

# eureka

Issue 12

Winter  
2010/11

[www.eurekapub.eu](http://www.eurekapub.eu)

THE MAGAZINE FOR THE MATERIALS HANDLING PROFESSIONAL

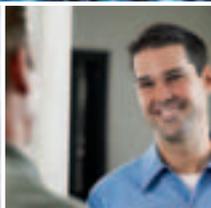
## Number Crunching

*Better Data Management  
can save Millions*



## Changing Sales

*Today's Salespeople are more  
than just good company*



## Safety in the Workplace

*Prevention is better than cure*



# eureka issue 12

The magazine for the materials handling professional

Welcome to the Winter 2010/11 edition of **eureka**!

'If you can't measure it, you can't manage it' is a well-established management idea and we see in our IT systems how important data is. But a recent report found that companies routinely waste a lot of money because the information they collect is not used properly. Find out more about the problem and some solutions, starting page 4.

How big should your fleet be? Should you gear up for expansion or downsize for recession? Cat® lift trucks dealers across Europe are coming up with solutions that help customers ensure they get the balance right. We give the lowdown on page 8.

It has been said that, in the old days, a salesperson relied more on their personality than problem-solving to get orders. We take a look at the knowledge levels expected of salespeople today, the kind of training they get from Cat lift trucks dealers and how they are becoming more pro-active. Page 10.

Safety is, rightly, a continuing focus of attention. London's premier garden fruit and vegetable market believes in 'better safe than sorry', as you can find out from page 12.

Tell us what you think of **eureka** - drop us a line via our website at [www.eurekapub.eu](http://www.eurekapub.eu) or e-mail us at [comment@eurekapub.eu](mailto:comment@eurekapub.eu).



**eureka's** commissioning editor is Monica Escutia, a Bachelor of Communications – Journalism. She is a Spanish national and fluent also in Dutch, English and Italian. Having previously edited a variety of international media she has spent the last eight years in the materials handling industry – the first four as a parts sales representative for several European countries, before becoming the EAME Senior Marketing Communications Coordinator for Cat Lift Trucks, based in the Netherlands.



**Monica Escutia**  
Commissioning Editor



"It was Archimedes who observed that the power of levers could be used to move the entire world." This publication is named after his famous exclamation of '**eureka**!', literally, 'I've found it.'

Don't forget to visit the **eureka** website [www.eurekapub.eu](http://www.eurekapub.eu) where you have access to the archive of useful articles and features. You can also post comments and suggestions about the magazine and future articles you'd like to see covered.

Issue 12 - Winter 2010/11  
**Commissioning Editor:**  
 Monica Escutia  
**Contributing Editors:**  
 Ruari McCallion  
 Gay Sutton  
 Chris Hogan  
**Art Director:**  
 Paul Fretwell  
**Produced by:**  
 gu9creative  
**Printed by:**  
 Arrowhead Printing Ltd, UK  
**Distributed by:**  
 Euroworld, UK  
**Published by:**  
 Cat Lift Trucks, Hefbrugweg 77,  
 1332 AM Almere  
 The Netherlands  
 ©2011, MCFE. All rights reserved. CAT, CATERPILLAR, their respective logos, 'Caterpillar yellow' and the 'Power Edge' trade dress, as well as corporate and product identity used herein, are trademarks of Caterpillar and may not be used without permission.  
 OEPC1357/01/11jgu9

**Data Management** 4-7  
**Working by Numbers**  
 Improving data management can save a lot of money. Identify the problems and see some solutions.

**Fleet Size and Control** 8-9  
**Does Size Matter?**  
 In uncertain times, it is vitally important to have the right equipment in the right numbers. Cat lift trucks dealers are helping customers get more from their fleets and flex to meet varying demand.

**Sales** 10-11  
**Changing Sales**  
 If salespeople were ever able to get by just on their wits and personality, they sure cannot do so now. They are highly trained, and have technology at their disposal that lets them be proactive partners in business development.

**Safety** 12-15  
**Managing to be Safe**  
 Cut accidents, damage and lost time by taking a positive approach to safety. **eureka** shows that prevention is better (and more cost-efficient) than cure.



