EXPOCREDIT
FINANCIAL GROUP

STRADE – SUPPLY-CHAIN FINANCING

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SUPPLY CHAIN FINANCING

CASE STUDY # 1

NATURE OF BUSINESS
Cell Phone Distributor

CHALLENGE
The company was forced to produce all of the necessary cash to fulfill purchase orders by working with suppliers who would only sell with upfront payments. In doing so, the company faced a significant opportunity cost by having to allocate a majority of their financial capital to inventory purchases, thereby foregoing other strategic investment opportunities.

SOLUTION
Strade provided a supply-chain financing facility for the company to procure necessary inventory.

BENEFIT
By having STRADE pay down the supplier directly, the company was able to use its capital to invest in the company's infrastructure, including machinery and human capital. Ultimately, the company was able to increase sales and profit margins.

CASE STUDY # 2

NATURE OF BUSINESS
Procurement and Repair of Airplane Engines

CHALLENGE
Given the high cost of the industry-specific products, the company was forced to allocate significant resources to the purchase of airplane engines in need of refurbishment, or face significant interest charges from the few suppliers that agreed to extend credit. Consequently, the company faced obstacles to grow business volume and profitability.

SOLUTION
STRADE approved a supply-chain facility to pay down airplane engine manufacturers and other suppliers.

BENEFIT
The ability to procure engines from various suppliers not only enabled the company with prompt payment discounts from suppliers that extended credit, but also freed-up significant financial capital that had been historically allocated to inventory purchases, now been used for strategic purposes serving to sustain growth.