

Case Reference: VAT Reclaim

About the partner and customer

The customer is a global Footwear & Apparel manufacturer and physical store retailer with factories in 7 different global locations, with a focus on growth to increase their global footprint further.

The partner is a US headquartered IT reseller who supports the needs of their many global end customers.

Business Challenge

The challenge was that the customer required local invoicing to ensure VAT was reclaimable, however their global IT partner did not have local presence in the region. In most instances where partners use Importer Of Record (IOR) services, the VAT is not able to be recovered by the end user and thus becomes a cost of sale.

VAT may only be reclaimed by a customer in the following scenarios:

1. If goods are imported into a country on the end customers importers code OR
2. If the invoicing transaction is between two local entities

What did they seek from Viadex?

What our partner needed in this instance was a company with a local presence in the EU that could support their customers invoicing requirements. Alongside the need for VAT to be reclaimable, the partner also needed to be supported by a company with global logistics capabilities and experience in multiple country deployments. Viadex Netherlands ensures that partners can be supported completely both prior to and after Brexit implementations have been realised.

With Viadex having an in country local entity, the partner was able to transact their deal through the Viadex entity, which allowed the VAT to be reclaimable and reduce the ultimate cost of sale to the end customer.

The Viadex Solution:

By utilising Viadex's local entity to transact the deal on behalf of the partner, the end customer was able to be invoiced in their local currency as well as not have to recognize local VAT as a cost of sale. This ensured the partner remained competitive on their pricing and adhered to the needs of their customer.

- **Global entities** — With entities in multiple countries in all regions around the world, Viadex has the flexibility to create customised deployment methods on behalf of our partners that suit their global customers ever changing needs. From local - local invoicing to global logistics with IOR services; Viadex has invested time and money to ensure that their global capabilities can support a multitude of deployment models.
- **Centralised procurement** — The model adopted in the scenario still allowed the partner to manage the procurement of goods out of their global headquarters, which resulted in ensuring pricing models and delivery lead times where adhered to while leveraging their global relationship with their vendors.

Results

- **VAT was reclaimable** — With the inclusion of Viadex services in this project, the customer was able to continue this project through their trusted global partner with the benefits of a local to local transaction.
- **Cost of sale reduced** — With Viadex's ability to develop customised deployment models on behalf of their partners, both the partner and end customer were able to recognize a significant reduction in cost to deliver this project, allowing them to utilise this budget elsewhere. The reduction in cost also allowed for the partner to compete with other suppliers in region, resulting in them maintaining their global relevance to their customer.

For more specific information or to obtain a quote please contact us at: SPOC@Viadex.com



AUDIT



DESIGN



DEPLOY



OPTIMISE

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About Global Partner Services

Viadex Global Partner Services provide the expertise and resources to enable you to deliver global growth for your customers. This empowers them to view the world as one market, with one business partner. All managed by a team of subject matter experts with a combined 100 years of hands-on global IT logistics and international trading experience.

Global knowledge, local expertise

Borders, tariffs, trading regulations, import license requirements, fine print, and hidden clauses are changing and increasing in complexity every day. Managing these issues, to deliver IT projects around the world for your geo-dispersed customers requires special skills, qualified resources, and in-country contacts that may not always be present in your organisation.

Deliver added value, globally

As a Viadex Global Channel Partner you can rely on our hands on experience and support for issues that arise, ensuring smooth and simplified global growth for your customers.

Boldly go

Viadex GPS will enable you to add value to your global services through a full turn-key IOR/EOR Service with country-by-country global logistics expertise to serve your customers' requirements confidently in 190 countries. You can also benefit from our shipping service or freight desk and a range of Viadex Flexible Partner Options. With Viadex Global Partner Services in your portfolio you can allay your customers' fears about the potential complexity of global expansion, accelerate their global growth, and become a valued strategic partner.



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End-to-end global logistics to over 190 countries

Consultancy

Delivery

Product classification

Compliance and risk assessment

Payment flow compliance and incoterm

Detailed documentation made simple

Export/Import permits and licences

Payment of taxes

Customs clearance

Collection, delivery and last mile diligence

For more specific information or to obtain a quote please contact us at: SPOC@Viadex.com