4



8



10



12

## Events Calendar

Date, Event, Location, Website	Overview
8-10 February <b>LogiMAT 2011</b> Stuttgart, Germany <a href="http://www.logimat-messe.de">www.logimat-messe.de</a>	LogiMAT, the International Trade Fair for Distribution, Materials Handling and Information Flow, sets new standards as the biggest annual intralogistics exhibition in Europe. The focus will be on innovative products, solutions and systems for procurement, warehouse, production and distribution logistics.
15-16 February 2011 <b>Logistics Link South</b> Esher, United Kingdom <a href="http://www.logisticslink.co.uk">www.logisticslink.co.uk</a>	The established market-leading logistics and warehouse solutions event has been refreshed for 2011. Logistics Link South 2011 will deliver the ultimate experience at a logistics show. The UK's best providers of products and services for logistics and warehouse management will be on hand to discuss your bespoke logistics requirements face-to-face.
16 – 17 February 2011 - <b>PACKTECH 2011</b> United Kingdom, Birmingham <a href="http://www.easyfairs.com/events_216/packaging-innovations-2011_11083/packtech_11175">www.easyfairs.com/events_216/packaging-innovations-2011_11083/packtech_11175</a>	PACKTECH 2011 will provide you - the UK's most innovative suppliers of packaging machinery and technology, a unique opportunity to meet senior decision makers from the British retail and manufacturing industries.
1-3 March 2011 <b>Transport Week 2011</b> Gdansk, Poland <a href="http://www.actiaconferences.com">www.actiaconferences.com</a>	International Transport Week 2011 will be held in the Polish Baltic Philharmonic in Gdansk on the 1st-3rd March 2011. Event highlights will include: Baltic Container Conference; Baltic Ro-Ro & Ferry Conference; RailPort Conference; and many more...
15 – 16 March 2011 - <b>TRANSPORT &amp; LOGISTIEK 2011</b> Netherlands, 's-Hertogenbosch <a href="http://www.easyfairs.com/events_216/transport-logistiek-2011_12444/transport-logistiek-2011_12445/">www.easyfairs.com/events_216/transport-logistiek-2011_12444/transport-logistiek-2011_12445/</a>	TRANSPORT & LOGISTICS 2011 is focused on road transport, internal transport and logistics. Although the transport and logistics market continues to be one of the fastest-growing, the sector is fighting against ever-increasing pressure as customers demand shorter delivery times, lower rates and better service. This can only be achieved through advanced automation!

# Working by Numbers

How effective is the use of data? Businesses could do much better, according to a recent report, and save a lot of money in the process.

**Ruari McCallion** churns the numbers.



1. Large companies which show large profits invest heavily in their warehouses and distribution.  
2. Martin Elliot, head of Savoye UK.

The phrase ‘if you can’t measure it, you can’t manage it’ is so widely known that it is almost a cliché – but it is true, nonetheless. The source of the ‘measurement’ is data and there are so many ways of collecting it that barely a single byte escapes being captured somewhere, sometime. The question is: what do businesses do with information once they have it? The answer seems to be – not as much as they either could or should. According to a recent report, businesses across Europe could be losing Billions of Pounds or Euros through inaccurate data. The report, by GS1 UK and Cranfield School of Management, identified an 80 per cent level of data inconsistency between UK retailers and their suppliers. This is huge, especially in the light of the scale of investments that have been made in business systems, as well as the context of an increasing culture of ‘Lean’ management, Six Sigma and other quality assurance schemes.

**“According to a recent report, businesses across Europe could be losing Billions of Pounds or Euros through inaccurate data.”**

“As we showed in the paper, the accuracy issue hits companies all the time,” said Prof Alan Braithwaite, of LCP Consulting and one of the authors. “The cost has been estimated at £200 million (€240 million) a year but we believe it could be £1billion (€1.2 billion).” GBP Systems that are not properly primed affect availability on the shelf and the opportunity cost may affect margins. Further expense is incurred because of the cost of putting things right. But how is this still

happening, given the widespread ‘lean culture’ and investment in IT?” Lean management has not stretched into warehouses,” he said. “The implications of data inaccuracy are felt in warehouses – if it gets really bad, it becomes unmanageable.” Unfortunately, while the warehouse manager may be spending all his time sorting out the problems, he or she may not have much influence in the company as a whole. The technology that companies have invested in over the past 10 years or so has had a transformational impact, there can be little doubt, but it is where it has had that impact that may be part of the problem.

### Why not ERP?

“With ERP (enterprise resource planning) systems, for example, businesses are more interested in getting the finances and purchasing right,” said Martin Elliott, head of Savoye UK, a warehouse integrator company that has worked with the likes of Chanel, Amazon, Britvic and Next. “They want to get the invoices and VAT right; warehouse and distribution is at the end of the line. How many businesses have a business plan for five years – and, on the other hand, for their warehouse and distribution?” To be fair, he said that large companies, which show large profits, invest significantly in their warehouses and distribution – but it can be much better.

“Effective data management systems enable a business to know exactly how many SKUs (stock-keeping units) it has, how many of each,” he said – and that is to be expected but it must go further in the quest for →





3



5



4

→ effectiveness. "What about their 'nestability', ensuring the right size of parcel, how they fit better into vans, and so on? Reducing the number of vehicles, their journeys, the amount of cardboard used, filling voids better requires accurate data." Existing systems may not be used properly – and currently-deployed solutions are often of the 'old-fashioned' sort.

