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The CV Show is a great platform for companies like the Hireco Group to demonstrate why we deserve your business

THIS IS SET to be a very exciting year for the Hireco Group. We are working on a series of new platforms, with new employees – all experts in their fields – to deliver new technology, new finance products (p10), and a new asset rental and leasing division (p6) this year. We are also extremely excited to announce the arrival of our innovative driver-focused Hireco Truck Park, and we have plans for expansion across the UK.

These are remarkable times in the transport world. People empower technology, technology empowers innovation, the landscape changes and the cycle begins again. But one thing has held true through the years, and that is, as leaders and peers, we can't be successful alone. We understand that our customers are operating on many fronts at once. Your success requires that we consistently perform in a way that engenders trust from your employees and, ultimately, deliver on your strategic objectives.

This is at the core of our commitment, and we put it into practice each day by emphasising two primary themes – customer focus, and superior execution. For Hireco Group, it's how we as individuals, and collectively as an organisation, drive towards a positive result for our customers.

We hope you will join us at the CV Show to see the new and exciting innovations we have created.

James Smith

MD
Hireco Group





Reach for the sky

Hireco Group MD James Smith charts the firm's history from humble beginnings to becoming the UK's biggest trailer buyer

Service industry: "We could have all the new trailers in the world, but without decent service to go with it, no one would want them," says Hireco MD James Smith

"IT STARTED OVER 40 years ago as an oil delivery company in Ireland with about 10 trailers," says Hireco Group MD James Smith, when asked about the company's origins. "Business was booming in the winter, but in the summer the trailers weren't doing anything, so the company started renting them out – and that's where the name Hireco came from."

Other than the fact that it still supplies trailers to the commercial vehicle industry, the firm is virtually unrecognisable from its modest roots. Last year it bought a record 1,500 trailers, expects to exceed 2,000 this year, and has evolved far beyond the core contract hire and rental offering. It moved into trucks in 2018 (see page 6) has just branched out into the leisure vehicle market with its Overlander horsebox and camper van brand, and has established maintenance, finance and property arms, all of which are under development – and that's just the tip of the iceberg.

"Pat Carson, our chairman, purchased the company in the late 1980s," adds Smith, "Pat was originally a Fruehauf employee, so he came from the industry. He's a very switched-on man, studied economics at Dublin University, and he's still with us today and active within the business."

The company continued operations in Ireland but began ramping up its UK business in 1998, when it bought fellow trailer specialist Transport Logistics and became Hireco TL. Smith reckons it was "a tough marketplace, because there were a lot of players at the time."

He joined in 2006, on the cusp of what proved to be a serious era of transition for the firm. "From 2006 to 2008 we had a significant couple of years of change," he reminisces. "We had about 700 trailers at the time and Transrent collapsed in 2007, so there was a gap in the market and we took advantage."

"We ordered trailers from established manufacturers like SDC and Montracon and we developed our contract hire offering. It was a really easy product for our customers to take; it had very simple paperwork and a lot of hell and high water conditions in there – clauses that meant that the banks were protected, so they really enjoyed working with us and we've got fantastic relationships with our funders."

"We also spent a lot of time, effort and money on developing the service offering – and that's really what sells our business. We could have all the new trailers in the world, but without decent service to go with it, no one would want them."

A little over a decade later, Hireco can now call itself the country's biggest trailer buyer and has a loyal customer base. It still supplies trailers to the commercial vehicle industry, although beyond that, it's a far cry from its humble beginnings, and it continues to expand at a ferocious rate. So what next for such an ambitious firm?

"We've already got a number of European customers, and our sister business has a couple of bases in Innsbruck," says Smith. "Brexit doesn't scare us, and so when we're ready I think we're going to push out into the continent."

Sales director Tim Gibson explains why younger is better for Hireco's trailers



Fleet of fancy

HIRECO HAS DIVED headfirst into so many exciting new initiatives – vehicle rental, a swish new truck stop, and leisure vehicles to name but a few – that the core trailer business has stepped out of the spotlight.

Although it might not have been grabbing all the attention of late, the company's bread and butter has always been – and still is – its trailer contract hire. Hireco is the biggest trailer buyer in the UK and sports a gargantuan fleet in the region of 6,500 units, 70% of which are supplied to the country's top 100 transport companies.

One of the company's trademarks – and a big tick in the box for its customers – is the age of its fleet, which is one of, if not the youngest in the business, as sales director Tim Gibson explains. "It's a high-volume, high-turnover business in terms of assets. Anything over three years, if it's not on a contract, is for sale."

