



TEAM PLAYER

Last year's European dealer of the year for DAF, Ford & Slater, speaks to Will Dalrymple about its tight bond with the truck brand and fellow dealers



Although DAF dealer Ford & Slater furloughed half of its truck sales staff at the beginning of the COVID-19 crisis, they were all back at work as of mid-June.

Joint managing director Nigel Strevens explains why: "It's an easy option for many companies to keep the safety blanket on, and keep the furlough. But returning to work is the right thing to do for us, and for the 5,500 factory employees in Leyland and Eindhoven who are building trucks. We are getting our salespeople back to work, talking to customers, and competing for every order."

Not that some creative adaptation won't be required. "How do they redefine and re-envisage their role, when they can't go have a conversation and visit the customer to understand the specifications of the vehicles? It's a challenge."

The Dutch brand is also unique in having a significant manufacturing operation in the UK, making this country a home market. "The Leyland assembly plant can make the entire DAF product range, enough to satisfy the entire UK volume requirements," he points out. Strong sales in the UK were part of the reason why Ford & Slater was named the company's European dealer of the year for 2019, he argues.

Strevens says that the east Midlands

and east of England dealership group with 11 sites has a strong DAF identification. It was DAF that rescued the business in the early 1990s when the original owners found themselves in financial difficulties during the recession of that time, by appointing his father Peter MD, and then offering the chance for a management buyout, which the elder Strevens took up in 1991. (Of DAF, he says: "They don't wish to own dealers. That's different to most brands.") Four years later, Nigel's brother Tim joined after university; Nigel himself came on board in 2004. Since their father went into semi-retirement in 2006, the two have run it jointly.

BRAND IDENTITY

"We only represent DAF. In a world where many dealer groups are multifranchisee, this is different. We win or lose together with DAF. That makes us think slightly differently than other dealer groups," states Strevens.

DAF also has the largest market share of the UK truck industry, and has dominated the market for decades. When asked why he thinks that is, Strevens points to many factors: product total cost of ownership, uptime and service. As regards the first, he describes the cost of a DAF truck as 'a fair price'. That, plus the vehicle's residual value, fuel economy and service costs, creates a total cost of ownership figure. Adds

Strevens: "It's fair to say that historically, residual value would be an area of weakness for DAF. It's difficult to maintain a premium price on residuals if you have 28-30% market share; it's easier if it's lower. But in the last 12-18 months, all brands' residual values have been under pressure, and maybe others have come closer to where we are." He also contends that the market for second-hand vehicles (of any brand) is shrinking in the UK, and blames limited export opportunities due to their right-hand-drive configuration. That does not mean, he emphasises, that DAF is in a hurry to get rid of used trucks: "When you look at the cost curve, and how many parts are consumed for trucks from 5-10 years, it profits the brand to keep the vehicles on the road as long as possible."

And keeping trucks on the road is the job of the dealers, who, as Strevens tells it, have this maxim: 'The product sells the first truck, but dealer support sells the subsequent ones.' He adds: "I do think we have a comprehensive support network - with some 130 dealer points, we're nearly twice that of the nearest competitor. That helps provide a better level of customer service; they are closer to a DAF dealer than any other if they break down."

Dealer franchises are arranged geographically, though Strevens states that they share a culture of collaboration. He would know, having recently followed

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Nigel Strevens



Lee Sursham (centre) with apprentices



An open evening for potential apprentices



Tim (left) and Nigel Strevens, being awarded

in the footsteps of his father and brother by taking on the chairmanship of the DAF dealer association. He explains how that body works: “There are panels on sales, services, parts and business planning. Three times a year we sit with DAF and talk about what went well and what areas need improvement, and talk about strategy. That does mean that dealers have a close relationship, and a good relationship with the UK subsidiary. We feel that those relationships are differentiators that set our network apart from others.”

As regards Ford & Slater’s internal relationships, three general managers work to maintain consistency of performance across its 540 employees at 11 sites. “It is very important that there are consistent rates across the business in terms of labour pricing. Our workshop diaries are shared across the network.” In addition, a parts general manager supervises 100 parts sales employees. Eight dealerships receive twice-daily deliveries of parts within the group, which helps them supply urgent repairs without having to rely on Paccar Parts’ overnight service.

Like other dealers, Ford & Slater also has access to various forms of backup from DAF’s head office. Such support has proved vital in the aftermath of Euro VI emissions regulations. He explains: “All of the dealers – the entire network – struggled with the step change of

complexity from Euro VI. It has taken us, and all of the brands, years to get on top of the complexities. There was a big learning curve for us and DAF about the complexity of the vehicles – it became far more difficult.”

DIAGNOSING DIAGNOSIS DELAYS

A particular service issue faced by the dealership has been diagnosis time. “With the general managers across the dealerships, we keep a careful eye on labour efficiencies: hours bought and sold, and the effect of lost hours due to extended fault diagnosis. That is unsatisfactory for everybody. The customer doesn’t want to pay for the length of time it takes us to figure something out. We’re supposed to be the experts; we are the experts. DAF has provided detailed guidance through RMI, repair and maintenance information, and it doesn’t wish to pay for extended times. Everybody is happy to pay the one hour for the repair, but no-one is interested in the fault diagnosis time. That is really for our GMs to look at carefully. It’s never about blame, but it’s about getting the right engineer on the job, and avoiding extended lost time, which is very important from a customer satisfaction point of view – and also for profitability. We are trying to learn from our errors and correct them. That’s an important part of our ISO 9001 quality management, and maximising vehicle

uptime for customers.”

He continues: “There has been a lot of work done in the last 12-18 months on roadmap-based diagnostics. We have spent a lot of time on more intelligent diagnostics that leads our technicians through a series of processes to narrow down the fault. Another aspect is the significant price reduction in the cost of diagnostic PCs. We’re not at the stage where every technician has their own PC and workstation, but you can see the direction of travel. We have 215 HGV technicians and 45 apprentices spread out over earlys, lates, nights and weekends, and 75 DAF Davie 4 diagnostic PCs.”

Those apprentices have been vital in maintaining the group’s technical resource. And key for them, recalls Strevens, was the appointment of a group apprentice coordinator to be a single point of contact. Lee Sursham, a former HGV shift supervisor, is said to be ‘more relatable’ to teenaged apprentices than senior staff who are older.

Strevens also praises the irtec standard, which is also required of dealers by DAF. “Irtec is very useful and helpful,” observes Strevens, pointing out that as it takes in the operator regime, OCRS, relationships with the traffic commissioner, the importance of the inspection regime and MOTs, it covers a broader view than DAF’s own product-specific technical training. **TE**