

HIRE

VOL. 4, No. 1

MARCH, 1971

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 - Birth of Hiring in Queensland
 - New Victorian Association
 - Spotlight-U-Hire Pty. Ltd.
 - Interfirm-Comparison for Hire Companies
 - Continuing Bill Ristow on the Hire Industry

Official Journal of

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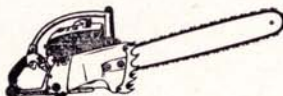
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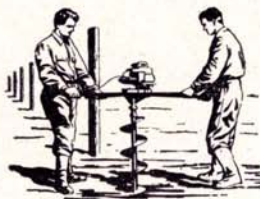


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THE HIRE ASSOCIATION OF N.S.W. was formed in 1967 by a group of hire business men and women. Its aim is a progressive, profitable and ethical hire industry.

the hire association of n.s.w.

President: GORDON ESDEN
(Silverwater Plant Hire Pty. Ltd.)

Vice-President: BARRY MacDONALD
(Macbro Plant Hire Pty. Ltd.)

Secretary: HAROLD JOHNSTONE

Hon. Treasurer: GREG PAGE
(Page's Hiring Service Pty. Ltd.)

Committee:

VIC PIRANER (Everready Hire Service Pty. Ltd.)

PEGGY LEVY (Formal Wear Hire Service Pty. Ltd.)

JOHN MASON (Walco Plant Hire Pty. Ltd.)

BARRY NEWTON (Newton Brick Elevators Pty. Ltd.)

NEVILLE KENNARD (Kennard Hire Service Pty. Ltd.)

DES WHELAN (Wreckair Pty. Ltd.)

hire

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stories and pictures covering any phase of the hiring industry.

THE OPINIONS IN HIRE ARE NOT NECESSARILY THOSE OF
THE HIRE ASSOCIATION OF N.S.W.

TO:

The Hire Association of N.S.W.
12 O'Connell Street
SYDNEY, 2000.

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I enclose the sum of \$40.00.

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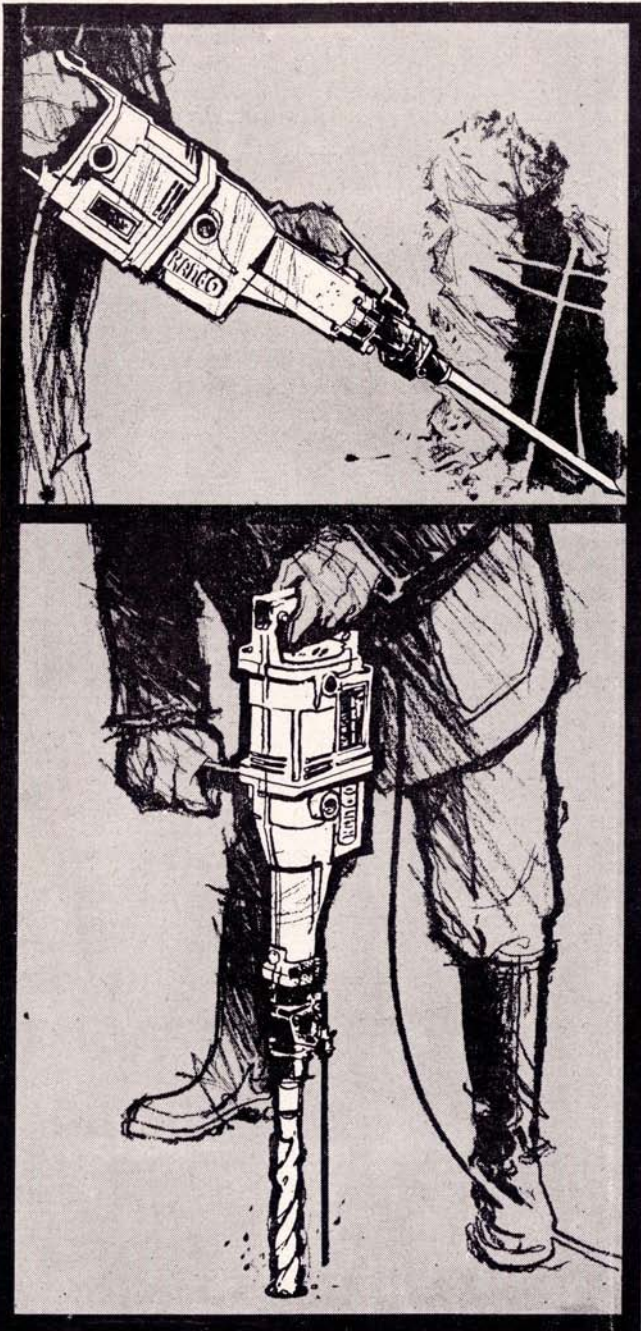
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President's Message



membership

The Hire Association membership has entered its fourth year with strength. There have been the sceptics, but even they now accept the fact, the Association is here to stay. They realise that once it was established, the inter-change of ideas, and knowledge, benefits themselves and the industry as a whole.

An interstate hire man told me recently how envious they were in his state, of our Association, with its enthusiasm and comradeship.

This can only be with your support. The feeling will continue to grow in N.S.W. and develop in the other states if more hirers join their associations.

We will then be in a stronger position to organize complete unity with a National Hire Association.

JOIN YOUR LOCAL HIRE ASSOCIATION NOW!

GORDON ESDEN

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annual general meeting

The Hire Association held their annual General Meeting at the Wentworth Hotel, Sydney, Tuesday, February 9th, 1971, at 7.00 p.m.

Seventy-three delegates attended while apologies were received from Messrs. B. E. Todd of Specialty Processes, and G. Keon of Great North Hire Service.

Minutes of the previous meeting held on February 18th, 1970, were adopted.

The Chairman delivered his report for the year ended December 31st 1970. (This is reported in full in this issue).

The audited statement of accounts prepared by G. T. Hartigan & Co. was tabled and formally adopted. Members received a summarised statement covering income and expenditure for the period January 1st, 1970, to December 31st, 1970.

Members expressed appreciation of the services rendered to the Association by Mr. Ball and in particular for his services as Treasurer. This position he has now relinquished due to his retirement from business.

The vote of thanks was carried by acclamation.

The Chairman said it was with great regret that members learned of the death by accident of Committeeman Bob Hodgson. He was a diligent Committeeman and Chairman of the Sub-Committee on legal matters. His sudden death is a great loss to his family, his Company and to the Association. Our condolences were conveyed to Mrs. Hodgson and family and to his Company.

The following election of Officers took place:-

President:	Gordon Esden
Vice-President:	Barry MacDonald
Treasurer:	Greg Page
Committee:	Neville Kennard
	Peggy Levy
	John Mason
	Barry Newton
	Victor Piraner
	Des Whelan

New President, Gordon Esden, took the chair, and thanked Members for the honour conferred on him. He also took the opportunity of thanking Mr. Neville Kennard for all those things which he had done to establish and maintain the Association from its meagre beginnings to what it is today.

He moved a vote of thanks to Mr. Kennard was carried by acclamation.

A Member requested and it was agreed that at future General Meetings, Speakers be asked to give their Name and Company Name before speaking on any matter. Also that permanent name tags be available at Meetings for use of Members.

This concluded the business of the Meeting.

Following the formal business, Members retired to the Dining Room to join with Company Executives, Senior Staff and Ladies.

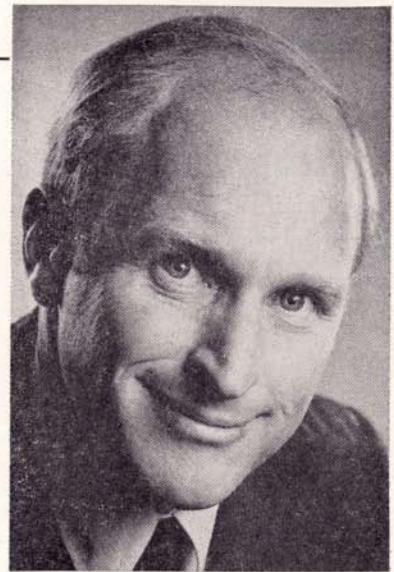
During the meal the Guest Speaker — Mr. David Clement of Interfirm Comparison (Aust.) Pty. Ltd., gave a most interesting address on the value to the Industry and individual Members who take part in this exercise. Interfirm Comparisons are accepted by all major countries throughout the world as an aid in assessing profitability in any type of business.

The period of questions and answers was stimulating and informative.

Everyone present was impressed by the wealth of knowledge that flowed from the Guest Speaker, only a person as well informed as Mr. Clement could answer the diversity of questions with such authority, which was no doubt based on his wide experience in the sphere of business management.

A happy and profitable time was had by all who attended.

president's report for 1970



This year has been a most significant one in the development of our Association. It has been a year of healthy growth for most members in their own line of business. The prospects for the coming year appear bright however it is not a time for complacency nor can we rest on our laurels as individuals or as an Association. The Association has also progressed in a number of ways, and has become a valuable aid to those who have used the facilities provided by the Association.

