

FEATURE

CUTTING COSTS

Sean Butler tells us how he's striving towards driving down costs on tool hire and delivery of materials

Tool and plant hire is a very competitive industry. Dealers are all striving for our business. Taking time to create long-term relationships with your suppliers is key to driving costs down and ensuring a quality service. Price is not always about the lowest being the best. Price should be about quality of product and service received in paying for it.

As an example, at Cube we are often approached by alternative suppliers to gain our business. They offer cheaper prices and mostly overpromise themselves. I have to admit in my early business days I would jump ship and go to the next cheapest supplier. This was purely inexperience on my part.

You know cheapest isn't always best – that, from experience, is a fact.

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We are working in circles. Just think about it, every supply chain has a consumer chain. No matter the industry, we're all affected by this. So, at what stage do we try to reduce our

own consumer costs as landscapers? And how?

You have to negotiate on a regular basis. You should negotiate prices for projects at least nine months in advance of your booked projects.

Your supply chain will welcome your loyalty and reward this by fixing costs. As an example, we have been with our local plant hire company, stone supplier CED, artisan metal worker, raw wood supplier and Europlants, for the last 25 years. We are one of Jewsons' largest accounts in Essex, and it goes the extra mile to secure our business. We find cheaper prices on various products with other suppliers but stay with Jewsons for the quality and reliability of the service it provides. This, in turn, helps my business to plan ahead.

Planning ahead helps to keep costs down on all projects. If you can plan projects that are geographically close together, you can have projects running simultaneously. If planned correctly, hired-in plant can be shared, saving on delivery charges. When booking a piece of machinery for a week which is cheaper than just a few days, you can share this across more than one project.

Part-load costs can be expensive, so at the beginning of projects, work out your volumes on muck away and materials ordered.

You can keep your expenses to a minimum by sharing costs across projects.

Recycling materials across projects also helps the environment and saves money. We always look at what we can recycle between all our projects. Topsoil that is in excess on one project, for example, may be required on another, and therefore saving costs and being environmentally friendly at the same time.

In summary, plan ahead and don't be afraid to negotiate long-term fixed costs.

About Sean Butler

Sean Butler is a landscape designer and director of Cube 1994. With a background in civil engineering, Sean has an in-depth understanding of the design, construction and maintenance of the physical and naturally-built landscape.