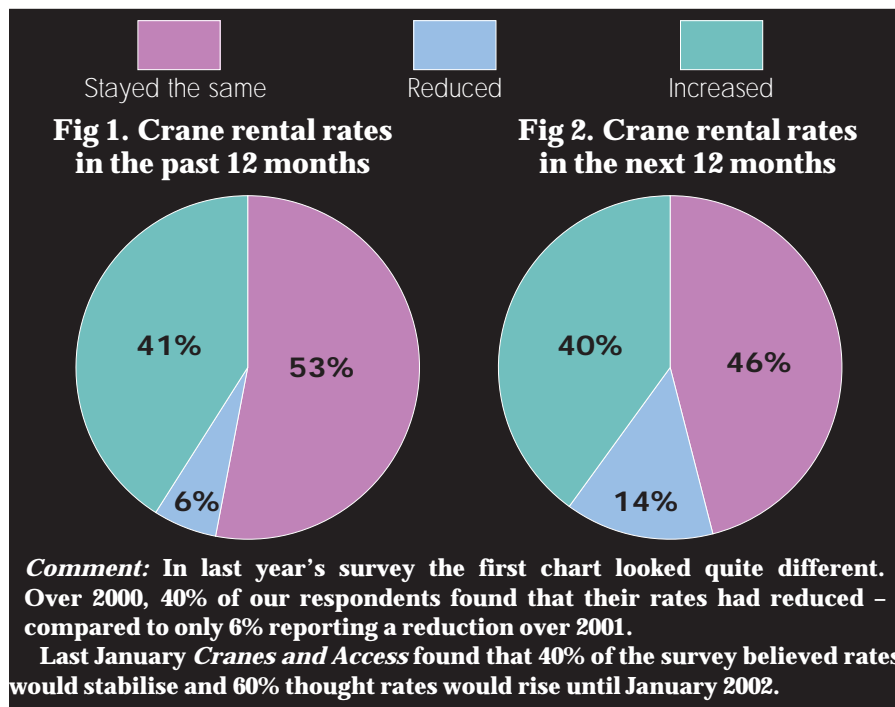


Hire Rates Survey 2002

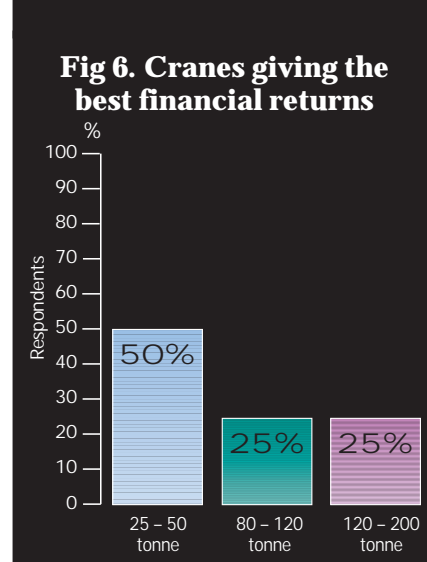
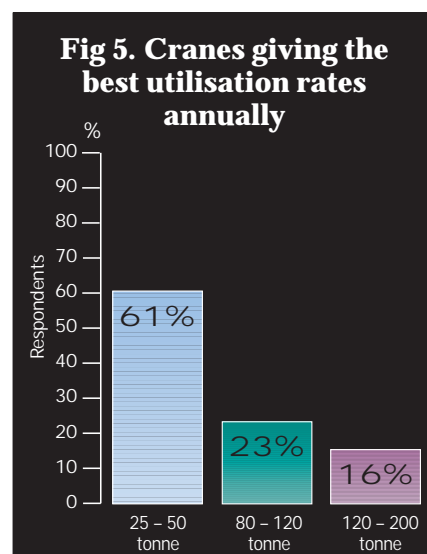
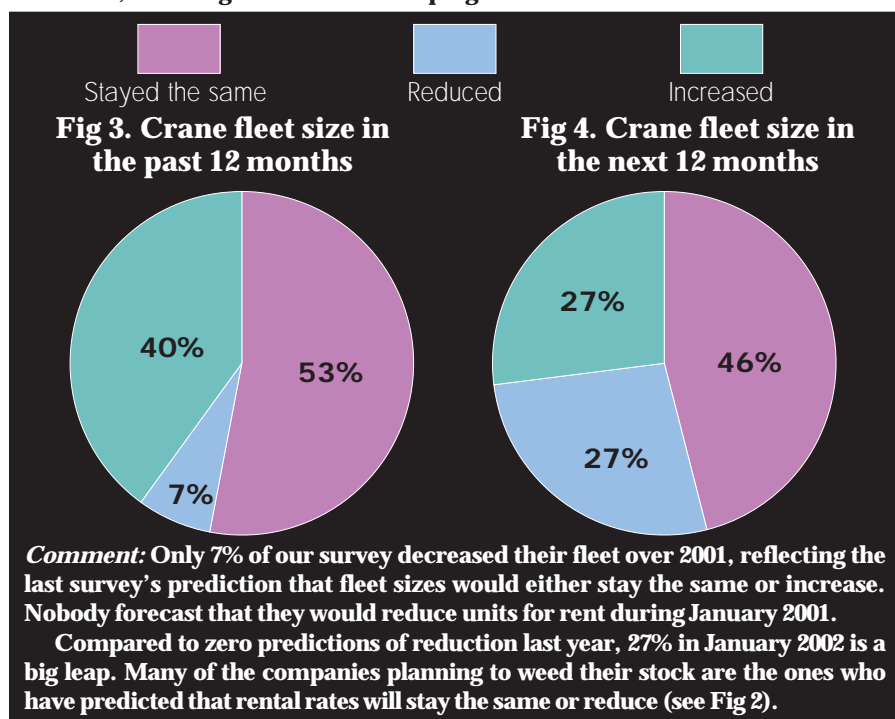
The first question we asked crane rental companies was what had happened to their rental rates in the past year. We then asked them to predict what would happen during the next 12 months.

