

Proactive refinancing tailored for growth



ALLIED
Trusted by the World's Finest Brands

About Allied Glass

Allied Glass is a combination of two Yorkshire high-end specialist spirits bottle makers with a proud history from the 1870s. It moved into the spirits sector in the 1970s, when it built a strong reputation as a manufacturer of difficult-to-do and complex bottles. Allied Glass' biggest sector today is whisky, which by 2014 was about 60% of its product base.

The challenge

By 2015, market conditions for whisky had tightened. Back then, Allied Glass had relationships with four banks, one of which was

Investec. It began to see clear differences in the banks' attitudes - some were neutral and one made it clear it no longer supported manufacturing in the same way." They wanted to invest for strong growth plans and needed a banking partner for the long term that understood and supported them.

Investec's solution

The Investec team approached Allied Glass and said that; "we love your business, we understand your position, and we believe you have a strong future." Investec showed its trust by coming up with a proposal to be the sole banker for Allied Glass. The suggestion was to move from a

**“The Investec team stepped up.
The bank was one of the four
already used by Allied Glass.
And it was the one to see beyond
the short-term.”**

Alan Henderson, CEO, Allied Glass
January 2019

 **Investec**

Corporate & Investment Banking

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traditional vanilla loan, half repayment and half bullet, to one facility: a combination of an amortising loan spread over six years and revolving asset-based lending secured against stocks and debtors.”

This was great for a number of reasons; it went back to a single banking relationship – a very strong one (that is also slightly cheaper) and the Allied Glass team is now able to spend time on proper business-related issues and proactive planning.

But most of all Allied were able to invest where they needed to, in its people and equipment. It's vital in this business to be ahead of the game with capital expenditure, and thanks to the Investec team Allied Glass have been able to achieve that.

Outcome

Allied Glass' turnover increased by 10% in 2017 and a further 12% in 2018. The bottom line is growing too. That growth has come from new business; it now has 50% more customers. The growth has been possible because of investments it made – all on the back of the Investec team's unanimous support and financing.

This would never have happened if Allied had carried on with the four-bank club. Investec has fully supported Allied Glass, which has made all the difference. Alan Henderson, CEO of Allied Glass, explains; “The Investec team that structured the facility remain as the ongoing relationship team and there's real trust within the partnership. Ultimately that's what matters most.”

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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