

Case study: Rye Demolition Ltd, UK

Making life easier



Challenge

To expand the fleet of excavators suitable for a variety of high-profile demolition projects, and financing this large-scale investment.

Solution

Hitachi construction equipment was selected for its reliability and high residual values of its excavators, easy financial transaction and flexible terms, and its professional approach with a personal touch.

Result

Hitachi Construction Machinery delivers an easy and stress-free customer experience to Rye Demolition, based on a strong and supportive working relationship.

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Understanding the needs of the business

Background

Rye Demolition Ltd is one of three Rye Group companies and was established in 2005. Based in Rickmansworth, Hertfordshire, it specialises in all aspects of commercial and industrial demolition. It operates largely in the south of England as well as nationwide for major projects.

Working closely with its customers – such as major house builders Barratt Homes and Bellway – it carries out a variety of activities, including asbestos removal, soft strip and refurbishment, dismantling and reclamation, site clearance, groundworks and bulk excavation.

Business challenges

In order to successfully deliver projects on time, on budget and in full compliance with health and safety, and environmental obligations, Rye Demolition relies on an extensive fleet of equipment. Supplied by Rye Group's plant hire subsidiary, this includes demolition-specification and standard machines. Among these are 15 Hitachi models, ranging from the ZX33U-5 mini to ZX490LCH-6 large excavator.

The company has grown steadily over the last decade, winning an increasing number of specialist and multimillion-pound contracts. Managing Director Simon Barlow says: "We wanted to expand our fleet to fulfil several projects in and around London." These include the demolition of West Ham FC's Boleyn Ground, a cancer research laboratory for a housing development, and the Kodak factory redevelopment in Harrow.

The solution

Having developed a close working relationship with Mitsubishi HC Capital UK (formerly Hitachi Capital (UK) PLC) over many years, Simon knew he could rely on the in-depth knowledge of Hitachi Construction Machinery and funding flexibility to expand his fleet.

He chose to invest in several new Zaxis-6 medium and large models, supplied by Hitachi Construction Machinery (UK), with the finance arranged by Mitsubishi HC Capital UK. "We took delivery of a new ZX300LC-6, ZX350LC-6 and ZX490LCH-6 in early 2018, followed by another two ZX490LCH-6s later that same year," says Simon.

In addition to their strong working relationship and previous positive experiences, Simon appreciated the flexible terms on offer from Mitsubishi HC Capital UK. By taking security in the asset and knowing how to recover the value if required, Mitsubishi HC Capital UK is able to structure very specific payment terms in line with customers' cash flow requirements.

Another advantage over other lenders was the simplicity and ease with which the finance was arranged. "They are very professional and helpful, and make my life easier," adds Simon. "Purchasing a machine with the finance built in, it's a simplified and stress-free experience."

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Simon Barlow, Rye Group Ltd Managing Director

The result

The latest additions to Rye Demolition's Hitachi fleet have proven reliable and versatile on a variety of projects. Some of the new excavators will continue working on the Kodak factory project, which is due for completion in 2020.

"I think Hitachi are among the best demolition plant available," says Simon. "They are the most reliable and resaleable products on the market. We intend to keep the machines for four years and then resell them."

The positive experience with the Hitachi brand has continued for his company. "I order the machine, the finance is organised, the payment is simple. I don't have to wait for another company to invoice me, I'm not receiving phone calls when I have my work to focus on; it's easy."

"We will work with Mitsubishi HC Capital UK again, without a doubt. We already have six more Hitachi machines on order for delivery next year: two ZX210LC-6s and four ZX130-6s."