The Cranes and Access Annual Rates Survey has found that UK hire companies expect to invest more in their fleets during 2002, whilst rates stabilise or increase in the coming year.

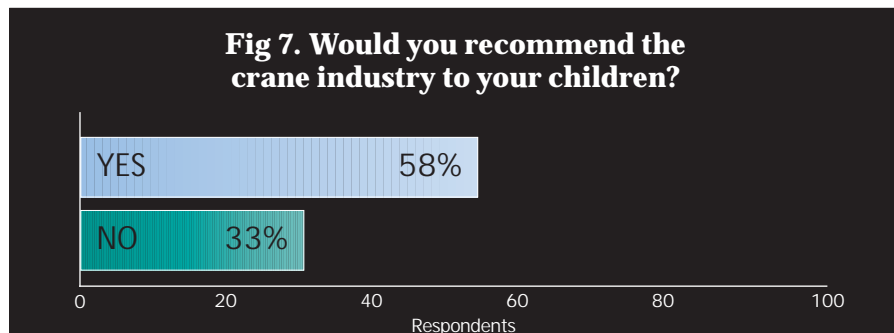
The next two charts show firstly the machines that companies believe give the best annual utilisation rates, compared to those which offer the best annual financial returns.



Secondly, a true indicator of how an industry is getting on is how much companies are investing. So, what about fleet size? Are companies investing in new machines, reducing their fleets or keeping afloat with a consistent stock?



◀ Another quick health check on the industry is a rather more personal question - would you recommend the crane industry to your children? Last year's generally optimistic survey saw a pretty enthusiastic 70% 'yes' vote. This year that number has dropped by 12%, although 9% of the 2002 survey said they would prefer to reserve judgement!



Now for the nitty gritty - compare the prices you have been paying with these figures, calculated from our survey group's average charges.

Fig 8. Average weekly rental rates for mobile cranes

Mobile crane	Lowest weekly rate	Highest weekly rate	Average weekly rate overall
50 tonne	£1600	£2500	£2278
100 tonne	£4000	£5220	£4296
150 tonne	£6000	£8500	£6683

Comment: Compared to last years figures, this survey indicates that prices have fallen on mobile rental by about £500 per week in all classifications. This means that the 60% of respondents who voted that prices would rise during 2001 will have been disappointed.

