Wells Fargo Capital Finance

Financing for companies that trade around the world

Lower costs are just one of the benefits that organizations have when sourcing goods from an off-shore provider. Ensuring a smooth transaction for those goods, however, can be complex and present unexpected financing challenges.

As part of any trade cycle, a company's purchasing and procurement professionals will want assurance that they will receive the products in a timely manner and in good condition, and the manufacturer will want to be paid promptly. So, it's important to understand the financing options that work with both these stakeholders.

Letters of credit

When a financial institution issues a letter of credit, it ensures that a manufacturer will receive payment from a company on time and for the correct amount. Letters of credit are vital in international trade, because they help mitigate issues related to each country's laws. They can also address cultural gaps and other long-distance challenges.

Supplier finance

With a supplier finance program, a buyer can negotiate either extended payment terms or a cost reduction for sold goods, or then give suppliers access to lower cost financing. This type of financing may be ideal for a large corporation with wide supplier networks.

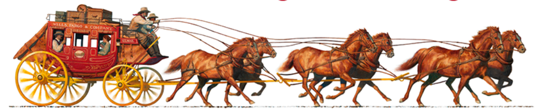
Sales finance

Sales finance programs allow a company to enter into a contract with a finance program provider in order to sell a receivable or group of receivables and then receive early payment. This practice can help increase a company's liquidity.

Purchase order finance

A purchase order financing company pays a domestic or overseas manufacturer to produce and ship the goods needed to meet the demands of a purchase order. This type of financing may allow a company to lower costs and make sales that it could not otherwise.

Together we'll go far



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