



Doing *the heavy* lifting

As Keith Regan details, Manitex International is using operational excellence and its penchant for innovation to drive into new markets around the world

Thanks to a strategic mix of innovative product rollouts and targeted acquisitions, Manitex International has become a leading manufacturer of specialty engineered lifting equipment, a major player in the heavy lifting niche of the \$110 billion US industrial machinery sector. It makes and services equipment sold to customers working in a range of fields, under brands such as Manitex Boom Trucks, SkyCrane Sign Cranes and USTC Trolley Boom Products. The Manitex Lifting unit makes the Noble and Lifting rough terrain forklifts, Lowry industrial forklifts, and specialty equipment targeting the commercial

and military markets.

Traditionally, Manitex has focused on the North American market, but that is changing, with moves to diversify into emerging markets under way. At the same time, the company is in the early stages of a customized lean journey meant to help make it as efficient as possible, a move that will pay dividends not only as the economy slows but will position the company for the next wave of growth as well, says president and chief operating officer Andrew Rooke.

"The current focus is on working capital and cash management," Rooke says. "That's always a priority, but when times like this come around, we increase our focus even further. That's not to



say we don't continue our activities in terms of developing the business, but the primary goal is to streamline and maximize what we already have in place."

Thanks to acquisitions, that footprint is larger than ever and includes the recently picked-up assets of Crane and Machinery Inc. and Schaeff, Inc., a move that deepens recurring parts revenues and will help accelerate overseas expansion. Those new acquisitions will join Manitex on its journey toward continuing operational improvement and excellence.

"We believe in driving excellence across the board—excellence in people, in business systems and in processes, and in having a structure around a vision and mission that brings that all together in terms of how we satisfy our customers," Rooke says. "The object at the end of the day is to drive sustainable value for our shareholders."

That effort took aim initially at manufacturing because the company believed it could make significant gains there quickly, and it focused first on the main facility before rolling out to Manitex Liftking and the other facilities. "That

doesn't mean we're not looking at the process or people side or our geographical footprint as well, but it's important to generate momentum and sustainability before moving on," Rooke notes.

Applying the principles of lean manufacturing wherever they are most likely to bring results, Manitex has focused on increasing the velocity of materials and goods through its plants, especially its main plant in Texas. The plant floor has adopted a philosophy of using visual management and point-of-use inventory whenever possible and ensuring that each part of the process is as robust as it can be. The supply chain is also beginning to get a look through the same lens, with some positive results already but more work remaining. "That part takes a little longer because you don't have direct control of all aspects of the supply chain, but we're working hard with key suppliers to build much better relationships."

The supply chain has changed as Manitex moves from being a smaller company relying on a large number of local suppliers to one with an integrated supply chain and global aspirations. "There's a focus now on strategic alliances as well as on quality and delivery, both internally and externally," adds Rooke.

Manitex also places a high value on worker safety, believing it is critical to achieving overall excellence and that focusing on safety leads to improved performance overall. "It's a truism that a happy workforce is a good workforce," says Rooke, adding that Manitex has paved a clear path for its improvement efforts by keeping employees informed on the bigger strategic picture. "What most employees really want to understand is where the business is going, how they fit into that and how they can do the best job on a day-to-day basis to advance those larger goals."

Manitex also seeks to work closely with customers to develop relationships that enable innovative products to be brought to market for which there is a demand and a need, perhaps best exemplified when Manitex unveiled the first 50-ton boom truck crane. "That's a great example of both innovation and listening to our customers," Rooke says. "We want to get to where we have a closed loop of information feeding back from our customers and informing

everything we do on the operations side.”

As the company moves forward with its improvement efforts, it uses technology to measure and track performance. Technology has long been considered a tool for improving quality in customer service at Manitex. The company’s Uptime Web portal, which enables online ordering and tracking of replacement parts for its products, has been in place for several years and has been a key to maintaining high customer satisfaction levels, dramatically reducing the amount of paper needed to complete parts orders and in the process reducing the likelihood of human error.

Looking ahead, Rooke believes the economic slowdown will give way to new growth opportunities both in North America and in

new markets. In the fall of 2008, the company became the only manufacturer to display a North American crane built for the Russian market at a Russian industry trade show. Through a distribution partnership with Dostavka-Service Corp., Manitex will market its 30- and 50-ton boom trucks to the country’s fast-growing energy, mining and infrastructure sectors.

“Worldwide, the demand for energy will remain strong, and that’s an industry where we’ve traditionally performed well,” he says. “And when you look at some of the other topics being discussed globally today—alternative fuels and technologies such as wind and nuclear—those require crane work and forklift work, and our products are and will continue to be well suited to those sectors.” ■



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