

Project Title: Talking Technology with Samsonite	Date: August 2019
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Audio Script

[Visual of a busy container yard at dawn, “The power to transform treasury” center screen, Bank of America Merrill Lynch logo bottom corner]

[Visual of Aziz, Head of Corporate Sales, Asia Pacific, Bank of America Merrill Lynch, outside a modern glass building, vehicle drop off point.]

Companies with operations in Asia need to remain agile in order to take advantage of the opportunities within the region,

[Visual of a container port with cranes crossing, cargo train goes into a tunnel, aerial revealing complex container yard, and then a giant Asian container port]

Aziz Voice Over (VO):

and also to navigate through the world’s uncertain economic outlook. What this means for the treasurers, is to achieve a strong working capital ratio...

[Visual of Samsonite mall store with luggage display]

Aziz VO:

.. and a healthy balance sheet, which helps them upscale the operations and also deal with the headwinds.

[Visual of modern glass office building, “Samsonite Asia, TST, Hong Kong” bottom left]

[Visual of Paul Melkebeke, Chief Supply Officer, Samsonite International SA, in front of modern office window]

As a listed company, we know that working capital is an important KPI for us;

[Visual of two analysts in office meeting]

Paul VO:

it is something that analysts consider when they are assessing the performance of our company.

Paul Piece to Camera (PTC):

Not only that, we had to improve our working capital to support the company's plans for our expansion

[Visual of the exterior of Samsonite new warehouse]
and acquisitions mainly here in Asia Pacific.

Paul PTC:

In order to do that, I had to increase my payment terms to the suppliers to 105 days,

[Visual of difficult supplier meeting, at outdoor cafe in central business district]

Paul VO:

and I'm fully aware that this is not easy for them,

Paul PTC:

and the supply chain finance program comes in handy to take away that stress from our suppliers.

[Visual of supplier meeting discussing financial projections]

Aziz VO:

So the best way we can make ourselves relevant to the supplier is to quantify the benefits.

Aziz PTC:

The supplier is able to borrow the funds at a much cheaper rate, as we're using the borrower's credit rating.

[Visual of office worker uses treasury management software to review working capital]

Aziz VO:

So from a working capital perspective,

Aziz PTC:

the supplier receives the funds much earlier in the cycle.

[Visual of luggage manufacturing from shell construction to lining assembly to finished suitcase]

Paul VO:

When we started this supply chain finance program, it was completely unknown to us.

So, the first thing that we had to do was to understand in detail this program

and how it is working, and also to select the first supplier that we could take on board.

[Visual of Paul and Aziz sitting in chatting in front of office window]

Paul:

The other point of learning that we had is: we also have other offices that purchase goods like in India, Australia and so on, and they are also on the same program.

Aziz:

What we have also done internally within our team is, ensuring that we are also aligned with our global team. You being a global company, us being a global bank, we want to ensure that we all are working together.

[Visual of Samsonite staff working, Bank of America staff working with display of global office time zones]

Aziz VO:

From your perspective when it comes to the bank you only have one set of people to interact with.

Paul PTC:

It's also important to mention that when a new supplier comes on board, we do not immediately offer the supply chain finance program.

[Visual of Samsonite warehouse staff loading boxed luggage onto a conveyor belt, forklift truck moves stack of boxes, outside a truck leaves for delivery, aerial of truck driving past warehouse]

Paul VO:

We first want to make sure that we are able to build a long-term relationship. Once the first implementation was done, we found the whole process going very smooth. If there are any regulatory issues,

Paul PTC:

we don't see them at all, because they are handled by our banking provider.

[Visual of office team meeting]

So for companies looking to set up supply chain finance program,

Aziz PTC:

it is very important for the various finance departments to work together

[Visual of two female colleague resolving an issue]

especially procurement and treasury team.

Paul PTC:

Having a supply chain finance program in place has allowed us to tell suppliers that by working with us they can grow their business, and also it makes their life easier

[Visual of Paul and Aziz walking and talking as they exit the office building, then standing and chatting outside with Hong Kong central business district in the background]
when it comes to financing. Offering a supply chain finance program is something that not all companies can do and that makes us stand out from the rest.

End card:

What would you like the power to do?

Bank of America Merrill Lynch

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