

Recycling helped us to g

■ **ITWS reported having an exceptional year in 2010. What made it so?**

2010 was a landmark year for the company in many ways. Business grew by 25% on 2009, and the culmination of that growth was recognising the need to invest to take the business to its next stage of growth. For example, we acknowledged the need to move to bigger offices and to invest in new staff.

We also decided to invest in more stock to ensure our delivery times remained the best in the industry. Having made those decisions we acted quickly, and the first day back in January consisted of moving into new offices with a branch manager on board.

During 2010 we also upgraded all our literature in time for participation in the major trade shows, and we invested heavily in marketing and advertising to give us maximum exposure in our target market. The new Service Exchange Rim System also contributed by saving us valuable travel costs and reducing our customers' machine downtime. All these elements contributed to our growth.

Tell us about some of the contracts the company has won during the past year.

We won significant new business last year, from small businesses running independent waste and recycling businesses to huge names in the sector with multiple sites. The Viridor site in Croydon, south London, has to be one of the highlights. The manager is so impressed with the performance of the SG Revolution tyres that he has recommended us to colleagues on Viridor sites across the country.

Ward Recycling, a Midland's-based metal recycler with a couple of sites, is another win. While it is not a national business, it is an important customer to us. It takes SG Revolution tyres across its sites and was an early adopter of the Service Exchange scheme.

Changing tyres on a large machine can mean up to a week of downtime. But with Service Exchange, we swap the customer's rims and tyres for a set of exchange rims with brand new tyres already fitted. We arrive on-site and, in less than a couple of hours, the machine will be ready for work again. This is now a critical part of our customers' processes.

How have sales and contracts fared relative to previous years?

Since the company was established in 2006 it has enjoyed year-on-year growth. In our first year, tyre sales were 650 units and in 2010 tyre sales were 2,800 units. The figures speak for themselves. With regards to contracts, this is an area that we focused on last year

Tyre and wheel specialist ITWS has seen its business grow from strength to strength. **Philip Reynolds** discusses how it has done so with managing director **Les Williams**

AT A GLANCE

ITWS is finding its tyre solutions popular with small and large waste and recycling companies alike, which are seeking to reduce tyre wear and downtime



The SG Revolution tyres in action: (top) Bob Cat, (centre) PMK Recycling and (right) Ward Recycling

and it is our primary objective this year to enter into more formalised agreements.

How did the recession affect ITWS? Have the past couple of years been difficult?

In reality, the recession has not affected us. We have continued to enjoy spectacular growth. I am sure that

go for growth



without the downturn of the past few years, our rate of growth would have been even more impressive. However, we have been able to control our growth and manage the business efficiently, so the rate of growth has suited us.

I think we have been resilient because we targeted specific sectors which not only suited the product best, but waste and recycling have also grown rather than declined during the course of the recession.

How has the market for tyres changed in the past year? Is it more competitive?

For us, the market has actually become less competitive. While there are still a number of products available, some of the companies have withdrawn their operations from the UK because there is no back-up or support. They will, of course, still sell tyres, but with no UK-based aftercare. For customers, price is important but service and support are equally important.

Schemes such as the Service Exchange have improved the offering from ITWS and consequently the take up. We have proved that we can save businesses money by improving both tyre wear and downtime.

What advantage does being the exclusive distributor of SG Revolution tyres provide?

The main advantage of being the exclusive distributor of SG Revolution tyres is that, as awareness grows and uptake increases across Europe, our business directly benefits. By being the exclusive distributor, we can track trends and monitor sales across each of our markets and ensure that we direct resources to the areas with the most opportunity.

Williams: smaller companies can take decisions and act fast as the market dictates

Without doubt this has helped us to carve a niche in the market, creating more employment at a time when other sectors are still shedding jobs.

Have you been affected by the uncertainty in the construction industry and rises in fuel duty?

The focus on the waste and recycling sectors has meant that ITWS has not been over-exposed to the ups and downs of the construction sector. Rises in fuel duty have undoubtedly placed a strain on our servicing costs, but we do not intend to let these costs inhibit the quality of service we are known for supplying.

Have you narrowed your focus on a core market or expanded into a more broad reach over the years?

The market itself has led us to focus on a narrower core market, namely the waste and recycling sectors. These are the sectors where the SG Revolution tyres are having the greatest impact because they have proved that they can outlast other tyre types, are competitively priced and essentially they save our customers money. It's a strong argument.

We still have plenty to go at as a business. We are working with a number of original equipment manufacturers to get our tyres approved for factory fit during the production process. JCB's wheeled loader division, Manitou and Liebherr are cases in point. Our tyres are delivered to these factories for fitment to the machines as they come down the line.

There are product ranges that are still relatively untapped where we need to focus our efforts, and there are more markets that have shown potential. It all bodes well for future growth, but we have to make it a sustained and controlled growth so that our service levels remain where they are.

What are the advantages of being a smaller player?

We can take decisions and act fast, and spot and make improvements to our offer quickly. A great example is the recent introduction of a rubber spacer to fit on wheeled excavators with solid tyres. We worked with a customer to test the concept and found a reputable manufacturer to make one to our own specifications in an incredibly short time frame of one month.

We believe our size means we are closer to our customers. We speak with them regularly to provide a personal service, and shift mountains to help them when they need new tyres quickly or have a problem.

Just because a business is small, however, it does not dilute their influence. ITWS was recently instrumental in persuading the Thai manufacturer of SG Revolution tyres to change how it makes them to comply with Reach Legislation. Even though this was just for Europe (following the introduction of new legislation), we influenced a change in the global tyre production process. ■

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