Membership now stands at 76. This is 12 more members than last year. Members come from country centres as well as from Sydney, and represent a wide range of Hire activities. There are still many Hire firms who have not yet joined the Association and it is important that our Association be as representative as possible, and that every effort be made by Members to urge others to join. Each member should do his bit in this direction and urge non-members to get with the strength.

Early in the year the Committee decided that a permanent office and secretarial services be obtained. The Chamber of Manufactures of N.S.W. offered us the facilities we required and the Director of the Chamber made the services of Mr. Harold Johnstone available to us. The burden of much routine work and much of the organising has been lifted from committee members and has been carried out efficiently and willingly by our new Secretary.

Our thanks Harold.

Four issues of "Hire" were published during the year, each has produced interesting reading and informative articles. The December issue of 40 pages is the largest issue to date and con-

tains interesting and valuable editorial material, although members' contributions were sadly lacking, each issue has been very well supported by advertisers, but more are wanted for the more we get the more we can give in editorial matter. The publisher Mr. Keith Breusch, has done a very good job in getting the magazine to the stage where it carries substantial advertising and gives us a valuable aid in communicating with Members of the Hire Industry.

A number of these popular meetings were held with speakers addressing members on such subjects as—

"INSURANCE"—

by Mr. Charles Warne

"THE CHALLENGE OF CHANGE"—

by Mr. Walter Dickman

"CREATIVE SELLING — HOW TO IMPROVE TELEPHONE & COUNTER SALES"—

by Mr. Des Thwaites

"REFUEL YOUR MINDS & ROCKET YOUR SALES"—

by Mr. Peter Sawyer

It is hoped these informative meetings will be continued by the incoming committee and that bigger and better meetings will be held, that members and their executive staff may enjoy greater participation in the discussions provided by workshop meetings and generally that the industry may benefit by the addresses and discussions.

The highlight of the year was the Terrigal Convention. 140 Members of the Hire Industry attended, some coming from Victoria and Queensland and one from New Zealand. Our Guest Speaker — Mr. Bill Ristow, President of the American Rental Association provided a focal

point for the discussions. His addresses were informative and inspiring and those who attended learned much from what he had to say both from his formal addresses and his private talks between sessions. It was generally conceded that the Convention was of a high order and we must endeavour to at least maintain this standard and if possible improve on it.

During the year the Association received some worthwhile publicity but not as much as we would have liked. This is probably the area which is needing greater attention and I commend this sphere of service to the incoming committee.

This area has not been as useful to members as it might have been owing to difficulties in collating the information. The lists have now been revised and circulated to members. Our thanks are due to Mr. Mason for the work that he has done in preparing these lists.

Committee Meetings were held each month during the year and have been well attended. The time that committeemen gave to Association work is quite substantial, and as a result of their efforts much has been achieved and much remains to be done.

Over the few years in which the Association has been established, good foundations have been laid and it remains with us to how we develop in the future. We are a young Association with great potential and the next few years should provide the opportunity to become one of the Leading Industry Associations equivalent to the American Rental Association.

I believe we can confidently look forward to bigger and better things in 1971.

NEVILLE KENNARD
On behalf of the Committee.

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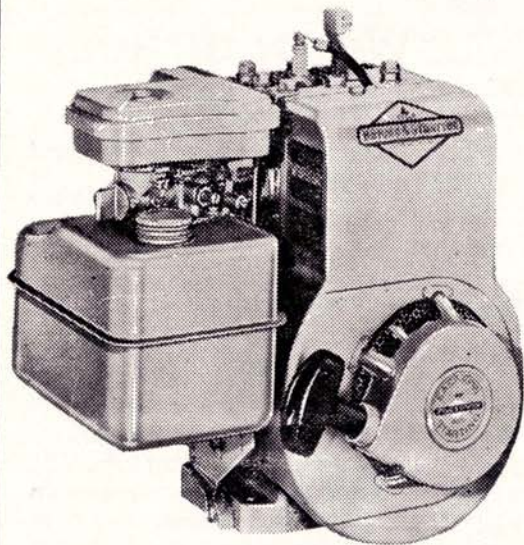
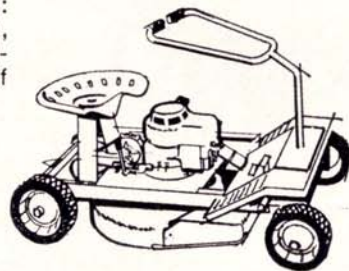
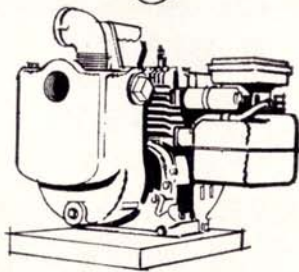
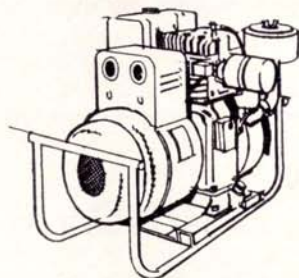
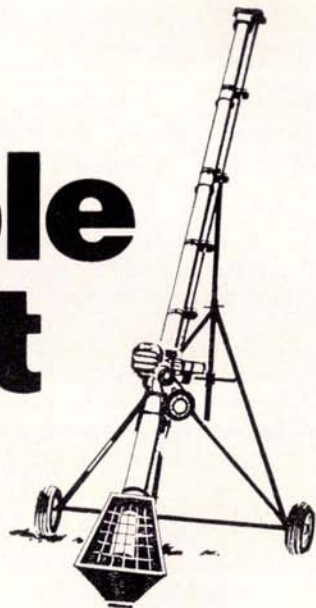
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birth of hiring in queensland



Kevin Morahan, Marlene Morahan, Bob Foley, three Queensland hirers

Hiring in Brisbane in the early 1950's was of a relatively small specialised nature operated by individuals, or as a sideline by large firms which concentrated on the sale of equipment.

One of the individual operators was Mr. George Flavell, who commenced hiring Trestles and Planks in a modest way, but rapid expansion prompted him to increase the range of equipment. As a result, the original business known as "Painters' Trestle Hire Service" became an associate business to a new firm registered as "All Hire Pty. Ltd." in 1953. Items available covered most sections of the community, including all building trades, handymen, householders, campers, party and business equipment.

You could hire almost everything (nobody asked for the kitchen sink, but the chance was that it could have been supplied). Anyone with a problem would invariably have it solved, regardless of the type of equipment required.

In 1965 radio-controlled vehicles were introduced to provide a fast and efficient delivery of equipment hired.

"All Hire Pty. Ltd." was sold on 1st November, 1969, to Mr. Arthur Staines and continues to offer a wide range of items, from Holman Compressors to champagne glasses and dance floors.

In 1959 another hiring business, "Brisbane Hire Service" started up under a house not far from the heart of the city, and grew rapidly. Within a short time it was necessary to seek larger and more suitable premises in keeping

with its growth, and a move was made to Stafford. One of the men responsible for its growth is Mr. Bob Lawler, and this business is highly regarded throughout the industry as one of the most reliable and efficient services, with an extensive range of equipment. In 1970 a branch was opened on the northern outskirts of Brisbane, at Strathpine, and the growth of past years will, without doubt, continue in the future.

The year 1960 saw the birth of yet another service at Nundah, and "Equipment Hire Service" commenced to flex its muscles and grew rapidly enough to open a total of 5 branches spread throughout Brisbane and suburbs, during the next 10 years.

In addition to this expansion, "Equipment Hire" commenced to manufacture Steel Trestles for sale, as well as for hiring. This business was started by Mr. Bill Flavell, whose brother George operated "All Hire Pty. Ltd."

These three businesses called a meeting on 12th February, 1965, and founded the "Queensland Hirers' Association" which has since grown in numbers and continues to carry out the objects set down.

(a) Generally, to promote co-operation on aims of general hiring, and goodwill among members.

(b) To promote and assist the better control and credit protection of its members.

(c) Do all such things as may seem to the Association incidental or conducive to the attainment of the above objects, or either of them.

The Sixth Annual Election of Officers took place on 2nd February, 1971:—

Incoming

PRESIDENT: Max Morris (Keith Morris Pty. Ltd.)
 VICE-PRES.: Dick Olsen (Coates & Co. Ltd.)
 SEC.-TREAS.: Bob Lawler (Brisbane Hire Service Pty. Ltd.)

Outgoing

Fred Barnes (Equipment Hire Service Ltd.)
 Max Morris (Keith Morris Pty. Ltd.)
 Bob Lawler (Brisbane Hire Service Pty. Ltd.)

