



flexport.

E-GUIDE

# Scale Up Your Business with Flexible Logistics Funding

Invest in your next phase of growth with unsecured, non-dilutive funding from Flexport Capital. Get fast access to cash with flexible terms and a partner who understands your supply chain.





## Leverage Your Working Capital. Take Advantage of Every Opportunity, Faster.

The past couple of years have been anything but predictable with fluctuating market demands, supply chain disruptions, and global economic uncertainties. While brands seek new growth opportunities they've had to grapple with stockouts, delays, demand fluctuation and cash flow challenges.

As consumer trends shift yet again, accessing capital to stay ahead of demand curves is harder than ever. Learn how unsecured, non-dilutive trade financing from **Flexport Capital** can help you leverage the cash you need for the big plans you have. Get the financing you need, from industry experts that really know your business.

**A period like this can be ripe with fortune if you have the cash flow to keep up with additional opportunity costs.**

Opportunities abound—especially in retail and ecommerce. But what if your available capital can't support your ability to seize new opportunities when you need to? We're here to help. In this guide, we'll explore how financing from **Flexport Capital** can help you leverage working capital, whether you need it to finance the next order, expand your brick-and-mortar presence, proceed with an M&A transaction, or fund research and development programs for your next big release.

Brands like Parade, Vitruvi, and Sole Bicycles have turned to Flexport's trade finance solutions to help them achieve remarkable results, including 900% growth, 10% fewer stockouts, and huge savings on landed costs.

**Businesses that will flourish amid the steep uncertainties of today's economy will have two things in common: Responsive Supply Chains and Steady Capital.**



## Funding Designed for Modern Supply Chains

Established enterprises are looking for new ways to align inventory and cash flow around constantly evolving demand curves.

With general inventory overages, you'll also see big gaps in your working capital when waiting to receive payments. Plus, you're paying increased warehousing costs on top of shipping and duties for orders of your SKUs that are selling.

In today's supply chain environment, such variable costs can quickly turn into volatile costs. There's finally some relief from exorbitant logistics rates, but they're tied to complex factors like factory closures, lockdowns, labor negotiations and more. Warehousing costs and ports congestion keep you waiting for high-priority SKUs. **Non-dilutive working capital closes these gaps and empowers you to build resilience and expand your business, without losing ownership.**

With [Flexport Capital](#), you can accelerate expansion by funding purchase orders for higher volumes of popular SKUs or by launching new products into large retailer networks. Minimize the impact of global trade disruptions by ensuring suppliers are paid to release goods on time. Extend your cash runway by pushing out the timing of logistics costs, including freight and duties. For lower landed costs, use capital to negotiate supplier discounts in return for early payments or to improve container utilization with more goods.

**Even enterprise brands with a healthy cash flow can benefit from rates that are usually far more flexible and favorable than what banks offer. [Flexport Capital](#) can supplement traditional loans quickly and protect existing liquidity.**

Manage it all in the Flexport Platform, where you can track shipments, monitor freight spend, and draw from your funding, all in a few clicks.





