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# Successful specialist

Andrews Sykes' new flagship depot in Birmingham shows the scale of the company's operations as it plans for further growth. Alan Guthrie attended the official opening.

For an organisation that achieved an annual turnover for the year ending December 2007 of just under £58m, the Andrews Sykes group keeps a surprisingly low profile. As Managing Director Paul Wood says, "We do not go out of our way to grab headlines. We build our reputation on what we do, not what we say we will do." Its main

failures, and we can respond immediately.

## Increased boiler range

"The fleet reflects current trends and market requirements. Health & Safety considerations have led to increased demand for indirect fired heaters and fully bundled fuel supplies. Similarly, modern buildings tend to be better insulated with reduced heating needs. We have compensated by increasing our boiler range for larger-scale requirements, which helps make the business less seasonally dependent."

The Birmingham depot includes individual service and testing bays for particular product categories, and the facilities are kept scrupulously clean and tidy. Special racking and materials handling systems have been introduced to facilitate high-level equipment storage. In order to test and service larger specialist fleet items, the premises have had a substantial 3in diameter gas main installed, plus a 600A electrical supply.

The flagship facility exemplifies the new procedures and practices that the Andrews Sykes management team has implemented since Paul Wood's appointment, initially as Director of Operations in March 2006, becoming Group Managing Director the following December. He has a thorough understanding of the business, having originally joined the Sykes Pumps operation as a workshop technician 30 years ago. "We have started a programme of examining each of our UK depots, beginning in the south west of England," he says. "As well as ensuring that standards and systems are maintained, we will look at each site to see if it is optimally located. For example, we are



Paul Wood with former Aston Villa footballer Andy Townsend, who officially opened the new depot.

trading subsidiary, Andrews Sykes Hire, specialises in supplying air conditioners, heaters, pumps, chillers and boilers, both in the UK and certain overseas markets (Andrews Air Conditioning and Refrigeration undertakes fixed installations). Last year saw it return its second best ever operating profit, despite a much cooler summer than in 2006, which was a record for the business.

However, the group recently took the opportunity to raise its profile with the official opening of its new flagship depot in Birmingham. Occupying a former Christian Salvesen distribution facility on the Gravelly Industrial Estate, close to junction 6 of the M6, it incorporates 36,000ft<sup>2</sup> of warehousing, offices and servicing facilities, with 50,000ft<sup>2</sup> of yard space. Open 24 hours/day, seven days/week, it effectively replaces three previous locations in Birmingham, Coventry and Wolverhampton.

"The increased storage area enables us to accommodate more than 2,000 portable air conditioners, an extensive fleet of heaters, 2-12in pumps, chillers ranging from 30-750kW and boilers from 100-500kW," says Dennis Gwynne, Director of Technical Services. "We keep extensive stocks to meet urgent requests from customers with emergencies, such as hotels or hospitals with hot water system



The Andrews Boilers business has grown rapidly.



Sykes Pumps has introduced 4in super-silent models made to its own specification.

opening a new branch in Plymouth to service significant new business won in the area, and we will decide how it should best operate in tandem with our existing facility in Bovey Tracey, also in Devon. We constantly re-assess how we operate to ensure we maintain the highest standards of service.

### Environmentally friendly products

“We want to build on our specialisms. Equipment such as pumps are typically associated with ‘dirty’ industries like mining, quarrying and construction, but the cleanliness of our facilities and of our equipment shows our high service standards. We are also investing in quieter, more environmentally friendly products, and trying to make our business less seasonally dependent.”

Andrews Sykes Hire has 30 depots in the UK, and it is estimated that 95% of the population are within a 90-minute drive of their nearest one. The organisation also has three outlets in Holland, one in Belgium, two in the United Arab Emirates, and a subsidiary business, Rentacool, in Miami. “We have positioned ourselves as a solutions provider, not just an equipment hirer,” says Paul Wood. “We work with customers to choose the right equipment, deliver it, commission it and collect it at the end of the contract.

“Our Sykes Pumps business has grown at a rate of approximately 50% annually in recent years, helped by winning new water authorities business and, particularly last year, extreme weather conditions. Andrews Chillers has enjoyed 25% annual growth over the last three years. Andrews Heat for Hire operates in a mature market, but it obviously still offers opportunities, and our Andrews Boilers operation is growing very rapidly.

### “Many strong opportunities”

“We are diversifying within the markets we already serve. Obviously the building industry has been a major source of business in recent years, but we are developing other niche markets within construction, such as supplying equipment to underfloor heating installers, and other segments such as telecommunications, utilities, IT installations and refineries. We see many strong opportunities and

new routes to market, and there is a real passion throughout the group,” says Paul Wood.

Much of the air conditioning equipment hire business is still driven by hot weather. However, National Accounts Sales Manager, Nick Campey, says the company is working with facilities management operations to pro-actively consider ‘what if’ scenarios and to plan for eventualities like air conditioning failure in computer server rooms. “Working with our hire specialists, they can identify the potential requirements in the event of issues with overheating, so that the correct units can be deployed quickly if they should ever be needed,” he says.

The company recently invested in a fleet of new 26-tonne delivery lorries with HIAB lifting capability to meet increasing demand. They satisfy the government’s latest CO2 emission targets and comply with London’s emissions zone criteria. Furthermore, in August 2007 the group attained accreditation to the ISO14001 environmental standard, enhancing its green credentials amongst clients for whom this is a key consideration. “Environmental awareness is part of our business culture,” says Paul Wood. “It also influences our fleet requirements: we recently introduced 4in super-silent pumps, made to our specification, which are fully banded to prevent fluid loss and are ideal for noise sensitive locations and near water sources.

“We continue to appoint new personnel, and we currently employ approximately 400 staff in the UK. We have particularly recruited more service engineers, as this aspect is so crucial to our operation. They make fortnightly courtesy visits to check on pump installations, for example. This preventative maintenance reduces the risk of breakdown and is greatly appreciated by our customers. We also have more field staff based remotely and working from home. This reduces our cost base, but more importantly it improves our response to customers. We are constantly striving to do things better and to offer even higher service levels.” ●

 [www.andrews-sykes.com](http://www.andrews-sykes.com)



The company has recently invested in more vehicles for its delivery fleet.