

How Fred Balls Fastenings uses currency and lending to grow beyond its borders

“We are very pleased with the level of service and support we have received from Ebury over the years. Their currency services have transformed us into a truly global business and the introduction of business lending has been most welcome. We are now able to trade internationally with surprising ease.”

Richard Parkin, Director, Fred Balls Fastenings



BUSINESS CHALLENGES

It's a simple business, selling screws, bolts, knobs and hinges. In the early days, there was still a manufacturing base for such materials here in the UK. But as those suppliers started to go out of business, Fred Balls Fastenings had to look further afield. And that meant Taiwan.

Working with international suppliers came with its own challenges. Despite having a backlog of orders FBF were unable to fund the purchase due to cash flow shortages.

FBF also had to be responsive to its own customers' needs. The carpenters, builders and manufacturers it serves in the north of England sometimes have specific requirements – so simply ordering in basic-spec goods wasn't enough.

They needed to develop ways of getting tailored orders fulfilled as fast as possible and be able to fund them effectively. FB had been looking for a solution for over a year, but with little success.

EBURY SOLUTIONS

Ebury was working with FBF for their currency needs, benefitting from our currency access, payments and risk management strategies. But this relationship expanded with business lending.

“Ebury gives us the flexibility to look at new suppliers if we need to expand, for example,” says Richard Parkin. “Often in a new relationship, the supplier will start out looking for cash up front, or at the very least a 30% deposit before they'll manufacture your goods. So knowing we can access finance with 150 day repayment terms is great.”

Our business lending solved their cash flow problem and the cost associated with our finance has been completely offset by the 70%+ drop in purchase costs, achieved by moving all purchases to their Taiwanese supplier.

“The other big plus with Ebury is that they have a native Mandarin speaker who deals direct with our supplier,” Parkin adds. “We had one supplier who was nervous about taking the first initial payment. But when Eric was able to speak to them directly and in the local language, it provided a major reassurance.”

Going forward, Fred Balls Fastenings would like to expand their credit line so they can purchase a greater amount of stock and increase their turnover.