

# Inventory Financing 101

Think of our usual [Marketing Capital](#) model, but tailored to your inventory needs! Let Clearco fund your inventory purchases. The fees are set upfront so there are no surprises when it comes time to pay us, and the best part? We get paid based on sales! So your success is our success.

## How does it work?

Using your sales and marketing data, Clearco will generate potential revenue-share offers for inventory funding. The funding can be used to pay your inventory vendors directly through our Pay a Vendor service. The advance is paid back via a percentage of your daily revenues, ideally within a 4 month time frame.

## What are the fees?

There will be a ~6% fee added on to the approved amount of inventory capital (so, for example, if your business is approved for \$100,000, your business will have to pay Clearco \$106,000).

## How do I pay for the Inventory advance?

Payments to Clearco begin 2 days after an advance is approved and made available. When signing up for an advance there will be an agreed upon remittance rate, which is the percentage of your businesses' daily revenues that will be invoiced and debited from your businesses' bank account. You will receive an invoice every weekday (with Friday, Saturday and Sunday sales grouped on Monday's invoice) for the amount calculated by multiplying the remittance with your businesses' net sales. Invoice amounts will be debited from a businesses' bank account 2 days later, excluding bank holidays. If a debit is scheduled on a bank holiday it will be processed the following day. If your business only works with an ecommerce channel that has a special schedule for payouts ([Amazon](#), Google Play store) please let us know.

## How do I use the Inventory advance?

Inventory can be used via our Pay a Vendor system, so we will wire the funds directly to your suppliers - you just need to submit your invoices! See the [Inventory Financing category page](#) for instructions on how to submit and pay vendors using your Clearco advance.

## Can I use both Marketing and Inventory Financing?

Of course! If you are already using our Marketing Capital product, let our Customer Success team know and they can activate inventory financing offers.