

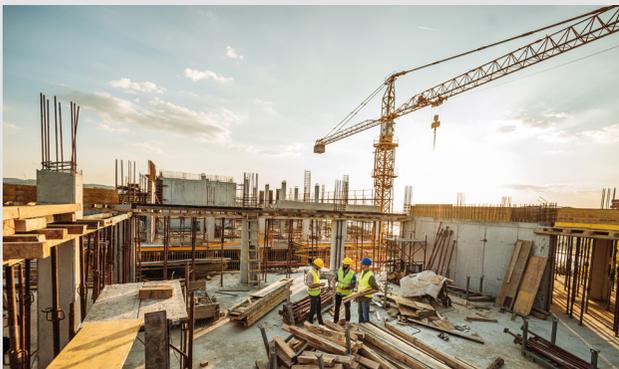


“With Supplier Early Payment, our client was able to strengthen relationships with subcontractors, get that little bit more out of them, and secure cashflow needs on both sides of the equation”

Grant Fraser | Sales Director, Woodsford Tradebridge



For close to 3 years now Woodsford TradeBridge has supported a £200m turnover construction company with their Supplier Early Payment programme. Here is their story.



As Finance Director of a diversified construction company Woodsford TradeBridge have been an invaluable partner in supporting the growth and development of our business.

Spanning a range of construction activities, we deliver integrated construction solutions for many of the biggest names in UK construction, as well as running our own turnkey projects.

In less than 2 decades, we have gone from start-up to having a £200 million turnover.

Our Challenge

Forecasting and controlling cashflow across a large, project-based organisation is a critical challenge for any Finance Director. In common with most well managed organisations, we apply standard terms of payment for all our suppliers and subcontractors.

I have a very straight forward philosophy in relation to this. I believe that with several large projects on the go, it's critical that an organisation maintains careful control of project cashflows at all times. A slippage of even a few days on either side of the ledger will have a significant impact on any organisations working capital position.

The trouble was, adopting the strict payment terms needed to support the organisation's cashflow objectives, came at a price. Our project managers lost a very important negotiating tool with subcontractors and suppliers i.e. when they got paid!





With **buyer initiated** supply chain finance, we pay your suppliers so you don't have to

Particularly useful where:

- ✓ Clients would like to capture opportunities for substantial early payment discounts or additional revenue.
- ✓ Providing additional working capital for the construction industry.

You decide how much to repay and when, using our flexible terms to offer your business maximum agility.

The Woodsford TradeBridge magic

Working closely with Woodsford TradeBridge, we put together a supplier early payment programme to provide our project teams with a flexible tool for negotiating with suppliers and subcontractors. This enabled us to establish a clear understanding throughout the organisation that paying suppliers faster comes at a cost.

There are times when the best offer may come from a supplier who is not willing to accept the payment terms we want, especially when dealing with smaller subcontractors. Our Woodsford TradeBridge facility gives the project team the flexibility to bridge this gap with a predefined cost of finance, ensuring we are not compromising overall performance to meet cashflow targets.

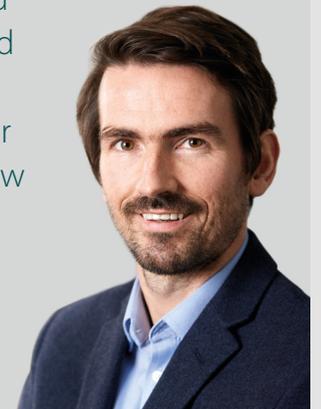
If the supplier with the shorter payment terms is selected, then the invoice is simply routed via the Woodsford TradeBridge platform for prompt payment on the agreed date. Woodsford TradeBridge are then repaid in accordance with the standard terms and any applicable finance charges go to the project.

Building for the future

We like to think of ourselves as a pioneer in the use of mid-market supplier finance programmes in the UK. As our business grows, and with Woodsford TradeBridge's support we hope to continue to innovate.

The next step for us is to develop the programme to further empower each of the group companies to optimise their own financial performance. Our aim is to flexibly deploy a substantial amount of our own cash through the programme, enabling us to capture even more of the benefit without sacrificing control of our treasury function.

Get in touch to find out how Woodsford TradeBridge can help you make your company's cash flow more flexible.



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