

The New Zealand LIFT FAX

The New Zealand Lift Fax is produced bi-monthly for the NZ lift industry. Just send your email address to LEC to subscribe.

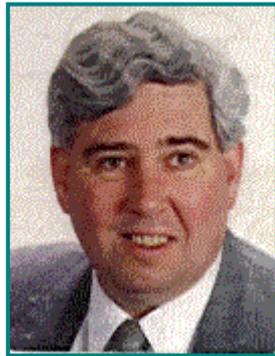
www.lifteye.co.nz

email - nzlfax@lifteye.co.nz

10C Grange Street
CHRISTCHURCH
NEW ZEALAND 8002

Ph: +64 3 332 2499

Fax: +64 3 332 0016



WHAT'S GOING UP or DOWN THIS MONTH

MORE MOVES & NEWS:

Jonathan Lewis arrived from Otis in the UK over Xmas to take up the position as New Equipment Sales Consultant for Otis Christchurch branch. Jonathan had previously worked in Otis Sales for 5 years and as a Project Planner for the Construction industry. Jonathan's wife Lindsey and 10 month old daughter Amelie accompanied him to begin their NZ experience and so we welcome them and wish them well.

Darrin Blackhurst who has been working with Steve Cox in the Queenstown area maintaining and installing lifts as **Total Tech** over the past years has established himself into KONE in Wellington under Russell Appleton. Darrin is well known as a sound technician and will help fill the void left with Gavin Pollards departure last year.

Robert Hallsmith settled in NZ also from the UK back in 1989. He began in field installation and remained at Otis Wellington for 10 years before taking a break at Honeywell and Colliers Jardine, but the transfusion had worked, and in 2004 he returned to the lift industry and now enjoys looking after contracts in Wellington for Schindler.

EDITORIAL.

Schindler NZ Ltd DUNEDIN Closes Office:

Is this the beginning of an end for Provincial NZ?

Schindler closed the door on their Dunedin office at the end of 2005, not a slam shut mind you, just the first move in this lift industry to subcontract existing proprietary maintenance in NZ to try and retain corporate returns.

As we have seen installation services have had a big bite taken out of them in the smaller areas to subcontracting by all of the significant NZ lift suppliers, but this is the first established maintenance office closure. Schindler may have been pressured a bit with their Dunedin manager preferring a change, which has ended up in a sub-contract agreement at present to continue to provide maintenance and call services for the area.

I understand Otis or Kone do not have any immediate plans to close their Dunedin offices, but the question is, if the restructure works for Schindler, will the seed be sown?

Schindler seems to have sufficient installation work on at present and has been busy in the area. So is it the effect of loss of contracts through a market keen for competition in bulk contract maintenance, and the losers are feeling the effect, or is it Corporate restructuring to more 'efficiently' retain suitable returns on investment in a global market.

Whatever the cause, with the institutions pressuring cheaper maintenance prices, the short term result may be in lesser contract costs for the institution, but with global service providers also being bottom line managed, more efficient service or reduced overhead cost is the only result. Without a change in corporate philosophies, I only see service reflective of price, not quality or maybe even safety. As we have seen in so many other service based companies, capital withdrawal takes time to see an effect over the long term! Ed

Richard Buckmaster who has steered Schindler Dunedin through many a storm over the past five years has decided to focus on some broader challenges and has set up as **Southern Elevator Service Ltd**. From weapon systems for the Australian Navy, Richard spent 15 or so years in Sydney with 9 years at Schindler and 3 years at Thyssen before crossing the ditch to good old Dunedin. Richard brings a sound experience and enthusiasm to his new company beginning with a full book of sub-contracts to complete.

NEW SUB-CONTRACTORS:

Derek Scott – a well experience fitter has just moved along from Otis to join the old master Jim Toesland – Elevator Installation Services Ltd in Wellington to expand his sub-contracting services.

John Faint I understand is concerned I haven't noted his presence in Wellington, but I'll use this to remind all, all it requires is an email and a few details.

John is known as **Mechanical Contractors** ex-Schindler Wellington and is able to provide lift installation services

Richard Buckmaster – **Southern Elevators Services Ltd**.
Mobile: 021 322 241 email: rich@southernelevator.co.nz

BE THERE IN 2006:**CHINA WORLD ELEVATOR,
ESCALATOR EXPO 2006:**

The China Elevator Association is to sponsor this Expo at the Langfang International Exhibition Centre in Langfang China from **18th – 21st April 2006.**

Contact:

CEA's Zhang Lexiang. info@cea-net.org Ph: +86 316 2012957

**NAVTP in Seattle 2006 Forum:**

The **National Association of Vertical Transportation Professionals** annual Business meeting and Technical Presentations forum is to be held in picturesque Seattle on **4th – 7th May 2006.**

Contact:

see Curtis Forney curtisnavtp@fusenet.com Ph: +1 513 533 3500

ELEVCON HELSINKI 2006:

