



The Alta Group SM



Global Experience Provides Direction for Equipment Leasing and Asset Finance

Through collective knowledge and experience, The Alta Group provides value for its clients in the global equipment leasing and finance industry in outcomes that increase revenue, control expenditures and improve productivity and profitability.

New Directions

September 2009

The Alta Group - EMEA Region

On the cusp?



The global economy remains in recession, but it is encouraging to see some evidence of emerging "green shoots", even though these may take some time to mature. Business confidence is slowly picking up, but from very low levels. Although the lending climate is improving, investment intentions, business volumes and defaults are of continuing concern. Nevertheless, the prospect of recovery means that it is time to look forward with optimism.

Malcolm Ogle, Chairman of Alta's EMEA Region, says: "In recognising the challenges and opportunities facing the leasing and asset finance industries, Alta is actively planning for future prosperity. Our prime focus is on how we can deliver new and added value to our client relationships."

In a busy summer, Alta launched its new global website - www.thealtagroup.com. Information on the EMEA team, including its comprehensive portfolio of services, was completely refreshed, along with that for Alta's other Regions. The new website reflects Alta's growing collective knowledge and global presence.

In this newsletter, Alta unveils its new team members and Malcolm and several of his colleagues share their thoughts on a wide range of industry issues and gaze into leasing's crystal ball.

If you would like to discuss, confidentially, any of the issues facing your organisation and learn how Alta can help, call Malcolm on +44 1825 713356

Join Our Mailing List!

Forthcoming Event

Leaseurope Annual Convention, Prague

Alta and IAA will be jointly sponsoring the Lunch to be held on 5th October, one of the main social and networking events at the Leaseurope and Eurofinas Joint Annual Convention. This premier annual gathering of the European leasing industry provides a unique opportunity for high-level engagement with industry leaders and colleagues and policy makers.

The Convention's theme is "Where to

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Alternatively, [contact any of our Principals direct](#)

Enhanced Representation

Paul Piggott recently joined the team. He is a vendor finance expert and hands-on global vendor programme leader. Read his profile below.

Paul Piggott (Associate)

Paul has been based in Cape Town, South Africa, for several years and has 20 years' international experience across a wide spectrum of markets and asset types and in all aspects of business development, including M&A. Amongst his achievements, he has an impressive track record of building high-performing vendor leasing programmes.

Paul specialises in vendor finance and has worked for both lessors and vendors. He has a thorough understanding of the requirements for developing, implementing and successfully running vendor programmes and is a highly-regarded hands-on global programme leader and enthusiastic exponent of vendor finance.

Paul is focusing on numerous opportunities with Alta drawing on his wealth of experience. He can help international lessors and vendors understand and successfully enter the African market and assist local financial institutions in developing their knowledge base and product/service offerings. Paul can additionally use his empathy for emerging markets in the Middle East and elsewhere to help lessors, vendors and local banks explore and seize opportunities.

Prior to joining Alta, Paul held various general management and business roles with major asset finance companies including GE Capital, Heller Vendor Financial Services and, latterly, Key Equipment Finance. At KEF, he had overall responsibility for new and existing vendor programmes and thrived on the opportunity to build and lead the team that drove the turnaround of the European business.

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International Advisory Associates is our newest Business Partner. Read IAA's profile below.

International Advisory Associates (Business Partner)

IAA is a boutique consultancy specialising in leasing and asset finance, specifically equipment sales financing of all types. Derek Soper, IAA Chairman, brings more than four decades of experience in global leasing and asset finance, banking and financial services to IAA. Few can match his experience and expertise in international leasing operations.

IAA aims to bring long-standing experience, strong advice and a history of success to its clients, which are a variety of lessors and financial institutions that may be banks, banking subsidiaries, manufacturer captives or independents.

For more information, go to www.iaa-advisory.com

In this Newsletter . . .

- Malcolm Ogle discusses lease accounting developments, posing questions to

Next?" The programme is structured around the following main topics: Market Trends and Developments and Regulatory Environment.

