

TB-GEN003

TECHNICAL BULLETIN

INFORMATION ONLY

For the Attention of : Peter Amura, Site Supervisors, Margaret Pitman, Neil Horner, Graham Mears, Paul Ayers, Technical Dept, Estimators and TSEs

From: Graham Mears
Date : 23 June 2014
Subject : **Reduced Length Guides**
Product: All
Pages : 1

The OEMs can will supply reduced length guides if requested. However, MP and Kleemann supply reduced length guides at different lengths!

- **Kleemann's reduced length guide = 2,500mm**
- **MP's reduced length guides = 3,750mm**

Important – where you needed reduced guides for an MP product you must ensure your site can accommodate the dimensions MP can provide.

I also provide some background information clarifying the reasons why we offer reduced guides as a variation and not standard.

Background

1. In 2013 we delivered 244 lifts to site. Of these, not including Variation Orders (VOs) for reduced guides, we supplied 6 jobs with reduced guides FOC because we felt it was our fault! This equates to 97% of the jobs with no access problems(linked to this topic) (244 - 6 = 238/244 = 97%).

2. Of the 6 jobs we felt we should pay for the reduced guides etc these costs the Passenger lift business approximately £7,000. This does not include the 'cost' to our reputation due to customer's frustration; however, I can think of more critical areas of our process that cost our reputation more than this at the moment...

3. The £7k of costs is off set by those customers who read the quotes and requested via a VO reduced guides. The table below shows that we invoiced additional revenue in 2013 of £5,860.00. If we set off this against the costs in 2 above, we have a net loss of £1,140. Not great, but we could get smarter at pricing the VOs to cover FOC issues...

Job No	Salesman	Client	Items Required	Wissis / Variation	Value
LC320264	GM	Janes Care home	half length guides	Variation	354
LC320259	GM	Metro Properties	half length guides & split ram	Variation	222
LC320136	GM	Mansell	half length guides	Wissi	354
LC330067	PH	EFDSS	half length guides & split ram	Variation	500
LC320242	PH	Tudor Penthouses	half length guides	VO	500
LC330114	PE	TEC	Half length guides	VO	318
LC330086	GM	RG Carter	half length guides & split ram	Wissi	1143
ST330131	PH	Matthew Homes	half length guides	VO	490
ST330194	PH	ISG	half length guides	VO	180
LC330105	PE	Taylor Wimpey	Half length guides	Wissi	795
LC330106	PH	C&M Builders Ltd	half length guides	Wissi	592
ST330163	PE	Bovis Homes	half length guides	VO	412
					5,860

4. The OEMs have offered us reduced guides, but this will cost us circa €400 (divided €1.20 - £333.00). This would mean a number of things:

- If we decided to go for reduced guides as standard and not pass on the cost to the customer this would cost Passenger lifts £83,250 (£333.00 per lift x 250 lifts)
- If we decided to go for reduced guides as standard and pass the cost onto the customer this would increase our selling price by £333.00 x 1.50% = £499.50 per lift increase in the selling price.
- At the moment, I do not think our business is in a position to accept either of the above.

5. We have looked at the Quotes from; Orona, Otis, Kone and Thyssen and all offer reduced guides as a Variation

6. We have improved the wording on our Quote so that under the Price of the lift we also remind the customer about the 'access question'.

7. On our BWD approval letter we include another reminder for the builder concerning 'access'

Is access for 5m lengths available?	Yes / No**
Confirm shaft construction so we can supply suitable fixings	Poured concrete / concrete blockwork type* / brickwork type* / other* (*please specify):

**if no, reduced length guides can be supplied at additional cost.

8. Finally, it is the builder's contractual responsibility to check his access and comply with what Stannah have offered and what he has accepted.

End