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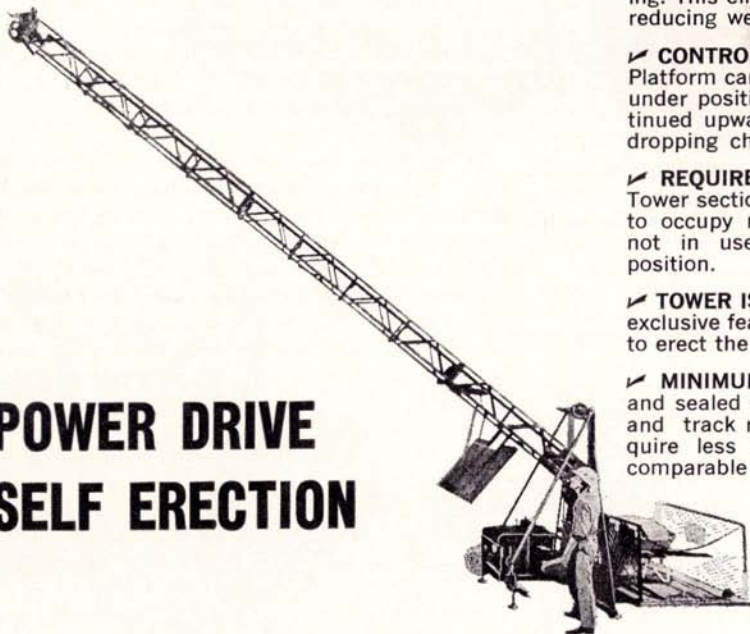
✓ **CONTROLLED DRIVE-UP, DRIVE-DOWN.** Platform can be driven up or down, always under positive control; stopped, then continued upwards with full load without the dropping characteristic of other hoists.

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kennard-fearon

January, 1971 saw the birth of a new hire organisation in Newcastle.

The company Kennard-Fearon Pty. Ltd., situated at 57 Griffiths Road, Lambton, brings together a long established Newcastle firm, Noel Fearon Pty. Ltd., with the dynamic Sydney hire group, Kennards. This augers for a highly successful enterprise.

Noel is the son of Fred Fearon, founder of F. H. Fearon & Son, well-known in the Newcastle district. Noel served his apprenticeship as a Fitter and Turner in A. Gonninan & Co. After completing this, he spent time at sea as an engineer.

After the war Noel embarked on a world trip to increase his knowledge of machine tools and mining equipment. He spent a great deal of this time in England and U.S.A. The experience gained, together with his extensive knowledge, made him one of the most knowledgeable people in the machine tool field.

In 1952, when Ramset Fastener commenced operations in N.S.W., Noel secured the agency for Northern N.S.W.

He realised the product was good and marketed it with excellent results. The agency formed the back-bone to the Contractors Plant Division of Noel Fearon Pty. Ltd.

Ever watchful of market trends, he soon realised that many of his customers were changing from sales to hire for the obvious advantages. "In fact," Noel said, "it is true to say we have been forced into the hire business by our customers."

Kennard-Fearon Hire Pty. Ltd. acquired a stock of plant and equipment comparable to many long-established hire organisations. So comprehensive is their range they claim title to Newcastle's first complete equipment hire company.

We welcome Kennard-Fearon Hire Pty. Ltd. as new members of the Hire Association and Hire Industry.

• SYDNEY

jolly hire pty. ltd.

"A new company with new equipment", is the slogan of a new Sydney based Hire Company.

Jolly Hire opened its doors on November 17th, 1970, at 116 Glebe Road, Glebe, Sydney. It is an equipment Hirer specialising to the builder and handyman.

Frank Tierney and Allan Jolly, the principals, together with manager Bert Stephenson, carried out exhaustive surveys in the Hire industry before commencing operations.

Frank and Bert told Hire they were amazed at the help other Hire Companies gave them, even though they would eventually provide competition.

The surveys carried out consisted of price structures, purchasing of equipment, contact with suppliers, maintenance techniques and even office procedures. In all aspects they had the doors opened to them by Hirers to give as much assistance as possible.

Armed with this valuable information Jolly Hire got under way.

Frank, Allan and Bert immediately set about building their business by calling constantly on any worthwhile Hire prospects. They emphasised their new equipment angle and service.

They fixed their prices generally in accordance with other Hire Companies. However, a few lines

were reduced slightly to attract attention. When asked about price fixing Frank and Bert agreed that it would be good if Hire Companies were able to fix a minimum price structure for main lines. "Hirers who cut prices are mad", Frank said: "It's service and maintenance which attract business. To maintain equipment properly we believe top grade maintenance staff must be employed and naturally they must have top class equipment to work with. When profit margins are reduced, something must go and it's usually maintenance."

Jolly Hire backed up their sales calls, with a vigorous advertising campaign in local newspapers and specialised journals covering the building industry. As a result business has increased dramatically requiring their staff to be trebled.

An interesting comment came from them concerning insurance. Both felt a compulsory insurance policy covering theft and damage, should be automatically included with each hire. "It's always a question of whether the hirer has the ability to replace the equipment," Frank said.

On the future Frank Tierney, Allan Jolly and Bert Stephenson, feel that the foundations have been soundly laid for a successful enterprise.

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hire promotion a.c.t.

Hire received the following letter from Len Rich, of Stewart Barlen Pty. Ltd.

The Editor
C/- Keith Breusch Pty. Ltd.
140 Phillip Street
SYDNEY, N.S.W. 2000

Dear Sir,

I am enclosing a copy of one of our local publications in which I arranged a supplement on "Hire".

With the co-operation of the local hire men we managed to fill a few pages, and the results seem to have indicated that it was well worthwhile.

I thought that this may be of interest to your Journal.

With kind regards,

Yours faithfully,
Stewart Barlen Pty. Ltd.
Len Rich.

The supplement proved a roaring service with the following Hire firms taking part:—

Stewart Barlen Pty. Ltd.
Alsco Linen Service Pty. Ltd.
Colless Bros. Holdings
Rumbles Rent-a-Car

7 Days Hire Service (FP)
Willawee Hire Service (1/2P)
Business Equipment Pty. Ltd.
R. T. Whytes (Formal Wear Hire Service)
Avis Rent-a-Car
Eric O'Sullivan
John Purnells Sports Store
City Service Station
TMA Television Service
Canberra Steam Laundry Ltd.
R. A. Wallace Holdings
A-Z Hire Centre
Kays Rent-a-Car
Airplant Hire
Coates & Co.
Faircuay Engineering (A.C.T.) Pty. Ltd.
Micro Automats Pty. Ltd.
K. J. Ward Pty. Ltd.
Lloyds Caravan Service

The supplement in Canberra's Sunday Post was six pages with a write-up on Hire in Canberra. Canberra Hirers are to be complimented on their enterprise. The supplement can only assist in educating all and sundry to "Hire, don't Buy".

fasta development fasta equipment hire

A building boom in Brisbane caused Rod Parry, builder, to forsake building. A big decision to make! "Crazy", was the comment by some of his cohorts.

Rod heads Fasta Equipment Hire and as the name suggests a very fast developing hire company.

He left the building industry because he saw the potential of equipment hire to builders.

Forming Fasta Equipment Hire, Rod specialises in equipment hire to the building industry and for diversification, the handyman. "We started in a very small way but now our staff has grown to four permanent, one part-time together with Ken Parker, the Manager and of course myself." "We recently opened our first branch in Ipswich and that has a staff of two permanent and one casual," Rod said.

Stocking everything for the builder and handyman, Fasta Equipment has reached 100 contracts per week prior to the branch opening.

Turnover has doubled in the past 12 months and is increasing all the time. When asked what was behind the success, Rod answered simply, "bloody hard work, and generally seeing that we have what they want . . ."

Rod Parry joined the Queensland Hire Association eighteen months ago and says there are many benefits. The general exchange of ideas, credit control through discussion with other members, comparisons of maintenance techniques and quality of machinery.

On the future Rod feels the possibilities are limitless with the building industry booming, and while there will be setbacks the boom must continue. The "hire, don't buy", concept is gaining wider acceptance by companies and individuals in Brisbane. His accountant says the growth rate is better than any other business he has had contact with.

Perhaps Rod's mates don't think his is crazy now.

hire news

OBITUARY

The sympathy of the entire Hire industry goes to the widow and children of Bob Hodgson who was accidentally killed on January 15th.

Bob, a Director of Frank J. Hodgson Pty. Ltd. was an active member of the Hire Association. All who knew him will be greatly saddened at his untimely death.

ONE OF EACH

Chris Pannel, former Committeeman and Manager for Coates, was presented with twins by his wife Philomena, Brigid was 7 lbs. while Martin was 7¾ lbs., to join his other three children, Anne Marie 5, Bernard 3 and Michael 1½. Mother and children are all thriving.

HANDYMAN'S HIRE CHANGES OWNERSHIP

Arthur Ball of Handyman's Hire at Hornsby recently sold the business to Gerry Nolan, Greg Bloomfield and Graham Francis. Arthur and his charming wife worked hard to establish and develop an excellent business and now want to take things easy.