For the full business and social programme [click here](#)

the Financial Standards setters and encouraging lessees and lessors to actively support the work of Leaseurope and other associations. He also cautions lessors to be alert to danger arriving below the radar.

- Alan Leesmith views the future with optimism. Equipment has always been needed and manufacturers or lenders have always found a way to provide it using some form of instalment payment. He sees a long-term future for those who are imaginative and able enough to meet new challenges.
- Jeff Addison looks beyond the gloom and identifies a once in a generation opportunity to create, develop and establish a significant and highly profitable new market presence in vendor finance.
- Specialist vendor finance can often be challenging and in today's economic climate, especially so. Marc Tendler writes about his recent project of helping a niche manufacturer of temporary and permanent seating solutions establish a vendor program.
- A new decree in Italy presents an excellent opportunity for companies with an investment appetite and, especially, for "unregulated" lessors. Financial lessors will indirectly also be favoured. Fabio Cosimetti examines the detail of this positive development.
- Alta and International Advisory Associates have jointly formed a new Trade Association - The Forum of Manufacturer's Sales Finance Companies Limited (The Captives Forum). Steve Robinson explains that this unique Europe-wide association brings together the customer finance activities of many of the world's major manufacturing companies.
- The Indian government has recently showcased the new model tax code envisaged for implementation in 2011. Unfortunately, there is a cloud on the horizon for leasing as Farouk Irani, Managing Director of First Leasing Company of India, explains.

Date for the Diary

Annual Leasing Industry Charity Christmas Lunch

This year's Annual Leasing Industry Christmas Charity Lunch will be held on Wednesday 16th December 2009 at the Institute of Directors, Pall Mall, London SW1Y 5ED.

Building on the great success of the charity lunch held last December, the beneficiary will again be the [charity Cancer Journey](#).

Following in the sizable footsteps of Andy Ripley who provided such excellent entertainment last year, there will again be a very high-profile guest speaker (the name will be announced shortly). There will be a Raffle and an Auction with all proceeds going to Cancer Journey. Excellent prizes are already being pledged, some of which are: "A day's pheasant shooting on Balcombe Estate in Sussex", "A four people 'Cruise and Dine' to St. Malo" and "A round of golf for four at Luton Hoo".

The event is co-sponsored by CHP Consulting, International Advisory Associates and The Alta Group.

Remember, this is the Industry's chance of combining a super Christmas event with a contribution to Cancer Journey. If you are able to donate prizes for either the Raffle or the Auction, please contact us. Similarly for advance bookings of places or full tables (10 places at each table), please contact Malcolm Ogle or Steve Robinson of The Alta Group or Derek Soper of International Advisory Associates. We thank you in advance for any contribution you are able to make.

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Lease Accounting - a Sledgehammer to Crack a Nut?

The two major Accounting Standards Boards, I(International)ASB and F(Financial)ASB have been working together since 2006 to produce a revised standard for lease accounting. A Discussion Paper was issued in March this year setting out the issues and possible solutions; however, there are ongoing issues and concerns.

Alta Chairman Malcolm Ogle delves into the detail, which leads him to pose questions to the Financial Standards setters and to encourage lessees and lessors to actively support the work of Leaseurope and other Trade Associations around the World when they reflect on the Exposure Draft which is expected to be issued in Q2 2010. Malcolm also cautions lessors to be alert to danger arriving below the radar.

To read Malcolm's informed analysis and take heed of his messages, please [click here](#)

Leasing's future looks promising for the imaginative and bold



The recession hit the leasing industry globally, with the mature Western leasing markets hardest hit. New business volumes have been severely reduced - down in excess of 40% in some countries. However, Alta Principal Alan Leesmith views the future with optimism. Equipment has always been needed and manufacturers or lenders have always found a way to provide it using some form of instalment payment. Where there is a demand, mankind's commercial ingenuity will find a way to meet that demand.

