

BLACK SWAN

NEWS—COMMENT—EVENTS—INFORMATION

www.thehireman.co.uk

Autumn Edition - 2011

WELCOME to the autumn edition of the Black Swan; it's been several months since we last spoke and there is much to talk about.

First and foremost I am pleased to announce that Neil took over as our managing director on 1st July this year. He is uniquely qualified for this role having a real passion for this business, underpinned by broad experience and an impressive array of business skills. We have exciting plans for the company's future development and I can assure you that Neil will be fearless and committed in driving them forward. As chairman of our board of directors my role is to assume the stewardship of our company ensuring the continued high levels of corporate governance. I will continue to advise and support Neil, while ensuring that future investment is available and facilitating the continued team work of our senior managers.

The online poll for our new depot is now closed and the results are in. It was a close run thing, with all four locations receiving a large number of votes and we are now delighted to reveal the location of our soon-to-be third depot.

Our last edition's article on 'Meet the team', featuring our managers, was so popular we have decided to run it again featuring our hire controllers. Many of you will be familiar with the voices of David Malcolm and Ian Alland who have a combined experience of 30 years serving our customers!

There's an opportunity to learn about the features and benefits of some of the new equipment that we've recently added to our fleet. Neil and Paul (our new ICT Manager) have contributed articles on the economy and our recent investigations into cloud computing.

Bruce Graham, Chairman

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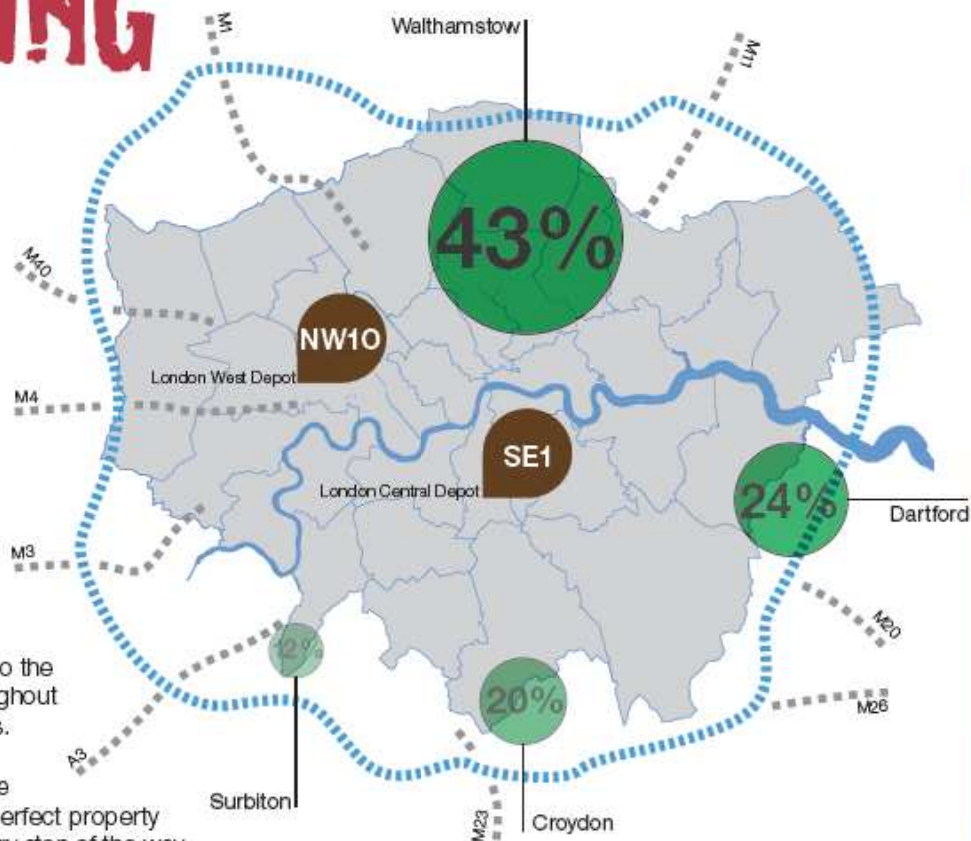
BREAKING NEWS!

