

## CHG-MERIDIAN: Anniversary for Success Model "Usage Instead of Ownership"

- The global group of companies remains on course for future growth with technology2use
- Strategic focus on sustainable usage and lifecycle-models for IT, industry, and healthcare technology
- A powerful circular economy enables the reuse of nearly 1 million devices every year

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**CHG-MERIDIAN celebrates its 45th year: Since 1979, the global technology and finance expert has played a significant role in the industry. Company founder Jürgen Gelf recognized the potential of the "use and reuse" principle of modern technological equipment back in the late 1970s. Building on this, over the years he created a resilient business model based on the circular economy that enables customers to use technology sustainably without owning it. With this successful formula, the globally operating company from Weingarten is still driving the digital transformation of its customers worldwide and proving that economy and ecology can be successfully combined.**

The pressure on companies worldwide to innovate and transform is greater than ever. Digital transformation is essential to competitiveness, while the traditional linear economic model is being called into question. Against this backdrop, innovative usage models for IT, industrial technology, and healthcare technology are an attractive proposition. Options such as leasing, renting, and as-a-service can reduce capital commitment and provide the liquidity needed for innovation. After all, the maxim 'cash is king' has never been truer than now.

When combined with an effective circular economy, usage models can reduce carbon emissions by over 50 percent<sup>1</sup> compared to a conventional purchase. "We still adhere to the principle of usage over ownership as it addresses so many modern-day questions. And it was this belief that laid the foundations 45 years ago for a highly successful company," says Mathias Wagner, CEO of CHG-MERIDIAN. Therefore, even in an economically challenging year like 2023, the group managed to stay on a growth path and continue to grow profitably.

### Refurbished mainframe computers and a visionary idea

It all started with the search for a mainframe computer. Back in the late 1970s, company founder Jürgen Gelf recognized the potential inherent in used IT equipment and founded Computer Handels Gesellschaft (CHG) in 1979. Initially working from home on a part-time basis, Gelf offers his customers support in buying and selling IT systems, as well as financing offers later on. Thanks to his expertise and instinct for the customers' needs, he was one of the first in the country to use the leasing model, which was still in its infancy in Germany at the time. The principle of "use instead of own" was born.

#### Your contact:

Jessica Behrens  
Company spokesperson

Franz-Beer-Strasse 111  
88250 Weingarten  
Germany

Phone: +49 (0)751 503 203  
Mobile: +49 (0)175 341 9179  
[jessica.behrens@chg-meridian.com](mailto:jessica.behrens@chg-meridian.com)

[www.chg-meridian.com](http://www.chg-meridian.com)

<sup>1</sup> Green IT study: usage over ownership saves large volumes of CO2 ([chg-meridian.com](http://chg-meridian.com))

With the advent of smaller and more affordable PCs in the late 1980s, the innovative business model gained momentum. CHG continued to expand its consulting and service expertise to meet the needs of its customers, while its philosophy proved resilient in the rapidly changing world of technology in the 1990s. Technology lifecycle-management became a key competence, and independent consultancy and financing a driver of success. In the coming years, the company expanded its portfolio and soon accompanied its customers in technology investments throughout the entire lifecycle – from procurement and usage to data erasure, refurbishment, and remarketing of used devices.

### **Global scaling across national borders**

The renaming to CHG-MERIDIAN AG in 1997 paved the way for the company to go international, a move that hinged on the company's core competency of remaining customer-focused. While "use instead of own" continued to support the corporate strategy, the company and its customers increasingly turned their attention to global markets. Starting with foreign subsidiaries in the UK and Austria in 2000, CHG-MERIDIAN expanded its global presence and tapped into new markets. The acquisition of equigroup in 2018, for example, opened up the growing market in Australia and New Zealand. And in 2022, the takeover of Indian asset lifecycle manager OPC Asset Solutions and the new site in Singapore increased the presence in the region. In the last fiscal year 2023, around 60 percent of the company's business was generated outside the domestic market of Germany. The further international expansion of business activities will remain a central pillar of CHG-MERIDIAN's growth strategy in the future.

The founding of start-ups devicenow and circulee in 2022 strengthens the company's portfolio along its value chain, while a global device-as-a-service solution and the supply of professionally refurbished IT hardware to SME's enhanced its business model. Today, CHG-MERIDIAN has a presence in 30 countries across five continents with around 1,400 employees and currently manages a technology portfolio worth €10 billion in the IT, industrial, and healthcare technology sectors.

### **The circular economy as founding principle**

A recurring theme for CHG-MERIDIAN is the circular economy, an idea the company developed further over the years through its 'usage over ownership' approach. What in the days of mainframe computers was a decision primarily driven by commercial considerations became the foundation for future-proof, sustainable digital transformation. In response, CHG-MERIDIAN built its first technology center in Germany in 2000, with a second following in Norway in 2014. At both sites, and through an international network of partners, a large number of IT devices are checked, professionally refurbished, and prepared for a second or even third lifecycle. Currently, this involves nearly 1 million devices on average, meaning that roughly every 32 seconds, a device leaves the centers for another usage cycle.

### **Shaping the future with technology2use**

From innovative technology to sustainable circular economy, the one significant constant in the company's 45-year history has been its pioneering spirit. It has brought about a high degree of flexibility and customer focus, and is still very much in evidence today. "Entrepreneurship means pursuing an idea and evolving with it. That is what sets us apart and motivates each and every one of us. Our decades-long success is built primarily on an amazing team, and it is our global workforce of currently 1,400 employees and 45 nationalities that has made the company what it is today. For this and for their great loyalty and commitment, a big thank you. Then as now, we focus on profitable growth, international expansion, and customer-orientation as our corporate goals. After all, our customers' requirements and their expectations in terms of sustainability are at the heart

of what we do. The anniversary is an added incentive to stay on course for growth this year and further consolidate our position as a leading global technology2use company,” says Wagner.

#### **The CHG-MERIDIAN Group**

The CHG-MERIDIAN Group is a leading global technology2use company. It has more than 1,300 employees and develops, finances, and manages customized technology usage models for the IT, industrial, and healthcare sectors. CHG-MERIDIAN manages a technology portfolio worth €8.95 billion (2022) and is active in 30 countries worldwide without being tied to any specific banks or manufacturers. Its customers include international corporations, SMEs, public authorities, and hospitals. The Company's deep understanding of the principles of the circular economy, which it has been acquiring and expanding since 1979, is a cornerstone of its technology2use business model. CHG-MERIDIAN manages its customers' technology investments along the entire lifecycle, from procurement and use to data erasure, refurbishing, and remarketing of used devices at its modern technology centers. The Company's headquarters are in Weingarten, Germany.

[www.chg-meridian.com](http://www.chg-meridian.com)