

# Increased working capital through extended payable terms.



*As a global materials sourcing company, we face the daily challenge of getting the metal our customers need while meeting the payment terms our suppliers are demanding. Tradecycle put forth a compelling and effective solution that has enabled Cleveland Metal Exchange to increase our sourcing of product without disruption to our existing lender. Their unique payables finance model was implemented swiftly and Tradecycle's technology works seamlessly with our internal processes. Tradecycle's program provided the liquidity CME needed to solve the timing of payments with key suppliers and continue our growth.*

**Ron Glazer,**  
**Chief Financial Officer**  
**Cleveland Metal Exchange**

## Challenge

Cleveland Metal Exchange globally sources cold rolled stainless steel and aluminum to supply various U.S. manufacturers. The company has served a broad range of industries over the years and their off-shore sourcing has become critical in supplying the materials needed by domestic manufacturers. Tradecycle was recently introduced to CME by their senior lender, to increase their ability to source material.

## Tradecycle Solution

Tradecycle's unique Payables Finance model was an ideal liquidity solution as it allowed Cleveland Metal Exchange to extend their DPO while assuring timely payment to suppliers. The extended payable term resulted in immediate improvement to working capital. Tradecycle's program was implemented to work in unison with the company's existing LOC without the need for intercreditor or subordination agreements. Further, CME has continued to use Tradecycle's program to make strategic purchases of material to improve its internal operational schedule and take advantage of early payment discounts.

## Program Features

- Tradecycle funds its clients payable obligations
- Tradecycle extends DPO for its clients creating instant liquidity
- Tradecycle's solution is effectively "Finance as a Service"
- No UCC liens or collateral required

## Result

Cleveland Metal Exchange obtained a 7-figure revolving facility to augment their existing capital structure. CME was also able to implement Tradecycle's program within 19 days of completing the application. The company also now has targeted use of the facility with key vendors to improve overall relationships and take advantage of early pay discount opportunities.