

## CASE PROFILE

### Continued success for CLAAS

CLAAS is today the leading supplier of agricultural harvesting equipment (combine and forage harvesters) and has a growing presence in the tractor market. With a global turnover of €3.2 billion in 2008, a rise of nearly 22% on the previous year, the company is weathering the current economic downturn and expects to see like-for-like sales in the current year.

In the UK, CLAAS operates from two 'harvest centres', Bury St Edmunds and Edinburgh, and these are supported by dealerships spread throughout the country. The dealerships provide the necessary geographic coverage for the personalised customer service expected by farmers today. Financing of new equipment is all part of this service and with typical prices for combine harvesters at £100,000 to £300,000 farmers expect to see a finance option in any quotation. However, in common with many industrial manufacturers, agricultural equipment providers do not generally aspire to become financiers. Usually, their preference is to create a joint venture with a finance company. For CLAAS this involved establishing CLAAS Financial Services Ltd as a European joint venture between the company and BNP Lease Group.

UK Financial Services Managing Director John Kneller comments: "The agricultural sector is currently very resilient and sales are pushing ahead well. This year more than ever it has been essential to offer our customers the best financial solution wrapped around the product offering. With the current turmoil in financial markets having a joint venture finance company ensures that we have funding available for our customers' investments."

Technology continues to play a crucial role in meeting customer expectations. For example, customers will have their preferred specification for a combine harvester and the sales team or dealer needs the capability to configure these requirements easily; financing options are an integral component of that quotation.

For CLAAS Finance, development of an integrated product and finance system has involved a partnership with Field Solutions and BNP Lease Group. Now, once the equipment has been specified, a finance quotation can be generated automatically at the touch of a few buttons.

John Kneller says "We are continually looking to improve the customer experience and we will deploy new technologies if this helps us to achieve our objective. We meet most of our customers 'on-farm' and it's important to say at that time how much something will cost with a payment or rental profile." To help CLAAS further this objective, Field Solutions has introduced a new mobile phone application, FieldCalc [a badged and customised version of Field Solutions' FieldCell product]. This provides instant quotations against different finance schemes, repayment profiles and rates and also operates online with CLAAS's own equipment configuration system. The new mobile quotation solution is gradually being rolled out to all CLAAS dealers and sales teams and will soon be available to over 100 mobile users."

John Kneller adds: "It's a new innovative and cost effective way of improving customer service. It means CLAAS can provide an immediate 'on-farm' finance quotation for any equipment proposal and ensures we use the best tools available in order to further develop our market leading positions."