


The California Fashion Association is focused on building a knowledge base to identify and meet the needs of the various constituents of the industry.



In The News...As Seen In: 

Three Financing Must-Dos to Navigate Supply-Chain Disruptions

(Excerpt)

“The need for apparel companies to be creative, resourceful, and nimble carries unprecedented weight. The industry needs will include longer payment terms, a shortage of available materials, and higher costs. What today’s crisis has most glaringly exposed is our over-reliance on sourcing from a single country.”

We believe these three financing must-dos will help you to navigate — and evolve with — what looks to be the new normal in disrupted supply chains:

1. Diversify Your Suppliers

We suggest not having concentrations of over 30% in any single supplier, and not limiting sourcing to any single country to help reduce the impact of future disruptions. However, changing suppliers and countries can be a long process requiring significant effort and costs.

2. Maintain a Strong Balance Sheet

Ample working capital enables you to overcome obstacles and take advantage of opportunities. By strictly monitoring asset performance and staying apprised of liquidity, accounts receivable, and inventory will help you make well-informed decisions.

3. Arrange Flexible Financing with Your Lender

Use the lender who understands your business model and industry as a sounding board to consider important initiatives. Your lender should view your success as its own, so engage with your lender as you would a trusted business partner.

As a lender with extensive apparel-industry experience, White Oak has confidence in the future of the industry based on the success of the dedicated and resilient entrepreneurs with whom we partner.

by **Gino Clark** | White Oak
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