

Ambic Manufacturing: Self-sufficiency with solar investment for furniture manufacturer in the UK



Customer Story

Though many businesses are worried about the impact of energy prices on their operations[i], this increased pressure drives the opportunity to review consumption and consider more sustainable options. In fact, in one recent survey of energy decision-makers at UK organisations, 61% ranked energy security as a top three driver of energy decarbonisation.[ii]

While approximately a third of surveyed executives are reviewing energy procurement or renegotiating contracts, just 23% have reduce their energy consumption, and only 19% have invested in on-site renewable energy generation.[iii] As the study notes, in many cases, capital investment is needed to support change.

This was the case for furniture manufacturer Ambic. Based in the North-East of England, the business has a reputation for making quality, robust furniture. Its manufacturing centre in County Durham uses state-of-the-art CNC machines to turn Computer Aided Designs into precision-made furniture and fittings.

Given the energy-intensive nature of manufacturing, Ambic found costs were quickly becoming unsustainable in the face of rising energy prices. The company knew that generating its own power would be key to staying competitive in the marketplace and looked into installing solar panels on the roof of its Chester Le Street factory.

Based in the North-East of England, Ambic manufactures bespoke contract furniture for global customers in a multitude of industries, including leisure, retail, marine, hospitality, pharma, medical, and more.



“ With the recent energy crisis, our gas and electric bills were going up from £7,000 a month to nearly £30,000 overnight, which was completely unsustainable, so we looked into solar panels to help us generate our own power. We were originally looking to invest £100,000, but when we ran the maths, we found that by doubling the size of our investment we could make ourselves fully self-sufficient. Unfortunately, this meant the project was now out of our budget, so we needed a financing partner that could help us spread the cost of the investment. We spoke to Anglo Scottish, a broker we had worked with previously, who then put us in touch with Siemens Financial Services. ”

- Liam Hunt, Managing Director, Ambic Manufacturing

Originally, the company planned to make a small investment using its own capital funds. However, after getting in touch with finance broker [Anglo Scottish](#) and running the numbers, Ambic found that by increasing the size of the investment the business could become entirely self-sufficient. Such an investment was beyond their budget, so Ambic set about trying to find the ideal financing partner for the project.

Anglo Scottish gathered all the financial information and determined that Siemens Financial Services (SFS) would be able to provide the best solution. As a specialist financier, SFS is practised at creating solutions that consider every factor: commercial requirements, the specifications of the desired product, and its real-world application. SFS were therefore able to tailor an agreement to match Ambic's business needs and the expected outcomes of the installation.

Taking into account Ambic's existing energy costs, SFS supplied a financing package that spread the cost of investment over a seven-year term, and structured the arrangement so that the energy cost savings from the solar panels would cover almost the whole cost of the initial investment. As an added bonus, Ambic has been able to keep its electricity costs below prior levels all whilst servicing the new asset debt.

"Communication throughout the whole process was fantastic. Charlotte Enright at Anglo Scottish and SFS looked at what we needed and created a bespoke solution for us which met our needs entirely and made the whole process a lot easier." explains Liam Hunt, Managing Director at Ambic.

"Using finance for this large purchase has allowed us to keep cash in the bank which we can reinvest and use to fund new customer projects."

Emma Banks, Business Development Manager, Siemens Financial Services UK, comments, "Even though the benefits are clear, not enough businesses are seizing the opportunity to invest in sustainability and take control of their energy costs. Ambic are among a group of proactive businesses who have set themselves an ambitious goal and found the means to make it happen – with a little financing support, of course!"

Siemens Financial Services created a bespoke solution for Ambic Manufacturing which met their needs entirely. Now they are estimated to save £1.94m over the next 25 years and will soon be fully self-sufficient and running on 100% renewable energy.



[i] <https://www.energylivenews.com/2024/03/20/over-half-of-uk-businesses-express-concern-over-energy-price-impact/>

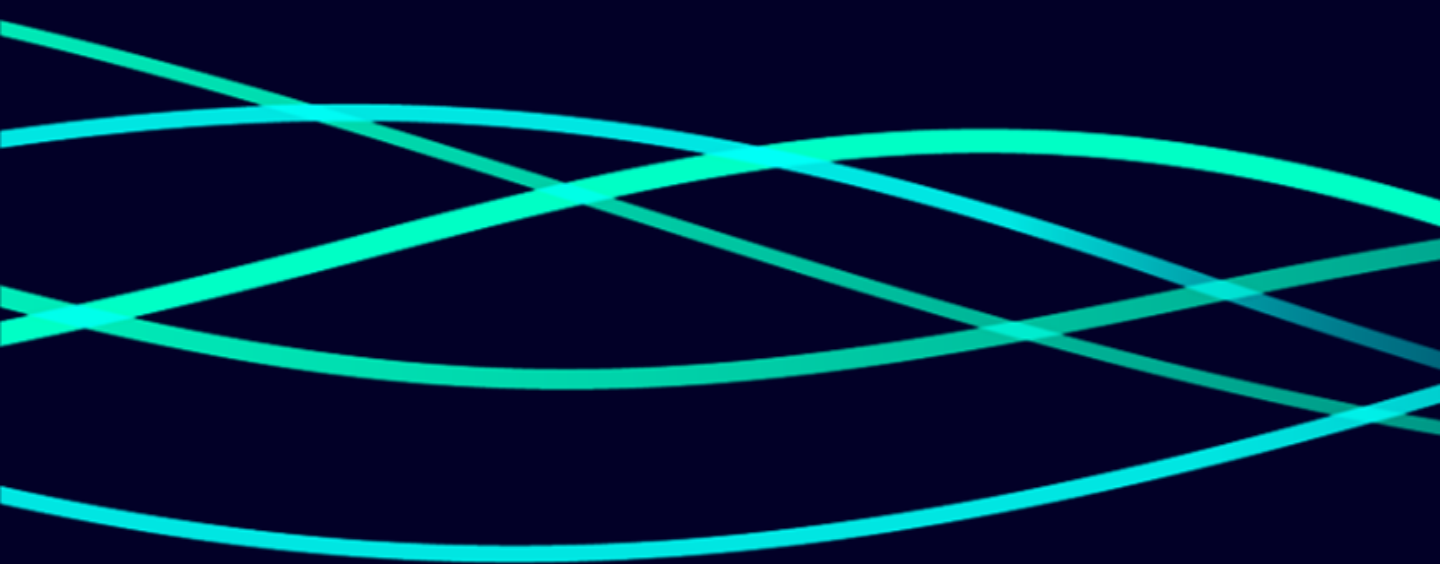
[ii] <https://www.pwc.co.uk/industries/documents/energy-survey-2024.pdf>

[iii] <https://www.pwc.co.uk/industries/documents/energy-survey-2024.pdf>



I must admit I was initially concerned about using financing – I've always preferred to stay within the means of the business. But this experience has opened my eyes in terms of using cash in a positive way for growth, and I'm now recommending this route to others. The numbers don't lie! "

Liam Hunt, Managing Director, Ambic Manufacturing



Talk to the team



Ollie Finkill
Head of Specialist Finance

oliver.finkill@siemens.com

[LinkedIn](#)



Paul Gregory
Senior Business Development
Manager

paul.gregory@siemens.com

[LinkedIn](#)



Emma Banks
Business Development Manager

emma.banks@siemens.com

[LinkedIn](#)

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