**"Effective data management systems enable a business to know exactly how many SKUs (stock-keeping units) it has, how many of each,"**

"In a lot of warehouses and distribution centres, they throw labour at the problem," Elliott said. "That is putting costs back in and efficiency decreases tremendously. The technology is there, it is a question of how it is used, how you step up from a manual system with paper. Training, service and maintenance are key areas and they need to work more closely." Tony Leach, Critical Path General Manager at logistics specialist SBS Worldwide, has a different perspective but also recognises the depth of the problem.

**Supply chain complexity**

Companies tend to be very focused on their customers and have an understanding of their immediate operations," he said. However, as more companies source from overseas and the supply chain becomes a complex, global activity, part of the solution has been to engage third-party logistics providers – but they have to work with the same data as well. "Generally the

data is pretty accurate but not applied correctly. For SBS the data is captured at source on submission of the purchase order and carried through all stages of the supply chain, be it vendor management, freight services, inventory control, added value services or last leg deliveries." While SBS is constantly seeking to drive efficiencies and improve data integrity, it cannot do everything itself.

"Engage in supply chain consultation and system review to connect the links in the chain and best utilise data," Leach recommended. Unconnected or inefficient links have negative implications for the business. "As in any network, transition handovers are the weakest points of a supply chain. Goods, information, and funds can all be greatly reduced or lost entirely, at hand-off points between service providers." One of SBS' solutions has been manifested with the application of a bespoke software programme, eDC, which uses data management to cut costs and delivery times for book publishers.

**"As in any network, transition handovers are the weakest points of a supply chain. Goods, information, and funds can all be greatly reduced or lost entirely, at hand-off points between service providers."**

**Effective fleet control**

In France, Cat Lift Trucks dealer Aprolis has implemented a new data management system in order to better control its fleet – which is increasingly critical, given customer demands for more flexibility, the rise of short-term leasing and the virtual elimination of a 'standard model' of fleet supply. The system incorporates CRM (customer relationship management) and MMS (maintenance management). The third leg is a management system that has a number of functions. It drives short-term rental activity, which includes planning for the rental of equipment; management of rental records and processing; machines preparation; transport; and pricing management. It also drives long-term fleet management, including financial contracts on the client side or external leaser; service contracts; control of the fleet and associated internal reporting tools. Aprolis' customers are mainly from industrial, logistics and distribution markets. The company consolidates summaries, statements; the monitoring of

contracts and hour meters, the economic monitoring of billing, and the performance analysis. Data accuracy is clearly essential, both to manage the fleet effectively and to identify and capitalise on opportunities.

**Cat Lift Trucks dealer Aprolis has implemented a new data management system in order to better control its fleet – which is increasingly critical, given customer demands for more flexibility, the rise of short-term leasing and the virtual elimination of a 'standard model' of fleet supply.**

"Several problems emerged in the search for data accuracy," said Emmanuel Dartis, who identified three categories. "The first is consolidation of data from different information systems, which can be variable. The second is the sharing of all or part of the data with partners, who may be operating different systems themselves. The third is the continuing effort that should be made to maintain the highest data accuracy in each system and to automate the loading procedures of available data for completely dynamic reporting tools." Aprolis brought together all its operational divisions (sales, finances, services) with IT division to identify, organise, create or update, and validate the data necessary for operational monitoring. Partners were also involved and each Aprolis division has appointed a data accuracy pilot whose role is to maintain the level of accuracy in the information system.

Not everything can be fixed with software but what is clear is that there are massive savings to be made from accurate data collection, management and use, particularly in warehouse and logistics management. ■

Article feedback is welcome: [ruari@eurekapub.eu](mailto:ruari@eurekapub.eu)





# Does Size Matter?

Chris Hogan

The last two years of economic upheaval have taken their toll on almost every industry. This means changing lift truck fleet sizes, either reducing them if business is declining or circumstances change, or ramping them in response to increased activity. The key is to adjust risk and financial exposure to reflect the reality.

**D**ealers have to be flexible with financing and fleet management and come up with creative solutions for their customers. This means dealers are learning more about their customers' businesses and creating partnerships instead of just being suppliers.

## Finance flexibility

The financial downturn has seen problems for companies at all points along the supply chain and materials handling operators are no different. Tjeerd Koppenol, Sales Manager Key Accounts for Crepa in the Benelux region, admits that at the moment everyone has too many trucks and dealers are having to compromise.

"A lot of customers are consolidating sites and this can lead to twenty to thirty per cent of their trucks lying idle," he said. "But the customers may not want to lose the trucks so we have to be flexible. We look at freezing the maintenance payments, if the trucks are not being used, and sometimes freezing the finance payments. Then we extend the lease for the same number of months."

In France, Pierre Culot, the Major Accounts

Manager of Aporlis, says that his company's approach has a slightly different emphasis:

"We do have short term rentals of less than a year but it is more often more two years. It's more a case of having to be flexible," he said. Meeting customer needs is paramount, whatever the solution, and flexible response is key.

