

Cost-effective financing from SFS allows laboratory services company to invest in up-to-date equipment

Case Study: United Kingdom

An Alternative Investment Market (AIM) listed provider of laboratory services in the UK and USA needed a state-of-the-art automated analyser able to detect minute amounts of material in the samples it tested. Given that the company was in a high growth phase and had restricted levels of working capital, it was keen to find a cost-effective financing solution to fund its investment.

Even though the company had previously used bank financing, it followed the recommendation from the equipment supplier to explore the wide range of funding options offered by Siemens Financial Services (SFS). Convinced by its market understanding and asset knowledge, coupled with Siemens' highly competitive rates and low deposit terms, the laboratory company chose to place the financing business with SFS.

The five year lease purchase financing solution from SFS allowed the company to take ownership of the equipment at the end of the financing term via payment of an Option to Purchase fee. Impressed by the quality of services that SFS provided, the company subsequently engaged it to

finance two further instruments from the same supplier and asked it to examine the possibility of financing laboratory equipment from other suppliers too – a requirement that SFS could meet because of its ability to consider financing for all makes of equipment.

With competitive financing packages from SFS, the AIM listed laboratory has been able to acquire the latest technology, helping it satisfy increased demand for its services and extend the range of testing it offers.

Additionally, the financial support provided by SFS extends to equipment suppliers. Understanding that suppliers often have their own 'fleet' of rental assets for in-house contracts, demonstration purposes or for short-term pre-delivery supply needs, SFS has a lease tailored for suppliers, allowing them to sub-let equipment to customers in order to facilitate transactions. Suppliers can therefore avoid tying up their own cash in their rental portfolio and instead deploy precious capital in delivering enhanced customer service.

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- A laboratory services provider needed a cost-effective financing solution for the acquisition of an automated analyser to enhance its service efficiency and effectiveness.
 - The initial five year lease purchase solution from SFS, along with its high service levels, convinced the company to fund further equipment acquisition.
 - SFS also offers a finance lease tailored for equipment suppliers, allowing them to sub-let their own rental equipment to avoid tying up capital in their rental portfolio for improved cash flow.