factor is an important one in the lorry loader market if only because the Italians are so well-represented. There are believed to be in excess 20 manufacturers active in Italy and a surprisingly large number are active in the UK, including (in addition to the marques offered by AV Cranes) Autogru PM, Ferrari, Bonfiglioli, Effer, Pesci and Cormach. One of the biggest – it claims to be the Italian number one – is Fassi.

Fassi is undoubtedly a major player throughout Europe, even laying claim to the number one spot in France and Spain, and it is the only Italian manufacturer to have a wholly-owned subsidiary located in the UK.

Steve Weavers, general manager at Fassi UK, broadly agrees with AV Cranes' Kevin White that the volume market in the UK is dominated by just a couple of manufacturers. "We do see two markets, but having said that, we offer 28 models and this year we have sold all but three models. The Fassi range is indeed broad, offering capacities from 1 – 90 tm. There are plans to introduce a huge 130 tm capacity model next year, says Mr Weavers, although he acknowledges that buyers for this model are likely to be few and far between.

However, specialist customers demand special machines, and Mr Weavers knows he can find a buyer for this powerful machine. He cites an existing customer who specialises in redeveloping old commercial warehouse lofts in London and turning them into

prestige apartments. "He uses one of our larger loaders, the F420 AXP 26, fitted with an L203 fly-jib and mounted on a dedicated Mercedes chassis", says Mr Weavers. Most UK users, he points out, mount their loader cranes on vehicles which are designed to carry a payload, the crane being used exclusively to load and unload the lorry.

This particular customer lifts roof trusses and other materials to the work-face with a loader crane that can lift 650kg to a height of 29 m. This sort of usage is much less common in the UK than on continental Europe. "On the continent they will deliver building materials to the point of use, instead of just dumping them by the side of the road like they do here", comments Mr Weavers.

Although lorry loader use in the UK is widely characterised as unsophisticated, there are notable specialisations. Portable accommodation rental firms employ long-reach loaders for delivery and collection of their modular buildings. And utilities contractors employ specialist grabbing cranes for removing excavated soil and road planings from busy streetworks.

According to Mark Rigby, marketing director with Palfinger distributor TH White, the utilities sector is a major growth area. This is partly due to the growth of cable television and the deregulation of telecommunications, and partly due to the tightening up of the



MHS Barwick Ltd of Thurrock in Essex, has taken delivery of a Volvo FH12 6x2 Globetrotter tractor unit which is partnered with a tri-axle flat-bed trailer carrying a Fassi F900 AXP crane with full radio remote control-lifting capacity is 25 tonnes at 3.5 metres

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Palfinger shows what a loader crane can do, in this case on the 1377 metre long Tsing Ma bridge in Hong Kong



◀ rules governing potentially disruptive streetworks:

“There’s a lot more legislation around now...you don’t get excavated stuff being left by the side of the road like they used to. Also, you can no longer replace clay subsoil with clay because of the risk of subsidence – you have to use granular material”, explains Mr Rigby.

Economical solution

This all means that the material removed from trenches in the road must be loaded into tipper trucks and taken away. The most economical way of doing this is to use a loader crane, fitted with a clamshell grab and hydraulic power swivel, mounted on the truck itself.

Danish manufacturer HMF has also latched onto this specialised market although, with a range spanning capacities from 0.5 tm to 37 tm, the company addresses the volume market, jostling with Palfinger for the number two UK position. One of HMF’s biggest selling machines is the ‘GB spec’ 1144, a 9.1 tm capacity grab loader. “This model is tailored specifically for the UK market and, says HMF’s marketing and demonstrations co-ordinator Michael Ebbage, a firm favourite with utilities contractors. “Just about every 1144 we sell is fitted with a clamshell grab and hydraulic

swivel”, he says.

In terms of technical developments, most suppliers of lorry loader cranes to the UK market agree that the two main trends are longer booms and radio remote control. The latter is rapidly becoming the preferred option over fixed controls, especially now that remote controls are more reliable than ever before.

Many OEMs collaborate with specialist manufacturers of control systems to

offer a tailored package. A few, including HMF, make their own systems. Mr Ebbage says that HMF’s two latest models, the 1220 and 1320, are available with radio remote control only and without a manual option. “That will become the norm”, predicts Mr Ebbage.

