

News Release

CANNOCK TOOLING MANUFACTURER PURCHASES NEW MACHINERY WITH THE SUPPORT OF LLOYDS BANK

A tooling manufacturer in Cannock has purchased two new pieces of machinery enabling it to pursue its growth ambitions, with the support of a £72,000 loan from Lloyds Bank Commercial Banking.

RLS Tooling Ltd, established in 1989, manufactures tools used to produce screws and bolts, and supplies to businesses across the UK, with export operations in Europe, China and the USA.

The business, located on Walsall Road, recognised an increasing demand for its products, from clients both in the UK and overseas, and identified the need to invest in additional machinery in order to increase its production capacity to meet this demand.

It approached Lloyds Bank Commercial Banking, which provided the loan to support the purchase of another cylindrical grinding machine and blank making machine, enabling it to increase the production of its components by 10 per cent.

Funding was granted using the Funding for Lending Scheme (FLS) through which customers can receive competitively priced lending.

Lloyds Bank's Commercial Finance team has also provided the business with a funding facility to help generate working capital as it works to achieve its long term growth strategy.

RLS Tooling employs 18 people and has a turnover of circa £1.5million. Following the purchase of the machinery, it now plans increase its export operations by targeting contracts in new markets, with plans to increase its workforce in the next six months.

Roger Smith, Director at RLS Tooling, said: "The investment in new machinery has been vital to enable us to meet the increasing demand for our products from the UK and overseas markets, and keep ahead of our competitors.

"The team at the Lloyds Bank has played a fundamental role in helping us make this investment and we now look forward to continuing to grow the business and our export operations, whilst also creating additional local jobs."

Christopher Briggs, Relationship Manager at Lloyds Bank Commercial Banking, said: "RLS Tooling is a well-established local manufacturing business and has built up an excellent reputation for the high quality components it produces.

"This recent investment in new machinery highlights the business' ambitious plans for growth, allowing it to produce an increased amount of its products to meet existing demand, as well as providing it with the production capacity to secure contracts in new markets.

"As part of our commitment to supporting the sector, we have set a target to lend an additional £4billion nationally to manufacturing businesses by the end of 2017."

Andrew Collett, Client Manager at Lloyds Bank Commercial Finance, said: “The facility provided to RLS Tooling has generated working capital for the business, that doesn’t impact on its day to day operations and the business now has a strong platform for growth as it pursues its expansion plans.”

ENDS

MARCH 2015

Issued on behalf of Lloyds Bank Commercial by Citypress

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Notes to Editors

Lloyds Bank Commercial Banking provides comprehensive expert financial services to businesses of all sizes, from start-ups, through to small businesses, mid-sized businesses and multinational corporations. These corporate clients range from privately-owned firms to FTSE 100 PLCs, multinational corporations and financial institutions.

Maintaining a network of relationship teams across the UK, as well as internationally, Lloyds Bank Commercial Banking delivers the mix of local understanding and global expertise necessary to provide long-term support and advice to its clients.

Lloyds Bank Commercial Banking offers a broad range of finance beyond just term lending and this spans import and export trade finance, structured and asset finance, securitisation facilities and capital market funding. Its product specialists provide bespoke financial services and solutions including tailored cash management, international trade, treasury and risk management services.

Its heritage means it has an unrivalled understanding of business needs and a proven track record of supporting businesses across the sectors and regions. Taking a relationship approach, it provides support to its clients throughout the economic cycle.

Lloyds Bank has been voted Bank of the Year for an unprecedented ten consecutive years at the FDs’ Excellence Awards in association with ICAEW and supported by the CBI & Real Business.

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