

**CASE STUDY**  
**THE COPENHAGEN CANDLE COMPANY**  
BUSINESS REFINANCE  
FACTORING WITH TRADE FINANCE



**CANDLE COMPANY SEES THE LIGHT WITH VENTURE'S TRADE FINANCE**

Specialist candle distributor The Copenhagen Candle Company became frustrated with inflexible bank finance and the poor service it involved. Venture was able to combine Factoring with Trade Finance to ease cashflow, support import purchases and remove any restrictions to growth.

In search of greater business opportunities, Bo Sostrom left his native Denmark in the early 90's and headed for London. While working at the UK office of a Danish candle company, Bo saw the huge demand for speciality candles.

Following his entrepreneurial instincts Bo founded The Copenhagen Candle Company in 2000 supplying goods to gift shops, department stores, garden centres and independent retailers.

As with most new and successful businesses, the financial side threw up a number of challenges. "When I started the company I took out a substantial bank overdraft, but the high interest became a pain in the neck and

the poor service frustrated me. Business contacts of mine suggested invoice finance. I was immediately impressed with Venture Finance and the team's friendliness and willingness to help, so decided to set up a factoring facility."

"Factoring has proved very beneficial for us," continues Bo. "The cashflow is easier to manage and Venture is also very flexible. When we've wanted to pursue larger orders and needed extra investment upfront the banks were just not interested. It seems as though they will only let you borrow the money if you already have it, which is no good for someone like me."

Bo deals with a number of international suppliers that require a large part, if not all, of the payment in advance. Initially, Bo was using his own funds to cover import costs. However, after experiencing the benefits of Factoring, Bo was keen to implement Venture's Trade Finance service.

Venture's Trade Finance solution is simple to implement and boosts our cashflow. We often find ourselves having to pay pro forma or at least 30% of orders up front. With Venture we are given 30 to 60 days grace, which means we can handle bigger orders without ever getting stuck.

Venture's Trade Finance bridges the funding gap by financing import purchases without impacting cashflow and also protects and supports organisations when importing goods from overseas suppliers.

A Letter of Credit lets you dictate the conditions of payment and ensures you only pay for goods once you are happy they comply with your terms and are being delivered. Venture can fund up to 100% of the purchase price plus duty and VAT.

"There is no doubt that Factoring and Trade Finance are saving us money and the funding is also more flexible, meaning we can make decisions about the future of the business which would otherwise have been impossible."

The future is now looking a lot brighter. Bo adds: "The team at Venture has been fantastic and working with them has enabled us to take on more business and we are on track to double last year's turnover."

fantastic range of services