The International Association of Elevator Engineers (IAEE) is to hold its annual conference in Helsinki Finland this year from **19th – 22nd June 2006.** The IAEE is celebrating 20 years of activity in promoting the communication of knowledge within our global community and once again brings together a full presentation of discussion papers and associated product exhibition for attendees.

see: www.elevcon.com

for full details on:-

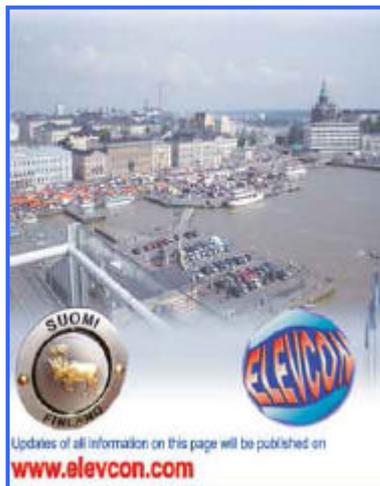
- ? the list of speakers.
- ? Accommodation.
- ? stand reservations.
- ? program.

Contacts:

Admin: iaee@elevcon.com

Stands: katrin.pust@elevcon.com

Reg: katrin.pust@elevcon.com



LIFT 2006 originally posted for March 15th – 18 in Milan has been changed to **8th-11th November 2006** at the Milano Exhibition Centre.

I understand this delay is due to the newly decreed requirement for all Italian lift installations to meet EN81-80 safety standard, and the manufacturers requiring time to implement the change.

Contact:

see **Paolo Mastromo** pmastromo@fmi.it Ph: +39 02 48550-407

THE INSTALLATION SUB-CONTRACTOR:

Would I be right in thinking the first persons to independently sub-contract installation of lifts in the 90's to any of the big three in NZ, would be the likes of Steve Gilbert of Leam Lifts in Auckland, or Jim Toseland in Wellington? Maybe it's something you can clear up for me.

As you have seen reported over the past issues, there is an increase in numbers of late of past lift installers previously employed by the three main lift contractors in NZ; Otis, Schindler and KONE, that are taking up the offer to sub-contract their skills to their past employers and competitors.

Some are even working as sub-contractors to sub-contractors where the increasing demand requires higher numbers, but the question must be asked, in whose interest are these changes being best served?

In the South, and it's probably reflective elsewhere in the country, most of the corporations have gone through an era of non replacement of employees through natural attrition, or not expanding service numbers to meet increasing portfolios sizes over the past decade. When we look at individual companies, some of late have lost senior employees to competition companies, seemingly through the frustration of working within a changing work environment, but they have usually replaced these, and resorted to sub-contracting only in installation.

Others now seem set on a policy of non-replacement, possibly growing from difficulties in sourcing skilled staff, where they mainly sub-contract installation skills to service fluctuations in demand. Interesting this year, the first sub-contracting of maintenance services has resulted with closure of Schindler's branch office in Dunedin. Kone as the newest corporate player on the block, still has lower numbers of employees in the South, and so although still building, has still used sub-contractors mainly to flatten peak demands.

It seems the older higher experienced past employees in most cases are being encouraged to leave the security of a company to take on the many challenges of self employment, but with presumably little administration exposure to run a business, nor guarantee of work. I cannot recall I've ever heard of corporate redundancy assistance in setting up individuals before leaving a company in the NZ lift industry, especially with field staff, just a farewell drink with colleagues, and even sometimes, "there today gone tomorrow" being the norm. From my own experience in small business, the first few years can draw heavily on reserves while setting up and any superannuation is the first to go.

So are we effectively relying on an ageing workforce's retirement funds, and using the tattslo-to-carrot model of encouragement in the twilight of an employees working life to retain their skills and squeeze the last bit of profit for the overseas corporation. Food for thought. Ed.

XMAS CALENDER WINNER FOR 2006.

The independent judge brought all the way from Amberley has considered all entries and made her final decision as to which lift calendar adorns her wall for 2006.

KONE has been strong for the last few years but at last the global economy has had a look-in and the magnificent **SCHINDLER** Mountain panoramas takes pride of place.



KONE NEWSFLASH 01/2006:

Changes are underway I understand in Wellington to improve overall service delivery and customer communication.

The team at KONE have carried out some organisational changes with responsibilities as follows:-

Russell Appleton - Service and New Installation.
021 395 416

Haidee Hemsley - Service Contracts and Customer Communications. 021 512 619

Marc Geerlings - Upgrades and Modernisation.
021 512 620

Phillippa Ashton (Pip) – Branch Administrator.
Office: 04 381 4330 Fault Calls: 04 385 1812



(l-r) Russel Appleton – Branch Manager
Haidee Hemsley
Marc Geerlings

Pip, do you think you could encourage Rus to smile next time . . .

PS. If other branches would like to send a photo of their teams throughout NZ, LEC would gratefully publish them.

