

No bounds

Zavod Podiomnikov is Russia's first AWP manufacturer, yet has major plans for growth in Russia, then abroad, plus plans for a 60m working height self propelled boom. Company director Timofeenko Sergey speaks to AI about its aspirations.

Russia is somewhat under the radar when it comes to its AWP market. One of the reasons is the market there is still at an emerging stage, with common requirements like specific safety standards, a developed rental model and awareness of the product across such a big country, still to be met.

The situation, however, is changing and the estimated 5000 AWP units active across Russia will increase rapidly in the next few years; that's if Russia's first manufacturer Zavod Podiomnikov has anything to do with it.

Translated directly to English as AWP Factory, Zavod Podiomnikov sees itself as a serious contender, not just in its home country but in Europe too.

Based about 300km from Moscow, the company opened its factory in 2015 but started three years before that in 2012 as an AWP rental business and distributor.

Rental rise

Timofeenko Sergey, a director with Zavod Podiomnikov, explains the company has around 500 units in its fleet, all of which are Haulotte. It also boasts the largest number of big booms in the country, including 41m, 33m and 32m models, says Mr Timofeenko.

Until recently the company had been distributor for Haulotte in Russia until it decided to set up its own production plant, at which point the agreement came to an end.

According to Mr Timofeenko there are three major rental companies active in Russia; Pekkaniska, Fortrent – Cramo and Ramirent's joint venture in Russia, and Forward Up; the latter being the name of Zavod Podiomnikov's rental division. Beyond those three there are many smaller rental companies with 50 units or less in their fleets.

One of the reasons for the move to manufacturing was the expense of importing European products due to the high exchange rate and import duties, says Mr Timofeenko. "We have interesting situation for big AWP rental companies here now. The Federal customs service of Russia has changed the customs code for AWP. In the years before they were not taxed, now tax is 5%, and with this customs code there is a utilisation



Timofeenko Sergey, a director with Zavod Podiomnikov.

payment, which depends on weight of equipment and its age."

Mr Timofeenko believes of the 5000 AWP's active in Russia, most of them are older machines. In general the equipment owned by the top three rental companies was bought new but the remaining machines are generally used units acquired from the three bigger rental companies in the country.

Now Zavod Podiomnikov's is planning on expanding Forward Up's fleet with its own products to become the biggest AWP rental company in the country. Over the next couple of years the company will grow its rental fleet by Around 800 units. "We are planning to extend the fleet to 1500 units during 2017 and 2018."

The first units to be manufactured are 8m, 10m, 12m, 14m and 16m

AC drive slab scissor lifts, which represents the larger part of the AWP market in Russia. The first model was presented at the Russian construction exhibition CTT in June 2016. It was the 14m working height machine.



Zavod Podiomnikov's factory, 300km from Moscow.

Main features are the dual drive AC motors with maintenance free GEL batteries as standard. There is also a state-of-the-art universal charger, plus an integrated diagnostic and adjustment tool, plus integrated GPS monitoring.

"We are at the beginning, so our rental company cannot purchase all units we produce, so we will sell to other companies."

Upward trend

One of those is home interior specialist Leroy Merlin, which has 100 stores in the country. The company also works with the government to supply equipment for nuclear energy, train carriage and aeroplane producers, for example.

"If we look at the trend in Russia we can see that two years ago there were about 1500 AWP's imported. Last year it was around 700 for the whole year, for rental companies and end users, but now I think it will grow because end users know how to use this equipment and they want to use it," says Mr Timofeenko.

He believes the market will grow to 1500 units acquired in 2017 and will grow by the same amount in the foreseeable future.

"We produce good quality, cheap products and we are looking for new customers, if we look at the import statistics the main purchases are of electric scissors, representing more than half."

The general problem is the service provision in Russia. "We can provide service across Russia, in Siberail too and other far away regions."

This will be achieved through a network based at the depots of construction and vehicle provider Rusbusinessauto, which will provide a distributor arrangement. Rusbusinessauto has 27 offices in cities across the Russian Federation and has a wide delivery network. This means Zavod Podiomnikov's can supply parts for its new products to any part of Russia within 24 hours.

