

The Province of Cuneo in the Piemonte Region of Northwest Italy is renowned for its alpine backdrop, white truffles and full-bodied red wines. But producing a lift of an altogether different kind is local resident, Merlo. C&A was invited along to its world HQ as the firm celebrates its 40th year in business.

Actually, Merlo's humble beginnings can be traced way back to 1911, and to a small blacksmith's shop in the Province. It was here that the grandfather of the current chairman and founder of the Merlo Industrial Group, Amilcare Merlo, fired the first foundations of what is today the third largest telehandler brand in the world with a €179 million (UK£118.4 million) annual turnover.



Amilcare Merlo, chairman and founder of the Merlo Industrial Group, smiles on in celebration of Merlo Spa's 40th anniversary this year.

Despite Merlo's long history, telehandlers are relative newcomers to the company's

portfolio – the first model, allocated the SM 30, appeared from the Group's dedicated telehandler business, Merlo Spa in 1982. Incidentally,



Merlo's TreEmme Roto basket/winch attachment was recently independently certified to EN280.

this now legendary, ivy-draped unit is soon to be restored to its original glory in celebration of Merlo's 40th birthday.

Since the eighties though, telehandler production has become the firm's core business and is what it does best. Indeed, it is Merlo that is accredited with setting the precedent for the now universal, 'Roto' slewing handler concept in the early nineties, which has since been duplicated by most of the other major manufacturers in one way or another.

The Roto was closely followed by the Panoramic concept, which provided telehandler users with 360-degree visibility for the first time thanks to a side-mounted engine and a repositioned boom.

The company also won the 25-metre lift height race last year with its flagship Roto 40.25 model, much to dismay of second-place Manitou.

## Quick turnaround

In 2003, the Roto business churned out 4000 machines, or 22 per cent, of Merlo Spa's total telehandler production, showing a 25 percent increase on the previous year.

According to Paolo Peretti, marketing manager at the company, the jump has awarded Merlo the world's highest capacity producer of the Roto concept, producing more units than all of the other producers combined.

"The 16-, 17- and 21-metre models, the latter also being a fully certified crane and access platform, remain the most popular," says Peretti.

"The development of the Roto machine is, however, far from complete. The present focus is on the development of the Merlin Continual Slew Safety System (MCSS) to meet the PREN13000 pan-European crane standard, which will be with us soon."

And, just 12 months since the launch of the first 25 metre machine, Amilcare Merlo is not ruling out the possibility of an even bigger machine.

"We will wait a moment for a bigger unit," said Mr Merlo. "The height could well go up in the future, but at the moment, we have to go with the flow of the market. When a good proportion of it looks for a bigger machine, we will have to start considering the options."



Merlo's Cingo range of small hydrostatic tracked carriers includes a 400-, 600-, 800- and 1000-kilogram capacity version that may in the future be developed into a dedicated access platform or mini crane.





*This SM 30 model, Merlo Spa's first ever telehandler, will shortly be given the makeover of a lifetime in celebration of the firm's 40th anniversary.*

Interestingly enough, Merlo is currently in the process of constructing a new 124,000 square-metre demonstration area at its Cuneo facility, which will include a 35-metre high testing tower that will be used during the development of new Merlo machines.

For the time being, production at a rate of 17 telehandlers per day, just three short of the facility's capacity limit, is enough to keep Merlo ticking over. And this it likes to do as much as possible off its own back.

Around 90 percent of telehandler components are produced in-house, which includes a staggering 45,000 hydraulic rams a year, making Merlo Italy's largest producer of this component.

Accounting for the remaining 10 percent are engines, tyres, a few smaller components and outsourced axles for its 10 tonne capacity machines, the production of which Merlo will be introducing to its own production lines at a later date.

"The plan is to increase the automation of the facility step-by-step," explains Mr Peretti. "We will shortly be investing in three additional automated production lines at a cost of €1.5 million each."

### Atlantic breakers

In 2003, telehandler exports accounted for 75 per cent of Merlo Spa's turnover, amounting to around €134,000 million, with France being the main market at 30 per cent and at a value of around €0.54 million. Claiming 12 per cent and the second biggest market for Merlo was the UK at around €0.21 million, while Germany lagged at nine per cent, just behind the rest of Europe at 14 per cent.

This year, however, a brand new market will be added to the company's annual financial report as Merlo projects the European telehandler concept to Canada through its recently appointed dealer Manulift Emi Ltée of Sainte-Foy, Québec. Manulift claims to be the biggest telehandler distributor in French Canada, where it also distributes the US SkyTrack brand.

Merlo's limited production capacity has so far hindered a move into the North American market, but, for the time being, there is plenty to keep the company busy in Europe. The Group also parents an urban

waste machine production firm, the research and development operation Merlo Project, Tre Emme, which produces attachments for Merlo telehandlers, and Merlo Rent, which, despite the name, sells used Merlo machines.

The Group's latest enterprise, however, is the independently run Cingo business, which produces a line of small 400, 600, 800 and 1000 kilogram capacity hydrostatic tracked carriers that can be fitted with various material handling attachments.

"Cingo is just the start of a bigger activity," says Mr Merlo. "We will eventually develop the carrier to be better and offer different performances. We are just testing the market at the moment, but we may see a dedicated access platform or even a crane."

Referring back to the telehandler business, Mr Merlo also confirmed that "some new units are nearly ready and several lower lift height units will soon be brought to market." And more than likely they will take on the shape of Merlo's existing, hi-end technology machines.

"We are very competitive with JCB, Manitou, and Caterpillar," says Merlo's Peter Grant. "Admittedly our machines are a bit more expensive, particularly over the lower price producers like Bobcat and Dieci, but as the saying goes, 'you get what you pay for'."

*Merlo's plan is to gradually increase the automation of its Cuneo telehandler production facility, which will shortly be home to three additional automated production lines at a cost of €1.5 million each.*

