



WHITE PAPER

Fast Forward Growth With Logistics Funding From Flexport Capital

Invest in growth and optionality with logistics funding. Get fast access to liquidity with flexible terms and a partner who understands your supply chain.

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Access Funding to Capitalize on Opportunity, Fast

Fast-growth businesses that will flourish amid the steep uncertainties of today's economy have two things in common—**responsive supply chains** and **steady capital**.

Brands like Parade, Vitruvi, and Sole Bicycles have taken advantage of Flexport's trade finance solutions to help them achieve remarkable results, including [900% growth](#), **10% fewer stockouts**, and [significant savings](#) on landed costs.

Opportunities are abound for fast-growth businesses—especially in retail and ecommerce. But what if your available capital can't support your ability to seize new opportunities when you need to?





70%

executives expect supply chain disruptions will hamper their growth plans this year.*

80%

are planning moderate to major investments in digital and supply chain combined this year.*

Consumer demand is at an all-time high with U.S. customers' preference for goods over services still soaring above pre-Covid levels. The acceleration of e-commerce businesses since 2020 has propelled many brands into an exciting, fast-growth trajectory, but has also resulted in stockouts for increasingly demanding customers.

Fast forward your growth with Flexport Capital. Cover your supply chain costs with trade financing from industry experts, so you can focus your time and money on building your business. With a simple application process, less than a two-week evaluation period, and low upfront costs, you can expand your inventory, plan your next product launch, and capitalize on every opportunity that comes your way.

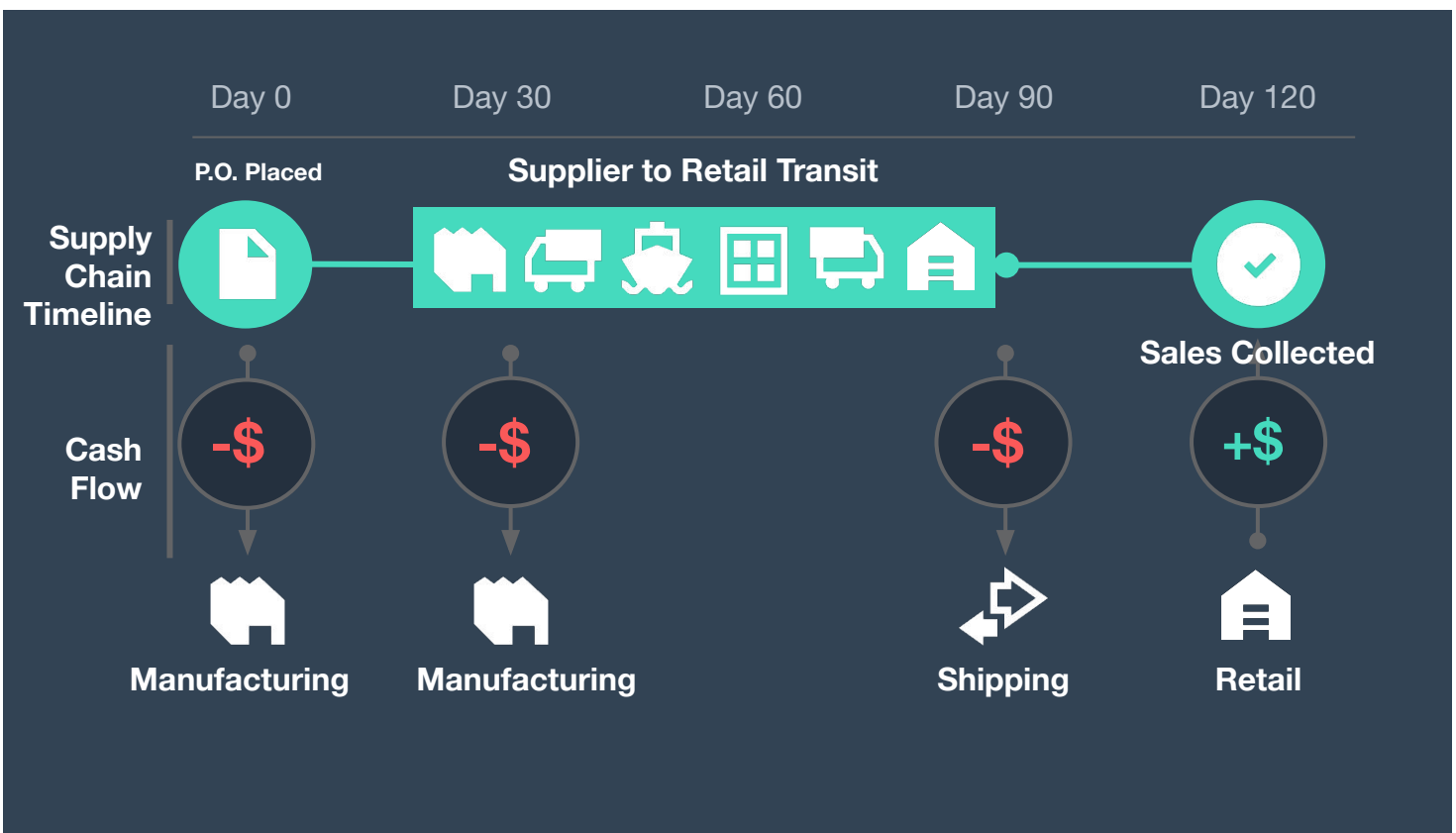
*Deloitte 2022 Retail Industry Outlook Report

