



“By taking the time to understand their growth strategy, we knew from the start that Matrix Polymers would benefit from additional unsecured working capital to complement their normal facilities.”

Grant Fraser | Sales Director, Woodsford Tradebridge



### “The Woodsford TradeBridge facility gives huge flexibility to our business”



By Simon Wallington

Global COO and Finance Director |  
Matrix Polymers

Matrix Polymers is a privately-owned manufacturing business which has grown organically and by acquisitions to become one of the world's leading suppliers of raw materials to the rotomoulding industry. Our Managing Director, Martin Coles co-founded the company over 27 years ago. Since then, we have expanded globally and now have five production sites across the globe on three continents.

We have a very expansive and diverse customer base, with a vast array of end products and covering a wide range of industries that our materials are used in, including automotive, construction and leisure to name only a few.

In 1997 we set up our first manufacturing facility in Liverpool, UK, but soon needed a low-cost European location to allow us to expand our manufacturing capabilities onto the

continent. So in 2005, we set up a manufacturing facility in Kolo, Poland. This gave us the ability to better serve clients in Europe and further afield. With the Polish site up and running, our growth plans accelerated and we started shipping to China, India and Australia.



Over the years we have realised the huge potential Asia offers for our industry. The Asian market is less advanced than the European market, so the opportunity for growth - both from an application and customer-based perspective - is much greater. In 2013 we set up a manufacturing plant in Shah Alam, Malaysia and we now employ 200 people across 6 sites globally.

### Getting working capital that works for you

Almost from initial start-up we have used invoice discounting as a working capital solution for our business, and these facilities typically have been provided by our bankers.

We use Invoice Finance (IF) both in our European and Asia-Pacific businesses. The nature of our IF facility is that as sales grow, the IF facility level increases, as the bank's security is the company debtor book.

We also have partnerships with key suppliers and have seen these credit limits increase over the years as the business has grown. Unfortunately though, even with these facilities in place, we were still lacking sufficient working capital in order to support and deliver our aggressive global growth plans.

We looked at expanding our supplier base, which gave us a degree of new credit lines, but this still did not fully provide what was required. It felt like we were allowing our financial situation to dictate sourcing decisions, which was limiting our ability to respond to demand, and to grow the business.

## Understanding our business

In June 2017 we were introduced to Grant Fraser from Woodsford TradeBridge.

Grant quickly understood that our strategy focused on expanding our business in Asia, which we couldn't do because we had neither the working capital nor the capacity to raise it through our normal working capital facilities.

With this understanding of both our growth strategy and immediate requirements, Grant invited Woodsford's insurance partner to the initial meeting, which made the approval process quick and painless.



## The unsecured facility is quick and easy

The Woodsford TradeBridge facility is not secured, so it did not affect our existing financier relationships or security pledges. We did not have to change anything to implement it, and it immediately allowed us to purchase higher volumes of raw materials.



We didn't even need a conversation with our bank. Normally with working capital solutions this is necessary – a very involved discussion looking at company assets and gaining a clear understanding of what charges are in place and who holds them. With Woodsford TradeBridge, this is not a concern and once the facility was in place, it was extremely easy to use, which gives huge flexibility to the business.

We initially used supply chain finance for just one supplier, with Woodsford TradeBridge paying the supplier when their invoices fell due. This gave us additional working capital in the short term that we could put into use elsewhere to grow the business.

## Advice to other manufacturing businesses

This year the business is in a great place with many opportunities for further expansion and so we are now looking to increase our facility.

We have huge opportunities to grow, especially in Asia, where our business sales turnover and volumes have increased in



excess of 120% over the past 3 years. But currently, we are still a little constrained from a working capital perspective so expansion is a little slower than it could be.

We are currently looking to increase our Woodsford TradeBridge facility. The credit signoff is fast - about 4-6 weeks maximum - and a lot less onerous than with other providers.

I would definitely recommend Woodsford TradeBridge to any manufacturing business. With help from our supply chain finance facility, and the partnership we have with Grant and the team, last year was our most successful to date.

2019 promises to be another really strong year.

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



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