

Tailored financing offer from SFS helps private aesthetic clinic increase competitive edge

Case Study: United Kingdom


A newly established private aesthetic clinic in the West Country, specialising in injectables, dermal fillers and botox, wanted to expand the range of services it offered, through the acquisition of a second-hand intense pulse light laser system offered by another medical practice.

The equipment could be used for the cosmetic treatment of many vascular lesions, unwanted hair, and pigmented lesions, enabling the clinic to attract more potential patients. However, as a new start-up that had only been operating for just under a year, the clinic did not have sufficient capital to fund the acquisition and therefore approached Siemens Financial Services (SFS) for possible financing options. Since the doctor who set up the clinic had been in practice for many years and had cooperated with SFS in the past, SFS was able to consider the clinic's request despite its relatively new establishment.

Since the practices of both the seller and buyer of the equipment were not registered for value-added tax (VAT) due to the nature

of the services they performed, the agreed sale price of the equipment did not carry VAT, a factor that SFS needed to consider when structuring the financial arrangement. Taking into account the increased revenue and profit that the laser system could generate, as well as the fact that the equipment was second-hand, SFS provided a three year practice loan which would not attract VAT.

Upon completion of the documentation, funds were swiftly transferred by SFS to the aesthetic clinic, allowing it to purchase the laser system immediately so they could offer new services to patients at the earliest possibility point and begin generating additional revenue. Financing from SFS helped the clinic acquire the desired equipment despite the lack of initial capital, allowing it to expand its service offerings in a highly competitive market without exhausting its access to bank credit.

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- A newly established private aesthetic clinic wished to offer a broader spectrum of services through the acquisition of a second-hand intense pulse light laser system.
 - The flexible, tailor-made three year practice loan offered by SFS allowed the practice to acquire the equipment without over-stretching its financial capabilities.
 - SFS enabled the clinic to compete in a highly competitive market by broadening its range of treatments to attract potential patients while preserving limited capital for other business development activities.