Arthur has been a most active Member of the Association since its inauguration as Honorary Treasurer. To Arthur and Inal . . . go the wishes of all Hire people.

OVERSEAS INTEREST IN AUSTRALIAN HIRE INDUSTRY

Barry Macdonald of Macbro Hire, recently returned from overseas where he visited Hire companies in Hawaii, all through the United States and Canada. Barry will be telling us his impressions of the Hire industry overseas in the next Hire Magazine.

One important fact emerged from his visit. As a result of Bill Ristow's visit to the last Conven-

tion, nearly all Hire establishments were aware of the Hire Association of N.S.W. All were favourably impressed and were talking along the lines of the future when international tie-ups could eventuate. Barry said the hospitality was wonderful.

SIX DAY WAR

Committeeman, Barry Macdonald, visited one of Bill Ristow's newly established branches in Chicago and was asked: "Why did the Israel-Egyptian war last only 6 days?" Barry said he didn't know, to which the answer came: "Because the Israelis had all their tanks and jets on weekly hire!"

NEW MEMBERS

We welcome the following members to the Hire Association.

Kennard-Fearon Hire Pty. Ltd., Newcastle
Ador Hiring
Social Wear Hiring

Visit by U.S. Rental Group

A group of U.S. Rental men and their wives will visit New Zealand and Australia in May.

They plan to visit Hire stores in Hobart, Melbourne and Sydney on their tour which will continue through Singapore, Hong Kong and Japan.

One of the party will be Jim Gartland, publisher of RENTAL EQUIPMENT REGISTER.

FROM ONE HIRE BUSINESS TO ANOTHER

New owners of Handyman's Hire, Gerry Nolan, Greg Bloomfield, Graham Francis are directors of Art Rentals, a company engaged in renting original paintings & prints. We wish the three all the best in their new venture.

GOLDEN VISITOR

Ray Barwick, owner of Ray Barwick Hire, has recently opened a Hire Company on the Gold Coast. Ray is very enthusiastic and says it is going great guns. Sporting a healthy suntan, he is on a visit to Sydney to look over his interests here.

CUSTOMER POWER

Stan Jessop U-Hire in Melbourne told publisher Keith Breusch a hair raising tale recently. One of his very good friends in Rental Business on the outskirts of Chicago was confronted by a request to hire a compressor by a negro customer. When Stan's friend couldn't fulfil the order, the customer pulled out a live hand grenade and threatened to pull the pin. Stan said he would have organised a compressor immediately but not his friend who called the man's bluff and finally got the police to take the customer away.

OVERSEAS TRIPS

Several overseas visits by Hire-men are taking

place or are currently being planned.

Andy Kennard is visiting the U.S.A. and will give us a report on his return.

Chris Pannel, his wife, and five children, will visit The Hannover Trade Fair together with other Hire Establishments on the continent and Britain. Chris has also promised us a report.

Arthur Ball & Wal are to visit Japan and Hong Kong as a start to a well earned rest.

UNUSUAL ADVERTISEMENT

WANTED faded blue denim Levi Strauss Jeans. Button-up fly. Waist 34in, inside leg 33in. Will pay \$10 per day. Ring Judy Taprell, after 9 a.m. Tues. 92 0477.

The above advertisement appeared in the Sydney Morning Herald recently. Hire was intrigued with it and made contact with Judy Taprell.

Judy required the jeans for a TV commercial Jackson Wain were making for Levi Strauss.

BUSINESS FOR SALE

A-Z HIRE CENTRE

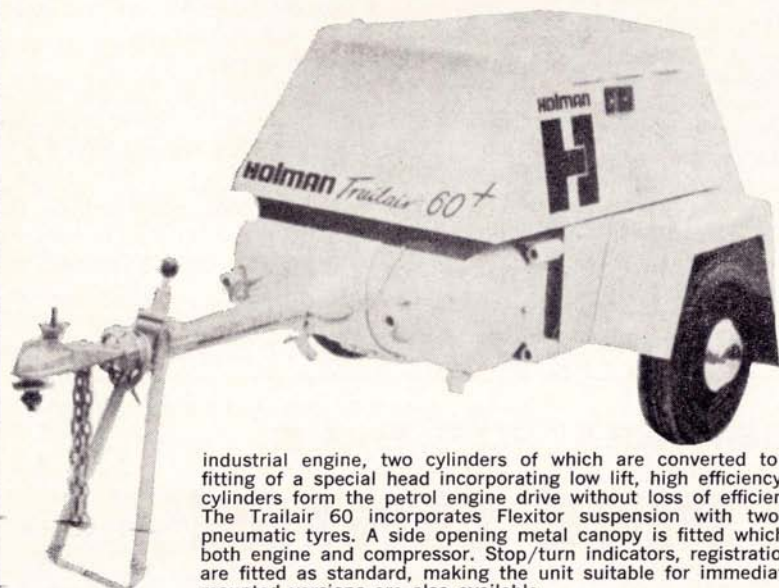
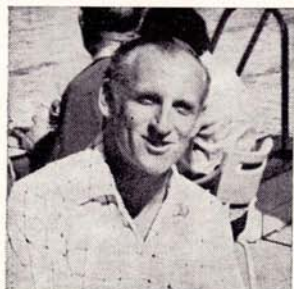
- * **Excellent location.**
- * **Long lease.**
- * **Business doing \$50,000 per annum.**
- * **Hiring light contractor, common, backyard and week-end gear.**

Enquiries to . . . MR. HAWLEY
 Box 477, Manuka, Canberra, A.C.T. 2603
 Phone 958502

HOLMAN TRAILAIR 60

PORTABLE COMPRESSOR

Stan Jessup, Managing Director of U-Hire Pty. Ltd., Melbourne, says, "We have achieved a great deal of success in the compressed air field with the Holman Trailair 50 and 60 CFM machines."



industrial engine, two cylinders of which are converted to provide compressed air by the fitting of a special head incorporating low lift, high efficiency plate valves. The remaining two cylinders form the petrol engine drive without loss of efficiency and no engine overload. The Trailair 60 incorporates Flexitor suspension with two 10" wheels and 5.20 x 4-ply pneumatic tyres. A side opening metal canopy is fitted which allows complete accessibility to both engine and compressor. Stop/turn indicators, registration plate illuminator and mudflaps are fitted as standard, making the unit suitable for immediate registration. Silenced and skid mounted versions are also available.

Compare these advantages with other compressors:—

FULL HOLMAN/VW WARRANTY ■ Low fuel costs ■ No drive gears or clutches ■ Balanced weight for easy handling
■ Low cost spares and service for engine available from extensive VW dealer network ■ Easy starting ■ Standard "Mini" wheels and tyres ■ Lockable canopy.

The Trailair 60 is the smallest compressor in the wide range of Holman portable compressors and is completely assembled in our Melbourne Works.

It is a light-weight, compact, easily transported and highly manoeuvrable compressor specially designed for use in restricted areas and can be towed by small vehicles.

The output is 60 c.f.m. at 100 p.s.i. pressure and it is capable of operating at optimum efficiency a variety of pneumatic tools including heavy duty (80 lb.) concrete breakers, medium duty rock drills, backfill rammers, sump pumps, auger drills, clay spades, picks, concrete vibrators, spray guns, etc. The compressor comprises a VW 1600 c.c. air-cooled, 4 cylinder horizontally opposed

HOLMAN A COMPAIR COMPANY

N.S.W.: 20 BURROWS RD., ST. PETERS. 519-6116 • VIC.: 34-40 RICKETTS RD., MT. WAVERLEY.
544-1755

BRANCHES & AGENCIES ALL STATES

new victorian association

A great step forward for the Hire industry occurred in Victoria on January 14th 1971. This was the date of a buffet dinner arranged by the Construction Plant Hirers Association of Victoria.

The purpose of the meeting was to widen the scope of the Association which had been limited to construction equipment hirers previously, to embrace all other sections of the industry. The meeting was attended by the following:—

Messrs.

- R. M. KELSEY (Chairman) Wreckair Pty. Ltd.
- R. HOWELL, Hire Machinery Co. (Vic.) Pty. Ltd.
- M. McCARTNEY, Westminster Plant Hiring Co.
- D. PILLINGER, Westminster Plant Hiring Co.
- E. MOON, Ingersoll-Rand (Aust.) Pty. Ltd.
- R. O. LOWE, Ingersoll-Rand (Aust.) Pty. Ltd.
- B. WILSON, Abacus Hire Co.
- F. J. VIRTUE, Wacker Copco (Aust.) Pty. Ltd.
- R. T. WILLIAMS, Atlas Copco (Aust.) Pty. Ltd.
- D. V. McCONNELL, A. A. Arc Welder Hire Co. Pty. Ltd.
- R. WARDLEY, Walter H. Wright Pty. Ltd.
- S. GORDON, Hireway Plant Hire Co.
- L. BOOTH, Builders Equipment Pty. Ltd.
- S. MUIRHEAD, Builders Equipment Pty. Ltd.
- E. ARCHIBALD, A. & N. Plant Hire Pty. Ltd.
- P. B. SMITH, Coates & Co. Ltd.
- N. A. MARTIN, Martin & Co. (Aust.) Pty. Ltd.
- P. LOREN, Hireway Plant Hire Co.
- S. JESSUP, U-Hire Pty. Ltd.
- J. L. KLEMMER, Secretary

Apologies were received from the following:—

Messrs.