Get the Cash You Need for Expansion

Some aspects to consider: How will you pay for hiring, marketing, and key strategic initiatives if you put all your available capital into inventory and supply chain initiatives? What if you encounter unexpected demand for a top-selling SKU? Can your cash flow keep up without encountering a stockout? Sure, traditional banks can provide loans in these cases, but can they react fast enough so you don't miss out?

Ultimately, it's essential for growing brands to preserve their **optionality** and **flexibility**—not get caught up in inventory and logistics.

A natural tension exists between elements of a supply chain. It's important to know their relationship and how it will impact your planning, operations, and finances.



Factories don't want to provide products without getting paid, but importers may not want to tie up cash for months. Customers want products in stock fast and inexpensive delivery—but many companies lack reliable data, infrastructure, and resources to best serve them.

This creates two big challenges:

- **How can you match supply to demand?**
- **How can you best use your available cash?**

What if there was a funding option from a team that both understands your business needs *and* the global supply chain? With Flexport Capital, you get just that. Plus we're already an active part of the global freight forwarding ecosystem with end-to-end logistics expertise in-house.



Thanks to our relationship with Flexport Capital, we had the cash necessary to make a change that kept our business growing.

Sean Panton
Founder, Vitruvi



Flexport is a tech-first freight forwarder with 10,000+ clients and suppliers across 116 countries, including established global brands like Georgia-Pacific and Sonos as well as emerging innovators like Parade and Caraway. We also offer a suite of Trade Management services to our customers including [Trade Finance](#), [Cargo Insurance](#), [Customs Clearance](#), and [Duty Drawback](#).



Avoid Surplus & Stockouts



Improve Data Insights

Solving Inventory Challenges

Among inventory challenges, other common issues crop up for fast-growth businesses.

The universal problem is that inventory ties up cash. Then, depending on your business, the value of seasonal SKUs may diminish over time, or inventory might not match consumer demand.

You may have expanded your product array in the wrong direction, limiting supply for what your customers really want and leaving you with extra inventory.

Moving forward, you can commit to a narrower SKU array, keeping product introductions simple and adding complexity as you gain data.



More pointed supply and demand forecasting can help, too. Look at the cross-functional areas of your business to identify inventory-related cash bleed or opportunities:

- Does your demand forecast match your committed supply of product?
- Can you see all of your inventory liabilities and sales opportunities at a glance?
- How can you tell if you'll be in allocation or overstocked?
- What do you do to correct misguided decisions?

If you're not there yet, you can build toward these frameworks.

Flexport Capital offers trade financing to fund inventory, facility costs, freight, duties, and more—so you can redirect your working capital, reduce landed costs, and deliver goods on time to meet growing demand.



Clients trust Flexport's freight forwarding platform to provide trailblazing data and end-to-end supply chain transparency. Our expert teams provide insights and support our clients' supply chain and logistics needs. Flexport Capital mines these insights and data—only available from Flexport—to offer quick, customized financing that supports your fast-growing organization's needs.

Here's a sample of just a few of the ways our clients have used Flexport Capital to supercharge growth:

- Negotiate larger orders at lower prices
- Fund the expansion of manufacturing facilities
- Stabilize variable overheads
- Ship goods before peak-season rates kick in
- Switch to lower-cost transportation options
- Invest in marketing
- Start new business units

Whatever growth stage you're at, whatever your plans include, Flexport Capital can provide the cash buffer you need to stay on track. So you can invest in your expansion plans without impacting your inventory or delivery times.



Having Flexport as partners allows us to think more strategically and holistically about long-term growth...It's refreshing to work with a partner like Flexport that is investing in helping us grow so we can both mutually benefit.

- Arlo Skye, DTC designer luggage brand

Inventory Finance on Your Terms

Working capital gaps are a natural result of growth—you have to spend money to make money. Flexport Capital is unsecured, non-dilutive, and can advance up to **80%** of your Commercial Invoice. You can extend payment terms for up to **120 days**. Start executing your growth strategy with a speedier supply chain and a shorter to-do list. Filling working capital gaps will enable you to seize opportunities that arise.

