

LEASING

Recent studies by both MYOB and the Commonwealth Bank of Australia have revealed that 80% of small businesses delay the adoption of technology offering long-term benefits, despite more than half (58 per cent) claiming to have a good personal knowledge and understanding of technology. Results highlighted that SME owners will not pay their own wage, dip into personal funds and rely on credit cards to manage cash flow, working capital and business investment.

To compete- Production costs need to be lowered and productivity needs to be increased.

The solution- Implement automation and technology.

What do you need- Revenue, cash or the ability to borrow money. Basically assets that will satisfy the increasing demands and needs of the bank.

Herein lies the dilemma- You know that a linear saw (or any automation/technology) will help your business grow but you are not ready or unable to invest in a capital expense. The presumed financial risks are holding you back! The banks will not take on the risk, preventing your ability to get the technology that is necessary for you to compete and grow.



Traditionally, there have been two options available-

- Take the risk- take on that higher interest loan, make the deal or do whatever is needed to fund the capital equipment.
- Forget the idea- you're not in a situation now or the near future to invest in capital equipment.

There is now a third option- Hiring!

Vekta Automation is excited to announce that they are now able to offer an innovative, customer focused solution to the technology versus investment dilemma!

In-house hiring on Vekta's ENTIRE product range

So how does it work?

During your agreed hire period, Vekta provides the equipment, all of your technical support, servicing and software upgrades for a flat monthly fee. If, at any point, either before or after the hire contract expires you decide that purchasing the equipment outright makes sense, the hire agreement includes an agreed upon formula for calculating what the purchase price will be at that point in time.

- There are no penalties or hidden figures.
- Your equipment isn't locked in with a particular nail plate provider.

The intention of this is to help companies, particularly small to medium size fabricators, invest in the technology they need to be competitive and to grow. By hiring directly, a customer that might not have the assets to purchase outright, can still get the equipment they need to grow.

Another advantage, the hire payments will likely be considered an expense (tax deductible) where as a loan repayment isn't (only the interest is tax deductible). As a result, a hire arrangement is likely to create a tax advantage over an outright purchase (independent financial advice needs to be sought).

It's time for SME owners to take back the power over their business assets and have access to the technology they need to continue to be competitive in the industry. As behavioural scientist, Dr Ponnampalam identifies; "The unfortunate irony is that when implemented effectively, these technologies can enable individuals to gain back precious time to invest in their wellbeing; which in-turn fuels improved performance, productivity and creativity. These results suggest that small business owners need a nudge to adopt these time saving technologies."

Vekta's innovative hiring solutions- providing the nudge to improve your business.





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