"We retain a lot of the trailers and we generally sell them at between five and seven years, but if we had an influx of equipment, and it was stood for longer than 30 or 40 days, then we'd look to move it on. That gives us a good degree of flexibility with the fleet, and we keep replenishing it."

Condition is one of the biggest concerns for hauliers and, put simply, newer trailers from established manufacturers with a short working life naturally make for a low-maintenance fleet. That's exactly what customers need, especially the biggest ones, for whom low-hassle and compliance are

priorities, and the company's ethos is to make life as easy for them as possible, both in terms of the performance of the equipment and its straightforward attitude to service.

"Our approach keeps maintenance low and manageable," adds Gibson, "the days of refurbishing kit at seven years and running it for 15 years are gone for us. That might fit some customers' models, but most of the ones we're dealing with are not interested in that way of operating."

The firm has traditionally bought stock at a rate of approximately 1,500 trailers a year but, assuming demand continues at the present pace, Gibson expects that figure to increase by a third in 2019. "We hope to do more this year and push the 2,000 mark. Customer orders are showing no signs of letting up, which is good." He believes there is still a degree of pent-up demand among hauliers, which is a hangover from the post-recession years when – along with most businesses – trailer sales slowed right down. That, coupled with the company's focus on customer service, is driving the current spate of orders.

"A lot of people held back in the credit crunch years, particularly with trailers, so a lot of them have since been playing catch up, and the registrations show that. It was very slow from around 2008 to around 2013, so there's still a bit of pent-up demand, and we're always happy to help customers as they scale up their operations."



High volume, high turnover: "Anything over three years, if it's not on a contract, is for sale," says sales director Tim Gibson





emerging truck operation, who explains why he thought the time was right to dive into the vehicle side of things.

“The trailer business is very well run. It has 6,500 trailers with an average age of less than three years; it has a continuous, loyal customer base and exceptionally high utilisations,” says Williams.

“There was an opportunity to develop the truck product, and the timing was right. From my perspective, this is a very good time for us to be pushing into the market, because we have new, modern products, and we’re right up to spec on the latest Euro-6 models.”

The company announced the move into trucks in September 2018 and, despite being a fledgling operation, the orders are already coming in thick and fast. Its intention is to “just do what we’ve done with trailers with trucks,” according to Williams – which means absorbing all the difficult bits and making life as easy as possible for customers who were expressing interest before Hireco had even placed orders for its first vehicles.

So pivotal is the company’s focus on its customers that Williams says it actually held back on offering the vehicles until it was totally happy that it could deliver on its usual high standards.

“If anything, we’ve been holding the cart back a little bit and saying ‘hang on a minute, we’ve got to get our ducks in order,’ and it took us a couple of months before we could say ‘OK, this is what we can offer – does this meet your expectations?’ So we’re only just letting the brakes off.”

The company spent the final quarter of 2018 and the first couple of months of this year gearing itself up to branch out. Williams says the endeavour was “a clean sheet of paper,” when the business first announced its intentions in autumn, and it spent the subsequent months structuring the operation and settling on high quality suppliers and products, before the arrival of the first vehicles at the beginning of March.

Williams details the inaugural line-up: “We’ve placed orders with Mercedes-Benz, MAN and IVECO. With MAN it’s tractors, and we have a good arrangement, where we order a specific number of models, then we have a lead time where we can decide on the specification and whether we go for XL, XXL cab or whatever it happens to be. It’s the same for the engines. We’re ordering hundreds of vehicles, so

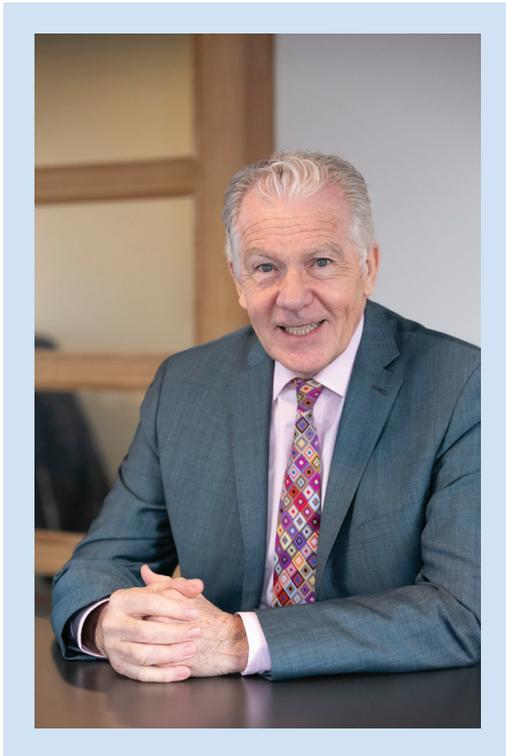


Pastures new

Hireco director of contracts Michael Williams gives the lowdown on the company’s new truck rental venture

