

Left: UpRight president and CEO, Ian Menzies (left), and recently appointed head of sales & marketing for EAME, Steve Couling stand beside the company's new TL50 trailer mount at Intermat 2003.



FACE TO FACE

Almost six months have passed since UpRight emerged from Chapter 11, following its filing back in July 2001. C&A caught up with president and CEO, Ian Menzies, and recently appointed head of sales & marketing for EAME, Steve Couling, to pose the fundamental question; How is UpRight today?

Mind over matter

MENZIES COMPARES the Chapter 11 process to "crawling into a cave in the middle of a terrible downpour - once you've found one, which can be very difficult, you find it's quite comfortable." Today, however, the storm seems to be blowing over for UpRight, leaving in its wake what appears to be an air of quietly spoken confidence - after all, only 12 out of about 2000 companies successfully exited Chapter 11 last year.

"The present owner could have left the business at any time," says Menzies "but he is in it for the long haul and plays a big part in UpRight.

"Chapter 11 itself," continues Menzies, "is the best due diligence I've ever been through. Creditors, financiers, the court and the owner himself all had to be convinced that as a business, things could work out. We could have exited Chapter 11 several months earlier than we did, but the storm was still raging." The company developed a five year plan, which Menzies says, "is still in the execution stages but will see UpRight become more internally focused on becoming a more customer-based organisation.

"The plan is not an aggressive one," adds Menzies "and is not, for example, based on the 1999 and 2000 financial results as that would be unrealistic. However, we have now been profitable since September 2002 and currently have two of the most modern, clean production facilities in the world."

"Customers expect higher levels of service than before" says Steve Couling who adds that: "It will become a different business over the next two to three years. This year will be flat because a lot of machines have, and will, come on to the market and a lot of machines are being allowed

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According to Couling, "the UK is an interesting market for UpRight, particularly where independents are concerned. Financing is becoming ever-more challenging and we are currently working with finance companies to make UpRight purchases easier. Just as with car dealers, you have to be creative in allowing customers to purchase your products."

The telehandler market is also an area that is familiar to UpRight. The company invested at least £1 million in its own brand of machine, but sold it to Volvo because, "continuing development would have taken the restructuring focus away from the company and the return on investment at the time could not be justified," says Menzies. UpRight's designs were bought by Volvo, which will make them available in the future, while retaining up to 80 percent of UpRight's original design work. Under a little publicised clause in the deal with Volvo, UpRight will be able to badge and sell those Volvo telehandlers under its own name and expects to do so.

The company will also be boosting its sales portfolio with the introduction of two new platform models in time for Bauma 2004, while scaffold will continue to play a very important role in the company's balance sheets.

In a nutshell, "the company has been changed for a recovering industry," says Menzies. "Our Australia-based owner is involved in coal mining, agriculture and sign packaging, but UpRight has got the potential to be the biggest business in his portfolio." 