

Lean and mean

By cutting costs at the centre and meeting local needs, Hewden chief executive Paul Jarvis believes he can turn around the fortunes of the company's cranes and access divisions.

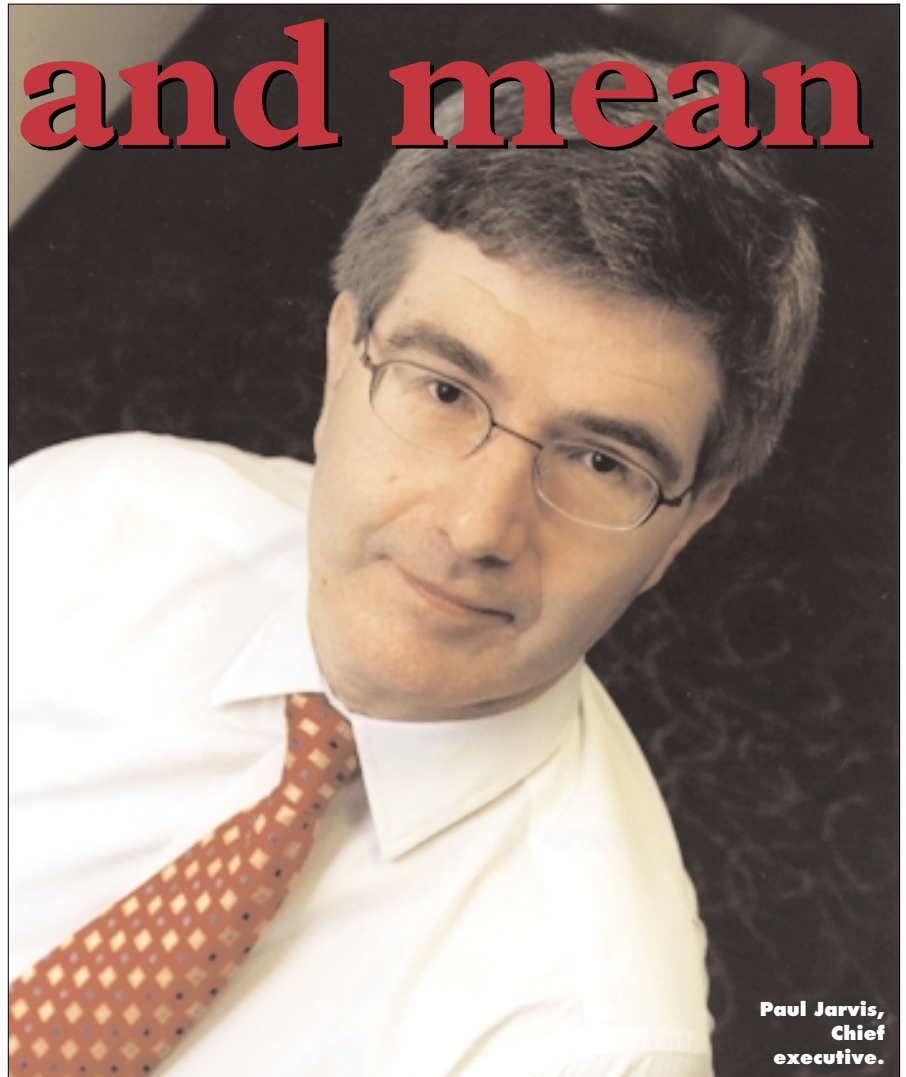
There must be a sigh of relief from the employees of the cranes and access divisions of Hewden Stuart following news that the company has spent around £7 million to £8 million on new capital equipment. "If spending a substantial sum of money to grow these sectors doesn't show that new parent Finning International has got confidence in the future of the businesses. I don't know what does" says Alistair Deakin, finance director of Hewden Stuart.

The reason for this confidence, according to Deakin, is that the future of the UK crane business looks brighter following the takeover by Ainscough of GWS. "The Ainscough GWS consolidation has seen a large number of machines taken out of the market. It is good news for us. And so we have spent £5 million to £6 million on new Demag cranes."

So it appears that the future of Hewden's mobile cranes division is assured for the time being. But what about tower cranes? Deakin is equally adamant that Hewden will hold onto the Wolff tower crane business. "We have repeatedly told journalists and the City that we will be holding onto both of our crane businesses. And we will continue to repeat this message."

And the same appears to be true of Hewden's access business. "It is true that the access business is very competitive and rates aren't what they used to be, but Hewden intends to stay in this business. We have just invested around £2 million in new machines in the past 4-6 weeks," explains Deakin.

"It's business as usual at Hewden," adds Paul Jarvis, the recently appointed



Paul Jarvis,
Chief
executive.

chief executive of Hewden, who appears completely unfazed by the constant limelight the company has been in since the Finning takeover. But maybe a remark made by Hewden's chairman Sir John Robb on Jarvis's appointment is telling: "With Paul's proven ability to implement extensive change and shareholder value I am confident he will be a great asset to the group."

Business as usual

These words perhaps hinted that Jarvis was prepared for Hewden's marriage to Canadian plant group Finning – and knew his first task would be to ensure smooth transitional arrangements. Jarvis, a chartered civil engineer, with an MBA from Manchester Business School, was promoted from his post as chief executive of Hewden Process Compressors and Hewden Industrial. Previously, he held similar appointments with Compair UK and Atlas Copco Group.

Jarvis says that at a time when the hire sector is consolidating fast, there are exciting times ahead First, however, the company has to more clearly define whom it is selling to. "And we are realising that it is at the local level we really come into our own and continue to get the formula right."

There will be some change at the board level. Deakin becomes operational director while Bob Netherway, currently finance director at Finning International will take over Deakin's old post. Douglas Whitehead, president and chief executive of Finning International and Richard Mahler, executive vice president and chief financial director of Finning International will join the board as non-executive directors, as will Bob Netherway.

Only time will tell whether Jarvis's policies will pay dividends for Hewden's cranes and access businesses and, ultimately, to Finning's shareholders. ■