

Ready to pounce

While the economy is struggling in the Mid-Atlantic region, crane and transport companies are diversifying and poising their businesses for growth when the economy takes an upturn. Hal Lundgren reports

As Eric Hinderer eyeballs the next few months, Adkins Machinery Movers' co-owner forms a mental snapshot of those celebrated scales of justice. They're always supposed to balance.

The same ideal fits his Louisville, KY company, founded by his stepfather, Ben Adkins, 41 years ago.

"Whether we're working on the crane side of our business or on overseas shipping, we've always been successful in rolling with the flow and taking advantage of opportunities while they exist," Hinderer says. "We have no choice. We're still a family-owned business. We've got to move where the business is."

Quickly, too. "We try to focus on our area's economy, not the US economy," he explains. "For example, we do lots of auto-rack shipping for railroads. If railroads are down and the auto industry is down, we know we're going to slip in those segments, too. If taxes are going up, the economy is down and people are trying to hold onto their money a little more tightly, we have to find other opportunities."

Recently for Adkins, those opportunities have been in exports. "We've been shipping to China and Mexico," Hinderer says. "Right now, we're about to send a large shipment to Bangkok, Thailand. Of course, things change rapidly. When our economy strengthens and our goods become more expensive, we realize our export business won't be as strong. What we do here today is what we've always done. Balancing. Looking three to six months ahead. Trying to place all our eggs in the right basket at the right time."

Avoiding hardships

A 44-year-veteran of his industry, Bauman Crane President Frank Bauman deals with fewer options. His company operates outside Philadelphia in Chalfont, PA. There, Bauman describes the housing market as "dead."

That imposes hardships across his

Richmond, VA-based M&R Constructors has found opportunities in the power generation sector

company's offerings.

"Our first quarter was off 45 percent from 2008," he says. "It's the biggest percentage drop we've ever had. When I read about what's going on in California, Michigan and many other states, I realize how much of the country is going through what we're going through."

Bauman Crane operates 15 boom trucks with capacities up to 36 tons. Most tasks involve roof trusses, parking lot lights, air-conditioning, cell towers and hot tub placements. Demand for those services, Bauman reports, either creeps forward for has entirely stopped.

"We used to place 110 to 125 hot tubs a year," he recalls. "That part of our business has just about dried up. We only do about two each month."

Bauman finds optimism in a new service created by economic necessity -- crane repair. He says, "We used to repair our own cranes. Now we're also repairing cranes for other companies. Boom trucks are our specialty, so we've made repairing boom trucks a specialty, too. It has worked out well for us."

There should also be optimism, he believes, for crane buyers.

"A year ago, you couldn't find many boom trucks on the market," he says. "If you did, they weren't there long. Now it's much



different. You can find some nice machines on the market. It's a good time to buy."

There is, he concludes, nothing nice about his area's business outlook for the next few months. "I'd guess," Bauman predicts, "we're a year away from better times."

Gene DuBay, president and co-owner of Richmond, VA-based M&R Constructors, admits the business slump has hit his company.

"Who hasn't been affected?" DuBay asks. "We've seen five or six of these downturns" since 1975. "None has been as severe as this one. Still, the rest of 2009 looks like a reasonably sound year for us."

His company traditionally finds the right opportunity at the right time. When foreign auto-makers first began building US factories, M&R discovered a strong market in satellite plants around those facilities. Today's opportunities include power generation. Where a door opens, M&R takes pride in moving swiftly.

"We're not a company that wants to stretch beyond our comfort level," DuBay says. "We've been, and will continue to be, more reactive than proactive."

Winston-Salem, NC-based Yarbrough Transfer experienced what David Yarbrough describes as "an excellent 2008." Now, the 82-year-old company's executive vice president says business has become much softer.

"We were pretty steady until last December," says Yarbrough, whose company



David Yarbrough of Yarbrough Transfer says his company has been focusing on its people, hiring from the abundance of talent now available



provides specialized transport for heavy machinery, contractor's equipment and other heavy or oversize articles. "That's when everything started falling off."

The company service mix had been about 75 percent heavy equipment and 25 percent industrial machinery. As Yarbrough adjusts to reduced demand for those services, hauling industrial pipe, concrete beams and steel beams have become more significant hauls.

"Our revenue is down," Yarbrough says. "But we've had no layoffs. We're proud of that."

In addition to no layoffs, the company has demonstrated no quit.

"We're using this time well," Yarbrough says. "Our company already has plenty of good people. During these soft months in the economy, we're finding even more good people to hire. People who will be real assets to our company. That's part of our long-term view. Our approach has always been long-term."

Yarbrough says that the experienced drivers his company is hiring now wouldn't be available during peak business periods. He says: "They're mature enough to understand that there's much more to our business than drive up, hook up and leave."



Frank Bauman of Bauman Crane thinks the economic picture should improve by 2010

In addition to strengthening its driver corps, Yarbrough has installed a new software system.

"We also maintain a solid financial position with little debt," Yarbrough says. "I know some carriers have been worried, but that hasn't been our reaction. We haven't panicked. We won't panic. We'll be fine. I'm not sure when the economy will improve. I'm not even sure it will get better this year. But I am sure about where our company is. When the economy does improve, we'll be ready to pounce." **act**

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