

Case study: Brouwers BV, The Netherlands

Partners for growth

Challenge

Brouwers BV needed to expand storage capacity and required funding to buy a new racking system for a third warehouse in s-Hertogenbosch.

Solution

Mitsubishi HC Capital Europe provided a tailor-made, four-year operating lease, giving Brouwers the option to buy the equipment at the end of the term.

Result

With the support from Mitsubishi HC Capital Europe, Brouwers BV has expanded its warehouse capacity to meet the demands of existing customers during seasonal peaks, as well as accommodate the needs of new business opportunities.

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Understanding the needs of the business

**Background**

Brouwers BV is a distribution and logistics company in the Netherlands. Established in 1953, it has been led by the second generation of the Brouwers family, brothers Toine and Joris, since 1989. Members of the family's third generation, Nick and Thony, are now also involved in the business.

The company collects, stores and distributes products on behalf of its customers in various sectors, including food, electronics and clothing. With a fleet of 25 trucks, it serves European destinations such as Belgium, Germany, Austria and the UK. It rents three warehouses near to the container terminals at s-Hertogenbosch and Waalwijk, which are easily accessible from the port of Rotterdam.

Business challenges

The latest warehouse was acquired as part of an expansion programme to meet seasonal demands as well as accommodate new customers. "Nearly all of our customers have more stock in the run up to Christmas," says Managing Director Toine Brouwers. "And winter clothing also takes up more space than summer clothing, even when palletised."

Brouwers wanted to finance a new racking system in its latest warehouse. As an existing customer of Mitsubishi Logisnext, it wanted to invest in the same equipment as those in its other two warehouse facilities to minimise maintenance and

operational costs. Mitsubishi Logisnext also supplies Brouwers with forklift trucks and pallet movers, and has previously provided a funding partner when required. Brouwers required financing for around half of the new racking system, which was worth approximately £1.8 million.

The solution

A funding partner of Mitsubishi Logisnext, Mitsubishi HC Capital Europe provided a tailor-made operating lease, which gave Brouwers the option to purchase the equipment at the end of the four-year term. According to Toine, Mitsubishi HC Capital Europe provided competitive pricing and were easy to work with.

"We were kept up to date on how the transaction was progressing. They took the time to understand our business and growth strategy, and the reasons why the finance was needed. There was good communication with the suppliers too, so everyone was on the same page. It's easy when the parties know each other and are used to working together – it's just more coordinated."

The result

The third warehouse is now fully operational and Brouwers has the capacity to take on more customers and pursue its growth strategy. "Finance is key to our expansion plans – it enables us to invest in the equipment we need in an affordable way, without having to deplete the business's working capital," says Toine.

"They took the time to understand our business and growth strategy, and the reasons why the finance was needed."

Toine Brouwers, Managing Director

"It means we can use the income from customer contracts to contribute to the lease payments."

Brouwers would use Mitsubishi HC Capital Europe again when purchasing from Mitsubishi Logisnext. "It was convenient having the equipment and finance available all from one company," adds Toine.

