Devotionto

Ted Lees was a pioneer of New Zealand industry. At 90 years of age, he's still going strong, as is Lees Marine, the company he founded.

s the father of three daughters, Ted Lees jokes that he often felt outnumbered on the domestic front. "The only other male in the family was Roger the dog," he says, "and what did they do? They had him neutered."

"They" are his wife Shirley whom he married in 1950 and their three daughters: Jan Wilcock, Christine Fletcher, former mayor of Auckland, and Sue who, with her husband Dave Cockrell, runs Lees Group.

Business-wise, Daniel Edward Lees has dominated a masculine environment, heading Lees Industries, one of New Zealand's biggest manufacturers and distributors of heavy machinery and marine engines.

He turns 90 on March 2, having kicked into gear at Clevedon, near Auckland. As a

kid, he tagged along as his elder brother Rowley overhauled engines for fishing boats. It was an unofficial apprenticeship and in 1939, when Ted over-stated his age to join the army, he was soon involved in heavy machinery for transport. He later qualified as a diesel engineer and motor mechanic.

He was selected for army school and trained in Australia as a member of the First NZ Special Forces, precursor to the SAS. Ted vividly remembers his first diesel love, the *Dominion Monarch*, the largest vessel on the water which delivered 4000 troops, including him, to the frontline in North Africa. On passage, Ted got jobs in the engine room for him and his team of 60. He never ceased to be awed by the huge engine's performance.

Ted saw active service in North Africa and Italy, surviving injury when his recovery jeep hit a landmine after Monte Cassino. Back in New Zealand, he and his brothers worked for

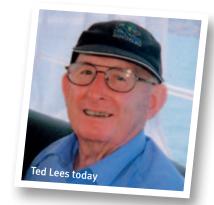
the family company, Lees Broth.

Post-war New Zealand needed land cleared, but heavy machinery was rare, except for tractors. "I quickly decided that to sell a big tractor, you had to put something on it to make it doubly useful," he says.

Bill Hamilton in Christchurch had the same idea and was developing the front-end loader, so Ted went to meet him. It was the start of a life-long friendship.

"When I said, '1'm going to sell these front-end loaders,' everyone said, 'You're mad.' All these bits and pieces arrived, and I put these things together."

Ted made his first sale to a truck operator trying to clear a new, hard-clay road at Papakura with five men, picks, shovels and some Bedford trucks. "I said, 'Alf, I could bring a machine around with just a driver and he could load it by

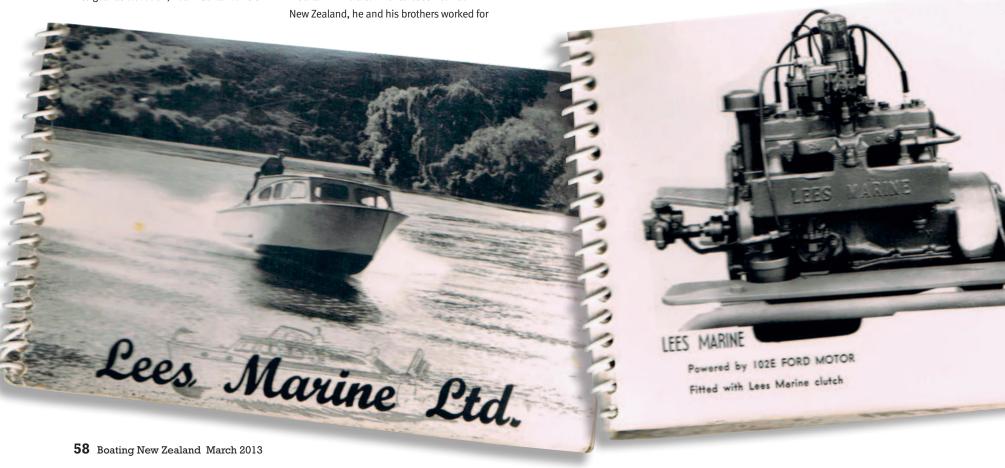


himself within three minutes." Word of the front-end loader spread. "For 12 years I couldn't get enough of them."

"We developed so many other things like that, inventing new fork trucks up to 40-ton."

But Bill Hamilton was also experimenting on his man-made lake.
"First of all it was only a pump and if you restrict the end of a hose, that's what gave it the jet," Ted says. "This was long before they came on the market."

When CWF Hamilton released the



diese

Words Rebecca Hayter

Hamilton Jet and was unable to meet demand, Ted suggested a joint venture. "I made half of them up here. We sold hundreds of jets. We had every boatbuilder in Auckland wanting to do his own design but the monohedron design that Bill had done - that was the best design.

