

Hireman's high ambitions

Business has never been stronger for The Hireman, which has celebrated 25 years' trading, and has considerable expansion plans. Alan Guthrie reports from its Bermondsey headquarters.

Given the uncertainty about the pace of economic recovery being expressed by companies across all industries, let alone hire, a visit to The Hireman recently was a positively uplifting experience. This family-owned hirer, which has two impressive depots covering Greater London, reports that it has never been busier. It is brimming with confidence and has ambitious expansion plans. Last year the company marked its 25th anniversary, and its ability to adapt and survive through the economic peaks and troughs provides a salutary example for others to take heart from, and to try to emulate.

The business was founded in 1985 by MD Bruce Graham, who had 17 years prior experience in plant hire from working with M & J Engineers and Hewden. "My last position before setting up my own business was as Central London Manager for Key Plant, the hire activity of Norwest Holst. My responsibility was to source equipment for the sites where it was working in the capital. I was also tasked with generating more outside hire business, and this proved very successful. However, after two busy years, a number of its corporate decisions eventually made me consider other options.



Neil and Bruce Graham plan to expand the business considerably.



The Hireman emphasises a commitment to customer care.

"We raised the necessary finance using our home as collateral, and looked for premises. Although we were living in Beckenham, Kent, I wanted a location near central London as I believed there would always be business in the capital, even in challenging times. I found 3,000ft² premises to rent in Bermondsey, which we were eventually able to purchase in 1990."

Initial optimum fleet

The name for the new business came out of the blue. "I had been thinking of names based on the family's initials. However, one day Jean and I were in a traffic jam behind an old Routemaster bus which had an advert on the back for a musical called 'The Hired Man', which gave us the idea. It was perfect as a fundamental indication of what we were about.

"I worked out an initial optimum fleet of tools and equipment, such as ten sets of mobile access tower, ten cut-off saws, 20 breakers, ten hammer drills, six small generators and so on. I focused on products that would typically achieve a return on investment within 12 months with 65% utilisation."

From day one, The Hireman emphasised its commitment to service. Indeed, as you approach the doors of the company's premises today, or peruse its literature, the message 'Going out of our way to help our customers' is prominently displayed. "As soon as we started, many of

the people I had dealt with previously began using us, because they valued reliable service. I know it's a cliché, but 'people do buy from people'. We worked all hours, delivering equipment on Sunday afternoons if customers had an emergency. We achieved 20 hires a day within a month of starting."

1990s recession and recovery

In its first year, The Hireman recorded a £100,000 turnover, and reached £500,000 in 1990, by which time it employed seven staff. Then, however, the recession started. "The phones simply stopped ringing," recalled Bruce. "Within a year, our turnover halved. What hurt most was when you saw industry contacts and good customers going out of business, having traded with them for years."

Determined to protect the business, Bruce and Jean sold the family home and lived above the Bermondsey hire depot until the recovery began in 1994.



The Graham family lived above the Bermondsey depot during the 1990s recession.

"Those hard times showed people the real value of money. And they taught me that, when you have problems, there is no use in bellyaching or moaning about them. If you dig in, get your head down and work hard, good luck will come to you, and you will get through."

Having adapted quickly to meet the economic challenges, the eventual recovery followed equally rapidly, as general confidence grew. In 1997 a second depot of 10,000ft², dubbed London West, was opened at White City, to serve an area that already accounted for 20% of business. The original London Central depot steadily outgrew its original location, and, today, operates from a 15,000ft² facility. The Bermondsey street site, in Black Swan Yard, was sold in 2007, with the depot re-locating to bigger premises on the Old Kent Road. In addition, a new office building was bought in Bermondsey to serve as The Hireman's head office.

