# Spartan Eagle Group, Inc

A DISABLED VETERAN-OWNED COMPANY

# The Why

- “CASH IS KING”. When companies finance purchases to preserve cash, they historically want to finance with the product producer/vendor at the point of sale because they perceive getting a better deal, less red tape, a faster transaction and because they have a comfort level with the product producer/vendor.

# THE OPPORTUNITY

- Spartan Eagle Group will set up, manage and fund the equipment purchases from the vendor in an in-house, private label, (in the vendor's name), turn-key leasing option for customers at the point of sale. The product producer/vendor gets increased sales, receives new revenue streams, resulting in doubling product profits and receiving his product cost in cash upfront.

# THE HOW

- The product producer/vendor, will become the majority owner in a new Joint Venture (JV) with Capital Lease Advisors.
- As minority partner, Spartan Eagle will arrange non-recourse funding for the JV to purchase equipment, and any software licenses, as well set up, management, and training, for the inhouse private label, turn-key leasing option offered to customers at the point of sale.
- The product producer/vendor, as majority owner, will receive the majority of the net revenue from the leases, and end-of lease equipment re-marketing proceeds resulting in potentially doubling the vendor's profit on its equipment sale. Plus, will receive 100% of the retail cost of the product upfront.

# HISTORICAL SUCCESS

- Our team, consisting of the author of 11 books on leasing, a contributor to the set up and design of the leasing program for Cisco Systems, Mitsubishi USA, Ross Perot's EDS, FP&L as well as the start and exit of numerous leasing companies will structure and design every aspect of the Joint Venture.
- Having completed the syndication of over $1.8 billion in leases over the past 5-6 years, as well as having decades of leasing experience both domestically and internationally, this team can confidently build this sales and marketing tool for the Joint Venture.

# THE PERCEIVED RISK

- The typical question, with regard to risk is:

"In the event of default, does the JV have liability for the upfront funds used to purchase the product leased to the customer?"

The answer is **NO!** All funding to the Joint Venture is **"NON RECOURSE!"** This eliminates the risk in the event of default.

In addition, the very careful credit checks, due diligence and vetting of customers, essentially reduces to an absolute minimum any risk of default.

# THE BENEFITS

- The product producer/vendor will first receive the benefit of **a minimum of 30% and as as much as 50% increase in sales** by offering an inhouse leasing option at the point of sale. 9 out of 10 companies either use leasing or other financing to acquire products. Of the $1.7 trillion U.S. dollars spent to acquire equipment and software, 60 % or $1 Trillion was through leasing.
- Providing an inhouse leasing option at the point of sale has shown to dramatically increase the ability to close a product sale.

# THE BENEFITS

- At the signing of the lease, the product producer/vendor receives the full price of the product as if it was a **"cash sale", right upfront.**
- As the majority owner of the Joint Venture, the product producer/vendor will receive **the bulk of the profits generated by the lease.**
- **Profits at the end of the lease**; the product producer/vendor will receive the majority of the cash from the sale of the product to the customer, or if the product is returned, the majority of the profits from the re-lease or re-sale of the product resulting in the vendor doubling his equipment profits.

# THE COMPETITIVE EDGE

- Currently, at the end of the lease, legacy leasing companies often sell the product at far below market value or allow brokers to sell it for pennies on the dollar. Thus, additional profits are lost and can jeopardize the sale of new long-life products.
- The Joint Venture maintains total control of the product, even at the end of the lease. **The JV maximizes profits** whether the customer buys it at the end of the lease or returns it.
- If it is returned, **Spartan Eagle** arranges to have it refurbished as necessary, **and either re-leases it or re-sells it,** either domestically or internationally, to get the highest profit return for the JV.

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A DISABLED V E T E R A N - O W N E D C O M P A N Y . ”

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