New depot poll

The results from our online poll are in and I'm delighted to say that a significant majority of our customers and staff want our third depot to open in the north east London Borough of Waltham Forest.

We're delighted that so many of you had a say and contributed to the expansion of our services throughout London and the Home Counties.

You'll be glad to know that we've already started looking for the perfect property and we'll keep you updated every step of the way...



Construction Support Services

0330 363 3333

Meet more of the team...

LET'S PUT SOME FACES TO THE NAMES AND INTRODUCE YOU TO OUR HIRE CONTROLLERS.

Dave Malcolm
Senior Hire Controller - Central



David is our longest serving member of staff, having joined us in 1993 as a delivery driver. He quickly showed that he had a lot to offer and after a few years accepted the opportunity to train as a hire controller. In the intervening years he has become indispensable, with an enormous fund of industry and product knowledge at his disposal. David is a West Ham supporter and a skilled player himself, playing regular Sunday league football. He has a teenage daughter and enjoys socialising with his family and friends.

Isabel Gonzalez
Senior Hire Controller - West



Isabel first joined us in 2006 and brings a much needed and respected feminine touch to our hire office. Her all-round experience of the industry - having worked in power tool supply and for a large construction company - has been a vital part of the growth and success of our west London depot. She enjoys spending time with her daughter and when the opportunity allows is a keen Salsa dancer. She is also bi-lingual in English and Spanish.

Ian Alland
Senior Hire Controller - Central



Ian joined us in 1999 as a delivery driver and quickly displayed the care and solid common sense necessary to join our hire office. Over the years Ian has made the most of opportunities to work in various departments, as diverse as purchasing and sales. All of this experience and knowledge is now being fully utilised in his role as a senior hire controller and as one of the cornerstones of our hire office. Ian is married with a grown-up son and daughter, he supports Chelsea FC and enjoys cycling and keeping fit.

Rob Petchey
Hire Controller - West



Rob joined us as a delivery driver in 2008, when in the depths of the recession work became scarce in his trade as a plumber. He displayed a willingness to learn and with his apparent abilities was given the opportunity to train as a hire controller. His mix of practical experience and skill plus a natural interest in our industry have helped to establish him as a mainstay of our hire office. Rob supports Arsenal, enjoys fishing and is an enthusiastic motorcyclist.

Gary McEvoy
Hire Controller - Central



Gary joined us as a delivery driver in 2009. His friendly and confident manner plus previous supervisory experience have allowed him to make the most of the opportunity to train as a hire controller. He is now a valued member of our hire office with a fast-expanding knowledge of our business. Gary is married with four children, supports Millwall FC and enjoys time spent with family and friends.

Darren Oldham
Hire Controller - West



Darren joined us earlier this year as a hire controller, bringing with him twenty years experience in the hire industry, starting as a YTS for Lord Hire Centres in Newcastle. His tool and equipment knowledge as well as his friendly manner have seen him quickly settle into our west London hire office. Darren is married with two children and enjoys spending his summers with family and friends on the Norfolk Broads. He is a Newcastle United supporter and an avid follower of Formula One.

In the next edition... Scott Pearce, who joined us as a driver in August last year, will feature as our latest trainee hire controller.

New equipment spotlight...

So far, 2011 has been a busy year and as usual we've added to and extended our fleet of equipment to meet our customer's demands. We tend to get very excited about new equipment here at The Hireman and we pride ourselves on buying the best, hands-on testing and keeping up-to-date with the latest technologies. Here's a selection of the key items:

High frequency, high productivity pokers

Wacker's high frequency pokers have been popular due to their unrivalled compaction performance and productivity, maintaining an optimum 12,000rpm in every variety of compacted concrete. As a rule of thumb the effective compaction area of traditional flexible shaft pendulum pokers is 10 times the diameter of the head. So for example, a 57mm poker will have a compaction area of up to 570mm. The equivalent high frequency poker will produce a compaction area of up to 850mm and with a vibration rating of just 2.5m/s² can be used continuously for an eight hour day.



