

Case study: Invivo Wines

NZECO solution: Access Trade Finance

NZECO product: Loan Guarantee

Sector: Food and Beverage



Loan Guarantee Supports Rapid Growth

Invivo Wines had just secured shelf-space with one of the world's largest retailers.

On the back of high profile endorsement from UK chat show host Graham Norton (now also a shareholder in the company), their New Zealand wine brand was on the cusp of major growth - but it needed extra working capital to fulfil the increase in demand, according to Invivo Financial Controller, Stuart Whitney.

Invivo's banking partner ANZ, introduced them to the Treasury's New Zealand Export Credit Office (NZECO). NZECO assessed the company's financials, business and buyers and offered a Loan Guarantee, which enabled ANZ to extend additional lending.

NZECO Business Originator Thomas Sheng says "Invivo is a solid company which was experiencing challenges typical of a fast-growing company. Invivo needed speedy support to fill orders for their substantial new customer. We were confident that if we could support them to get the orders ready, the money would quickly start flowing in to pay back the loan".

And that's exactly what happened.

For Invivo and ANZ, the NZECO Loan Guarantee was a viable solution when an urgent increase to their working capital facilities was needed.

"Demand was rocketing beyond our forecasts, and we needed extra working capital to fulfil demand for the new large UK customer while continuing to supply our existing customers. The NZECO Loan Guarantee was a crucial part of the process to enable us to do this" says Stuart.

The deal led to extraordinary growth for 10-year-old Invivo Wines and, as a result, turnover jumped 71% in 2016 to 2017.

Invivo Wines: <http://www.invivowines.com/>

NZECO contact:

Tel: +64 04 917 6060

Email: nzeco@treasury.govt.nz

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