- P. BURNE, Burnson Plant Hire
- J. MURPHY, Doncaster Floors & Hiring Pty. Ltd.

- T. J. O'TERI, Melbourne Plant Hire
- J. SEEDSMAN, Moorland (Builders) Plant Hire Pty. Ltd.
- D. JENKINS, Murex (Australasia) Pty. Ltd.
- K. JOHNS, Ingersoll-Rand (Aust.) Pty. Ltd.
- J. McFARLANE, Atlas Copco (Aust.) Pty. Ltd.
- R. DRYDEN, Monash Plant Hire
- I. LAUDENBACH, Wacker Australia Pty. Ltd.

A new constitution was adopted. The main points are:—

- NAME: The name of the Association shall be "Hire Association of Victoria."
- OFFICE: The registered office of the Association shall be at the office of the Metal Trades Industry Association of Australia, Victorian Branch.
- OBJECTS:
 - A. To develop and promote an efficient and stable hire industry;
 - B. To establish standards, conditions of trading and codes of ethics;
 - C. To deal with questions of wage rates and conditions of employment when necessary.
- MEMBERSHIP: Membership shall be open to any company, firm or individual actively engaged full time in the hire industry for a period of not less than six months subject to:—
 - A. Proposal by an existing member;
 - B. Recommendation of acceptance to the Executive Committee by a three-quarter majority of the members present at a meeting of the Division of the Association applicable to the applicant's activities;
 - C. Acceptance by the Executive Committee of the recommendation by a three-quarter majority of the members present.
 - D. Payment of the first year's subscription,



HONDA

stationary engines for absolute dependability

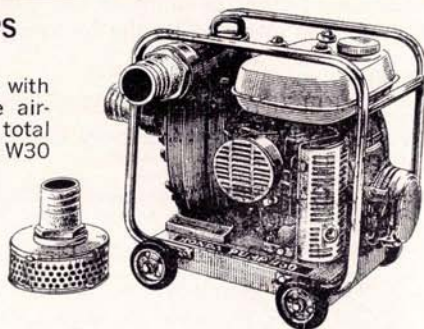


G40 and G65. The **G40** has a constant vacuum carburettor for easier starting, increased power and improved acceleration. Delivers a maximum output of 4.5 hp at 4,000 rpm. Reduction gears are available. High torque. Weighs 48.7 lbs.

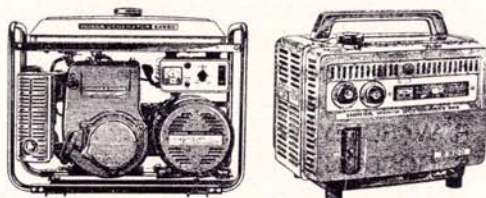
The **G65** delivers a full 6.8 hp at 4,000 rpm and is similar in general design to the **G40**. Weighs 64.2 lbs.

HONDA WATER PUMPS W20, W30, WL20

Get more pumping power with Honda's famous 4-stroke air-cooled engine. **W20** with total head of 79 feet pumps. **W30** with a total head of 92 feet, 14,000 gals. per hour. Compact, versatile and self-priming, with an open impeller for sludge.



HONDA GENERATORS E300, EC1500, E2500, E4000



Instant start, quiet power to spare, with self-contained Honda 4-stroke generators. From the compact 300 watt to the powerful 4,000 watt diesel, you get constant voltage output. With rubber mountings for quiet, smooth running, and waterproof electrical circuits for safety.

Four of the finest general purpose engines in the world. Honda's vast experience and 4-stroke quality engine-building techniques mean more power, versatility, safety and dependability, less fuel and maintenance costs.

Manufactured by
HONDA TOKYO JAPAN

Imported and Distributed by
BENNETT HONDA PTY. LTD.

665 Gardeners Road, Mascot, N.S.W. 2020

Telephone: 67 2517, 67 5722

or if membership accepted during a year, a pro-rata amount calculated on the remaining months of that year.

DIVISIONS:

A. Members shall be entitled to participate in the activities of any one or more of the following Divisions of the Association:—

- (i) Construction Plant
- (ii) Cranes
- (iii) Vehicles
- (iv) Catering, Medical & General
- (v) Apparel
- (vi) Any other Division which may be formed by the Executive Committee from time to time to meet the requirements of members.

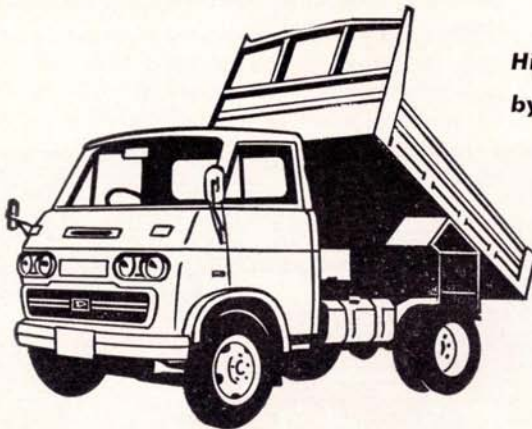
B. Sections may be formed by the members of any of the Divisions to meet the requirements of a group or groups of members of that Division.

C. Each Division or Section shall elect a Chairman annually at the last meeting of that Division or Section held prior to the Annual General Meeting.

The Hire Association of Victoria has appointed Mr. J. L. Klemmer, Secretary.

The transition from the Plant Hirers Association in Victoria, to the new Hire Association is a significant step in the Industry.

Hire magazine believes that unity for the Hire Industry throughout Australia is closer with the development in Victoria.



Highly mobile 2 TON Tipper

by . . .

DAIHATSU

- Petrol or Deisel engines
- Tare under 2 tons
- Drive A Class Licence
- Legal capacity 2 tons 19 cwt.
- All steel back and drop sides
- Auto rear tail opening gate
- 7 ton capacity ram under body hoist

THE VEHICLE FOR OFF-THE-BEATEN TRACK WORK

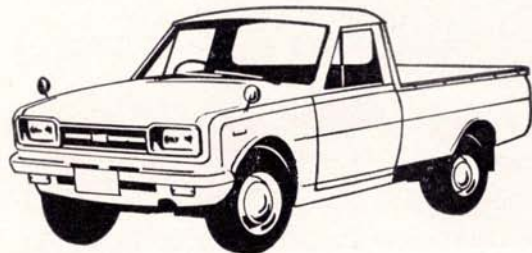
DAIHATSU New Hi-line 25 cwt.

Model F118B

Sleek-lined body with extra-wide cargo space. Ready and waiting beneath its hood, an efficient 85 h.p. engine.

Will easily haul 1.25 tons.

Contact



GOSSON INDUSTRIES Pty. Ltd.

272 PRINCE'S HIGHWAY
ROCKDALE

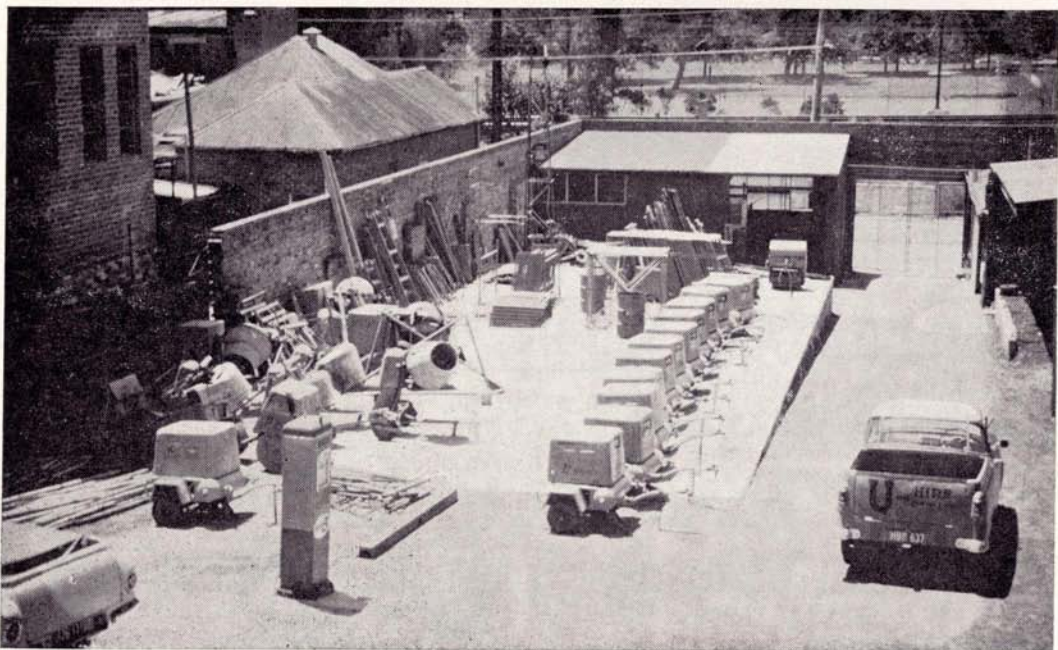
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spotlight

It is a great pleasure for Hire Magazine to break new ground to spotlight a Victorian Hire Company.

