



The Retail Importer

SECURING AN OVERSEAS SUPPLY CHAIN

The business

The client is a business supplying cosmetics to retail chains in the USA. It has its products manufactured and packaged in China.

The challenge

The Chinese manufacturer requires partial payment prior to the start of the manufacturing process and full payment before releasing the finished products from its factories in China. Previously, the client funded its partial payments in cash and the remainder using documentary credits to resolve the funding gap in its supply chain.

The TradeRiver Solution

By registering as a Buyer with TradeRiver USA, the client found that they were able to drive significant discounts from their Chinese suppliers by releasing partial payment prior to manufacturing the goods and funding the remainder upon dispatch. By taking the full 120 day credit period available from TradeRiver USA, it would ensure it did not have to repay the facility until its retail customers had settled their invoices. This eliminated the need for supply chain working capital completely.

Pre-export finance facilities such as these are proving attractive for importers; hence, cross-border business is seen as one of the main attractions to TradeRiver USA.

THE TRADERIVER SOLUTION

