

MachineryLink Reaps \$18M For Farm Equipment Leasing

Farm equipment leaser MachineryLink Inc. has raised \$18.4 million in Series B funding. Three new individual investors - Jack Blumenstein, Glen A. Taylor and Oakleigh Thorne - led the round, joined by existing investors Adams Street Partners, Alpha Capital Partners, October Capital, River Cities Capital Funds and individuals, said Jay Lang, vice president of finance and strategic development for MachineryLink. Valuation was not disclosed.

Blumenstein is chief executive of Aircell LLC, a broadband network for aviation; Taylor is chairman of print and marketing media company Taylor Corp., and majority owner of the Minnesota Timberwolves basketball team; Thorne is former CEO of distance learning company eCollege.com Inc. As a result of the financing, Blumenstein and Thorne have taken seats on the board, said Landon Morris, vice president of marketing for MachineryLink.

Based in Kansas City, Mo., MachineryLink was founded in 2000 and leases farm combines to agricultural producers in the U.S. and Canada. Morris said the company has about 800 customers, averaging roughly 1,200-acre wheat producers and 1,800-acre corn and soybean farms, who can rent the company's combines for around 25 to 40 days.

Farmers have traditionally bought their own combines, equipment that can easily cost \$250,000 or more. And while revenues from foodstock have increased dramatically in recent years, Morris said producers are under pressure from rising seed and fertilizer costs. "The hardest thing is shifting paradigms from owning assets to leasing assets," he said. "We encourage farmers to consider the alternative to carrying assets like these on their books."

MachineryLink previously raised a \$17.4 million Series A from the returning investors. The company has been able to extend its fleet to 260 combines this year and plans to have near 300 in total next year.

The company takes charge of transporting combines to customers, and Morris said that business has grown into a subsidiary that also handles logistics for other types of equipment, including construction equipment.

MachineryLink has 100 full-time employees and hires upwards of 50 more seasonally. The company also has centers in Wichita, Kan. and North Sioux City, S.D.