U-Hire Pty. Ltd., is situated at 169 Burwood Road, Hawthorn. Its operation centres around General Construction Equipment and hand power tools.



u-hire pty. ltd.

U-Hire was started in October, 1960, by the late Howard Douglas Garrett and was originally located in Brunswick Street, Fitzroy. In September, 1964, Stan Jessup, the current Managing Director, and Merv Pentreath, took over the company. Merv Pentreath is not actively engaged in the company now.

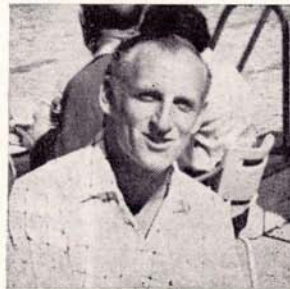
The Company's location was changed in October, 1965, and commenced an expansion programme. Much of the equipment taken over was replaced with later type units and a larger range of construction machinery brought into the hire fleet. A great deal of success has been achieved in the compressed air field with the Holman Trailair 50 and 60 CFM machine. From meagre beginnings on the transport side, one truck and one utility have increased to 5 tray trucks and one service van (all radio controlled) to cope with deliveries to all suburbs of Melbourne.

Stan and his wife, Judith, have three children, two boys and a girl. Stan is a surfing and skiing enthusiast.

We will let him tell his own story. "I was originally engaged in the Accounting field and became attracted to the Hire Industry through my association with the late Howard Garrett. It seemed to me in those days to be an industry with tremendous potential, and a very exciting future. These early assumptions have proven to be correct, and I have never regretted the change in occupation.

"I am convinced that the Industry in Australia has a very sound future and should develop into one of our leading service Industries.

"I toured America and England in June and July, 1970, to have a closer look at the American rental set up. I visited quite a number of yards in San Francisco, Los Angeles, Chicago and New York. I was very impressed with the attendance to every detail in yard layout, presentation of equipment, store to customer relationship, maintenance of equipment, anything and everything was done to achieve a high standard of business. The rental industry in America is really booming



Stan Jessup

and indications point to bigger and brighter things.

"I was taken in hand by Bill Gresse in Los Angeles, and Bill Ristow in Chicago. Both these fellows are very strong Rental Association men, as well as very gracious hosts. They did everything possible to ensure that I obtained all the information I needed and made arrangements for visits to various stores. I found tremendous interest in Australia and am sure we will see quite a few American operators visiting in the future (since received advice that some 10-15 couples from California will be here in May and June).

"It is my firm opinion that an Australia-wide Association is very necessary, and I hope an actuality in the very near future. I have watched the N.S.W. Association development with interest, and also a little envy. Our own Victorian Association (recently developed from the Construction Plant Hirers Association) is in its early infancy but we are hopeful that we can develop it along the same lines."

interfirm comparison for hire firms

The first Interfirm Comparison between hire firms in Australia will be conducted in March, and is sponsored by the Hire Association of N.S.W. Details have been sent to over 800 hire organisations throughout Australia, and registrations are now being received. Results of the comparison will be available only to participating firms.

Each firm will receive an individual report, showing its efficiency and profitability, compared with other hire firms. The report will demonstrate and isolate high cost areas and weaknesses in the firm's operations causing profit reductions.

The comparison will consider major operating costs, sales growth, payroll costs, debtor levels, sales per employee, profit margins and other significant factors in the operations. Although it will show results of each firm, compared to others in the industry, **nobody will be able to identify the results of any other firm—only their own.**

How the Comparison Works

A committee of the Association designed a questionnaire for those taking part in the comparison, covering the year ended 30th June, 1970.

The following is a simple example of part of

the report:—

In it, firms are asked to show such items as:— Hire Income, Salaries, Wages, Number of Employees, Advertising Costs, Bad Debts, Maintenance and Repairs, Rent, etc. The items are defined so firms complete the questionnaire on the same basis. Nearly all information required should be available from the existing accounts and records.

Again we stress that results on one hire company cannot be identified by another. The method of conducting the comparison eliminates this possibility. A firm will only be able to identify its own results.

A code number will be issued to participating companies by the Secretary of the Hire Association. The questionnaire will be forwarded bearing this code number.

When completed the questionnaire is returned to the consultants Interfirm Comparison (Australia) Pty. Ltd., for processing and preparation of reports.

Interfirm Comparison will only be dealing with code numbers, not names and therefore will not know the name of the participating firm.

	Expressed as				RESULTS OF FIRM 613		
		Low	Normal	High	Your Result	Variation from NORMAL	Dollar Value of Variation
OPERATING COSTS—AS % OF NET SALES							
Administrative costs	%	21.3	25.0	28.7	23.0%	- 2.0%	\$4,000
Occupancy costs	%	2.1	3.5	4.2	3.3%	- 0.2%	\$400
Marketing costs	%	26.0	30.0	33.0	29.3%	- 0.7%	\$1,400
Repairs & maintenance & vehicle running costs	%	7.5	10.0	12.9	15.0%	+ 5.0%	\$10,000
Total operating costs	%	61.9	68.5	75.1	70.6%	+ 2.1%	\$4,200
Gross operating profit	%	24.9	31.5	38.1	29.4%	- 2.1%	\$4,200
Depreciation	%	12.5	21.0	28.9	21.0%	0.0%	0
Net operating profit	%	9.2	10.5	12.4	8.4%	- 2.1%	\$4,200

Firm 613 has hire income (Net Sales) of \$200,000. When his costs are turned into ratios and compared with the typical results of other similar firms, a major weakness shows up in cost of maintenance and repairs and vehicle costs — this is costing Firm 613 15% of Net Sales, which is 5.0% higher than the NORMAL result. With a turnover of \$200,000 this extra 5% is costing \$10,000. This high cost is offsetting the advantage of \$5,000 gained by lower than NORMAL costs of administration, occupancy and marketing and resulting in a 2.1% lower than NORMAL profit, representing \$4,200 less profit than should have been earned from a \$200,000 turnover.

Reports will be forwarded to the Hire Association in N.S.W. in **Security Sealed** envelopes identified by code number. The Secretary will then re-address each envelope to the firm whose code number appears on the outside.

All Firms can Benefit

The object of the comparison is not to bring all firms down to an "average", but to raise the profitability of participating firms. Each have points of strength and weakness. All can improve their profitability by concentrating on their weak areas, once it has been revealed by the comparison. One firm may have high cost of repairs, and another high administrative costs, another long debtor period, etc. By attacking their particular weakness, every firm can increase its profits and return on capital.

A comparison benefits profitable firms, as well as those with a low return on capital. No company is efficient in all areas of operation. A comparison will show the most profitable companies where efficiency can be further increased.

If the comparison only confirms a weakness, which has been suspected, it will show **how much** that weakness is costing, and how much management time that problem is worth.

The results of 138 American firms engaged in renting equipment and machinery varied from a 1.4% pre-tax return on total capital employed to 10.8% with an average of 4.5%. Similar variations between 1.5% and 7.1% were shown for 188 firms renting cars and trucks. Similar variations were revealed in Australian Interfirm Com-

parisons and the main reason is the efficiency of the operations vary. The potential for increasing profit and return on capital existing within every company is dramatically demonstrated by comparison results. Once the comparison has exposed the problem areas, management has been quick to act on the information.

Comparison Against Similar Firms

Firms in the Comparison are classified into groups, enabling each to be compared with those hiring a similar range of goods. This classification appears on the front of the questionnaire and firms will tick the appropriate area of Hire they are operating in.

Ratios will be used to measure results in the Comparison.

Over 50 Australian industries are conducting IFC's on a regular annual basis. These industries include manufacturers, wholesalers, retailers, professional and service industries. Firms taking part regularly in their industry IFC are now showing up to 6% higher return on capital and 20% lower costs than those taking part for the first time.

Anyone requiring further explanation regarding any aspect of the Comparison, please contact Mr. D. W. Clement, Managing Director, Interfirm Comparison (Australia) Pty. Ltd., 389 George Street, Sydney, 2000. (Telephone 29-4477).

