

Venture leasing as sales financing for

start-ups/young companies

as well as

companies with innovative high-tech products with strong growth plans

It has been very difficult for me to find leasing companies for **start-ups/young companies** and/or companies with **innovative high-tech products**. The established **leasing companies** are extremely **"cautious"** with start-ups/young companies. Very often, at least three annual financial statements are required, which should also be positive. Or the products/solutions are so novel and innovative that the leasing companies consider the product/market risks to be too high. There is simply a lack of well-founded empirical values and reliable value trends (e.g. for residual value calculations). Very often, subsidiarity risks (warranties, guarantees and services) are added to this, as the courts are very favourable to lessees in the event of a supplier/manufacturer default.

In addition, customers increasingly want solutions based on **"equipment-as-a-service"** or **"pay as you use/earn"**. These wishes also meet with little approval or interest from most leasing companies, as they do not generate constant and secure monthly leasing instalments.

As an independent consultant and broker, I therefore felt called and challenged to find solutions for this. With a **venture leasing provider as a new network partner**, I can now also offer appropriate solutions for the above-mentioned challenges and wishes.

This partner focuses on providing the necessary working capital as a lender. In addition to direct leasing with the customer, the partner also offers sale-and-lease-back/SaLB solutions with subletting rights for the manufacturer. Securities are required on a smaller scale than usual and the partner stands in the background as a capital provider. Financing is mainly for hardware, whereby the location of the manufacturer as well as the locations of the customers are basically flexible as long as they are in a "legally secure" country. Hardware, software and services can thus be offered for use/rent completely autonomously, flexibly and individually (customer creditworthiness, location of the customer/internationality, types of contract, terms, conditions/prices). The interest rates are in the range of mezzanine capital.

Industries/products included in this partner's portfolio include (excerpts):

medical/healthcare/bioscience, robotics, automation solutions/IoT, mobility and logistics solutions, driverless/autonomous transport/warehouse/logistics vehicles, drones, battery/storage solutions, 3D printers, 5G technologies, RFID technology, smart metering, etc..

Geographic coverage:

The partner is flexible with regard to the manufacturer's location and considers this on a case-by-case basis, with the jurisdiction of the contracts being based on the partner's offices in Germany, Switzerland and the USA. As a rule, the partner finds solutions to any problems. The locations of the customers or the leased goods are possible internationally as long as they are in a "legally secure" country. In particular, these are Europe and North America in the broader sense. Asia and other geographies will be considered as required.

If you are interested, just send me suggestions for dates for a first video conference.

Greetings from Rheindorf and stay well.

