



# Driving long-term growth

## About W G Davies

The main franchised dealer for MAN Truck & Bus across South Wales, W G Davies operates from three regional Network Centres in Cardiff, Swansea and Tenby and has more than 80 employees. Established for over 90 years, the third-generation family business provides a comprehensive range of aftersales parts, service, maintenance and repairs for all commercial vehicle operators of trucks, vans, buses and coaches in the region. dressings for retailers and foodservice groups.

## The challenge

Like many fast growing businesses, W G Davies was already using invoice discounting to accelerate its generation of working capital. However, it was becoming increasingly apparent that the company would require a higher availability of funding in order for it to take full advantage of new commercial opportunities in the market. While not actively seeking to change finance providers at the time, a meeting with Investec Capital Solutions was to prove instrumental in developing a more appropriate funding strategy for the business over a longer time horizon.

Roger Davies, Managing Director of W G Davies, explained: "The confidential invoice discounting arrangement with our previous lender was working well operationally. However, it wasn't able to supply the level and flexibility of working capital that we would need in order to take advantage of periodic offers and preferential discounts from suppliers. Following our initial discussions with the team at Investec, we quickly identified that they would be able to support us with our medium to long-term plans, as well as provide the additional funding that will enable us to seize new opportunities as they arise."

**W.G. Davies**  
*Servicing South Wales*

"Following our initial discussions with the team at Investec, we quickly identified that they would be able to support us with our medium to long-term plans, as well as provide the additional funding that will enable us to seize new opportunities as they arise."

Roger Davies, Managing Director

## Investec's solution

Investec Capital Solutions responded by structuring and delivering a bespoke £1.2m funding package. This comprised a confidential invoice discounting line and a revolving advantage loan, designed to generate a higher level of working capital, alongside a CBILS facility, which has provided a welcome cash buffer, creating further additional headroom.

Roger Davies added: "The team from Investec Capital Solutions came to visit us at our head office in Swansea. They were very approachable, listened closely to our needs and took on board what we wanted to achieve, embracing where we were looking to take the company in the future. I came away from our exploratory meeting with the sense that they really got our passion for the business and that they would be finance partners that we could stay with for a long time to come."

He continued: "Their ability to translate the content of our discussions to the credit team was particularly impressive and they delivered the creative funding structure smoothly as promised. For us, the unique part of the Investec offering is the revolving loan facility, which we can use tactically as and when needed to take advantage of supplier promotions, offers and discounts, typically on a quarterly basis."

## Outcome

The business has come a very long way since William John Davies and his wife Rachel started W G Davies as a haulage company in 1926. Today, as a main service dealership for MAN trucks and the dominant business of its kind in the region, the future looks exciting.

Roger Davies concluded: "We are building our business on the foundations of a strong service ethos and a reputation for delivering quality support locally, gained with our commercial vehicle customers from all areas of industry including petrochemicals, construction and distribution."

"Their ability to translate the content of our discussions to the credit team was particularly impressive and they delivered the creative funding structure smoothly as promised. For us, the unique part of the Investec offering is the revolving loan facility, which we can use tactically as and when needed to take advantage of supplier promotions, offers and discounts, typically on a quarterly basis."

Roger Davies, Managing Director



Service is at the heart of everything we do and we strongly appreciate the same level of professional focus and attention in our funding partners. I can honestly say that we have experienced that quality in all of our dealings with the Investec team. We look forward to working with Investec as long-term partners as we continue to drive further growth."



## Contact

**investec.com**

ICSCBU@investec.co.uk

020 7597 5936

We are a solutions-led corporate and investment banking business who provide capital and innovative ideas to growth-orientated companies, private equity and institutional investors across markets and sectors.