

Case study: McKeon Stone, Republic of Ireland

Mitsubishi HC Capital Europe offers refreshing change

Challenge

To replace two “worn-out” excavators with one new machine, and the critical issue of financing such a large-scale investment.

Solution

Hitachi selected for the quality of its large excavators, suitability of the finance package from Mitsubishi HC Capital Europe (formerly Hitachi Capital European Vendor Solutions B.V.) and its business partnership approach.

Result

Positive financial outcomes and a first-class customer service experience for McKeon Stone.



Case study: McKeon Stone, Republic of Ireland

Understanding the needs of the business



“The highlight has been their willingness to do business.”

Niall Kavanagh, McKeon Stone Managing Director

Background

Founded in 1950, McKeon Stone is the proud supplier of “Europe’s best blue limestone” to the domestic market and for export to Belgium, The Netherlands and Germany. The company extracts 200,000 tonnes of the premium raw material per annum from its 18-acre limestone quarry in County Kilkenny, Republic of Ireland.

Based in neighbouring County Laois, McKeon Stone employs 47 people across its two locations, offering a total of more than 600 years of industry experience. Once the large blocks of limestone have been transported from the site to the factory at its headquarters, they are cut and crafted to its customers’ unique design specifications.

Business challenges

For a company that prides itself in using world-class quarrying technology, the time had come for McKeon Stone to replace its two existing excavators, according to Managing Director Niall Kavanagh: “The old equipment had served the company well for over 20 years, but they had effectively worn out.

“We needed to find a solution relatively quickly and couldn’t afford a delivery lead time of four to five months. So, we decided to buy a new machine to cope with the demands of our quarrying operation – and the finance was a critical issue for such a large-scale investment. With the banks being extra-cautious due to the recession, the availability of funding for capital purchases in Ireland was minimal.”

The solution

McKeon Stone opted to buy a Hitachi ZX670LCR-5 from its local Hitachi dealer, McSharry Bros Plant Sales, assisted by Hitachi Construction Machinery (UK) and with the finance arranged by Mitsubishi HC Capital Europe (formerly Hitachi Capital European Vendor Solutions B.V.).

With an in-depth knowledge of Hitachi construction machinery, and the markets in which it is used, Mitsubishi HC Capital Europe has an advantage over other lenders. It is able to offer tailored terms to Hitachi owners like McKeon Stone, as it takes security in the asset and knows how to recover the value if required.

“We quickly decided that the ZX670LCR-5 was the machine for us,” Niall explains. “The Hitachi and Mitsubishi HC Capital Europe personnel were highly knowledgeable, enthusiastic, and had a strong interest in and understanding of our business needs. Dealing with them was a very positive experience, as they were quick to answer any queries and make decisions – no messing around!”

This professional approach was extended to the finance offer from Mitsubishi HC Capital Europe, with the initial proposal being offered within a week. The terms were also preferable with a low deposit, the balance paid over seven years and an appropriate solution to manage the deferment of the VAT. “We were very comfortable with the speed and terms on offer,” adds Niall.

The result

As anticipated by McKeon Stone, the ZX670LCR-5 is ideally suited to the Kilkenny blue limestone quarry. Niall also reveals the positive financial experience of working with the machine: “The ZX670LCR-5 is saving us at least €1,000 per week in fuel costs. There has also been a significant reduction in maintenance, and the total saving more or less covers our monthly repayments!”

The favourable service from Mitsubishi HC Capital Europe (formerly Hitachi Capital European Vendor Solutions B.V.) has also continued to impress McKeon Stone. “We welcomed them back to oversee the machine’s first service and check that everything was going according to plan,” says Niall. “We are also interested in replacing our existing two wheel loaders, so we’ve had some initial discussions about that too.

“Overall, the highlight has been their willingness to do business. It’s a refreshing change to deal with them. They understand our operation, and recognise that we have a good set-up and are financially stable.”

