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MODUS TARGETS INTERNATIONAL GROWTH WITH HSBC SUPPORT

Darlington-based subsea services company Modus Seabed Intervention Ltd is targeting international growth after adding to its fleet of vehicles that operate subsea and on the seafloor, supported by a finance package from HSBC.

Modus provides comprehensive seabed intervention services for offshore industries, including the engineering, management and operation of subsea construction equipment to a range of sectors, such as renewable energy, oil and gas, telecommunications and defence. Services include subsea cable and pipeline stabilisation and protection, Remotely Operated Vehicle (ROV) services and engineering and management consultancy.

The company secured a £2.45 million equipment finance package from HSBC's Tyne Tees Commercial Centre, in a deal managed by Senior International Commercial Manager Stuart Henry, with support from HSBC Equipment Finance Business Development Manager Ian Davidson. The finance has been allocated from HSBC's £100 million SME Fund specifically for North East businesses and was secured under the bank's Assisted Asset Purchase Scheme, with an additional £500,000 grant from the Regional Growth Fund.

Modus has used the finance to acquire a ROV, which will be used by the company for subsea inspection, repair and maintenance, survey, drilling and general construction support. The purchase brings its ROV fleet up to nine and is part of the company's plans to expand its geographical spread.

It currently generates up to 85% of its £14 million turnover from operations in the North Sea, but has recently completed contracts in the Mediterranean and South American markets. It has also set up representation in Kuala Lumpur, Malaysia to target business in the Asia Pacific market. Modus, which was established in 2008 by

Jake Tompkins and currently employs over 50 people, has a target of growing turnover to £28 million by 2017 and expanding its geographical spread is a key component of that.

Managing Director Jake Tompkins said: “We have added to our fleet of ROVs to react to growing market demand and also as part of our strategy to expand our capability range and geographical spread. The skills and experience we have gained in the North Sea market are transferrable to other parts of the world and we have already won a number of major contracts globally. We believe there is greater scope to export our services and we are looking at the Asia Pacific markets, the Americas and also Africa.”

Pat Dellow, HSBC Tyne Tees Area Commercial Director, added: “Modus is a growing, ambitious company that is taking advantage of growing international opportunities to invest in its business. It is typical of many of the businesses I am talking to across the North East from a range of sectors. There is a true sense of optimism in the market at present and we are helping these businesses via our £100 million SME Fund for North East companies.”

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