All those new products are CE marked, although the products will not be sold across Europe yet. The company currently has high overheads, which means it has to sell its first products at a higher cost than would be acceptable in European markets. However,



Zavod Podiomnikov's 14m electric scissor.

import duties in Russia, among other costs, means that AWP's cost more than 30% to 40% in the country. Therefore, Mr Timofeenko explains that while it will be selling its models at a higher price than seen in the likes of France and the UK, the cost will still be lower than the usual premium price of imports.

"We have purchased factories and new machines, so once we have reduced our cost of production this will change." Nevertheless, the company is hoping to be present at Bauma Munich in 2019 by which time it hopes it will be competitive in Europe.

In production

The company has also started production of push around products which it showed at the CTT exhibition in Moscow, which took place at the beginning of June, along with a new narrow 0.8m wide electric scissor lift.

In addition, the company will present 12m and 15m working height rough terrain scissors at Cemat in Russia in September. "For this year I think this is enough," says Mr Timofeenko, speaking about new products.

The future shows no bounds, however, as the company has plans for big booms to rival the 180ft and 185ft (56.4m) working heights currently offered by JLG and Genie, using composite material. "We will try and sell this technology to other AWP manufacturers, plus we are purchasing our own manufacturing facility just for booms, and when this happened we will be able to produce them too."

The company has bought a factory belonging to a truck mount manufacturer that is no longer in production. "With this manufacturing facilities we have over 60000 square metres of manufacturing space in addition to the 20000 square meters we have already, where we're going to move towards composite, widely and extensively."

Mr Timofeenko says demand for such equipment is strong and the market is ready for 60m working height booms, to work alongside truck mounted cranes.

"We will produce big self propelled articulated booms and telescopic booms. We have got demand for big booms in Russia – we have about 20 in our fleet and they are always in work in general construction and large factory construction, for example."

There is another reason why these lightweight booms will be popular. With aerial lifts with a working height above 40m having to be transported on special vehicles and have special permits, this makes them



uncompetitive compared to aerial platforms mounted on trucks. "If you only want to use the big boom for two or three days, this is not cost effective for the customer."

"Our 'over-height' machines won't exceed maximum permitted weights and dimensions for transportation on any public roads."

The composite material will be up to 2.5 times lighter than modern steal. "This new material first of all will be used in the booms. The rest of the machine is going be legacy steel - with a working height of 60m machine requires a heavy supportive base to operate safely."

He adds, "Modern metalworking technologies have already selected all the possible options, exhausted all ways of effective working, so to find a new technology with a new solution is the way to succeed. Those who are first will conquer the market."

Once designed, the new technology will be patented. All the manufacturer can say for now is that it is using aircraft and aerospace technology. "At this point we would rather keep working, not talking... we are very serious. I dream about it and if we manage to achieve it we will show it at the next bauma [Munich]."

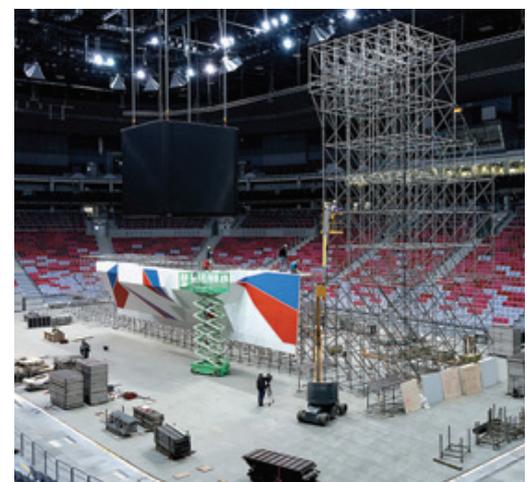
Regulation work

Apart from spreading the word about AWP's in Russia, the challenge is also to convince the authorities to introduce standards specifically for AWP's.

"In the UK there are working at height regulations, for example. In Russia, there is no such regulation and that's people use unsafe equipment to work at height," says Mr Timofeenko.

"If our government passes legislation we will see a major increase in aerial work platforms. We are now working with the government to lobby it to produce standards. We want to get help from the government to make a better competitive environment for our sector."

"There is still a lot of work to do because the government is very slow to pick this up. It may be five years - but we will still be here." **AI**



A scissor manufactured by Zavod Podiomnikov carrying out stadium work.