Editor's Note:

If you haven't registered by now, contact Mr. Clement as soon as possible. We assure you, your business will profit by taking part in the Interfirm Comparison.

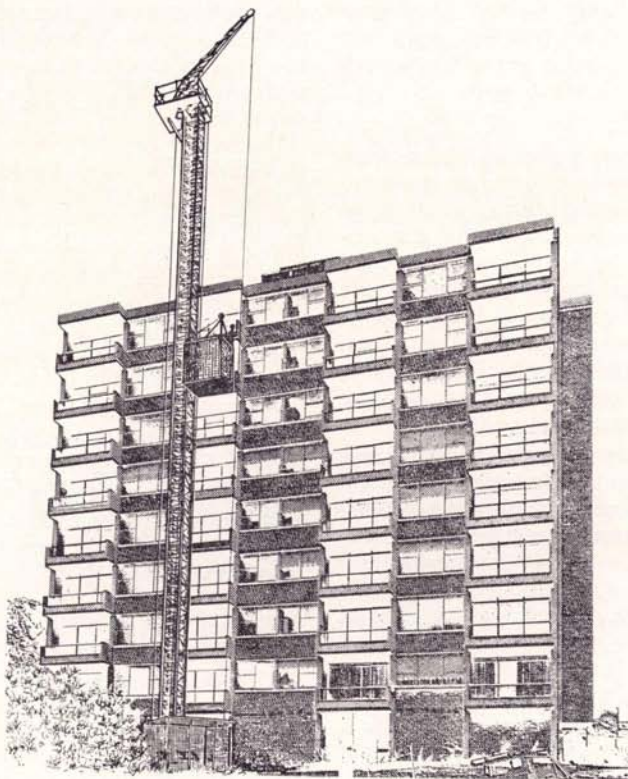
• SYDNEY

FOR SALE EXCELLENT HIRE BUSINESS

- ★ ALL EQUIPMENT—STOCK GOOD CONDITION
- ★ FREEHOLD PROPERTY—\$35,000 BANK VALUATION
- ★ TURNOVER EXCEEDS \$60,000 P.A.
- ★ PRICE \$80,000

All enquiries Box 268 G.P.O. SYDNEY 2001

The WALCO MARK 6 TOWER



An entirely new concept of materials tower which has rapidly gained acceptance in the building industry today is the Walco Mark 6 Materials Tower, which has been specifically designed for use on multi-storey projects.

Because of simplicity of operation a hoist driver only is required to operate the machine.

Self erection dismantling and unitised principles of this tower gives it fixed cost characteristics making it quicker and cheaper to erect than other hoisting appliances.

This allows the building contractor to readily estimate the cost of transport to site, erection, operation and dismantling. The standard power unit fitted to the Walco Mark 6 is electric although

petrol or diesel drive is available if required. Also available within the range of Walco Equipment are Men and Material towers, 15 cwt. super duty platform hoists, single and double barrow platform hoists, mining car hoists and a series of special purpose winches which may be adapted to specific uses.

For all hoisting requirements contact "the hoist people".

The WALCO Group

**36 LORRAINE ST., PEAKHURST
533 4822**

P.O. Box 35, Riverwood

stihl chainsaws for hire

The problem of dust affecting the ignition of chainsaws used by professional timber cutters, prompted the manufacturer of the Stihl popular chainsaw to develop and successfully incorporate an electronic system in a new design.

The manufacturer, Andreas Stihl of Stuttgart, West Germany, is now producing two types of the Stihl Model 041 AV chainsaw — both the standard and the new electronic ignition system models.

These chainsaws are distributed in Australia by the Stihl Chainsaw division of Herbert Osborne Pty. Ltd., and are a very economical hiring proposition.

Apart from effectively overcoming the dust problem, the Stihl 041 AV Electronic offers timber cutters, farmers, and other chainsaw users, additional benefits as well. The saws start more readily when cold, and the need for mechanical breaker points, and the necessity of periodically replacing them, has been eliminated.

The solid-state ignition system also gives a more uniform spark, and greatly increases the operating life of the saw, spark plug, etc. while the ignition's moulded circuitry has made the circuit elements impervious to moisture, dirt, and extremes of temperature.

The Stihl 041 AV Electronic has an air cooled single cylinder petrol engine which develops 7.5

h.p. and, like its companion model the 041 AV, features a patented anti-vibration handle.

This handle has been specially designed to absorb the engine and chain vibrations to allow the operator to work for longer periods of time with less effort and no discomfort.

Other standard features of the Stihl 041 AV Electronic, which weighs only 15½ lb., include automatic chain lubrication with automatic quantity control, centrifugal clutch, and a fully covered diaphragm carburettor.

Another in the famous Stihl chainsaw range, is the Stihl E15, the lightweight chainsaw which can be operated from any 230V AC power supply.

It operates in almost complete silence, does away with exhaust fumes and features a fully-insulated high torque electric motor with built-in suppressors to prevent radio and TV interference. It has a 1,900 watt—2.6 h.p. output, and develops exceptionally high torque.

The complete unit with a 14 in. bar and chain weighs only 18 lb. Lubrication of the E15 is fully automatic and an oil inspection window in the oil tank ensures that the oil level can be checked at all times.

The unit comes complete with 15 ft. of three-core flex and three-pin plug.

Further information is available from the Stihl Chainsaw Division of Herbert Osborne Pty. Ltd., 30 Thistlethwaite Street, South Melbourne, Victoria, 3205.

• HUSTLER HOISTS

reduced maintenance

The all Australian self-erecting hoist, has added a feature which is designed specifically for the Hire Industry.

Maintenance being a key factor for Hire Companies, Hustler have added pre-greased and sealed ball races, fitted to all sheaves and track rollers, resulting in maintenance being reduced

to a minimum. In fact, less than any comparable equipment.

Hustler Hoists are distributed throughout Australia by Concord Plant Sales Pty. Ltd. For immediate delivery contact Arthur Cordukes at Concord Plant Sales Pty. Ltd., 7 Parramatta Rd., Concord, N.S.W. 747-3278.

the future an exciting challenge

Now let's look for a moment at what kind of market conditions we might expect in such an environment, and then we will comment a little bit on the rental industry's particular rôle in that area. Market Research people have concluded that the customer protection movement, which has been upsetting marketing organizations for the last five years, is a symptom of a domestic cold war. The conditions which breed the hostility—shoppers' angers at built-in obsolescence, shabby merchandise, inadequate and over-priced service—are all likely to get worse before they get better. Manufacturers try to come up with remedies, but they are in as much of a bind as the consumer. The lack of experienced workers with pride in their work is a problem that will continue to grow in the 70's. The fast-changing nature of the consumer is going to add its complications too. Men and women who value their individuality are panicked by population forecasts for the 70's, a vision—or nightmare—of a seething grey mass of people struggling to survive in congested suburbs.

The customers are going to look for new values in merchandise, environmental values in quality control. They are going to demand a car with speed, comfort and style, but it is going to be safe and it's going to be pollution free. Customers have already ascertained the right to effective and reasonably priced appliances in T.V. service through current battles for new licensing laws back home. Now whether the regulations will work is another question. I feel it is unlikely that a law can conjure into existence an adequate supply of repair men for today, much less tomorrow's complex products. In the long run, though, marketing people may finally come around to the notion that statistical quality control, one which would accept a predictable number of defective units, must give way to genuine quality control, one which is satisfied with nothing less than a zero defect product. Conceivable perfection is beyond a margin-based supply capacity, it is certainly beyond most shoppers' purchasing power. In fact, a U.S. Chamber of Commerce report indicates that only 54% of American families can afford on today's prices to live at a low moderate standard, and very few can afford the leisure

class life style so popularised in the mass media advertising.

How will these predicted market conditions affect our rental industry? Are we prepared to operate in such a market? Can we hold our own in the cold war of the consumer? Well, Jim Watson, a past Director of the American Railway Association, conducted a marketing survey to try and find out, that we can. In conjunction with the University of Washington Marketing Department, Jim surveyed the general public and the general rental or home owner type of rental. The result was surprising, and I am sure that this study is going to stimulate the enquiry into other rental markets. However, I would like to share some of the statistics. The report showed that 80% of the public knew the location of a general rental store and 69% said that they had actually been there and rented something.

Now this was surprise number one for us, and I don't know what it would have been over here. It was mentioned, however, that they felt that the public was not aware of the wide range of equipment in our inventory. Now let's look at the 69% who stated that they patronised the rental store. 5% said they rented 6 or more times a year, 25% said they rented from 6 times to only twice per year, and 70% said they rented less than twice a year. Now this was another surprise for us, we felt that our frequency per customer was much higher and that our problem really was getting new customers, but you see the survey sort of shot holes in that popular belief. Interviewers were not able to find adequate reasons why frequency of renting was low, but some of the people interviewed said that they were able to borrow or improvise their needs.

