

The Hamilton Group

***New Factoring
Facility***
provided by Hamilton

***Distributor of
Imported Gifts***
New York, New York

Initial Funding
\$350,000

Problem:

For many years, a New York-based distributor of novelty gifts routinely sourced their product domestically. However, with industry pricing pressures demanding foreign made goods, this old-line distributor soon found itself in the novelty importing business. Judicious use of supplier trade credit and payment terms could no longer support their cash flow needs. Foreign manufacturers all demand payment prior to shipping, and even then, it may take several weeks before ordered product arrives. The distributor's cash flow was seriously negative.

Solution:

Hamilton quickly presented the distributor with a comprehensive cash management program centered around factoring. By factoring its U.S. receivables, the distributor was able to accelerate its receipt of cash, and thereby redeploy capital to its foreign suppliers. Additionally, because of its minimal collateral requirements, Hamilton was able to introduce a large money-center bank to provide Letter of Credit assistance to leverage the distributor's product order growth.

The Hamilton Group is a leader within the factoring industry offering flexible cash flow solutions for America's small and mid-sized business community.

www.hamiltongroup.net