

Most effective fleets have a combination of rented, leased and owned trailers. Comparing the benefits of buying and leasing can help you find YOUR best mix.

ADVANTAGES OF LEASING



Conserve capital.

That's the thing about capital—no matter how flush you are, your supply of cash is finite. Do you want to use that cash for a down payment? Or do you want to use it to grow your business?



Reduce maintenance costs.

You own it, you maintain it. You don't own it...Many leasing companies let you tailor maintenance programs to meet your needs—and they handle preventive maintenance for you. Your lessor can negotiate sensible prices with repair vendors and deal with the tight market for mechanics while you keep the freight moving. (Most leases come with emergency road service, too, so that's another headache you can avoid.)



Boost productivity.

With leases, you can get the newest, most efficient equipment—can you say “less downtime”? And you can offload costly administrative chores because your leasing company takes on the time and expense of handling taxes, licenses and regulatory compliance.



Improve your flexibility.

Leasing gives you quick access to the trailers you need to match your customer's requirements, without having to hang on to those assets long-term.



Avoid risk.

What happens when your trailers age out of service or become obsolete? (Remember the 40' trailer?) You have to dispose of them. So now you're in the used trailer business. Fun. But when you lease, selling equipment is your leasing company's problem, not yours.

And leasing takes the risk out of vetting new stuff, so you can use the latest technology without making a permanent commitment to it.

ADVANTAGES OF OWNING



Improve your tax situation.

Trailers you buy become assets on your balance sheet immediately. If your business has plenty of cash and little risk of a tax operating loss, then owning trailers lets you take a deduction for depreciation.



Improve your financing options.

You may be able to take advantage of tax oriented financing. It may be beneficial to your business to choose a financing plan that trades immediate tax benefits for lower financing payments or renew-or-walk flexibility.



Get easier financing.

Rather than negotiate with a lender or use an existing credit line that encumbers the title, you might be able to buy a new trailer via a purchase-option lease from a supplier (your leasing company, maybe?)



Have full control.

Sometimes you just want to be the owner. The only thing that'll scratch that itch is putting cold, hard cash on the counter, then hooking up your newly purchased 53-footer and hauling it home.