Of course short-term hire comes at a price. So although the customer is exposing themselves to lower risk – avoiding long-term commitment to an unwanted truck and associated costs – an individual truck on a short-term agreement may actually cost more per month. However, the fleet may be smaller and it is possible to hand the vehicle back, without penalty, so the overall package is more responsive in uncertain times.

## Complete financial control

In the United Kingdom Paul Fox, National Sales Manager for Impact Handling, pointed out that as they underwrite their own finance they have complete flexibility.

"Customer's requirements are changing constantly so we need to be able to be flexible within the contract," he said. "We can do a

## Fleet Size and Control

### Five Factors Influencing Fleet Size Today:



New Contracts



Merger or Takeover



Newer More Flexible Trucks



Change of Premises



Economic climate

short term rental if customers are worried about the financial risk but we have to charge more for that. We'd prefer to negotiate longer term contracts but with flexibility built in to protect the customer."

**"Meeting customer needs is paramount, whatever the solution, and flexible response is key."**

"For example, let's say a customer took five electric and three gas trucks from us on a five-year contract. Then after eighteen months they change premises and have less inside space, so the electric trucks are standing idle. We'll change them for gas trucks so the customer can get on with their business. It's all about giving the customer what they need."

## Dealers get proactive

Financial flexibility, while valuable, is a reaction to the economic downturn and all the dealers we spoke to want to do more than that.

**"Many times a customer will ask for, say, ten trucks. But if our analysis said that they only need eight, we'll tell them. That way we have a chance that they will be a customer for a lot longer than the length of one contract."**

Pierre Culot said that when a customer wants to change the size of their fleet they always undertake an audit to help the customer make the right decisions. Paul Fox agreed that it is essential to qualify that the customer's idea of fleet size is actually correct.

"Many times a customer will ask for, say, ten trucks. But if our analysis said that they only need eight, we'll tell them. That way we have a chance that they will be a customer for a lot longer than the length of one contract." In the Netherlands, they have gone one step further.

"We have invested in simulation software," said Tjeerd Koppenol. Simulation software

is used in conjunction with site surveys and with input from racking and storage solutions experts. Floor plans, incorporating flow calculations, are drawn up and the simulation program shows the customer a visual presentation of how efficiency can be improved. Suggestions may include reconfiguration of the warehouse from wide aisle to narrow aisle, for example. "With this, we can fine tune the blend of truck types to get the maximum productivity out of the fleet, whatever its size."

## Fleets and handlers

Dealers need to be able to assess the impact of any change in fleet size and advise accordingly, whether its about the right attachments, or even operator training requirements

"To take a simple example, we might find that a customer is using an indoor lift truck to take pallets to a loading bay, then a gas truck takes it from there to a lorry," said Fox. Obviously a more versatile truck that can do both parts of that journey will save goods handling time.

But there may be other implications of changes of that nature. New trucks have to fit in with the rest of the fleet or there will be an extra cost in the form of operator training. Or there might be a different maintenance schedule to the rest of the fleet, requiring more maintenance visits and consequent increase in expenditure.

## Conclusions

Changing fleet size isn't simply a case of getting in more trucks or selling them on. Planning is important and needs to cover finance and human resources issues as well as the practical side such as how many trucks, how big, their capacity and all the other attributes. A good dealer will want to understand their customers' business and the demands being placed upon it before changing the size of a fleet, whether it is up or down. ■

Article feedback is welcome: [editor@eurekapub.eu](mailto:editor@eurekapub.eu)

1. Auditing a client's operation allows Sales staff to combine the best trucks with the operation.



# Changing Sales

Today's salespeople are sophisticated, knowledgeable and with all their equipment's specifications at their fingertips or in their SmartPhone. Is there any place left for old-style personal relationships?

Ruari McCallion asks around.



An interesting experience occurred a few years ago, in the North of England, during a discussion on matters of mutual concern with a business contact. The door to his office was subjected to a barely-audible light tap approximately a nanosecond before it burst open and a be-hatted head appeared.

"Owt?" the head asked. 'Owt' is Northern English for 'do you have anything for me?' "Nowt," came the reply, which translates as 'Nothing today, thank you'. It was explained that this performance was a regular occurrence, it was that visitor's idea of a sales call. He was reliable as clockwork, came the same time every Tuesday and bought a round of drinks in the local pub every Friday at 5.45 pm. Any orders he got were more from a kind of humane sympathy than any other reason. The sales process is very different today, of course. It is a highly-technical procedure, driven by CRM (customer relationship management) systems; data collection and analysis; and – of course – pro-active client service delivered via the sales consultant's SmartPhone. It sounds very different indeed – but is that picture any more realistic or reliable than the old boy with his battered hat? Is it all technology, with no room left for personal relationships?

