

TECHNOLOGY LESSORS

Volumes quadruple at Parfip

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European small-ticket lessor Parfip Lease has seen its portfolio quadruple in volume over the past three years.

The lessor, which specialises in financing industry security and technology products, reached 200,000 leasing contracts at year-end 2008, worth nearly €300 million. The company aims to exceed 500,000 contracts within three years.

"Working closely with partners has enabled us to continue to grow, despite the credit crunch," said Laurence Damster, a consultant at Parfip Lease. "They realise they can grow quicker by working with us, developing their business volumes in partnership with ours."

In 2007, the company saw a record growth of 80 percent and 45 percent last year.

"We are expecting a tougher year in 2009 - I expect demand to slow down, but it is too early to tell by how much," added Damster.

Funding for the lessor is provided by one of its major part-



Small is powerful: Parfip Lease puts volume increase down to service focus

ners and its main shareholder, Banque Monétaire et Financière, part of CASDEN Banque Populaire, a French bank.

Partners use an online automatic credit scoring system developed by Parfip Lease, called Cyclosia. To apply for finance, partners can enter customers' details into the system, which checks against local credit-scoring databases. This is no mean feat, considering Parfip Lease works in 11 European countries.

An "immediate answer" is given to partners in 90 percent of cases. For more complex cases, the credit team at Parfip

Lease is committed to making a decision within a 48 hour period.

Explaining how the lessor aims to achieve its medium-term objective of €1 billion worth of contracts, Damster said it would focus on signing up new partners.

"One of the side effects of the credit crunch is that partners will not be able to get new credit lines from their bank, so they will then turn to alternative finance partners, such as Parfip Lease," she said.

"That and our service-oriented approach make us a much more attractive choice."

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INDUSTRIAL VEHICLES

BPLG reports large decline in finance business

The industrial vehicle market declined 19 percent in France in the last quarter of 2008, according to BNP Paribas Lease Group (BPLG) and an organisation which monitors developments in the European industrial vehicle market.

In 2009, BPLG and Observatoire du Véhicule Industriel (OVI) expect manufacturers' order books to decline by 27 percent.

"We have seen a clear fall in demand in the last two months of 2008," said Jean-Michel Mercier, the head of transport markets at BPLG and director of the OVI.