



*“The accessibility of this programme and ease of setup is something I’ve not seen in my experience anywhere else. It’s allowed us to keep building and cement strong relationships with our suppliers through transparency and fair terms, and the platform is just dead easy.”*

— Andrew Broadhurst, Director of Shared Services, Associated British Foods PLC, UK Grocery Group

For more than 85 years, Allied Bakeries has supplied supermarkets across the United Kingdom with a delicious and hearty household staple: fresh bread.

Founded in 1935, Berkshire-based Allied Bakeries is a division of Associated British Foods PLC, a diversified international food, ingredients and retail group headquartered in England with sales of £13.9 billion and operations in more than 50 countries. Its ingredients division is the world’s second-largest producer of both sugar and baker’s yeast. Its grocery division includes the brands Mazola, Ovaltine, Ryvita, Jordans and Twinings. Its retail division, Primark, has more than 384 stores across several countries, predominantly Germany, Ireland, Netherlands, Spain and the UK.

Together with its counterpart Allied Mills, Allied Milling and Baking employs more than 4,000 people. Allied Bakeries produces a wide variety of baked goods — rolls, crumpets, muffins and more — across brands like Kingsmill, Burgen, Allinson’s and Sunblest.

## THE CHALLENGE

In 2017, the treasury team at Associated British Foods, Allied Bakeries’ parent company, was looking to optimise supplier relationships by reducing financing costs to benefit the entire supply chain.

*“The C2FO programme is a refreshing approach to payment terms and financing. The interest rate flexibility makes it attractive even for companies that have easy access to funding.”*

— CEO, Transportation Company

It was a decision that would prove crucial when COVID-19 hit. As a producer and distributor of a staple consumer good, Allied Bakeries experienced a 10% increase in production at the height of the pandemic. Recognising its reliance on raw materials suppliers, Allied Bakeries wanted to ensure its vendors had the cash on hand to thrive during the pandemic and beyond.

## In seeking a finance programme for its suppliers, Allied Bakeries had the following goals:

- ✓ Support its supply chain while working in a very competitive, low-margin fast-moving consumer goods (FMCG) sector
- ✓ Drive corporate social responsibility goals by providing suppliers with easy access to low-cost capital
- ✓ Cater to brand-name supermarkets with high purchase order volumes and fast turnaround times
- ✓ Provide its intricate supply chain network, including raw materials, packaging and logistics businesses, with efficient and inexpensive sources of cash
- ✓ Maintain the long-term sustainability of its supplier network
- ✓ Support government-backed initiatives such as the UK’s Prompt Payment Code

## THE SOLUTION

In June 2017, Allied Bakeries partnered with C2FO to launch the Allied Bakeries Early Payment Programme, a low-cost and flexible way for suppliers to manage cash flow by having their invoices paid early by Allied Bakeries.

Because Allied Bakeries' sustainability agenda is at the heart of its business, the company was proud to offer a solution to support suppliers' unique cash needs by providing them fair and affordable access to liquidity on demand. Within the first 12 months, more than 80

suppliers received over £7 million in early payments, which helped the company reach its multifaceted goals.

Through Allied Bakeries' Early Payment Programme, the company continues to deliver on its promise of being a good and fair business partner to its suppliers by offering flexible and affordable access to capital.

In addition, C2FO's Early Payment platform helps Allied Bakeries support government-backed initiatives that promote access to liquidity for SMEs, such as the UK's Prompt Payment Code.

## THE RESULTS

8

### WEEKS TO LAUNCH

C2FO executed the implementation in **less than two months**, requiring only a simple file exchange from Allied Bakeries.

33.4

### DAYS PAID EARLY

Allied Bakeries' suppliers that use C2FO receive early payment by an average of **33.4 days**.

1,400

### SUPPLIER PARTICIPATION

Since launch, around **1,400 suppliers** registered on the C2FO platform, representing more than 55% of the total suppliers.

£23M

### CASH FLOW, DELIVERED

Allied Bakeries has awarded more than **£23 million** in early payment to suppliers since the programme's launch.



*"Not only does C2FO offer early payment to suppliers ensuring they have the cash they need, but it also provides funding that is inexpensive and maintains a responsible approach to the supply chain in line with the requirements of the Prompt Payment Code. It's a real win-win solution."*

— Philip King, former interim Small Business Commissioner and champion of the Prompt Payment Code

## ABOUT C2FO

**C2FO is the world's largest platform for working capital.** We serve over one million businesses representing \$10.5 trillion in annual sales across more than 180 countries. Our online platform connects more than \$100 billion of daily accounts payable and accounts receivable. Whether you need working capital or have excess working capital, Name Your Rate® and the C2FO platform will match your request in seconds. You can accelerate or extend AP or AR on demand, providing you, your customers and your suppliers greater control over cash flow. You can also utilise AR financing and other data-driven funding options.

**C2FO is working capital, working for everyone.** Our mission is to deliver a future where every company in the world has the capital needed to grow. To learn more, visit [C2FO.com](https://www.c2fo.com)