



SPREADING THEIR WINGS

The construction material-lifting arena is witnessing the rise of new technologies to meet evolving requirements like a safe working environment, optimal cost management and negotiating compact workspaces.

BY MITALEE KURDEKAR



While the global crane market is growing steadily, the Asia Pacific market within that is growing much faster in comparison. The drivers are different, in a way. Globally, the market is driven by the ever-increasing oil and drilling industry. Given the race to control ever important oil exploration and drilling activities, both in the developed world as well as key developing economies, the demand for industrial cranes of various types has always been very healthy. This is supported by an expanding construction industry in every geography of the world. Industry trends suggest that, globally, the



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crane market is of the size of \$ 17-18 billion with more than 25,000 units of different crane types sold, but the growth numbers are a low single digit.

In contrast, developing economies such as China and India are presently the largest markets for cranes, providing a push for the Asia Pacific markets at least until the early 2020s. Thereafter, the markets in Latin America and Africa would also join this growth story for crane products. From 2017 onwards, China's growth story has been steered by the OBOR (One Belt, One Road) initiative, whereby many road and infrastructure projects are being envisaged and implemented by Chinese construction companies. On the other hand, the story in India too is developing well, with the Government's focus on infrastructure development in terms of roads, railways, ports, power and communication etc., along with the implementing of projects within manufacturing, defence, aerospace and other key industries. Rising activities in the aforementioned industries means that cranes have wider applications in supporting those activities.

Commenting on the changes that are noticeable in the Indian market, **Pradeep Sharma, president, Action Construction Equipment (ACE)**, opines, 'The Indian market for crawler & telescopic cranes has traditionally been of pre-owned outdated European cranes. In the last few years, China has started offering cheaper alternatives to the European pre-owned cranes and, over time, some Indian companies like ACE felt the need to manufacture these cranes. That is how ACE started manufacturing and deploying entry-level crawler & truck cranes.'

Along with China, the Japanese too have started entering the Indian market with cost-effective quality crane applications. **Yutaka Goto, MD & CEO, Kobelco Construction Equipment India**, explains the need for newer cranes. He suggests,

"With the shortening of the construction period and required savings in construction cost, reliability of the machine offers a direct benefit not only for rental companies, but also for end users and contractors. Kobelco is being chosen because of its perfectly inherited Japanese-standard quality and the advantage it offers by having a production base in India; along with its detailed direct service including optimal locations and skilled service staff."

CURRENT LANDSCAPE

In comparison to the global market or even the China market, the Indian marketplace is quite small in size. However, the potential of this market for the next 10-15 years is positively strong. The players participating in this area are also euphoric about these positive trends and are sensing strong demand drivers currently in operation. **Tushar Mehendale, MD, ElectroMech**, explains, "The entire Indian industry is seeing a turnaround from the malaise that affected it post 2011. In 2017, we saw this turnaround happening in terms of people starting



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up new projects and investments happening across the board. The momentum continues in the current year as well. Naturally this bodes well for the capital goods industry and for the materials handling industry in particular."

He adds, "For industrial cranes, the market was shrinking year on year for the past 5-6 years, and now at least we are seeing a reversal of this trend on account of this. We are seeing demand arising across almost all the sectors of the industry. Be it infrastructure construction, steel, automobile, heavy engineering, etc., the investments have started happening again in India."

Stressing on the renewed demand for new cranes, Sharma points out, "The 25T-40T telescopic cranes are now in demand primarily due to the requirement for new cranes. In steel yards, oil & gas and metro rail, the Government has made it mandatory to use cranes which are less than seven years old. These three industries have alone given a market of over 100 cranes per year in the past. Similarly, 25T/40T crawler cranes are





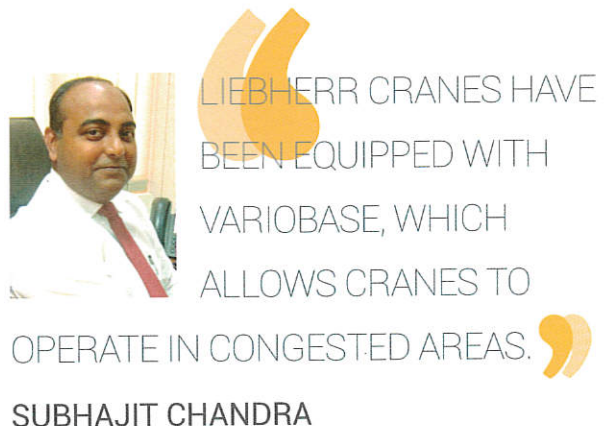
▲ Liebherr's own software LICCON work planner gives the customer an edge, helping them to plan their lifts.

now used in piling applications. In metro rail and various road and bridge projects, ACE 75T crawler cranes, which are fully hydraulic contemporary machines, have totally replaced pre-owned mechanical and pneumatic cranes."

