

DEMAG EXPANDS AFRICAN FOOTPRINT

with quality equipment and services

Terex Material Handling product manager Richard Roughley states that the potential for growth across Africa is excellent for companies willing to provide superior products and back-up service. "It's the last frontier as far as development is concerned and global firms are realising this.

"There's a lot of growth on the continent and a definite need for premium products backed up by local support. Where low-quality products are used in these harsh environments, there's a lot of productivity loss due to downtime and issues with repairs."

Roughley says Demag's push into Africa starts with basic training for local personnel on all products, as well as access to technicians who can fly out to sites and keep downtime to a minimum. "We are also currently sourcing partners in African countries that can provide direct support to those customers."

He adds that Demag has established partnerships in Zimbabwe and Namibia, and is currently in negotiations in Zambia and Kenya too. "As part of the Terex Group, there are a number of Terex agents and distributors in various African countries who can potentially overlap with Demag technicians to provide immediate support to customers."

Roughley says that it's vital that Demag trains new partners in every aspect of its equipment and operations, in order for them to deliver the same quality of service Demag does. "There is also potential for partnerships in manufacturing, which gives customers the advantage of rapid transport times."

As with breaking into any new regions, Roughley appreciates possible challenges posed by broadening Demag's scope in Africa. "People discuss issues like corruption but, as an ethically responsible company, Demag isn't willing to entertain the notion and is guided by strict corporate rules and responsibilities. We get the business because of the products and services we provide, or we walk away."

Another challenge is third-party recommendations to a potential Demag customer, he says. "Often there are dealers who act as 'middle-men', where we would prefer to deal directly with customers to ensure that



we understand the very specific technical requirements each customer has."

With many foreign companies working on projects in Africa, Roughley has dealt with both African and overseas clients. "We've found ourselves with orders from Australian or Canadian companies that have operations in Zambia. Importantly for us, these companies are realising the value of quality equipment, as well as compliance with safety laws."

Limited resources and great distances on the continent mean safety issues are even more important to Demag. Roughley continues: "We need to work to our own strict safety standards, regardless of what may be acceptable to other companies. We can't compromise on safety for our people. Safety is priority number one for us. Safety comes before profit."

Current equipment in the market is often dangerous, Roughley asserts, such as cranes that have long passed their lifecycles and pose a safety risk. "Some cranes have been standing for 30 years and the company decides that they want them back in use and asks us what we can do."

According to Roughley, the challenge here is not knowing the full history of the crane and understanding exactly what it's been doing. "This makes it hard to tell whether it

can be fixed properly or not. Demag makes a decision as to whether or not to assist, as we will not be a part of a dangerous piece of equipment being used on a job site."

In some instances, fixing up equipment means finding spares that could be many years old, Roughley notes. "We're quite fortunate in that we have these components that are fairly flexible. Typically, we cut out the old components and replace them with an interface, then put our components in. We often have to get a bit creative to solve the problem."

Demag is currently working on customised equipment for large projects, which require good quality products to meet both safety regulations and deadlines. Roughley indicates that local companies still buy lower-end products, but many are seeing the pitfalls and are looking for higher-spec components.

"Once they realise the extent of our experience in South Africa and other parts of the continent, they know that we understand both the market and the conditions of the terrain. As we expand into new regions and more companies become familiar with Demag's safety, quality and ethics as part of the value we add, we believe we will see more projects using our equipment and technical services." 🌐