

SFS enables British logistics company to acquire high specification refrigerated trailer fleet

Challenge

- A regional distribution company had secured a long term contract with one of the UK's largest dairy suppliers, agreeing to provide full logistical management and delivery for the supplier's north England distribution depot.
- The new contract required a reliable logistics chain, and the supplier requested that the company acquire new high specification refrigerated trailers, to meet strict food carriage regulation.
- The logistics provider sought an affordable financing solution to obtain the vehicles without compromising its working capital.

Solution

- The distribution company was introduced to Siemens Financial Services (SFS) by way of an approved SFS broker.
- SFS granted the business a finance lease, enabling the distributor to acquire a brand new fleet of 70 high specification refrigerated trailers.
- The finance lease helped the logistics company to divert its existing cash flow to other crucial business interests.

Benefits



With the tailored financing arrangements, the logistics company was able to realise the substantial capital investment to meet the supplier's contractual requirements.



An optional sales agency agreement was also incorporated within the finance lease, allowing the company to sell the vehicles to a third party, further enabling the business to recover a substantial part of its rental following the lease's expiry.

British Logistics Company

Key facts about the company:

- Great Britain
- Trucks and Trailers
- Distribution

“This was a significant financing deal for the customer and we recognised the need to provide an accommodating financing solution that could fulfil the client's desired business outcomes, meet regulation requirements and satisfy the demands of contractual agreements. Differentiated financing has been key in underpinning the success of the client's fleet expansion efforts.”

Steve Levison, Head of Transportation – Truck and Trailer