Many heavy construction projects such as flyovers & bridges, power projects, metro projects and industrial projects have raised the demand for heavy-duty mobile cranes in the recent past. **Subhajit Chandra, divisional head – mobile crane division, Liebherr India**, states, "The demand for mobile cranes is expected to grow, especially in the case of higher tonnage cranes used in several application segments. We can see a lot of new players entering the market as many customers have started asking for newer cranes with longer service lives and lower energy consumption, as opposed to 7- to 10-year-old vintage cranes acquired by way of auctions and imports."

CUSTOMER AWAKENING

In a market that was extremely price-sensitive, and hence content with pre-owned and imported but used cranes, the customer's preference for newly introduced crane products that are versatile in terms of their features has grown significantly. This observation is reiterated by many prime vendors as well as their customers. Mehendale confesses, "One change that we are definitely seeing in the customer behaviour is putting an emphasis on premium products that are more reliable and have high levels of productivity. Buyers are willing to pay 'extra' for such products, upfront, as they are confident that such products are going to help them finish off their projects well within timelines at high levels of throughput. The days of 'jugad' are slowly but surely getting numbered as technology



SUBHAJIT CHANDRA

and productivity are being put at the forefront."

Chandra agrees with this view and supplies, "This is quite encouraging for crane manufacturers, because apart from the obvious safety issues that these old cranes present, they are also one of the major hurdles to the introduction of new models. Yet, the Indian crane industry is positive about quality products."

When it comes to value-added features, Chandra proclaims, "Liebherr cranes have been equipped with VarioBase, which allows cranes to operate in congested areas by partially extending outriggers and utilising crane capacity in each direction as per the extension of each outrigger. Also, in few cranes, we have VarioBallast, wherein the increase of ballast radius is possible to use the full capacity of the crane and also to reduce tail radius in restricted sites."

Placing an emphasis on changing requirements, **Subhash Sethi, chairman, SPML Infra**, informs, "SPML Infra is executing large and complex projects and we use high-load capacity, reliable and efficient cranes. Our vendors are reputed and well established and provide us with cranes of higher lifting capacity with long working radius and pick-and-carry capabilities. These cranes are compact, easy to transport and assemble, with strong local service support. Any special feature depends upon the specific requirement of that particular project. For example, our pipeline project under Saurashtra Narmada Avtran Irrigation Yojana (SAUNI) in Gujarat requires very heavy load cranes to lift each of the 12m pipes, which have a weight of 15.6 metric tonnes, in order to place the pipe in the designated place with precision and safety."

In addition, Sethi is of the opinion that Indian vendors are ahead in the game and make available all the latest features in their crane products. He claims, "India is moving along with the world for the kind of development required in offering both traditional and sophisticated technology in cranes and other



▲ ElectroMech's crane in use at the Mandovi Zuari project.

high-end construction machineries. We have almost all the modern construction machineries available in India; these are parallel to developed countries depending upon the utilisation and magnitude of the business and project."

This brings up the question of safety. Mehendale stresses, "Safety is non-negotiable! The value of human life cannot ever be underestimated. All our cranes are equipped with several inbuilt systems that enhance workplace safety, whether the client demands it specifically or not."

DELIVERING VALUE

Of course, putting the customer first has become second nature. The most important activity when one sells premium products is to maintain an excellent dialogue with customers. Major vendors, who are successful with their premium segment, support this outlook. Sharma says, "Indian markets have recently realised that by paying a little extra for advanced & contemporary features in cranes, they are not only increasing the availability of their equipment, but also ensuring that its handling and operations become reliable, fast and safe."

Mehendale suggests, "We have what we call a 'solutions approach' when we deal with our customers. This allows us to understand the client's material handling problem in detail and present to the client a solution that solves the client's problem, holistically. By following a consultative selling approach, we have been able to help reduce our client's total project outlay and helped them gain a tremendous increase in productivity levels, along with a competitive edge."

Chandra points out that, "We interact with our customer on a daily basis, and even help them with schematic solutions from time to time, depending on their different applications, even years after selling the machines. Liebherr's own software LIC-CON work planner gives the customer an edge, helping them to plan their lifts."

Goto of Kobelco says, "We think that it is our mission to re-



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alise and grasp, in a timely manner, what is happening on the spot and what customers need. The latest cranes are commonly designed based on some modern safety standards such as EN13000 and general safety devices are equipped as standard. Among them, a telematics system is one of features attracting customers' interest, nowadays. KCROSS (Kobelco Crane Remote Observation Satellite System) is a proprietary system that allows remote monitoring of the unit from the owner's desktop. The system was designed to be as user friendly as possible, providing daily, weekly, and monthly reports that the owner can print."

With regard to safety features, Chandra explains, "One of the major risks which is often overlooked by many users is the condition of the ground/ sub-soil on which the cranes are positioned. Another major area of concern is wind velocity. Customers are now concerned about safety features and they are gradually accepting the fact that, along with time, safety is also indirectly a key factor in saving money."

On the whole, it is quite evident that the Indian crane industry is well poised to take its flight to glory. **EW**