The future of detection technology

We are excited to be able to offer the Bosch D-Tect 150 professional wall scanner which uses an ultra wideband radar sensor system to detect ferrous and non-ferrous metals, electrical cables, wooden beams and plastics such as under floor heating pipes. The device is accurate to the millimetre and will detect rebar in concrete up to a depth of 150mm. The digital display has an intuitive menu system which is available in seven languages. It is IP54 rated and Bosch claim that it remains fully functional after being dropped from a height of up to 1m. For obvious reasons we prefer not to test this!



Drywall sanding made easy

For that perfect drywall finish, look no further than the Flex WST 700 VV drywall sander. It weighs just 4.8kg and its unique telescopic design allows it to extend from 1.33m to 1.73m, thus reducing user fatigue. The adjustable sanding head moves easily to follow uneven contours and a triangular head can be fitted for those hard to reach corners. Designed with an integrated suction hose it can easily be paired with a dust extraction vacuum to meet current health and safety regulations and keep mess to a minimum.



A new breed of heavy breakers

For those of you who read Construction News, you may have seen our technical viewpoint in 11th August magazine comparing the new Hilti TE 3000 heavy breaker with the Bosch Mk II GSH 27. Having run both breakers now for a few months we can confirm they are excellent tools, although Hilti's claim that their breaker can be powered by a 3kVA generator with a 16A plug proved unreliable and our workshops have now fitted them with the larger 32A plug.



Specialist interior laser level

The Hilti PR26 is a dedicated interior rotating laser level. The green beam laser provides four times greater visibility than red class 3 lasers and a finer, more accurate line. The automatic alignment system is quick and the receiver and remote control unit are combined in one device for user convenience. These lasers are ideal for transferring reference heights, levelling suspended ceilings, positioning drywall track and installation of pipes and cable trays.



*And don't forget I really want to hear from you if there's something we don't currently offer that you think we should. Just send me an email and I'll look into it and get back to you.
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Our biggest compactor plate

We've recently added the Ammann AVP 3020 forward/reverse diesel compactor plate to our fleet, with a working width of 500mm and an operating weight of 220kg it is the largest plate we hire. Great for compacting in small spaces these plates are suitable for soil and asphalt compaction and are ideal for backfilling cable and pipeline trenches.



Closing thoughts.



● Not So Light And Fluffy

Paul Scott BSc(Hons), PGCE - ICT Manager
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Paul originally joined us in 2009 as an IT & marketing analyst before taking a year out in 2010 to train as a secondary school ICT teacher. Paul returned to us earlier this year to take up the role of ICT manager and is currently involved in

upgrading our IT infrastructure. Paul previously worked for the John Lewis Partnership in a number of roles including aftersales management and network administration. As a mature student Paul graduated with a first class degree from the University of Greenwich in Internet Engineering and Web Management. In his spare time he is an active musician and enjoys Formula One.

During my short time back at The Hireman I have been investigating how to migrate out current IT infrastructure on to the 'Cloud'. As I have found, the Cloud is a woolly term for anything that isn't tangible and sitting in the corner of your office, instead it refers to virtual services hosted elsewhere. My key objective was to take our current IT infrastructure and place it all on the Cloud. Easy I thought, how hard can it be?

Cloud computing is marketed as a cost, energy and resource saving solution and my initial enquires revealed that The Hireman was the perfect company to embrace Cloud technology. With excitement I began to meet with various companies who attempted to sell me their proposed solutions.

