

## UPS Capital Announces UPS Capital Cargo Finance Service Enhancements For Small And Mid-Sized Businesses

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The enhanced offering increases the amount a business can borrow from 70% of the supplier's commercial invoice to 100%. Other enhancements include:

- Repayment terms up to 90 days rather than 75 days
- An unsecured credit line that won't interfere with existing banking relationships
- More competitive interest rates for eligible companies shipping with UPS
- "These enhancements effectively increase liquidity to support the growth of small and mid-sized businesses," said Mark Robinson, president of UPS Capital. "They are designed to accelerate cash flow so companies can have more working capital to invest in their businesses."

### A key business need

This solution offers significant help for importers who rely on a strong cash flow to stay in business. According to a U.S. Bank study, 82% of businesses fail due to poor cash flow.<sup>1</sup> Local banks generally don't offer credit lines on in-transit inventory, making it difficult for small importers to find the cash they need. The UPS Capital Cargo Finance

service provides a solution that can extend much-needed financial flexibility to businesses that have substantial resources tied-up inside ocean-going vessels or other slower modes of transport.

"UPS Capital's cargo financing solution is a creative way to virtually eliminate the risk of paying a supplier before the goods are sold," said Robinson. "Now our customers can order more supplies, more effectively manage their payable obligations and handle more inventory without hesitation while goods are in motion. Our customers have been asking for this additional solution to augment our other insurance and financing products for small and medium size companies."

### How it works

The UPS Capital Cargo Finance service can provide unsecured credit lines from \$300,000 to \$1.5 million to pre-approved borrowers. After UPS Capital confirms the supplier invoice and the shipment has left the point of origin, funds are disbursed to the U.S. importer, UPS Capital's customer. These businesses are then able to use the funds to purchase more inventory, pay suppliers earlier at better terms and to invest in their business.

"The financial success of a business is largely attributed to its ability to manage its working capital needs, said UPS Capital Payment Solutions Product Manager Jose Aguayo. "Our

UPS Capital Cargo Finance service is a great tool to creatively raise cash.”

For more information about the UPS Capital Cargo Finance service, visit <https://upscapital.com/product-services/cargo-finance/> or call 877-263-8772.

1. Schmidt, Gretchen. “17 Statistics Every Business Owner Needs to be Well Aware of.” Fundera Ledger, 7/19/2017. <https://www.fundera.com/blog/small-business-statistics>

Source: [UPS](#)