## New times, new skills

Well, no, according to Borja Amigo, of Bergé Manutención, Cat Lift Trucks dealer in Spain. His company has a reputation for responsiveness to customer needs and for innovative solutions but personal relationships and the social aspect remain important – technology does not solve everything. However, there is no doubt that the demands of today's marketplace certainly

require a particular type of salesperson with certain specific skillsets. In the context of training needs, Dr Ugo Turchetti, of Italian Cat Lift Trucks dealer Compagnia Generale Macchine SpA (CGM) observed that there is definitely a gap between older and younger generations.

"The educational standards of younger generations are actually higher and often more appropriate for modern requirements," he said, highlighting aptitude with electronics specifically. That skill can put older, more traditional salespeople at a disadvantage; he suggested that some are at a disadvantage when it comes to today's market. "They have problems in growing to become real material handling consultants, experts in the field, familiar with computer usage, with wide knowledge of contracts, regulations, laws, operating costs, and so on."

**"The educational standards of younger generations are actually higher and often more appropriate for modern requirements,"**

## Technology: not a 'magic bullet'

That analysis, while it may not be shared by everyone, throws a light on the contemporary sales role. It is not just about collecting orders; customers are not interested in people with nothing to offer. Technology has an increasing part to play but, at the same time, it is not a 'magic bullet' – the machine on its own does not have the answer. The claims that were made in the past for CRM systems – reduced

cost, greater efficiency, leaner supply chains, peace on earth and goodwill to all men – were enough to make your mouth water. The amount of money that was estimated to have been wasted in ineffective CRM implementations, on the other hand, was enough to make your eyes water. Something like 20 per cent of IT budgets, or roughly \$500 billion around the world, according to a Gartner report. Iain McKenzie, CEO of telephony company Mettoni Group, agreed that the concept didn't manage to hit the spot for a while.

"Instead of CRM - customer relationship management, we got RBP (raised blood pressure) systems. Companies lost customers by taking the 'centralise and save costs' approach," he said. Any system is a tool: its objectives should be clearly identified from outset. Any technology, including CRM, has to provide value to the salesperson; provide enough value and they won't want to work outside the system.

Building the process progressively isn't a bad idea, either. Provide information on pipeline, performance and standing, build-in forecasting without asking for forecasting, and the salespeople will be more inclined to embrace it. Businesses have learned that and the successful ones are using better metrics and expectations are more realistic. The notion that CRM is going to solve all problems has been replaced with a recognition that it is one tool to fit business change, not to make the change. And the human being in the process is actually key, rather than a nuisance. Any effective system will be built around the salesperson, who has to be someone who can take a proactive role and suggest solutions to real problems – or know how to find the person who can.

## Human beings: still important

"Product knowledge is a logical thing to have – sales technicians should be able to go anywhere and get it," said Tjeerd Koppenol, sales manager with Crepa, the Cat Lift Trucks dealer in Benelux. The company's training program covers basic product knowledge but it goes further, into what he calls 'out of the box' thinking. "For example, if a customer has XYZ model, we will seek to take the discussion to the next level, rather than simply getting into a bidding war." One of the strongest weapons in the armoury, he believes, is the company's warehouse simulation software, which adds value by helping customers to plan their warehouse layouts to be more effective and more cost efficient. The salespeople are trained to be aware of these technologies and

how to use them to highlight potential benefits to the customer. Cat Lift Trucks dealers also have access to resources like Lift Trucks TV ([www.lifttrucks.tv](http://www.lifttrucks.tv)) which has short videos of various types of trucks in action, performing familiar tasks. But in the context of warehouse simulation, for example, they do not have to be experts in its deployment and operation. It is at that point that the salesperson is, clearly, no longer the 'lone wolf' of the old days, scouring the territory for basic prey in the form of orders. A team is available to him or her, ready to swing into action for whatever the customer needs.

**"Product knowledge is a logical thing to have – sales technicians should be able to go anywhere and get it,"**

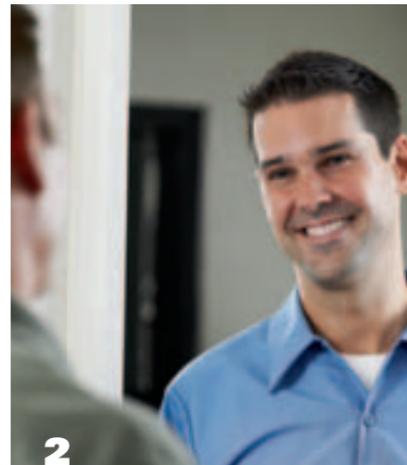
## Specialist support

"When it comes to technical information, the salesforce is able to perform either on its own or with the team for site surveys, then review the findings with special situations experts and call in the warehouse consultants," said Koppenol. "In a large plant, for example, the Crepa team will do the job. On some large projects we might bring in a battery supplier, as well. They will bring to the table sophisticated ideas about battery rooms, charging and we will have specialists to advise on ancillary equipment, such as clamps, for example."