Over to access. What has happened in the past 12 months and what do platform rental companies predict for the next year?

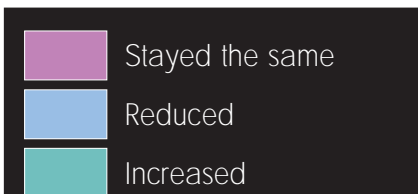
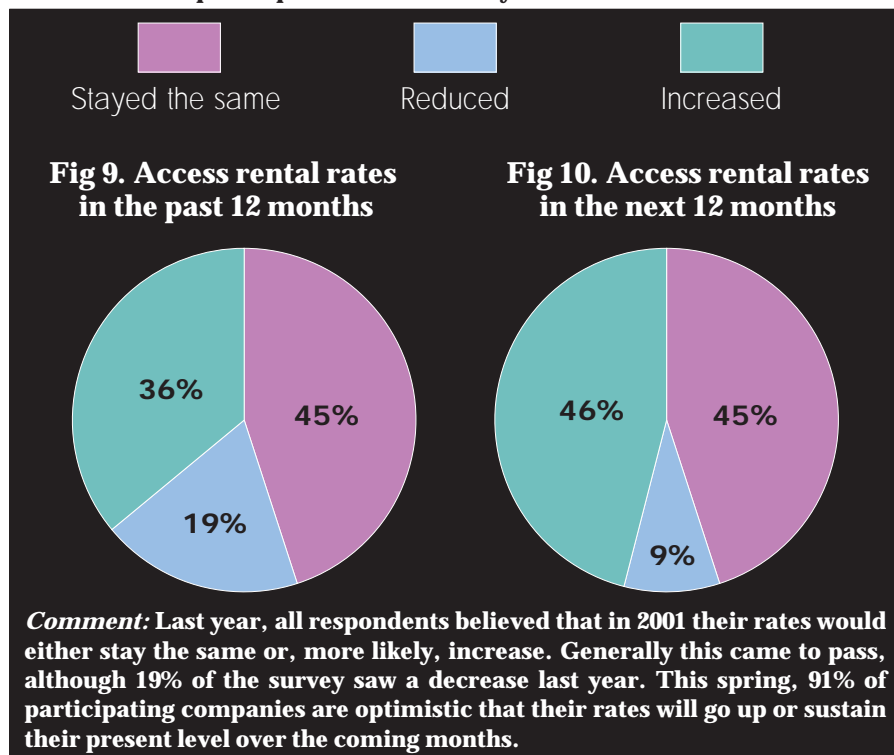


Fig 11. Access fleet sizes over the past 12 months

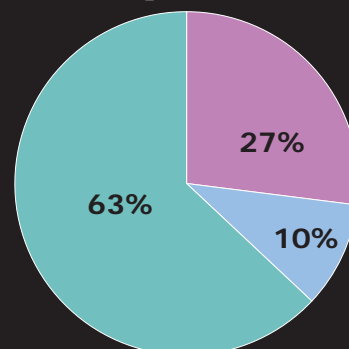
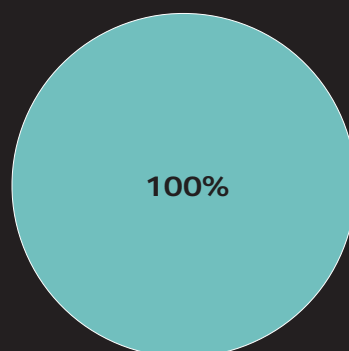


Fig 12. Access fleet sizes in the next 12 months



Comment: In January 2001 results were very different. In that survey, 33% of respondents said that their fleet size had decreased during 2000. - whilst 67% said it had increased. Things seem to be levelling off and, exactly the same as in the last survey, everybody is upbeat about investment during the coming year.

Industry comments

“Everybody must get customers used to a regular price increase - starting January 4, 2002.”
Access professional

“Unfortunately it is still very difficult to get new people to come into the industry - mainly because of poor wages, conditions and unsociable hours.”
Crane professional

◀ The next two charts show firstly the machines that companies believe give the best annual utilisation rates, compared to those which offer the best annual financial returns.

