

Steljes Rentals playing long game after spin-off



Rentals market moving to long-term deals, according to MD Andy Horn

The IT rentals market is moving to longer-term deals, the managing director of Steljes Rentals has said as he reflected on the firm's first year as an independent entity.

Steljes Rentals began trading as an independent company in October 2014 in an effort to forge its own identity and offer products outside distributor parent Steljes' stable.

This new-found autonomy enabled it to record a 30 per cent sales increase in its first 12 months flying solo, according to managing director Andy Horn.

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Since the spin-off, the firm, which sells to a mix of corporate customers and other IT rental companies, has added 400 iPad Air 2s (*pictured*) to its portfolio in response to customer demand.

"The Steljes website is mainly an education website. People were finding us and concluding we weren't an IT rental firm," Horn said.

"[The spin-off] has given us the ability to create our own brand identity."

Steljes' Rentals is establishing itself as a standalone player at a time when the market is increasingly moving away from short-term deals towards longer, service-oriented projects, Horn said.



"Previously we would do short-term rentals of one, two or three days," he explained. "We've extended that to try-before-you-buy deals, which is typically a one-month rental with the ability to buy at the end."

Horn added: "Proof-of-concept is another area that is growing for clients that are unsure what they want to invest in and we wrap that up with consultancy and training. We are also extending the ability to rent products over a one-, two- or three-year period with the ability to do a refresh at any time. The market is moving from short-term to long-term rentals, which is what we were being asked for, particularly among our corporate clients."

Steljes Rentals generated almost £1m in sales in the nine months to 30 June 2015, Horn said. The SMART Technologies, BenQ and ViviTouch partner has seven staff but backs off logistics, warehousing and preparation of onsite kit to sister company Go AV and also still uses Steljes for finance and human resources.

It has traditionally specialised in the AV products carried by Steljes but this is changing, Horn said.

"Every time Steljes has taken on a new product to distribute, we always added it into our rental suite if we felt there was a rentals market for it," he said. "But we now have the ability to look at products that sit outside the Steljes portfolio and that makes us a more rounded business."

Other rentals firms such as ITR, Hamilton Rentals and Higher Intelligence generate a third of Steljes Rentals' sales, Horn revealed.

"They could be a competitor on a Monday, a client on a Tuesday and a supplier on a Wednesday," he said. "It's really important for us to retain relationships with them as they carry products we do not."