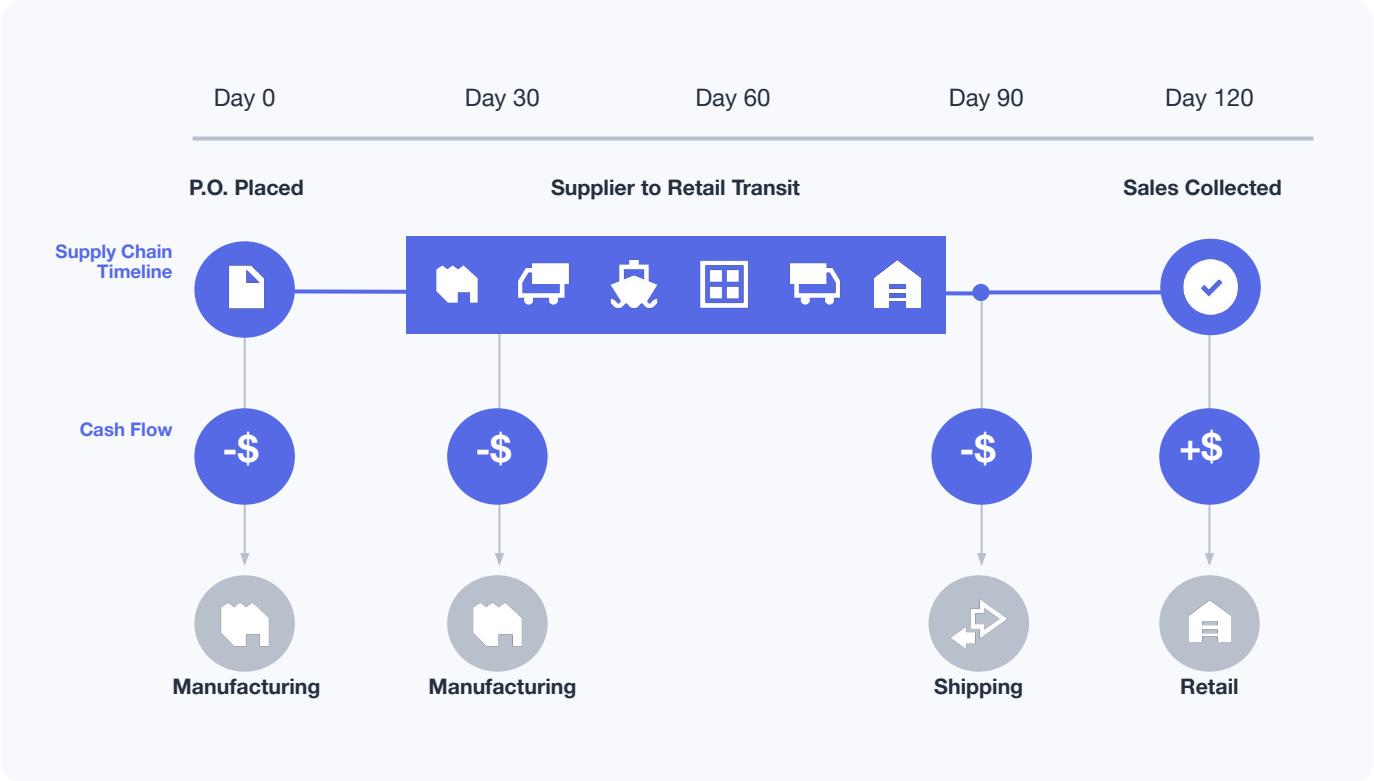


# Let Opportunity Flow. Get Funding at the Speed of Global Trade

## Overcome working capital gaps to unlock growth and expansion

Current market factors mean some companies are running so lean that they don't have the cash on hand to capitalize on opportunities when they arise. Traditional financial institutions may not have the technology and supply chain insight to come through with funding quickly enough.

Flexport Capital helps you overcome these obstacles by lending against inventory in motion. Payment terms are flexible and covenant-free, while funding is non-dilutive, giving you a chance to reap all the rewards.



## Funding That Grows with Your Business

### Get credit fluid enough to follow evolving demands

For companies ready to ride their demand curve to the top, Flexport Capital offers flexible funding that you can draw on as you pay for warehousing and logistics. In unpredictable times, demand will fluctuate—leading to supply crunches—or logistics congestion can push back lead times.

Flexible credit lines allow you to adjust in a timely manner when market signals change. This type of flexibility helped home goods and apparel retailer Cozy Earth **increase its revenue from \$5.5 million in 2019 to \$65 million in 2021**. Chief Financial Officer Tanner Lamb expects to **increase that by another 50% or more in 2022**.

Cozy Earth uses a signature bamboo fabric for its goods. At the start of the Covid-19 pandemic, its initial manufacturer went into lockdown. Production lead times tripled as did logistics costs. Meanwhile, Cozy Earth's customer base was growing and demanding new color variants. In response, Cozy Earth bumped its line of credit by several million dollars over 18 months, scaling financing faster than its bank ever could. The company increased its inventory, rolled out new products, and extended its freight bills. Lamb sums up Flexport Capital in simple terms: "The flexibility is awesome."



**We couldn't have grown the way we've grown without the line of credit from Flexport Capital.**

**Tanner Lamb**  
CFO, Cozy Earth



COZY EARTH





# Optimize Cash Flow, Unlock New Opportunities

## 1

### Underwriting

Submit monthly financials and bank statements.

## 2

### Credit limit

Credit limits can range from \$100,000 to \$10 million.

## 3

### Rates

Rates range from .5 to 1.5% per month.

## 4

### Structure

Repayment ranges from 30 days to 6 months.

**Flexport Capital** lets you access cash to capture new business ventures in time. In most cases, we can let you know your credit limit, rate, and repayment options within 2 weeks. Here's how it works:

**Underwriting:** Flexport Capital's underwriting process is as painless as possible. While traditional banks may perform extensive diligence, Flexport Capital only needs a selection of reports and statements.

**Credit Limit:** With your credit limit in place, you can book your shipments with Flexport and request that we pay your suppliers or your Flexport freight invoice. Credit limits range from \$100,000 to \$10 million.

**Rates:** Your rates can range from .5% to 1.5% per month which may be up to four times cheaper than your bank's cost to borrow. Flexport Capital's rates can be lower because we use our platform to track your shipment data and automation to keep costs efficient.

