SIEMENS
Ingenuity for life

Siemens Congleton

Financing for efficiency at Siemens Congleton

The challenge

Siemens Congleton is a high tech manufacturer of specialised electronic drives. To maintain its competitiveness, the UK based company has invested consistently in the latest technology. A need was identified to invest in new surface mount equipment, which automatically affixes electronic components on a printed circuit board – one of the most important processes at the Siemens electronic drives manufacturing plant. Instead of tying up scarce capital in technology investments, Siemens Congleton looked for more imaginative ways of financing this investment.

Our solution

To stay within operational expenditure budgets and to avoid the use of precious capital, Siemens Congleton came to a commercial arrangement with Siemens Financial Services (SFS) – the financing unit of Siemens. A fully inclusive leasing arrangement was established, over a five year term, enabling Siemens Congleton to acquire, maintain and service the new surface mount equipment. The lease provided an off- balance sheet facility which assisted in managing the total cost of ownership aligning income with expenditure.

Making it easier

The new equipment is 55% more efficient in its electricity consumption than the technology it replaced. This saves around £10,000 per year. The new equipment can pick and place 42% more components on a single printed circuit board, when compared to its predecessor. Monthly lease payments for the new equipment were effectively offset via productivity, automation and energy efficiency gains. Through continuous innovation and the ability to finance it, the company can remain competitive in the long run.

"As a high-tech manufacturer, technology is at the heart of what we do. With technology advancing at an increasingly fast pace, finding the budget to invest in new equipment is a constant concern. We are really pleased with what we've achieved through our partnership with SFS; it has helped us keep business growth momentum and improve efficiency."

Andrew Peters, Managing Director, Siemens Congleton.