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A MESSAGE FROM THE PRESIDENT-MAY 2011

Question: *Are our prices too low?*

Answer from the customer: *No...I can get another pump cheaper than you!*

Answer pumper to pumper: *Are you kidding our rates are crap!*

The delicate topic of concrete pumping charge out rates.

We all blame the competitor or certain groups...but we are the competitor...so why is it so hard for concrete pumping companies to get the true rate which reflects a sound profitable business. Profit... why is profit a dirty word...profit is the money in which the owner/owners are paid after all expenses are met, the money they deserve for all the hard work and liability they have to endure. So why do we continually give this up to keep our fleet working? From the companies with dozens of machines to the owner operators the effects are the same.

Diesel, wages, interest rates, waiting for payments, break downs and down time due to inclement weather or maintenance, these costs continue to head upwards yet the rate does not follow. The larger companies do have more overheads you say, but the owner operator goes home and does all the paperwork, chases all monies and works on the machine on weekends. So all things being equal both forms have their own claims for better money.

I would like to give this small point in which to show that a small increase in the cubic metre rate would benefit our businesses.

Let say the average boom pump 32 metre in size pumps a yearly average of 20,000 cubic metres a year. A small increase of just 50 cents per m³ equals \$10,000 per year.

The same for small line pumps which averages 12,000 cubic metres a year a small increase of 50 cents per m³ equals \$6000 per year.

If you have a fleet of 12 booms using the above average adds \$120,000 to your bottom line.

If you have a fleet of 4 line pumps again using the above average this adds \$24,000 to your bottom line.

Would this rise be of use to you and your business? It would be to mine!

So whether you are the small owner operator or a large fleet company this small rise of the cubic metre rate has the same end result.

I would like the members to digest this issue and give a thought to my next issue, Fuel surcharge...I will leave that for the moment.

Please consider the impact of the cubic metre rise of just 50 cents per m³ would do for your business.

Safe pumping.

Mario Battistini

President

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