

Minority-Owned Supplier

MASTER FACTORING FACILITY, PO FINANCING & LETTER OF CREDIT

CASE STUDY



This Client is a globally diversified supply-chain solutions company with offices in New York and Shanghai, China. They provide all supply chain services from procurement, warehousing, distribution, fulfillment and transportation and has a broad portfolio of service offerings.

BACKGROUND

- The management team has experience with servicing the world's leading consumer product manufacturers.
- The Client is able to assist small businesses to large corporations with their supply chain needs.
- As a certified minority contractor, they have dedicated contracts from New York City agencies for materials required to conduct the City's business and maintain and improve its assets.

COMPANY CHALLENGES

- The Client received contracts totaling \$2MM from the New York City Housing Authority (NYCHA) to supply generators.
- Two of the generators are manufactured in China. The terms of the sale were 30% down payment of the COGS and 70% of the COGS upon shipment of the goods to the USA.

CAPSTONE'S SOLUTION

- Provided a \$2MM Master Factoring Facility.
- Opened a \$1MM PO Financing Facility and issued two Letters of Credit to Chinese manufacturers for each generator.

PROGRESS AND FUTURE OUTLOOK

- Based on the Client's ability to issue letters of credit and arrange for the delivery of the generators, NYCHA has given additional orders.
- The new orders are for materials required for construction and maintenance of the apartment buildings and related infrastructure owned by the City of New York.



LEARN MORE TODAY

Email: info@capstonetrade.com or

Call: 212-755-3636 or 347-821-3400