Every new recruit, wherever they come from, either a competitor company or from university or college – will go through an induction process. The objective is not just to acquaint newcomers with the necessary product knowledge, it is to ensure they are comfortable in all sorts of situations, especially those outside their erstwhile comfort zones. But the process does not stop with induction courses.

"Our people go through e-learning as well," said Koppenol. E-learning is facilitated by the Cat lift trucks factory to its dealers. 'The outcome of that program is up-to-date, on-hand knowledge of improvements in our own range and of competitors' products also. Customers get a knowledgeable salesforce, which thinks outside of the box. They are equipped across all models and can identify opportunities to, for example, use machines in ways different to the obvious.' Which can help to save money – for example, in getting a single truck that can adapt to two jobs, rather than buying two individual vehicles. The man with the hat would be confused, but reassured. It is the human beings who see the reality, draw conclusions and generate solutions. ■

Article feedback is welcome: [Ruari@eurekapub.eu](mailto:Ruari@eurekapub.eu)



2. The personal and social aspects of sales remain important.  
3. e-learning provides up-to-date, on-hand product knowledge.



1. The demands of today's marketplace require a certain type of salesperson with certain skillsets.





# Managing to be safe

Prevention is better than cure: how a penalty points system is changing forklift truck drivers' attitude towards safety regulations.

**Gay Sutton** finds out what it takes to manage safety truly effectively.



**Main Image.** A strict 5mph speed limit is enforced as part of the safety regime, and designated footpaths separate trucks from people.  
**1.** Highly visible signage should make it impossible to ignore hazards such as pedestrian walkways and crossings.  
**2.** Midnight sees the market open for business.  
**3.** At the market, the general public and forklift trucks are doing business in the same area.

**M**idnight sees the UK's premier fresh produce market open for business in north east London. Around 300 forklift trucks whisk pallets of fruit, vegetables and flowers around the market halls until well after 1.00pm, when customers leave and commercial activity ceases for the day. The market's health and safety team's challenge is twofold: the general public and forklift trucks are doing business in the same area; and the trucks are not the property of the market, they belong to the stallholders.

A rigorous safety regime operates across the market. There are designated footpaths, a strict 5 mph speed limit for forklifts in the hall and 10 mph outside, and drivers are allowed to drive on site only once they have produced a valid driving licence and current forklift training certificate and been issued with a site driving permit. They are required to wear high visibility jackets and the owners or operators are expected to provide evidence of a good maintenance record. These regulations are monitored and enforced by a team of 16 market constables and are updated as a result of continuous monitoring and risk assessment.

"We currently operate a system where if a

driver has three strikes, they are suspended until they requalify," explained a market spokesperson. "But as they can requalify during the warning period the penalty has little deterrent value. So we will be introducing a points-based system early next year. Both the forklift driver and owner will accrue points lasting from one to three years depending on the severity of the offence. Drivers exceeding the limit will be suspended for one month and must requalify before they can drive on the market again. The forklift will also be taken out of service for a week. This is a real deterrent, and puts the onus on the driver and the forklift owner."

**The market's health and safety team's challenge is twofold: the general public and forklift trucks are doing business in the same area; and the trucks are not the property of the market, they belong to the stallholders.**

Taking the time to ensure a safe workplace is not just desirable; it is usually required by law. While each European country has its own legislation, the principles behind forklift safety are broadly similar across all nations, according

## Safety

to BITA, and are built around thorough risk assessments. Italian decrees focus on education where 'truck drivers need to follow any kind of training which further reduces risk'. In France, forklift truck drivers are required to take theoretical and practical training as well as a health check before being issued with a five year licence by their employer.

**"We currently operate a system where if a driver has three strikes, they are suspended until they requalify,"**

In completion to the rules, governments appoint special institutions to check whether they follow these rules. In the Netherlands, the Ministry of Social Affairs & Employments uses the Labour inspection to monitor results. Companies can be screened both announced and not announced. Despite this, there has not been a decline in forklift incidents in the last decade. Besides adhering to the rules, it remains a core responsibility for the company to strengthen their own efforts.

### Managing safety

There are two distinct chains of responsibility for safety in the forklift operating environment. "Essentially, the employer is responsible for ensuring the workplace is designed and effectively managed for forklift safety, that the right forklift has been provided for the job and that systems are in place for regular maintenance and inspections of the truck," said Pete Lennon, head - workplace transport at the Health & Safety Executive. It is management's responsibility to ensure the driver is properly trained, supervised, and operating safely.

"Unfortunately, the vast majority of accidents to forklift trucks are due to untrained and unlicensed operators," said RoSPA trainer, Ian Whyte.