HIRECO HAS BEEN helping customers in need of reliable, low-hassle trailers since its inception in the 1970s and recently made the move into truck rental, extending its service offering to those in need of new commercial vehicles.

Given the success of the existing business, it’s a natural move, but the firm isn’t taking it lightly. Last year, it appointed industry veteran Michael Williams as director of contracts to head the



we don't have to order the specific model immediately; as time moves on, we just push the buttons, which works well.

"The Mercedes are also tractor units and the IVECOs are 72-tonners. We have also ordered some 18-tonne rigids from MAN, to which we'll be fitting curtain-sided tailored bodies."

The initial batch of vehicles has already been allocated to keen customers, but the fleet is set to grow, as Williams expects it to reach a total of 750 in the second half of 2020. He also believes that young, low-mileage vehicles are the way forward.

"You can't expect customers to take old vehicles with high mileage; you've got to keep the fleet modernised, which will be our profile – we would not expect to be keeping vehicles beyond three years."

He doesn't think vehicle rental is rocket science, either. More than anything, it's about duplicating the company's approach to its existing business.

"If you find a formula that works, you stick to it.

We're going to replicate that formula and extend what Hireco has already done successfully on the

trailers... You have to form a good working relationship with your customers, you have to do a good job and, at the same time, try to maintain competitive pricing."

He also believes that the majority of fleet operators are not simply chasing the cheapest deal, as the quality of the vehicles and the level of service is just as important to them as a reasonable, but realistic, price.

"In today's market, nobody wants to pay more than they have to; it would be wrong to say they did. But there is a recognition that you have to pay a fair price, and across the rental market now, rates are moving to a position that they should already be at – and the customers do understand and appreciate that.

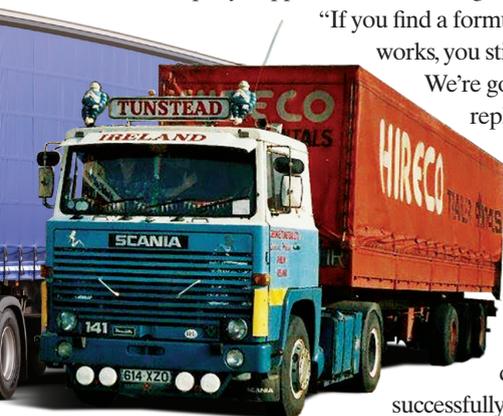
"They're not just chasing the lowest price available; they want to know that they're getting the service that's going to give them the reliability and the low vehicle downtime they need. People want their vehicles looked after properly."

Hireco's truck rental arm is now very much open for business and, despite overwhelming early demand, Williams says the company is now shouting about its latest pursuit.

"We're now communicating that we're able to provide quotations for trucks, because it's not just a case of us ordering them – we want to try and match that to what the customers want as well. The demand is probably in excess of what we're able to supply at the moment, but it's definitely looking very positive, and I'm sure that's the way it's going to continue."

Newcomers: "You've got to keep the fleet modernised, which will be our profile – we would not expect to be keeping vehicles beyond three years," says director of contracts Michael Williams

Past and future: after decades of success with trailers, Hireco spent the first months of this year preparing for the arrival of its first trucks





Hireco's Paul Jackson explains why plain is perfect when it comes to used trailers

THUMB BACK TO page 5 and you'll get a good idea of the scale and youth of Hireco's trailers, all of which have to find homes after their short time on the fleet.

The company prides itself on taking all the hassle away from customers and its philosophy is exactly the same for anyone buying a used piece of equipment as it is for those buying or financing the very latest product. Hireco Trailer Sales MD Paul Jackson explains that in addition to offering young, fresh trailers, their plain appearance is also in keeping with the firm's no-hassle spirit, as customers receive them in the most convenient possible guise.

