

Revenue recovery post lockdown

Corporate revenue recovery delayed due to shortage of supplier working capital

PROBLEM - SUPPLIERS DO NOT HAVE WORKING CAPITAL TO RAMP UP

Supply chain patterns have been significantly disrupted due to the Covid-19 pandemic, causing a massive loss to businesses across all sectors. As we try to emerge from lockdown, the degrade of suppliers' operations has been one of the major challenges for corporates. Compounding this is the deterioration in suppliers working capital as they have run down their cash through the lockdown in employment, rents, lease and a myriad of other costs.

Unlike large corporates who can raise capital through bonds or other means, a large proportion of their suppliers do not have the resources, sufficient credit ratings or banking relationships to raise additional funds. Suppliers to the UK's largest corporates have payments averaging £250m in outstanding payments for goods supplied.

IMPACT - ANNUALISED REVENUE FROM LOST SALES OF £59.5Bn

At a macro level, government attempts to drive demand through various stimulus measures, stamp duty cuts etc, continue to lag. This is because, suppliers who are at the tail end of the supply chain, simply do not have the working capital to step up a gear to respond to that demand.

At a corporate level, revenue recovery is suffering an estimated 30% lag on what could be achieved if suppliers had sufficient working capital. Delaying the recovery of corporate revenues is impacting corporate debt as corporates borrow more to survive, and decisions are being made to realign business operations to lower demand which at a macro level impact employment levels and the speed of economic recovery.

SOLUTION - PROVIDE ACCESS TO NEW SOURCES OF WORKING CAPITAL

Crossflows' advanced cloud-based technology connects a corporates' suppliers to a range of institutional funders at a click. This removes the barrier for the supplier to access working capital. On joining a Crossflow programme, the supplier can access all outstanding payments from the corporate giving them an immediate working capital injection. Future payments can be accessed by the supplier, at just a click, in 48 hrs rather than waiting 30-90 days.

Crossflow's technology backed solution enables suppliers to have access to an portal through which they can generate the working capital they need in as little as 10-14 days. There is minimal IT and operational setup for the corporate and the supplier simply logs in to bring payments forward at a click when they chose.



Crossflow enabled our suppliers to bring forward £40m of payments
Finance Director, UK Corporate



Suppliers are prioritising our orders helping us to achieve revenue targets.

Buying Director, UK Corporate



Crossflow was implemented in 14 days. They did all the work engaging with suppliers with an agreed brief.

CFO, UK Corporate



119th Fastest growing company in Europe



Connecting Funders to Corporate Supply Chains

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