Driver training can be carried out in-house by a trained instructor or by an accredited training provider and is tailored specifically for the type of lift truck the driver will be operating. Only on successful completion of a theory and practical examination will a licence be issued. But drivers can become complacent, which leads to rising accident figures. Monitoring is essential, with refresher courses arranged to tackle falling standards and keep skills and knowledge current.

"It's a matter of controlling what the drivers do by virtue of good supervision at all times," Whyte said. "If they're driving unsafely they should have their licence taken away."

**"Essentially, the employer is responsible for ensuring the workplace is designed and effectively managed for forklift safety, that the right forklift has been provided for the job and that systems are in place for regular maintenance and inspections of the truck," Pete Lennon, Head - Workplace transport at the Health & Safety Executive**

There will always be hazards, pedestrians and forklifts are in close proximity, so they should be kept apart wherever possible. The pressures of the real world mean that enforcement is not quite so easy. The workforce - including administrators - should receive training in the dangers forklifts present and how to stay safe. In most good companies this is also supported by highly visible signage, making it impossible to ignore pedestrian walkways and hazardous crossings. →



### Safety statistics



**UK**

- 8000 lift truck accidents per year in the UK
- 10 are fatal
- 56% of fatal transport injuries caused by being struck by a vehicle
- Forklifts account for 32% of all major workplace transport injuries
- Being struck by a moving vehicle is the third most common cause of general workplace fatality

Source: HSE RIDDOR statistics 2008-2009



**Netherlands**

- 1600 accidents yearly resulting in hospital emergency visits each year. Number seems stable in the period 2004 - 2008
- Most accidents lead to damage to hands and legs
- About 170 people remain in hospital
- About 5 prove to be fatal

Source: Foundation Consument & Veiligheid, based on CBS figures



**Italy**

- About 30 mortal accidents per year; trend is showing decrease of numbers
- Most accidents occur with a moving truck

Source: ISPESL, through Edizioni Pubblicita Italia

## Sources of safety advice:

- HSE: Advisory leaflets and booklets. A website provides guidance on setting up a safe workplace and managing vehicles in the workplace
- Royal Society for the Prevention of Accidents (RoSPA)
- Institution of Occupational Safety and Health (IOSH)
- National lift truck dealerships: Site analysis and advice in choosing the right truck
- Lift truck organisations such as the FLTA and BITA: In particular guidance on safety, maintenance, thorough inspection and training
- Unions: Information on safety in the workplace
- Insurance companies: Safety assessments and advice on improving safety
- Arbeidsinspectie (Netherlands): Dutch national labour inspection
- Foundation Consument & Veiligheid (consumer and safety)
- Centraal Bureau voor de Statistiek (central bureau for statistics)
- ISPESL; Italian technical scientific body in the National Health Service and reports to the Ministry of Health regarding issues like occupational safety, health and prevention

→ Management is also responsible for assessing and monitoring the condition and layout of the site. Simple measures such as marking the edges of loading bays and pits, keeping operating areas free of obstructions, implementing one way driving systems, eliminating sharp corners, and placing impact protectors around the base of racking systems, pillars and equipment, can greatly reduce risks.

## The right tools for the job

Choosing the right forklift for the job is critical; help with decision-making can be provided by the dealers.

“The only correct way to determine the right truck for the job is to do a detailed and comprehensive application survey,” said Paul Fox from UK Cat® Lift Trucks dealership, Impact Handling. “That includes looking at the products being moved and their format: pallet, cage, stillage or free produce. We assess the environment the truck will be working in and where the product will be taken: indoors or outdoors, placed onto racking and at what height, and so on.”

Having selected the right truck for the job, Fox recommends that drivers should take refresher training to update skills and familiarise them with new vehicles – even if a new truck is replacing an older one of the same type.

Lift trucks are generally supplied with details of their safe lifting weight and height. In practice, maximum safe lifting weight is affected by a combination of factors that may

include the gradient and condition of the floor surface – particularly on construction sites – the lifting accessory being used and the nature of the load. The UK’s Health & Safety Executive believes the safe lifting load can be established in a generic risk assessment – but with the caveat that unusual loads are not uncommon.

“The forklift truck driver will use his skills to assess the best way of handling that load,” Lennon said. The driver has responsibility at the practical level. Operating the forklift is not simply about getting in, switching on, driving off and moving goods. He must constantly use his knowledge and experience to assess the weight and centre of gravity of the loads, for example, and decide how to move them safely, within the truck’s lifting capabilities and the operating environment. “The driver also has to be satisfied that vehicle has been properly maintained and should carry out a cockpit check to ensure that everything is in good order and working properly – before operating the truck.”

**“The forklift truck driver will use his skills to assess the best way of handling that load,”**

An effective preventive maintenance regime, as recommended by the manufacturer, will keep the vehicle in good condition and fully operational. This should be supported by regular weekly maintenance checks to catch any problems before they become hazardous. The law requires that lift trucks undergo a Thorough Examination (TE) once every 12 months.

