

Boom Trucks Easy To Finance



A new respect

Since its inception in the early 1970s, the boom truck has been a product with many attributes, but conversely, didn't generate much excitement. Versatile, flexible and cost-effective, the boom truck is a simple machine that is easy to operate, maintain, maneuver and rent. And even though the market has always been relatively stable, the boom truck was still positioned at the bottom of the crane totem pole -- until recently. Until this latest boom truck boom.

"Every day we get a new industry and a new part of the construction sector interested in the boom truck," says Dominic Giuffre, Sr, co-owner of Giuffre Brothers, a Terex boom truck dealer that sells some 300 boom trucks a year and maintains a rental and lease fleet of some 135 units. "It seems like there's no end to the types of contractors interested in this machine. You can't just target one industry. We sold a boom truck to an elevator contractor who installs elevators in small apartment houses."

A boom truck customer can be found in every conceivable market in the construction and industrial sector, says

Giuffre, a pioneer in the distribution and sales of boom trucks. With the upswing in the economy, the boom truck is an even hotter commodity, he says.

"The manufacturers can't keep up with demand," says

Giuffre. "We have suffered with the same backlog [as other dealers], except we have put in big orders and on any given day we have 50 machines in stock and ready to go. Right now we probably have 350 machines on order."

Heartland Wisconsin Corporation specializes in financing boom trucks/truck cranes, and president Scott Blair says his company has seen equity loans for boom trucks steadily increase each year. Heartland finances most of its boom trucks to the owner/operator customer purchasing a unit in the 17 to 23-ton capacity range. "The most recent

trend we see is a great number of business start-ups with operators leaving the companies they are with to start their own business," he says. "We're seeing an increased number of first-time buyers."

Factors influencing the increase in boom truck crane sales:

Booming construction and remodeling market. Many construction firms are purchasing their own boom trucks to ensure timely completion of jobs rather than rent or hire out the work.

Catastrophic storms in the Gulf Coast area. Boom trucks have been instrumental in the clean-up and reconstruction in these areas. Rebuilding is expected to continue in this area for several years to come.

Steel shortages, rising fuel costs, price increases and manufacturer backlogs. Boom truck buyers are choosing to make purchases sooner before anticipated increases in costs. The market for used boom trucks is also strong.

New markets comprised of customers who haven't traditionally purchased boom trucks. Boom trucks are now being sold to specialty companies, such as hot tub and spa manufacturers, tree services, signage firms and modular home builders.

Larger capacity boom trucks are now competing with small truck cranes. Boom trucks can compete in the 30-ton plus class, and are being designed with longer booms and operator amenities. Boom trucks are often the machine of choice in this class.

Scott Blair, President
Heartland Wisconsin Corp. Financial Services