



CASE STUDY



Tesla UK have been using Corpay for their currency and hedging requirements for over a year now.

What was Tesla's situation?

Tesla UK manufactures and supplies for the heating and plumbing industries, providing products to national and independent merchants and distributors in the UK and overseas. They import from the Far East so have to manage and mitigate their exposure to the US Dollar.

They traded in spot transactions through banks and had been frustrated by complex hedging products from a previous FX partner so needed a clear, concise hedging strategy that was easy to understand and added value to their business.

Tesla agreed at their board level that they needed a hedging strategy that was simple and easy to understand but allowed them to mitigate risk while having the potential to participate in positive market movements.

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"The service we have received since setting up with Corpay has been excellent. For businesses wanting a consultative, thorough and trustworthy FX partner, we would recommend engaging with them."

Patricia Quinn, Managing Director | Tesla UK

The Corpay Solution

Corpay took the time to understand Tesla's challenges and objectives, enabling them to book an alternative hedge which allowed:

- A line to be drawn in the sand with a rate of protection that provided them with the predictability and peace of mind they wanted and needed.
- Tesla to draw down on the contract at any time, as and when it suited them best, improving their cash flow position.
- Them to access a rebate that was able to be applied directly to their bottom line when their contract expired (should the market be within the rebate range), helping their profitability potential.



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