Performed by an independent expert, the test is the equivalent of the MOT and comes complete with in depth report. “In France, forklifts must be checked by trained engineers every six months, through static and dynamic testing and parts safety checks,” said Nicolas Perez at Aprolis, France. And should an accident occur, this audit report is one of the first documents an inspector would check. At the London market, constant reinforcement of the rules is seen as the foundation of improved safety standards.

“We’ve adopted a joint approach, negotiated between the health and safety team and the tenants association on the market,” the spokesperson said. “We want people to respect health and safety and not to perceive it as punitive for no reason. Our job is to ensure they work in a safe environment so that they protect their businesses and we protect people using the market.”

The safe working environment is one that constantly monitors, enforces and updates its safety practices. Embedding them as routine and sensible operational procedures makes it possible to overcome old habits and resistance to change. ■

Article feedback is welcome: [editor@eurekapub.eu](mailto:editor@eurekapub.eu)

4. Around 300 forklift trucks are needed to whisk pallets of fruit, vegetables and flowers around the market halls.



4

## 8 points to increase safety when working with lift trucks according to the Labour inspection in the Netherlands

1. Make sure truck maintenance and inspections are always performed on time.
2. Diesel trucks need to stay outside! This simple rule is still broken too often.
3. Take preventative measures to reduce the risks of tipping and crushing. Focus on uneven surfaces and ramps.
4. Take measures to avoid forklift truck activation when the driver is not correctly seated. For example, driver detection systems are designed to prevent this.
5. Use daily check routines, instruction videos and other simple, yet effective aids.
6. Avoid unsuitable usage of trucks. They are not people carriers!
7. Clearly indicate where trucks can drive. Pedestrian lanes save lives.
8. Increase personal safety. Promote the usage of safety belts and safety shoes for example.



# Impact Handling

## Striving to match customer's needs



### Who are you and what do you do?

I'm Terry Kendrew, Managing Director of Impact Handling, Cat® lift trucks distributor for the UK.

### How long have you worked there?

### Where were you before?

I started with Impact in December 2003 after many years in the industry with Lex Harvey and Clarion. At first it was on a part time basis to allow me to finishing my engineering studies. Like many of us that intended to be fleeting visitors I thoroughly enjoy my work and never regretted joining this industry.

### What, if anything, sets your company apart from the "typical" lift truck dealership?

Impact's approach is driven by a strategy of reducing overall costs. Next to this, we own all our equipment, which makes contract flexibility easier and underpins coverage and product liability. Our focus areas include 'right-sizing' fleets; reducing energy consumption and costs incurred by tyre wear and damage, and optimize the use of space and labour. We believe strongly on training and offer a number of courses for customers.

### What do you like most about your current job?

I like the variation. Our customers range from one truck operators to international companies running big fleets and multi site operations. Their demands and expectations are high, and this ensures we are always raising our game; the business and I thrive on this busy environment.

### And what do you like least of it?

I like to be out in front of our customers but this is severely hampered by volumes of traffic, we are all adapting our cars to mobile offices to make the most of the time!!

### How has the market changed over the years?

The big driver today is the need for flexibility. Impact offers contract hire and leasing, short-term rental, outright purchase, used equipment and sales and maintenance packages. We have more

than 6000 lift trucks in our rental fleet and maintain 2000 customer-owned trucks.

Customers today look for a partner who can give advice and understands their requirements to offer tailored solutions.

### What's the most demanding customer requirement you've ever had to meet?

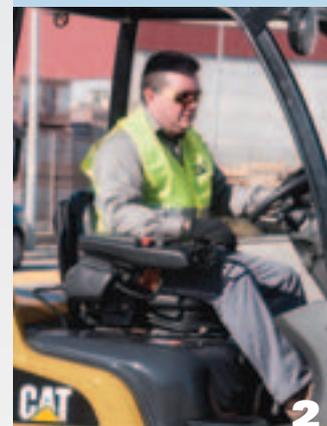
As the UK market is predominantly a contract hire market, winning new business can bring some exceptional demands. A new contract with a customer presented us with the need to deliver and install close to 100 units in one day, a high proportion were electric and therefore battery installations were of paramount importance. Planning was the secret to our success.

### If you could change one thing about the lift truck industry, what would it be?

I think that the industry as a whole is under valued against what it delivers to the customer. We deliver exceptional goods and services to our client's doorsteps and in comparison to other industries. I would like to see this industry profile recognised.

### What do you do in your spare time?

I have 3 young children that keep both my wife and me busy outside of work (or is it my wife keeps me busy outside of work?), I also have a keen interest in classic motorcycles. ■



1. Terry Kendrew, Managing Director of Impact Handling.
2. Impact focuses strongly on driver training and offer courses to help customers see the benefit.
3. Impact owns all its equipment, which allows for contract flexibility.