While the smaller players strive to win a greater share, what are the two biggest names in the UK loader crane market doing?

Hiab is currently re-building its position after a long and damaging period of uncertainty. For many years, Hiab machines were sold in the UK exclusively through George Cohen Machinery, part of the 600 Group of engineering firms that included crawler crane manufacturer Ransomes & Rapier. Now Hiab machines are distributed by the parent company’s UK subsidiary, Partek Cargotec.

Radical Hiab

David Gardner, managing director of Partek Cargotec, explains that GCM began losing its focus, and Hiab’s market share, in the mid-1990s. Partek then bought back the franchise. “They thought, ‘we’ve got it back, now we’re OK”, says Mr Gardner. “But although the ownership had changed, the problems continued. We have to hold up our hand and admit that were didn’t make enough radical



Remote control is an increasingly familiar part of loader crane operations

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◀ changes to personnel and company structure”, he adds.

So Partek grasped the nettle and, in 1997, completely restructured its UK Hiab business. “It was a real back-to-basics re-engineering of the company”, says Mr Gardner.

Mr Gardner had a mountain to climb. “We first had to put confidence back into the market. My main priorities have been to completely re-structure the after-market to bring customer service up to scratch, radically re-model the sales-force, and improve competitiveness in pricing and lead times.

Tough times

“We turned the corner at the end of last year, but it’s been tough. For the first two years, all I heard was about the problems of the previous 10 years. The company, still number one world-wide, has the benefit of a powerful research and development programme and hence a first class product. The latest range from Hiab is the XS series, a modular concept which can be tailored to the market. “The basic new generation of crane is a global crane – you’ll find it all over the world. But when it comes to country-specific and customer-spe-

cific applications, we can offer a crane tailored to those requirements” An example is Hiab’s new 085L: the basic 085 is available world-wide; the ‘L’ suffix, denoting a long boom, is the UK market version aimed at the builder merchant.

Mr Gardner’s mission, as he sees it, is “to re-establish Hiab in the Number One position” in the UK. He’ll never have a more auspicious time than right now, though.

In July this year, US interests which include the venture capitalist GKM Value Partners and construction equipment conglomerate Terex bought the loader crane and excavator business of Atlas Weyhausen, the German parent company of Atlas Hydraulic Loaders. Since that time, the new owners have been keeping the market guessing. At the time of writing, Atlas Hydraulic Loaders was referring all press enquiries to Steve Filipov, son of Terex president Phil Filipov, who has been installed at Atlas

One of Cormach’s biggest cranes is the 156000 E6. This one was supplied in its marine configuration to TDG Pinnacle by Ernest Doe & Sons during 2000. It is used to unload steel pipes from ships on the Thames



headquarters in Delmenhorst as acting chief executive. Mr Filipov was unavailable for comment.

However, in an open letter dated August 21, 2001 and sent to all staff, suppliers and dealers, Atlas Hydraulic Loaders managing director Bob Halls said the firm had commenced “a restructuring plan to provide quickly available and cost effective products and services to our UK and Irish customers.”

Mr Halls explains that the plan comprises a reduction in working capital required to run the company, reduction in production costs and a reduction in operating expenses. Already, the firm has disposed of surplus land and buildings, put its top 50 suppliers on call-off to reduce inventory and requested 90 day payment terms, outsourced its fabrications, “eliminated” consultants, cut unnecessary spending, established “functional organisation” and given priority to parts and service.

The rumour mill

The letter continues: “Finally, we have to reduce our employee costs therefore there will be a 40% reduction [in] fabrication direct, indirect and salaried people employed in the UK”. Mr Halls adds: “Please do not listen to rumours”.

There is certainly plenty of speculation being circulated – the most teasing questions being ‘is Terex actually the new owner? And if so, what did it want – the Atlas loader cranes, the excavators, or both?’ Until that’s answered, some uncertainty will surround Atlas in the UK. For its rivals, it’s a golden opportunity to launch an assault on that coveted title of UK Number One in Lorry Loader Cranes. ■

Fine control is a vital part of loader crane operations

