

Working capital finance takes Orion to the next level



About Orion Access Services

Founded in 1988 by Managing Director Paul Chalk, Orion originally started as a window cleaning company in the City of London specialising in high level services. Today, the business has evolved into a leading cherry picker hire company, operating nationally. Recognising the advantages of powered access, the business purchased its first access machinery in 1995 and by 1998, the first 34m Bronto Skylift truck mounted platform was added to the fleet. Orion now specialises in truck mounted platforms from 14m to 64m. These can be hired on a self-drive basis up to a height of 27m and on an operated basis ranging from 14m up to 64m.

The challenge

“We have recently been through the process of buying out one of our directors who was looking to retire”, said Paul Chalk, managing director of Orion Access Services Limited. “We met the share purchase consideration out of existing cash flow but this has inevitably put pressure on our working capital going forward, particularly since we are continuing to drive growth at a steady pace. Given the scale of unprecedented change in the construction sector, the impact of the collapse of Carillion being felt right the way across the supply-chain as well as the prevailing economic uncertainty, we could see that replacing our existing overdraft with a more flexible facility would definitely be the right move for us.”

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Paul Chalk, Founder and Managing Director, Orion Access Services, August 2019



Corporate & Investment Banking

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Investec's solution

Investec had already established a close working relationship with Orion as their asset finance provider and contacted Paul Chalk towards the end of a lease to obtain a more detailed understanding of the company's objectives and broader funding requirements.

The discussions soon turned towards invoice finance as the ideal solution to fill the working capital shortfall and to provide a strong platform for future growth.

"The flexibility to be able to increase and decrease our funding as required through invoice discounting is far more attractive to us than a fixed overdraft.

"With Investec, what you see is what you get. They are really easy to work with and they always look to make things straightforward for us as a business customer, even where the deals themselves may be complex in nature. The process of putting our new invoice discounting facility in place was similarly very smooth."

Outcome

"To be honest, we have used the facility more than we thought we would. When high winds affected the whole of the UK at the start of this year our funding line saw us through that difficult patch and now that the contracts have caught up, the facility has seen us through that strong surge in demand as well."

Paul Chalk observed: "Whilst the industry is undoubtedly facing a tough time as trading conditions harden, our profitability has increased from last year. The new funding line from Investec has not only helped the business to become even more resilient in the face of change, it has also enabled us to take advantage of fresh opportunities for growth."



About Investec

Investec Corporate & Investment Banking (CIB), part of Investec Bank plc, is an international corporate and investment banking business working with growth-orientated companies, institutions and private equity funds. Our people set us apart – empowered, straightforward and invested in our clients' long-term success.

We provide our clients with a comprehensive range of solutions spanning capital, advice and treasury risk management. Founded in 1974, the Investec Group has grown successfully through its client-focused approach and ability to serve diverse and evolving financial needs. Investec Bank Plc rated A1 by Moody's and BBB+ by Fitch Ratings. Investec Bank plc is the main banking subsidiary of Investec plc, a FTSE 250 listed company.

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