WORLD NEWS FROM ELENET®

DUBAI PLANS FOR SEVEN MONORAIL SYSTEMS:

Dubai is likely to get at least seven monorails in addition to the Dubai Light Rail project with the development of new master-planned neighbourhoods, according to regional developers. The privately funded and developed monorails will primarily cater to these neighborhoods and operate as feeder services to the Dubai Light Rail system, which will be completed in two phases by 2012. Three such feeder systems will be located on The Palm Jumeirah, a second in Dubai International Financial Centre and the third in the City of Arabia at Dubailand. The other four are likely to be built in Dubai Waterfront, the Burj Dubai complex, The Palm Deira and Dubai Festival City. Nakheel is working on a multi-mode transport mechanism for approximately one million residents at Dubai Waterfront, and a number of traffic solutions are being studied.

Reported by M.J. Mohamed Iqbal, EW Correspondent.

KONE ACQUIRES SHARE OF FUJI LIFT & ESCALATOR:

KONE Corp. has acquired an 80% shareholding in Fuji Lift & Escalator. The remaining 20% will be held by Fuji's current management. The agreement includes an option for KONE to increase its shareholding to 100% at a later date. Execution of the joint-venture agreement will follow approval by the appropriate authorities. Fuji Lift & Escalator annually delivers almost 500 units to customers in Malaysia and overseas, and maintains approximately 1,400 elevators and escalators in Malaysia.

KONE CHOOSES AT&T:

As part of its ongoing information-technology (IT) project, KONE has selected AT&T to provide a global network. The consolidated network is designed to provide for voice and data transmission, and can prioritize different types of data. The AT&T Internet Protocol Virtual Private Network incorporates the latest multi-protocol label-switching technology. KONE's global IT unit is located in Brussels, Belgium.

ESCALATOR INSTALLATION FATALITY:

The Australian Broadcasting Corp. recently reported that a man died as a result of injuries sustained while he "was installing and testing an escalator" in Adelaide, South Australia. He reportedly "became entangled in the mechanisms." The coroner and workplace services are investigating the incident.

ELEVATOR DEVELOPED TO AUTOMATICALLY START AFTER QUAKE:

The Nihon Keizai Shimbun recently reported that Mitsubishi Electric Corp. had developed a new elevator that would automatically restart 30 minutes after it was put out of service by an earthquake. Before restarting, sensors would test critical components of the elevator system, and if no damage or other problems were found, the elevator would return to service. The restart would eliminate the need for a mechanic to physically visit each unit to get it back in operation. First unit are due in October 2006.

A GLIMPSE OF CHINA IN 2005:

Another early start from Shenzhen railway station, only this time we were to take the High Speed train to Guangzhou, in Guangdong or "Canton" Province. This is historically well known to be the major gateway to China through the mighty Pearl River, and home to the nationalist who lead China out of the era of the Dynasty; Dr Sun Yatsen.



With just under 7 million inhabitants, Guangzhou dates back to 200BC and is one of the most prosperous of Chinese cities. This has evolved, due mainly to it being on the main sea

pathway into greater China, during the era of European expansion into the Pacific. It resulted in the establishment of the Portuguese port of Macau in the 16th century, and the British attempt to colonise China beginning in the 17th century, and finally leasing Hong Kong up until the end of the 21st century. Although supposedly not rated as the greatest area for tourists, we found the small coach tour around the sights in the area a great way to maximise our 2 day overnight visit to Guangzhou.



Mid 30's and muggy is the forecast as we depart our air-conditioned train and climb aboard the waiting minivan. We say farewell to Linda who returns to Shenzhen and Hi to Joanna who will be with us until we return to Hong Kong tomorrow night.

Once again I feel I could be in any western city, traffic is morning busy, vehicles predominately look the same, with initially only the



Chinese symbols on signs giving away Guangzhou's association to China.

A few blocks and we enter the tree line boulevard leading to the monument and memorial hall dedicated to the memory of the 1911



revolution and nationalist Dr Sun Yatsen.

Growing up in the 50's and 60's meant all these names like Zhou Enlai, Mao Zedong, Deng Xiaoping and events of China's modern history through the early 'Long Walks' of the Communists, to the Japanese invasions, and finally in 1949 to when



The Peoples Republic of China under Mao Zedong came to be. An approximate 40km trip S/E brought us to the beautiful Panyu countryside and the Lotus



Mountain, site of rustic Buddhist temples and delicate Pagoda, and a unique 200

year old Ming Dynasty stone quarry. Today spectacular high cliffs of the quarry have been restored into a picturesque and



peaceful garden that over looks the mighty Pearl River.

An afternoon of tranquillity and majesty reflects this beautiful area, but it had to end and so few words can ever capture it. But a taste it is and so we raced back across this spectacular delta to the mighty Pearl, arriving early evening to the equally majestic White Swan Hotel, with its gold taps and exquisite food. Ed