Current market factors can make it difficult to take advantage of opportunities. Many companies are running so lean they don't have the cash they need, at the time they need it, to take full advantage of an opportunity when it appears. Flexport Capital pays suppliers directly with no additional fees to you. Flexport Capital lends against inventory in motion.

The additional cash flow lets you plan, procure, and push ahead of the competition.



If I compare Flexport to the forwarders I used previously, it's no contest. The past ones were disastrously confusing email chains and a huge mess, tons of phone calls and exceptions. Flexport Capital is the feature that keeps us on the platform.

Small Business Consumer Products Company



**Get trade
financing from
industry experts**



**We can advance up
to 80% of your
Commercial Invoice.**



**Flexible payment
terms extend
payment terms for up
to 120 days**

Unlike Banks, Flexport Moves at the Speed of Business

Traditional banks may not have the technology, supply chain expertise, or customer-centricity to approve the funding you need—when you need it. Too often fast-growing brands are left in the dark due to a lack of transparency.

There are some critical advantages to working with Flexport over a traditional bank because we are a logistics company.

- Flexport has unparalleled access to data and end-to-end visibility over the supply chain. This allows us to finance cargo when you have payments due.
- We advance 70-80% of the value of your goods, while banks typically finance goods that have been delivered—and only advance 50%.
- Flexport Capital lends against inventory in motion. Payment terms are flexible, and funding is non-dilutive, so you're in control.

With additional capital, you can invest in more inventory, launch new products, negotiate better terms, cover logistics costs, spend on marketing, and hire people to help sustain your growth—all while maintaining your supply chain.

A Financial Partner Who Understand Your Supply Chain Needs



Partners Who Know Global Trade

Analyze how your supply chain is contributing to your working capital needs. Then, seek partners who are willing to finance in-transit inventory and logistics payables, not just landed inventory and accounts receivable. Find financial partners who understand the challenges of global trade.

At Flexport, your finance partners work in global trade and supply chain every day, just like you. By accessing your data in the Flexport Platform, they can offer quick, customized financing and solutions for your unique needs.



Seek partners who are willing to finance in-transit inventory and logistics payables, not just landed inventory and accounts receivable.

Justin Sherlock

Director, Flexport Capital



flexport.

Benefits of Funding from Flexport Capital



- Non-dilutive funds
- Uncollateralized funds
- Backed by data from the Flexport Platform
- Receive up to 80% of your Commercial Invoice
- Payment terms are extendable up to 120 days
- Free up cash, and inject it into growth initiatives



And more...

- Speed up the order-to-cash cycle. Remove days from origin to destination in order to reduce working capital needs.
- Negotiate favorable payment terms with suppliers, logistics providers, retailers, and other partners. Adjust for seasonality by planning at least six months in advance of busy times.
- Redeploy cash towards high-return activities, like hiring, marketing, and product development; or use it to extend your runway and avoid dilutive fundraising rounds.
- Maintain stable cash flow even when carriers shorten payment terms.



Custom Funding For Your Unique Needs

The retail and ecommerce sectors are taking a major hit due to global supply chain disruptions and volatility in customer demand. From scrappy startups to enterprise brands, businesses of all sizes are looking for new ways to align their supply chains, inventory, and cash flow.

Some common issues:

- Long waiting periods to receive payments for sales creates serious working capital gaps.
- Paying suppliers more than usual for larger orders where elevated rates are taking more out of your available capital for growth in other business areas.
- Global supply chain instability is derailing your inventory management plan.

Ultimately, having additional working capital closes these gaps and empowers you to build resilience, expand your business, and delight customers.

Flexport Capital helps you access the cash to capitalize on opportunity fast. Cover your unique supply chain costs with trade financing from industry experts, so you can invest everything you've got in growth. Plus, the Flexport Platform unlocks insights to help define what you need. You get structured logistics data to clarify landed costs, freight spend by unit, and other key metrics.

Apply for trade financing today. Your faster, easier application process starts now.

About Flexport



At Flexport, we believe global trade can move the human race forward. That's why it's our mission to make it easy and accessible for everyone. We're a tech-first freight forwarder that's shaping the future of an \$8.6T industry with solutions powered by innovative technology and exceptional people. Companies of all sizes—from emerging brands to Fortune 500s—used Flexport technology to move more than \$19B of merchandise across 112 countries in 2021.

The recent global supply chain crisis has put Flexport center stage as we continue to play a pivotal role in how goods move around the world. More than 10,000 brands (and their suppliers)—including established global brands like Georgia-Pacific and Sonos as well as emerging innovators like Parade and Caraway—rely on Flexport to keep their business moving. We also offer a suite of Trade Management services to our customers including [Trade Finance](#), [Cargo Insurance](#), [Customs Clearance](#), and [Duty Drawback](#).

Learn more at flexport.com.