Alan sees a long-term future for those who are imaginative and able enough to meet new challenges. Manufacturers will be under far greater pressure to achieve this than bankers, since their whole existence is determined by being able to find ways for end users to acquire their products. Bankers have no such pressures. Maybe this is where we will see those with

imaginative minds, channelling their resources and combining with the well-established skills of manufacturers' marketing and service culture. The captives may well have a greater role influencing the long-term future of our industry.

To read Alan's detailed critique of the industry and his predictions for different players

please [click here](#)

Mind the Gap - Vendor Finance window of opportunity



A remarkable feature of the current post "Financial Apocalypse" era is the emergence of opportunities for growth and development across the broad asset finance spectrum, and especially in vendor finance.

Alta Principal Jeff Addison is seriously concerned about the raft of SMEs lacking access to adequate competitive finance required to provide investment in essential assets. Moreover, the Vendors, many of whom are also SMEs, have found themselves struggling to attract sufficient funders and/or sensibly priced facilities which will be attractive to their customers. It is no

exaggeration, Jeff ventures, to suggest that the future of many of these businesses is dependent upon the availability of simple form or service inclusive sales-aid finance.

Out of this gloom, Jeff sees a once in a generation opportunity to create, develop and establish a significant and highly profitable new market presence in vendor finance. To read his interesting "take" on the present and future, please [click here](#)

Specialist vendor finance needs specialist knowledge



Specialist vendor finance can often be challenging and in today's economic climate, especially so. The Alta Group team frequently has to rise to this challenge to help support clients with highly specialised and complex requirements.

Alta Principal Marc Tendler was recently actively involved in helping a niche manufacturer of temporary and permanent seating solutions for a wide range of arenas including sports stadia and concert halls establish a vendor program. This was especially targeted at their temporary seating products which enable football and rugby clubs to rapidly improve facilities and increase

capacity. There were challenges to surmount in the process, which confirm the need for specialist leasing knowledge in the creation of customer financing solutions with unusual assets. To read more about Marc's interesting assignment, please [click here](#)

Enhanced investment opportunities unveiled in Italy

A new decree, ratified early August by the Italian Government, presents an excellent opportunity for companies with an investment appetite and, especially, for "unregulated" lessors which can take direct advantage of the significant new tax incentive. Financial lessors will indirectly also be favoured due to the expected increased volume of investment. Alta's Italian authority Fabio Cosimetti examines the detail of this positive development - [click here](#) to read his informed analysis

The Captives Forum Opens its Doors for Business

The Alta Group Europe and International Advisory Associates have jointly formed a new Trade Association - The Forum of Manufacturer's Sales Finance Companies Limited (The Captives Forum). Alta Principal Steve Robinson explains that this unique Europe-wide association brings together the customer finance activities of many of the world's major manufacturing companies. For more information, [please click here](#)

Membership of The Captives Forum is open to Manufacturers or Vendors who either have existing customer financing entities or aspire to provide their customers with 'in house' financing solutions. There is a requirement that the 'Captive' is owned or controlled by the manufacturer or vendor - for further information regarding membership, please contact Malcolm Ogle (malcolmogle@thealtagroup.eu.com), Derek Soper (dereksoper@iaa-advisory.com) or Steve Robinson (steverobinson@thealtagroup.eu.com).

Leasing in India faces discrimination

The Indian government has recently showcased the new model tax code envisaged for implementation in 2011. Unfortunately, these tax proposals are particularly threatening the new direct tax code's proposal to radically redefine the tax base on which Minimum Alternative Tax is computed. Under the new proposals the government proposes to move away from a Revenue Stream such as "book profits" towards an "asset stream" i.e. value of gross assets. Leasing companies face discrimination as Farouk Irani, Managing Director of First Leasing Company of India, explains [click here](#).

New Directions is a free newsletter published regularly by The Alta Group. The Alta Group is a consultancy in the global leasing and finance industry.

Sincerely,

Malcolm Ogle
The Alta Group Ltd

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