One of the most interesting questions asked was: did they have any complaints about their rental experience. Another surprise answer! 90% said they had no complaints—90%! And, to put the frosting on the cake, 82% thought we did a good job in instructing and handing out our equipment. What did the public think about rental rates? Well, 17% thought they were too high, 79% thought they were reasonable, and 4% thought that renting was a real bargain. These statistics indicated that the market might stand an increase in rates, but every increase in

• BILL RISTOW ON THE HIRE INDUSTRY

rates loses some rental to good old fashioned elbow grease and a brother-in-law's tool box. The basic weakness and a more complex problem, seems to be frequency, or of utilization.

It is a rather perplexing dilemma: here we offer to the public a service of which 80% are aware, 69% are pleased with, 83% feel that our charges are reasonable, 82% feel that they get full, courteous service—and yet 70% only use our service a couple of times per year!

We have apparently done a relatively good job in educating the public of the existence of a rental yard, but our challenge in the 70's will be exposing them to the vast variety carried in our rental yards. It is evident that the public as a whole does not yet realise all the things that can be rented, nor can they fully understand the economics of rental.

So much for the home owner market. Now how does this work in a commercial market.—Yes . . . (question from the audience). Yes it has, I have a book here that you might like to have to browse through. We have a seminar on that this afternoon, and I would be glad to go into it at that time. In the commercial field the construction market is the most dynamic in the States right now. The A.E.G. has estimated that U.S. markets have reached 4½% million dollars in the 1970's, and from what I have seen your market is growing at at least as fast a rate. Sam Cook, chairman of A.R.A., the newly formed equipment council, estimated that the general rental industry would capture 90% of this market, and considering that we, just a few years ago, were only capturing 10% this would be a fantastic growth for us traditionally. This heavy equipment market has been serviced with the equipment distributors in the U.S.

I would like to stop right here for a few minutes. For those of you who don't know him, Sam Cook is quite a story on his own. He entered the business in Southern California which has got to be the most competitive market area in the world; there are more rental yards of that type per square mile than anywhere else on earth. And despite the fact that he went in to an area that you and I would probably give long thought to, because it has been well covered already, in five or six years he brought his company from 200,000 volume to over 8 million dollars. It is truly an amazing achievement, it comes out to be about 75% per annum compound growth, in the most competitive market



that exists, so when we look around and we are worried about the guy who is 3 miles away now, and how much business he is going to take from us, you see you have to worry about your own goods, you don't have to worry about the other guy for one moment. And if Sam and his company are any preview of the younger generation coming up, the rental industry will certainly have a bonanza.

Contractors' and Engineers' Magazine recently surveyed their contractor readers, and 69% said they rented equipment. C & E also reported a new trend that you might be interested in. This is in terms of renting equipment. A contractor takes a bid for a high rise building in downtown Sydney, and before he goes in to bid he goes to the rental supplier and he works on his rental needs. His rental supplier bids just like the contractor on the contractor's job. Contractors love it. They know exactly, they have a commitment. It is going to be a more popular trend in the States, and I would not be a bit surprised if it is not here already—I can see it coming.

Research still indicates, however, that even in the commercial market, the most important consideration in the rental decision is utilization. The equipment utilization determines economic feasibility. It is generally considered that in a construction market, you have got to get 50-70% utilization out of equipment. Your customer has to get this out of his own equipment or he shouldn't be owning it, he should be using your service—he should be renting. The same holds true for you. One of the nation's top contractors recently stated that many contractors are starting to desert the rental purchase concept. Now this is a real prevalent kind of thing in the States, but there is an indication of a trend

towards leaving this rental purchase concept and going more and more to a strictly pure rental. The reason that they gave for this was that it gave the contractor a greater variety of choice of equipment in every different job he got. An obvious advantage, we found out, was that he no longer has to store or get the equipment from site to site, which might be from Sydney to Perth. He can now get his equipment first. It makes a considerable difference to his cost or bidding on the job against local contractors. He finds that he gets not only a higher percent of relatively new equipment, but better-maintained equipment than his own people can do as a normal rule, and this of course is converted into a more efficient job.

Another obvious factor in helping this trend is that the completion factor on a job today is half of what it was. A two year job then is now a one year job, and it is reasonable to predict a similar decrease in this time element in the future. All in all, everything about the construction equipment market in the years ahead will indeed become more competitive, more sophisticated and more complex than it is today.

Well, up to this point you have heard some predictions about the world around us, and what it is going to be like in the States during the 70's. We are going to have a good economic future, but we are going to have 231 million people enjoying it, and this fact alone is going to cause some massive social and technological changes. We have looked at the market forecast and have found that a collision with consumers is going to change some of the ways of business, and the price of the good life is going to get better, going to get stiffer. When we check the statistics to determine where our industry stands, and where it is heading in the next ten years, we find, I think, a favourable trend.

But let's look at us as Rental Companies. What are we going to have to do to get a piece of the action in this predicted challenge of the 70's? Well, your attendance at this convention indicates that you have already made up your mind that your business is going to change or you would not need to be here. You are here to learn together and from each other, and this is the first step towards insuring your place in a booming rental future—and make no mistake about it, it is going to be the golden age of rental in the 70's. Every economic fact indicates that rental business is going to boom in the 70's.

At this point I would like to discuss some of the ways that we in the States are preparing to meet this challenge. The most important of which to our national association, A.R.A., as I men-

tioned before, is the opportunity to learn from somebody else's experience, and not have to go through pitfall after pitfall, and learn the hard way. It has enabled our rental economy to grow at a faster than normal pace, because we have been more efficient than if we had had to learn everything individually, one by one, and given our industry the title of the fastest growing service industry in the States.

Now you all have considerable investment in your inventories, which are probably modest by comparison with what you are going to invest in your businesses in the future. If you have been in business any time at all it must be obvious that you cannot afford to be a business isolationist; the world outside your business, as I have tried to indicate, will continue to have a major influence over that business. The most apparent, of course, is Government—City Government, State Government, National Government, even somebody else's National Government is going to have an effect on your business. And if that is not enough, you can turn to Unions, to manufacturers, to distributors, to the competition—there is no end to the outside influences on your business. Now you are going to need a vehicle to cope with this outside problem, you are going to need a vehicle more efficient than just your own business, you are going to need an association.

I've brought a film with me which portrays what our National Association is doing for me as a rental man. I'd like to show that film to you, I think you'll find it interesting and I think it will get the job done a lot quicker because it won't ramble on as long as I would. What I'm trying to do is to show you the exchange of ideas; how our Association has helped me as an individual businessman and all our members.

Part of Commentary on Film: You can reduce the odds against you if you are a member of the American Rental Association. The pay-off may come in several ways—in the form of better customer relations, for instance. These are your customers. What sort of reception do you give them when they drive up to your store? Is adequate parking space available? Is your store and surrounding yard attractive, neat and orderly? How long will the customers have to wait before they are served? Are you geared up to take good care of your customers? Is your counter technique courteous?

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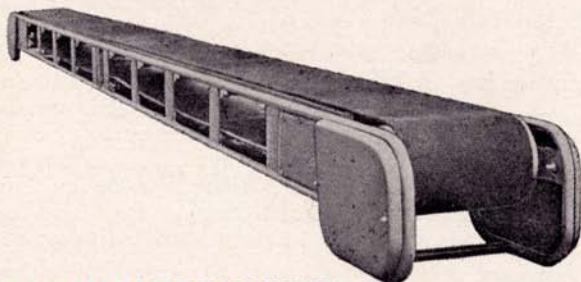
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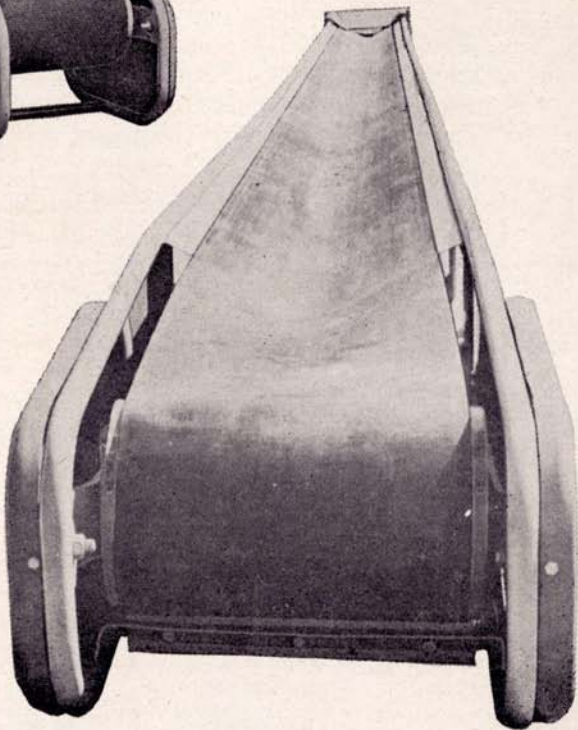
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