"The vast majority of them are plain blue, on drum brakes, ready to go. That's the bulk of our fleet – whether that be a curtainsider, a box van, a fridge or a sliding skeletal. To a customer, that's so advantageous, because you're not asking them to look through a yellow set of curtains with somebody else's name on, for example."

The firm strives to churn stock as quickly as possible, which means the majority of used items on offer are very young indeed. Just as it does with its new products, Hireco offers all of its used trailers with the option of one of its Serviceco maintenance packages (see page 9).

While even younger trailers are usually available, Jackson reckons the five-year mark is the most

common point for them to reach the market and, indeed, the best from a customer's perspective.

"Five years is a great time to sell a trailer – it's like buying a car that's two or three years old. You know it's in good condition and it's going to last you a few more years. The price is far enough away from a new one, but the quality's still there."

You don't have to be a gigantic customer to get your voice heard, either. The firm often conducts single-figure trailer sales and is therefore more than willing to engage with smaller buyers.

"We will give you the same attention if you're buying one trailer from us as we would if you were buying 50," says Jackson. "We get more ones and twos than 20s and 30s and we really want to look after the customers from a second-hand point of view. We are not 'here today, gone tomorrow' and repeat business, for this department, is integral to what we do. This is our rental stock, so it gets sold at market value, irrelevant of what it owes us, and the customers see the benefit of that. Anything we sell, you could rent, so it has to be of a certain quality. It's an active fleet."

Chances are the company will have the type of trailer used buyers are looking for, too. The size of the fleet and the speed of turnover mean customers are more than likely to find what they're after.

"There are so many specifications you can have on a particular trailer," says Jackson. "Because we've got such a big fleet, we can pick them out and say, 'yes – we do have that one; how many do you want?'"

Are you being served?

Hireco's maintenance arm Serviceco is broadening its reach to operators across the country

"WE UNDERTAKE ALL kinds of compliance and breakdown service for trucks and trailers across the UK and Europe. It's a 24/7 operation; we have a network of 500 vendors and we check on them every six months to make sure they're up to the standards we expect for our customers."

That's director Aaron Hunter's in-a-nutshell description of Serviceco, the service and maintenance division of Hireco. It started life tending to Hireco's internal fleet, but has since evolved into a standalone operation, offering the same levels of customer service to transport companies operating across the continent.

Vehicle downtime is both a huge pain and a sure-fire way of haemorrhaging money, which is why the vendor network is such an integral part of Serviceco's operation. Its size means the company can guarantee a breakdown response time of 90 minutes or less, to get customers back up and running as quickly as possible and with minimal disruption to their operations.

More paperwork?

There's more to the firm than nuts and bolts, though, because it also takes on the burden of customers' documentation – and let's face it, who wants more paperwork?

"We can store legal documents, service sheets, MoTs etc in our online portal, which customers can access whenever they need to, and there's no fear of losing them," says Hunter.

Tracking and telematics are yet another string to the company's bow. Its intricate knowledge of the products means it can pinpoint the best system for customers, which saves them the bother of weighing up the pros and cons of different providers.

"We have partnerships with some of the major tracking companies, so we can handle all of that,

too," adds Hunter. "We can install the tracker and then give you access to the system via the online portal."

A new development for 2019 is Serviceco's fitment of trackers to all new Hireco trailers as standard, which means customers can activate them straight away and track from the off.

"From a fleet manager's point of view, we want to take all of that hassle away and we organise everything for them through our connections," says Hunter. "Rather than them having to approach lots of different people, we can say 'this is the best product for you in your price range, get it up and running for them and they simply see the telematics screen at the end of it. Basically, we're saying 'give the hassle to us!'"

Serviceco is in the process of expanding its retail business, which sees it providing all of the above services and more to companies outside the Hireco group, and it is constantly talking to and building up its customer base, which includes some of the UK's biggest transport specialists.

"The retail side of the business is the bit that we're really focusing on at the moment and we're aiming to boost our coverage elsewhere," says Hunter. "The total population of trailers on the road is about 220,000 – and we want to go after that."

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operations



Talking money

Hireco's
finance
division covers
more than just
trailers. In
fact, it's a
one-stop-shop
for any kind of
commercial
funding

THINK HIRECO JUST finances trailers? Think again. Of course, it funds many a truck and trailer, but if you're running a business that requires almost any form of equipment – vehicular or otherwise – then chances are the company can help you bankroll it.

“We've moved into any type of commercial equipment – so it's not just trucks and trailers but really wide-ranging assets, such as tippers, tugs and shunters,” says finance director Tim McCarthy.

