





### Dutch midcaps find their place in the chain

**Suzan van Toorn**, Head of Trade & Cash Solutions and Market Management at Deutsche Bank in the Netherlands, has a clear view on how the potential of supplier finance translates to the Dutch midcap market. "Dutch corporates realize that attracting traditional forms of financing is increasingly a challenge. As a result of the current economic climate and ever-stricter banking regulation, such as Basel III, it has become apparent that alternatives should be considered. Most Dutch midcaps turn to their local principal banks, and understandably so. However, as globalization continues to gather momentum, supply chains have lengthened and become more complex. Corporates in the Netherlands might already be looking at their accounts receivable with partners in Germany. Also, midcaps are often prime suppliers and have everything to gain from looking at ways to strengthen their position in the chain."

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Suzan van Toorn, Head of Trade & Cash Solutions and Market Management Deutsche Bank Nederland N.V.

### Dutch specifics?

Dutch midcaps often specialize in niche markets and as a result engage in a broad sales-range and multiple trade flows. "This creates a substantial amount of exposure and arbitrage costs," explains Suzan. "SCF can help them manage those effects. It is my experience that corporates in the Netherlands are relatively critical about these programmes, but once they become more aware of the tangible positive effects, the uptake improves significantly. Of course, the rationale and impact varies between industries and sectors. The automotive sector, for instance, prefers to keep suppliers as close as possible as these are often strategic partners that supply specific high-tech goods. Products supplied to retail companies are generally more interchangeable. In this sector, the cost aspect features more prominently and improving on KPIs is an even stronger component. One common denominator is that you don't want to improve your own situation at the expense of another partner in the chain. Strong relationships are important, you are all in the same boat. This mind-set is prevalent among corporates in the Netherlands as well."

This article is based on a joint interview with Alexander Mutter ([alexander.mutter@db.com](mailto:alexander.mutter@db.com)), Trade Finance – Financial Supply Chain EMEA at Deutsche Bank, and *Suzan van Toorn*, Head of Trade & Cash Solutions and Market Management Deutsche Bank Nederland N.V. ([suzan.toorn-van@db.com](mailto:suzan.toorn-van@db.com)).