

FORKLIFT MARKETS QUO VADIS?

Buyers should consider defensive truck acquisitions



Global forklift sales notched up tolerably good figures in 2014, posting unit sales just over one million, arguably for the first time, though industry analyst Research and Marketing claims the million barrier was passed in 2013. In any event there has been a steady rise since 2012 and the projections through to 2017 see more of the same to 1,233,000 trucks. China is cited as the main growth engine for these figures but in the light of China's slowing economy, now the world's number 2, and unsustainable debt, despite its huge foreign exchange reserves, are these growth figures looking as tenable as they were and if not what should truck buyers do to steady the boat in potentially choppy waters?

A round-up of country or regional predictions currently shows all predictions pointing north, though there are considerable variations in projected growth figures. The American-based Industrial Truck Association members mostly see a 2-4% overall market growth this year. In Britain, BITA President, David Rowell, predicted truck sales of 30,000 this year, but that is still below the 32,000 figure for 2007, a year before the credit crunch hit.

China is now important both as an importer and exporter of forklifts. One of its leading truck makers, Lonking, notched up substantial export growth in 2014 and expects more of the same this year, particularly to Europe and the USA, noting increased demand for battery-powered forklifts as noise and

pollution reduction become more important. This chimes with Doosan Industrial Vehicle's remarks that according to BITA's forklift industry sales statistics 37% of counterbalance trucks sold in the UK last year were electric, a trend that is increasing owing to an increased focus on emissions from companies buying forklifts. Interestingly, however, when launching a new range of electric trucks in Britain, Tim Waples, CEO of Doosan Industrial Vehicle UK, points to another pull for electric - their now equal performance with diesel, with all weather reliable capability and lower running costs than diesel.

On the Chinese truck import side, niche market players like Britain's Flexi Narrow Aisle, specialists in

articulated trucks, predicts an increased volume of warehouse trucks and electric cb machines taking over from IC engine units, with China leading the way.

Richard Rich, wholesale manager at H&K Equipment, sees market growth this year after a stable 2014 but not as substantial as in prior years. He also sees the used equipment market still offering growth potential owing to the price rises in new trucks. "On the other side of that, I think there will be a slight decline in new equipment sales from some manufacturers, but I don't think it will be that dramatic."

There is another reason why the used equipment market, and a shift to more short-term hire looks bullish and that is the uncertain outlook for the global economy.

China's slowdown is causing havoc among some of the BRIC nations like Brazil owing to plunging commodity prices, which is having knock-on effects on the dry bulk and oil tanker shipping lines struggling with the lowest cargo rates in many years. With the outlook worsening we can look forward to many more shipping line busts and the banks badly exposed to their dud shipping loans. As if all that were not worrying enough, political uncertainty is also muddying the waters. To minimise their exposure, therefore, potential forklift buyers should consider renting, preferably short-term, rather than buying new until the global economy auguries look more auspicious.

Forklifts at unbeatable prices at 'The Big Event - Bristol'

On October 14th and 15th intralogistics solutions specialist, Jungheinrich UK Ltd, will open the doors of its depot and showroom facility in Bristol for 'The Big Event' - a two day product showcase where a range of state-of-the-art new

acquired at discounted prices and on zero per cent finance packages.

German-engineered electric, gas- and diesel-powered counterbalance trucks, reach trucks, pallet trucks and pallet stackers will all be on show and available to buy at unbeatable

Craig Johnson, marketing manager of Jungheinrich (UK) Ltd, comments: "With the kind of deals we're offering and the zero per cent finance packages available at 'The Big Event' there's never been a better place to pick up premium brand materials

award winning logistics solutions technology will be on offer at 'The Big Event' and our expert staff will be on hand to discuss visitors' materials handling needs - from the largest automated systems to pallet trucks."

"We're looking forward to