**Structure:** Repayment terms range from 30 days to 6 months, depending on your company's operations. You may be able to repay in weekly, monthly or balloon payments. We'll help you ensure your repayment terms optimize your cost to borrow.

# How Plugable Funded Revenue Growth with Flexible Financing

## Growth has many paths, all of which require a stable cash flow

When market factors get complex, it's hard to respond to opportunities that arise. Fast, easy access to cash can help you respond and capture these chances with:

- Adjusted order volume
- New product launches
- New partnerships

### Disruption can shift business models

Challenges with supply availability and logistics congestion can slow orders for everyone. Nico Fedrigo, Finance Director at Plugable, an electronics accessories brand, knew the company needed more cash to offset delays and stay in stock. Plugable also needed to introduce new products to redirect unsatisfied demand and follow the rapid cycles of the electronics market. "We were in and out of stock all the time," says Fedrigo. "We took advantage of Flexport Capital to fill our warehouses and realize an increase in business."

### Insight turns challenges into opportunities

By working in the Flexport Platform, Plugable is able to detect signals of market shifts and respond with focused strategy. **Real-time shipment tracking allows the company's leadership to compare transit times and drill into the cause of delays, like when purchase orders take longer at origin. Detailed line items support close analysis of landed costs by shipment or down to individual SKUs.** Surfacing cost and speed signals is crucial to turning challenges into opportunities.

Fedrigo credits the relationship between Plugable and Flexport, **"We've experienced a lot of innovation with Flexport. Working with Flexport is like working with a colleague. There's greater synergy, and Flexport is always super-responsive."**

The agility within the partnership enables Plugable to discover opportunities and capitalize on them before they pass. Access to Plugable's shipment data allows Flexport Capital's terms to align more appropriately with Plugable's revenue cycles.

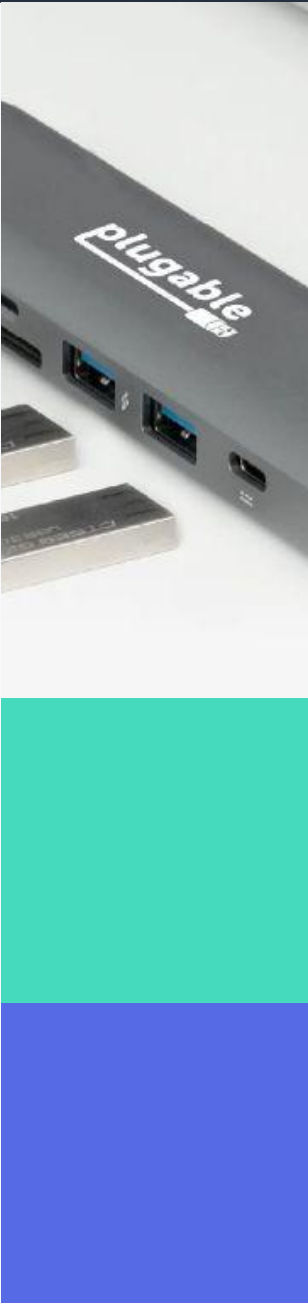
***The result is reliable growth, even in challenging times!***



**We were in and out of stock all the time. We took advantage of Flexport Capital to fill our warehouses and realize an increase in business.**

**Nico Fedrigo**  
Finance Director, Plugable

**plugable** 





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We've already gone through the sales cycle with products before we pay for them. That's incredibly helpful for the balance sheet. It allows us to scale. Flexport Capital is a huge component in allowing us to get into new markets, expand our product line, and be more efficient.

Jonathan Loomis  
Co-Founder & CEO, Baseballism



## Execute and Elevate Your Expansion Plans

### Ease growing pains with non-dilutive capital

Introducing new products can create layers of additional supply chain complexity. As your company adds more parts, products, factories, transit routes, warehouses, and retail partners, expenses rack up. If you're entering new geographies, you may have to account for new logistics, customs, or other regulatory costs.

Jonathan Loomis, Co-Founder & CEO at Baseballism, a sports apparel and accessories brand, turned to Flexport Capital to help manage the cost of a recent expansion. **As Baseballism grows into a licensing partnership, they are able to maintain cash flow while developing unique products for 30 new markets.**

Baseballism has its own nationwide network of brick-and-mortar retail partners along with an ecommerce store—so they're constantly reinvesting working capital.

- **Ease of scalability matters because their team is lean.**
- **Visibility and automation in the Flexport Platform helps them make the most of everyone's efforts.**
- **A lighter diligence process and faster access to funding let Baseballism focus on the rest of its supply chain during a time of significant growth.**





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## About Us

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](https://flexport.com).

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