The first hurdle I faced was that there are several ways of utilising Cloud technology, as ever prices vary greatly. Many of the companies were keen to sell a fully hosted solution meaning that our users would log directly on to a remote server. Although this in principal meets our needs it also creates its own problems such as being completely dependent on our internet connection and it also works out to be much more expensive

than our current solution. The other alternative is to simply recreate our current setup on a hosted server. Again we would be dependent on our internet connections but this would also create its own problems; printing would take longer as the print job would be sent to the server then back down to the printer; computer updates would be problematic as data would be sent across the network eating bandwidth. These problems can be resolved using print and utility servers at each site to propagate data locally, but this in turn leads to higher costs in maintaining the servers. Before I knew it I was back to square one.

Ultimately the Cloud does offer many benefits but when weighed up against the financial commitment required it is very difficult to justify the ongoing expense. Virtualisation of our current servers seems to be the next logical step in building more resilience into our current set up. Although having a Cloud infrastructure is impractical at present we have started to embrace Cloud software services such as Google Docs to help unify our office staff and I hope that as technology moves on we will be able to take advantage of new innovations and services. ■

● A Different Kind Of Easing

Neil Graham - Managing Director
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The Bank of England and its monetary-policy committee (MPC), under the guidance of governor Sir Mervyn King, has just pumped a further £75 billion into the British banking system via an unconventional

process known as quantitative easing (QE). But how effective will this be at kick-starting our economy and how much of this money will filter down into the real economy?

This newly created (electronic) money has been used to buy government bonds (gilts). The theory is that by taking a percentage of safe securities off the market, investors and high street banks will seek riskier investments. Instead of owning low yield gilts, high street banks should then seek higher yields by

lending money to businesses and first-time buyers. Investors will turn to corporate bonds and stocks, which in turn will encourage big business to stop hoarding cash and spend more. Overall, the hope is this will increase the supply of money in the economy.

“To hope that this latest round of QE will improve access to finance for this vital and fund-starved sector of the economy I believe is foolhardy”

Although opinion is largely divided on the success of the first round of QE in 2009-10, when the Bank bought £200 billion of bonds, the Bank's own analysis suggests it boosted GDP by 1.5-2%. Many economists believe that this growth was largely a result of lowering yields on gilts. The problem is that yields on 10-year gilts now stand at 2.5%, which is a 50-year low and half what they were in 2009. They clearly have less scope to fall and therefore less potential impact on growth. And with inflation set to rise above 5% in November, surely there is a different way, a different kind of easing required.

Small and medium-sized enterprises (SMEs) account for over half of UK GDP,

according to the Federation of Small Businesses, and yet we have experienced a near three year slump in lending. To hope that this latest round of QE will improve access to finance for this vital and fund-starved sector of the economy I believe is foolhardy. The chancellor, George Osborne, has asked the Treasury to explore options for improving the situation but we're lacking decisive action. David Smith, an economics columnist for The Sunday Times, is adamant that the economy is receiving the wrong kind of easing. Mr Smith advocates 'credit easing' which would see the Bank buy up bundles of SME loans and boost the flow of credit to a sector of the economy that has massive growth potential. Adam Posen, an MPC member, also believes that part of the economy's weakness is down to a shortfall in SME credit provision. He advocates a state-backed SME bank to meet the funding shortfall that he puts at some £30 billion. We need brave, bold and decisive action to kick-start our economy and I for one believe in the growth potential of SMEs in the UK. If this country has any hope of nurturing tomorrow's big business we have to start today with the small guys. ■

P.S. It's Movember, the month formerly known as November, now dedicated to growing moustaches and raising awareness and funds for men's health; specifically prostate and testicular cancer. Me and some of my hairier colleagues at The Hireman are donating our top lip to the cause for 30 days in an effort to help change the face of men's health.

To support our Movember campaign and make a donation please go to:

<http://mobro.co/HireMo> or click on the link on the home page of our website www.thehireman.co.uk