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Equipment rentals feed the sales and service components of Empire Crane's business. Its territory stretches from Buffalo to Boston and the top tip of Maine to the bottom tip of New Jersey. It's headquartered in Syracuse, New York and has two full-service depots in Bridgewater, New Jersey and Holbrook, Massachusetts.

vious family business dissolved and Luke had a passion for the equipment business. I say, 'He got bit by the equipment bug,'" says Paul. "We were unemployed and we were looking for opportunities. We finally realized who better to put our confidence and faith in than ourselves? We ended up forming Empire Crane in January of 2002. We started with a couple mechanics, ourselves and an office manager. Next thing you know, we were up and running."

"Our success was driven in a large part by the price of oil," says Luke. "It was just at the same time that manufacturers needed a couple of young guys in their mid-30s as much as the young guys in their mid-30s needed an opportunity to work with the manufacturers. We started the company and slowly gained traction."

### Building on relationships

Luke and Paul had built relationships in their previous positions and continued to develop them. "We didn't know if we were going to go six weeks, or six months, but here we are closing in on our second decade of being in business. We never looked back. Every day presents new opportunities and challenges and we

face them head on," Paul says.

Their relationships grew with the manufacturers that believed in them. "When we look back to the beginning to where we are now, it's all about working the territory we serve," says Luke.

Empire Crane serves an area that reaches from Buffalo to Boston and the top tip of Maine to the bottom tip of New Jersey. Its headquarters is in Syracuse, New York, with two full-service depots in Bridgewater, New Jersey, and Holbrook, Massachusetts. It employs 25 people.

Its rental fleet is made up of heavy-duty cranes that can work in a variety of environments. It represents Tadano, Demag Tadano Group, Tadano Mantis, Kobelco, Manitex, Terex, Magni and Broderick Manufacturing. It has approximately 100 pieces in its rental fleet valued at more than \$35 million.

"We do quite a bit with the electrical transmission and distribution industry with the boom trucks. But one that has really taken off is with arborists," says Paul. "We are members of the Tree Care Industry Association and we have seen impressive growth in that industry in the last two years."

In the past, arborists trended toward 17-ton, single-axle units, but now they are gravitating toward two-, three- and even four-axle all-terrain rear-mount swing cab units.

"It's the economy of scale and availability that is driving the trend to larger units. If you had a 100-foot oak tree in your yard and you had a guy come in with a little 17 tonner, he wouldn't be able to reach the top. He would have to piece-meal it and chunk away at it like a little beaver. With the larger units, it's like a dinosaur came through. They go quick. They get in, do the job and then move on, completing multiple jobs per day. They can turn good revenue, which allows them to increase the quality and size of their machines," says Paul. "Many of these users are rent-to-own customers, which is a big part of our business."

### Rental trend continues

"This equipment is getting more expensive with the technology that's gone into it and the cost of material whole goods," says Paul. "It's making more sense to rent a crane and expense it to the job. When that job is over, the machine goes back and they haven't signed a five-, six- or seven-year note on a piece of equipment. We've been able to grow on our end, too, because when we started nearly 20 years ago, we did not have the financial resources to have the offerings of a developed rental fleet."

"Today, when we send out a crane contract, there's always a rental-purchase option, even though it's strictly a rental. There have been hundreds of cases where that one-, two- or three-month rental turned into a sale because the customer moved the unit to the next job. Then, six, eight, nine or 10 months later, they are asking how much equity they have in the crane. It's easier to negotiate that upfront sale price with the proper terms."

"With the longer-term spread and with the present interest rates, it makes sense to borrow right now. Surprisingly, our crane customers are

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- LUKE LONERGAN

saying that they are having record years. Who would've ever thought that would happen when we had a mass exit in March at ConExpo?”

It's not a surprise to the Lonergans that up to a quarter of the time, cranes going out on rent end up as a sale. “The size of the projects that general contractors are working on are getting bigger. Windmills, generators, general building material...their increasing size is driving the need for 40- to 50-ton and larger rough-terrain cranes. In the past, contractors used 22-ton and 30-ton rough-terrain cranes but now 55- and 60-ton are at the smaller end of what is in our rental fleet. The highest utilized class of rough-terrain crane now is the 90- to 100-ton units and we have 160-ton capacity cranes in our fleet,” Paul says. These larger cranes are primarily being put to work in the oil refineries along the Gulf Coast but are gaining popularity in New England. “We had a 130-ton unit that was out on a job. When it came back, it was only a week before it was out again on rent,” says Paul.

One of the most popular pieces of equipment in Empire's rental fleet has been the Magni rotating telehandlers. “General contractors in the United States are realizing what European contractors learned with these telehandlers years ago,” says Luke. “The Magni units in Empire Crane's rental fleet have definitely been a huge shot in the arm over the last year. We see it continuing to grow. We're not going to be a United Rentals or Sunbelt in these units; in fact, we are actually rerenting to them.”

Empire Crane will also continue to build its rough-terrain crane fleet. “We'll build a rough-terrain fleet to meet the demand on the rental side.

“The Tadano Mantis telecrawler is our most unique niche machine with its ability to pick and carry its full load while it is out of level. The evolution of the Opti-Width tech-

ers and prospects. They believe it is one key to their success. “I think that is why our fleet has grown every year from day one,” Luke says.

The Lonergans and their staff of seven salespeople prefer face-to-face customer contact. “I think we both had 1,000 miles under our belts by the time we got home a few weeks



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nology and its dynamic out-of-level load capacity charts separates itself from some of the competition in that world,” adds Paul. “We've had tremendous success with what was formerly the Mantis Corporation, now Tadano Mantis,” says Luke.

The Lonergans believe sales is a part of their genetic makeup. Even throughout the pandemic, they strive to personally contact custom-

ers. Just seeing customers who are willing to meet with us with the proper protocol is difficult in these times. You try to call ahead. Cold calls are tough, and they are now often in the parking lot or in the shop,” Paul says. “We're looking forward to a prosperous 2021.”