Fig 13. Platforms giving the best utilisation rates annually

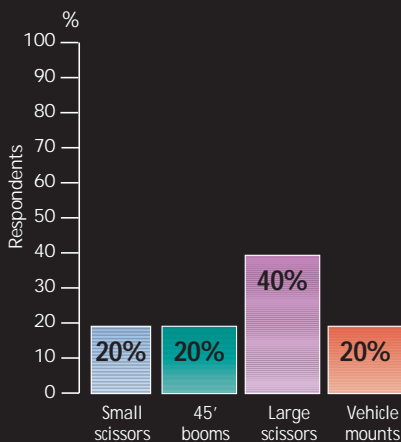
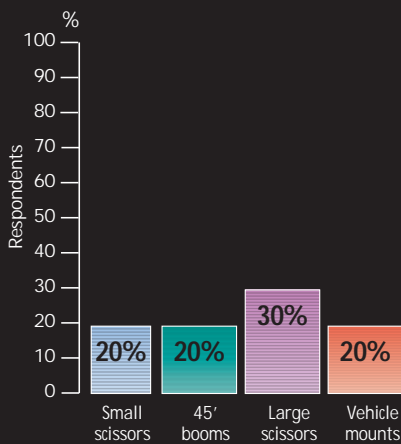


Fig 14. Platforms giving the best financial return



Industry comments

"It's more a case of survival than getting ahead at the moment!"
Crane professional

"We need more consolidation – and I think that will happen this year."
Access professional

"Competition is growing alarmingly – especially over the 100 tonne capacity."
Crane professional

Industry comments

“We would all be a lot better off without larger companies striving for domination by strangling rates.” **Access professional**

“It will be a challenging year in 2002.” **Crane professional**

“It’s a tough market and there will be lots of changes this year. If business keeps up as it has done, there will certainly be enough to go round.” **Access professional**

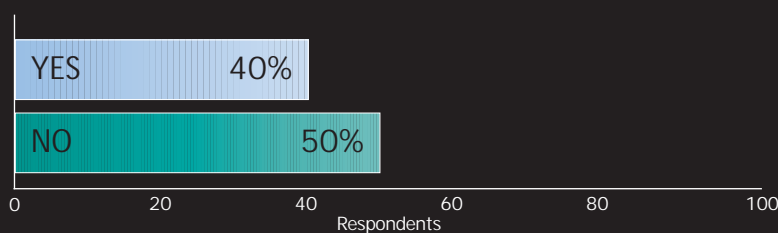
“Tough markets; good prospects” **Crane professional**

“Rates are not reducing at the same pace as they did from 2000-2001. Too many machines in the market place are keeping prices down. But there is plenty of potential for this year.” **Access professional**

“High utilisation should equal higher prices - we seem to have forgotten the basics of supply and demand. To invest in new, upgraded equipment we need much better returns. We need to be robust, not back down to buyers who aren't interested in quality, safety and service. The industry is its own worst enemy – especially the sales teams. Sell quality, safety and service, not commodity.” **Access professional**

Back to that telling personal question again – just like the crane industry there were about 10% sitting on the fence as far as recommending the industry to their children went.

Fig 15. Would you recommend the access industry to your children?



Comment: Last year 60% of respondents said they would recommend the industry to their children.

What’s been happening with prices in the last year? This table shows the average rates charged by hire companies all over the UK. Here you will see the lowest and highest prices quoted, as well as the average rental rate when considering all respondents.

Fig 16. Average weekly rental rates for scissors

Scissor lift	Lowest weekly rate	Highest weekly rate	Average weekly rate overall
8-10 metre	£120	£250	£158
17-18 metre	£278	£325	£306

Fig 17. Average weekly rental rates for booms

Boom	Lowest weekly rate	Highest weekly rate	Average weekly rate overall
15-16 metre self propelled	£240	£400	£302
20 metre self propelled	£310	£400	£342

Comment: Scissors and booms are commanding a wider price range, with some companies indicating that their rates have successfully risen during 2001. However, as the ceiling is pushed up, the floor is dropping, which means the average price has stayed almost static since last spring.