“Say a customer needs a new mezzanine floor, a new office – anything at all that falls under the commercial banner – we'd really be keen to speak to them and arrange the funding.”

The company offers a suite of different finance services, including contract hire, hire purchase, finance lease, operating lease and sale and leaseback, as well as bolt-on maintenance packages. It has also built up extremely strong relationships with a number of banks, to the point where, according to McCarthy, they're more like partners than separate businesses.

“We're funding so much equipment ourselves, through our commercial vehicle business, that we've established excellent working relationships with our banks. We've got a really strong panel of funders on board and I'd describe them more as partnerships now – and that allows us to obtain the best possible rates for our customers.”

As beneficial as being close-knit with the banks is, the firm has gone one step further and drafted in ex-banking staff. “We've invested substantially in

personnel and we have people in the in-house finance team with banking experience themselves – and it's really starting to pay dividends, because we effectively have our own bankers working for the company.

“As a result, we've a clear understanding of how to run things from an asset finance perspective in relation to the paperwork, the administration and how to tailor a deal that works for the customer. It allows us to take so much hassle away from them, free up their time and offer really flexible solutions.”

Its core business of trailer contract hire means the company has decades of first-hand experience operating commercial equipment, so it isn't as though you're dealing with a bank. Yes, Hireco will provide you with the finance, but crucially, employees know what it's like to work in the CV arena and they have a unique understanding of customers' needs, worries and issues. Essentially, they're in the same boat as you – and you don't get that from your average finance provider.

“We're not just coming at it from a bank's perspective,” adds McCarthy. “We actually understand what the customer is going through, because our core business is trucks, trailers and commercial vehicles, so we are really living that business day-to-day.”

“But we also know the funding side of the business. We're able to bring that to the customer so they're not just dealing with a bank; we can take that stress away from them when they come to us and we really understand what they're trying to achieve.”

Park life

The Hireco Truck Park is changing the face of truckstops with modern facilities



HIRECO HAS BEEN on a mission to swell its operations well beyond its staple trailer hire business and, in addition to the myriad of new initiatives mentioned in this publication (which are just the tip of the iceberg) it has also expanded into transport facilities and, by association, is aiming to clean up the image of truckstops.

The company officially opened its new 5-acre truck park in DP World London Gateway in Stanford-le-Hope, Essex, at the end of August 2018. This was primarily to address the chronic shortage of parking in the surrounding areas, which are particularly lacking given the amount of HGVs regularly travelling through Essex and Kent.

Located just off the M25 and A13, London Gateway is obviously a hotspot for the transport industry, and it isn't exactly off the beaten track for trucks that have just arrived from the continent via Dover, either.

The Hireco Truck Park is open 24 hours a day and has 170 spaces available on both an ad-hoc and contract-hire basis. Customers who opt for the latter will have payments processed automatically via an ANPR system, which will bill account holders for the exact amount of time their vehicles remain on the premises, while the former pay on exit. Costs are £2 per hour for the first five hours, while six- to 24-hour periods are charged at a flat rate of £24.

Even better news is that the first hour is free, so drivers on the lookout for a quick stop can enter the park and take their obligatory 45-minute break without incurring any charges. Those staying for

longer have the reassurance of a modern security system throughout the park, while drivers arriving over the weekend can take advantage of discounted rates and leave their vehicles in a secure location while they clock off – and London's West End is only a train ride away.

While creating desperately needed spaces was the priority, Hireco also views the initiative as an opportunity to revamp the image of the average truckstop. The park is kitted out with a multitude of modern amenities, including male, female and disabled toilets, shower and shaving facilities, as well as plans to add AdBlue and tyre pressure top-up facilities and Wi-Fi throughout the premises that can be accessed in cabs. In addition, Hireco's Essex head office is just down the road, which offers truck maintenance and repair as well as MoT and servicing.

A common gripe among the haulage community is the lack of culinary options on the UK's motorway network. It's a cliché, but burger vans and service station sandwiches are, quite simply, the easiest meals to come by. However, the park also has its own restaurant, which is "not your standard greasy spoon" according to truck park manager Paul Jeffery (right). Known as Marlon's Bistro On The Port, it offers a range of healthy meals and snacks and promises to feed up hungry drivers with top-quality tucker, leaving them well-fed and nourished before they embark on their next journey.

Space station: Hireco's 5-acre truck park at London Gateway offers facilities a world away from a greasy spoon

