## **ACQUISITION REFLECTS INCREASING USE OF HYDRAULIC LIFTS**

As South African industry begins to reflect the increasing use of mechanical lifts taking place in the international transport arena, Micron Investment Holdings has geared up to supply and support a growing range of forklift attachments and customised hydraulic tailifts to the local market. In August 2014 the group acquired the business of Skyjacks Tailifts (Pty) Ltd and is poised to relocate this new acquisition, together with its sister company, Micron, to a shared site in Anderbolt, Boksburg, on Johannesburg's East Rand.

"Micron has secured more than 50% of the forklift attachment market through a combination of quality equipment and comprehensive product support for the life of the equipment," says Micron's Stan Contat. "We've cherry-picked a number of agencies from around the world to provide best-fit solutions for our customers and underpinned this offering with full maintenance contracts on our products, 24/7 product support and a comprehensive spares holding.

"We recognised that Skyjacks Tailifts has a lot of synergy with Micron's offering, in terms of hydraulic valve banks, hoses, cylinders, seal kits, and so on. We saw its acquisition as a tremendous milestone on our journey to achieve our vision of growing into a materials handling group capable of supplying products into mega-industries like warehousing and distribution, yellow metal and cranes, across sub-Saharan Africa. We're a young and innovative group on a growth trajectory primarily through acquisitions and we're currently evaluating another two potential purchases."

Contat is confident that the hydraulic lift market will continue to grow by utilisation. Although local industry has traditionally shied away from this equipment in favour of using labour to load and unload goods, recent changes in health and safety legislation governing heavy lifting is likely to prod companies towards hydraulic lifts. This trend could well be given momentum by the increasing labour issues confronting industry across the board.

"Overseas, the truck driver is also the tailift operator," Contat continues. "In addition, the driver will often operate an electric pallet jack and handle the entire process of unloading goods at their

destination. Although we operate in a comparatively poor part of the world, there are definite signs that the local market going to follow this trend.

"In our country, small to medium companies are still somewhat unwilling or unable to make the upfront expenditure on lifting equipment, even though they would be assured on improved total cost of ownership in the longer term. They're making a lot of short-term decisions. However, the multinationals have long understood the concept of total cost of ownership and they tend to view this kind of purchase as an investment.

"On the supplier side of this issue, too many local companies are putting sophisticated lifting equipment and accessories into the market that they are unable to support. This, coupled with untrained operator abuse, results in good products getting a bad reputation.

"All these factors have helped us to position Micron and Skyjacks Tailifts as companies that not only supply quality products, but are also able to support them and give customers real uptime and satisfaction that positively impacts their entire logistical chain."

The management of both companies is underpinned by a philosophy of sustainability, gaining a robust competitive edge against companies with a "hit and run" policy. Contat says it immediately becomes obvious to new customers that both companies are able to satisfy customers' need for competitive pricing and to have their equipment supported throughout its operating life.

"We're applying the lessons we've learnt at Micron to Skyjacks Tailifts, with some exciting early successes in this really competitive sector," he says. "We've had two absolutely fantastic months since taking over the company. One of the ways we've achieved this is to combine Micron's 20 service technicians with Skyjacks Tailift's smaller crew to create an efficient field service team that operates throughout the country.

"We're focusing strongly on imprinting the Micron culture on Skyjacks Tailifts. This culture is based on a commitment to customer satisfaction, on giving our employees every opportunity to grow their careers within the group and, of course, on making a profit at the end of the day. All three of these factors are viewed through the eyes of sustainability, ensuring that we are creating an environment in which our group can grow."

<u>Caption for Tailifts 01</u>: Stan Contat, Managing Director of the Micron Group.

<u>Caption for Tailifts 02 & 03</u>: Skyjacks Tailift has a wide range of tailifts to suit your needs. Whatever your tailift requirement, Skyjacks Tailift has the solution for you.

<u>Caption for Tailifts 04</u>: Once a truck mounted lift is accepted as the correct solution our manufacturing team will custom build your selected product.

Prepared by: Livion Media (Pty) Ltd

Telephone +27 83 231 4453

Email jonquil@livion.co.za

Web www.livion.co.za

For: Skyjacks Tailifts – Julie Graham

Telephone +27 11 421 0738

Email julieg@microneng.co.za

Web www.tailifts.co.za