"Ford never marinised its own engines - and no one internationally was doing it either - so Lees marinised [Ford] Prefects, [Ford] Zephyr and Holden, locally building parts to create engines to power Hamilton jets." It also sold Hamilton hydraulics under Delta, the D-E-L in Delta being Ted's initials.

Most boats were petrol-powered, but if farmers liked the Ford diesel engines in their tractors they started wanting them in their boats, and Ted was able to meet that demand.

"I looked at this engine: I reckon my gearbox would fit that. My brother Rowley















LEFT: An early Lees Marine engine based on a marinised four-cylinder Ford Prefect 102E petrol motor and the front page of a 1950s Lees Marine brochure
ABOVE, clockwise from top: *Delray* with twin turbo-charged Lees Marine 250hp diesel
engines prior to its launch. *Delray* became a successful gamefishing launch in the hands of John Going; Ted inside an early test boat; Ted's parents, family and friends boating on the Clevedon River; Ted (middle) serving on the Auckland Harbour Board; Testing early boats and motors; Ted's parents on a picnic in 1950



said, 'I reckon I could make a heat exchanger for that,' so we got the water pumps and other parts and put them together.

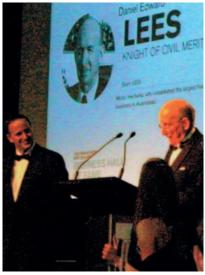
"We'd buy the bare block and then we had to make over 50 percent of parts locally: housings, water pumps, heat exchangers. We got so proficient in making heat exchangers that it became a separate business." Getting the parts was virtually impossible, due to restrictions on imports but fortunately Ford had surplus engines.

"We went to Wellington straight after the war to get an import licence but there was all sorts of funny business," Ted says.

"The only way to get an import licence was to export, because you got a bonus licence for the amount and a replacement licence so it was the only way to get going." He targeted Tasmania, because it had a keen fishing fleet and returned with an order for 50 engines on his first foray. "So then we could import more and then sell more."

The Lees Marine Engine sold in Australia, New Guinea, Singapore, Fiji and Samoa. "All of a sudden we got a huge market in Taiwan which was building boats like Grand Banks and sending them to the USA. We sold thousands."

Ted left the family business and set up Lees Industries in 1960. By the early



Ted being inducted into the New Zealand Business Hall of Fame in 2009 with PM John Key

1970s it was the largest manufacturer of heavy machinery in Australasia, employing more than 700 people. Many of those who served their apprenticeships with Lees went on to play influential roles in New Zealand industry. The company's product line included marine engines, forklifts, straddle carriers, agricultural, defence and airport handling equipment. Other Lees companies represented finance, dairy farming and travel.

As a founding member of the Hauraki

Maritime Parks Board, Ted was involved with many acquisitions of gulf island parks in the 1970s. He remains proud of his role in the restoration of the Mansion House at Kawau Island to reflect its origins under Sir George Grey.

Then came May, 1979: "We were top of the class supplying all the boat builders here and internationally and employed a lot of people. Suddenly one morning, after being so good to [Prime Minister] Muldoon, he slammed a 20 percent sales tax on the marine industry. So if I sold an engine we had to pay sales tax, even on the nails in the packing box, but anyone could import their own or buy the basic engine, no tax, then go and buy a gearbox, no tax. It started a black market."

Lees survived on its export business and when import tariffs were lifted it began representing Fiat Iveco, which had bought Ford; Mitsubishi Motors and Doosan Infracore.

In 1980 Ted sold Lees Group to NZ Forest Products in a profitable and friendly takeover. But in 1986, Ted says, Elders Finance, a company banned by the Australian government, did a buy-out of NZ Forest Products and began stripping the company and its subsidiaries. Unable to

stand it, Ted, aged 67, bought back Lees Marine in 1990 and cranked it up again.

In 2000, Ted received the Knight of Civil Merit from Spain for 25 years honorary service as Spanish Consul to NZ and in 2009 was inducted into the New Zealand Business Hall of Fame for services to engineering. He also served two terms on the Ports of Auckland during times of rapid growth.

Ted remains active as chairman of Lees Group. Through his 30-year representation of FPT (Fiat Iveco) he has maintained his war-time love affair with Italy and is excited by FPT's technological advances and recent major boat speed records. Last year, he braved the Korean winter to survey Doosan's latest marine engines in Seoul.

To this day, it is forbidden for any member of the Lees family to drive a petrol-powered car.

TED'S 6 TIPS FOR SUCCESS IN THE NZ MARINE INDUSTRY

- Apprenticeships
- Lead from the front
- Be enthusiastic
- Provide real value in any transaction
- Surround yourself with people you trust
- Include partners/wives in the business relationship; it builds bonds