"The business was in my blood"

The company currently employs 38 staff. Neil formally joined the business in 2003, having obtained a Business Management degree from Nottingham University. However, having spent part of his childhood living above the depot and helping at weekends and school holidays, it was a natural career choice. "The business was in my blood and I never considered doing anything else. I was initially in charge of



The London Central depot moved to its Old Kent Road site in 2007.

procurement, getting to know products and suppliers. I also developed our consumables business. It was easy to regard sales as just an add-on to hire, but I knew we could expand this activity. We negotiated some keen prices with suppliers who also saw the retail opportunities that a hire business could achieve, including Heller drill bits, Klingspor abrasives, Saber diamond blades, JSP safety clothing, and Standall steels. This now represents approximately 30% of our turnover.

"We are incredibly busy. Over the last six months, demand has been unprecedented. It goes against everything you read in the national media. Admittedly, when recession started in 2009, business became tougher, but we have remained profitable and, importantly, we have not had to lay off any staff. We gathered our whole team together and told them that, if we continued to work hard, we would get through it, and they have reciprocated the trust we put in them. We, and our customers, need their experience and expertise.

"We have a very low rate of staff turnover and place great emphasis on training and development. Both our Depot General Managers, Ian Leppard at London Central and Phil Wright at London West, originally joined as drivers. If you develop staff from within, you have people who fully understand your business and its values. We ensure that we give customers accurate advice and information about products and delivery times, and this builds loyalty."

Meeting customer requirements

The fleet has evolved to meet customer requirements, covering equipment ranging from power tools and pumps, to two-tool compressors and generators up to 15kVA. "The Work at Height Regulations continue to drive interest in products like Interlink podium steps, as well as low level powered access, such as the Power Tower and Nano



Consumables sales now represent approximately 30% of turnover.



The fleet has grown steadily to meet customer demand.

machines, which are constantly in demand,” said Neil. “We are also investing in more GRP tower to meet the needs of rail contractors.

“Recently we have been very impressed by Hilti’s new TE 3000 electric breaker, and already run its TE 1000 and TE 1500 models, not just for their performance, but also for their dust control capabilities. We believe workplace dust is now becoming a key Health & Safety issue. Other recent additions include laser levels from Hilti and Bosch, which we began buying because we found we couldn’t rely on other hirers to re-hire them as efficiently as our customers expect. In the near future, we will also be adding mini excavators and compact dumpers. Several suppliers, especially ArcGen Hilta, Euro Towers and Brendon Powerwashers, give us exceptional support in ensuring a seamless supply of items that are in particularly high demand and which we need to provide quickly. This again shows the strong links we have established with suppliers.”

Third depot planned

The Hireman serves customers throughout London and the Home Counties, and demand is such that it plans more depots. As we reported in our last issue, the company has been conducting an on-line poll for customers to select their preferred choice from four suggested locations, namely Croydon, Dartford, Surbiton and



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Walthamstow. “The voting has been very close, and we have also generated a lot of feedback from customers about how they value our service, and confirming that a new depot would definitely help them when they work in different locations,” said Neil.

The results will be announced very soon, and it is planned that the new depot will be open early next year. “I see no reason why we should not open four depots in four years, in and around London, with more to follow in other regions of the country, such as Birmingham, Leeds, Liverpool and Manchester. It depends on having the right people, but we have shown that customers appreciate our standards of service and want to use us wherever their business takes them.”

The Hireman’s website has been re-designed recently, with links introduced from networking sites like Facebook and Twitter to strengthen contacts with customers and, perhaps, to hold on-line discussions between staff and users in target segments, such as DIY



The re-designed website encourages customer feedback.

enthusiasts. “Our printed catalogue also aims to be different,” said Neil. “Rather than being a large and heavy publication, it is pocket sized, gives basic fleet details and encourages customers to interact with the website for technical specs, images, HAV data and other important information. Almost everyone has access to a laptop or smart phone, even on a construction site. Again, we want to keep in close contact with customers.”

Overall, The Hireman’s mood is one of impressive optimism. “We are now emerging from our second major recession, and I believe the challenge ahead is for all British business to foster a conspicuous lack of negativity and cynicism, and deliver truly remarkable customer service,” said Neil. “We are looking towards 10-15 years of steady expansion. With the experience and expertise amongst the staff here, we can become a national business, one which will eventually be positioned in EHN’s Tool Hire Top Ten.” ●

 www.thehireman.co.uk