

STOP LOADING THE CHEAPEST CONTAINER.

Load the most profitable one.

The Profit-Led Cross-Border Sourcing™ Guide

For African & Caribbean Food Distributors

THE BIG IDEA

A good sourcing decision is not the container that costs the least to load. It is the inventory mix that creates the strongest economic return after it lands and sells.

MARGIN

How much you make

VELOCITY

How quickly it sells

CAPITAL TURN

How quickly money returns

MODEL → SOURCE → MOVE → SELL → MEASURE → OPTIMIZE → REORDER

The cheapest container can be the weaker business decision.

Distributors often compare sourcing partners by one number: “How much will it cost to load my container?” That number matters - but it does not tell you whether the inventory will create a strong return.

Consider two simplified sourcing transactions:

CONTAINER A	CONTAINER B
\$40,000	\$70,000
Capital committed	Capital committed
\$60,000	\$150,000
Expected sales	Expected sales
\$20,000	\$80,000
Gross profit*	Gross profit*

THE AHA MOMENT

Container A is cheaper to load. Container B requires \$30,000 more capital, but in this simplified example it produces four times the gross profit.

The better question is not: “How cheaply can I load?” It is: “What should I load to generate the strongest return on my capital?”

**Illustrative example only. Gross profit shown before downstream operating expenses, taxes, financing costs and other business costs.*

Move from cost-led sourcing to Profit-Led Cross-Border Sourcing™.

Traditional sourcing often optimizes the easiest number to see before purchase: supplier price. Profit-led sourcing starts with the economics of the inventory after it lands.

DECISION	COST-LED SOURCING	PROFIT-LED SOURCING™
Starting question	How cheaply can I buy?	What return can this inventory generate?
Supplier decision	Lowest quote	Best landed economics + reliable execution
Container decision	Fill available space	Allocate space to products with stronger economics
Product view	One total shipment cost	Profitability by SKU / product
After landing	Hope it sells	Measure sell-through and actual margin
Reorder	Experience / instinct	Actual sales + profitability + velocity

Purchase price is an input. Profitable sell-through is the outcome.

A low factory price can still produce weak economics after packaging, compliance, freight, duties, clearance, slow sales or discounting are considered. Profit-led sourcing evaluates the whole transaction.

Know the numbers before you commit.

The first step is to turn a sourcing request into a business case. Start with true landed cost - not factory price alone.

Manufacturer / product cost	\$42,000
Packaging & preparation	+ \$4,000
Compliance & origin handling	+ \$2,000
Freight & logistics	+ \$12,000
Duties / clearance / other	+ \$10,000
TOTAL LANDED COST	\$70,000

\$70K	\$150K	\$80K
Landed cost	Expected sales	Expected gross profit

SIMPLE FORMULA

Expected Sales - Total Landed Cost = Expected Gross Profit

Then ask: How much capital is required? What margin does each product contribute? How quickly is the inventory expected to sell?

A profitable container can hide weak products.

Container-level profit is only the first view. The next question is: which products are actually creating the return?

PRODUCT	LANDED COST	EXPECTED SALES	GROSS PROFIT	SELL-THROUGH
Fufu Corn	\$8,000	\$15,000	\$7,000	Fast
Plantain Chips	\$6,000	\$11,000	\$5,000	Fast
Spice Mix	\$5,000	\$6,000	\$1,000	Slow
Dried Vegetable	\$4,000	\$7,500	\$3,500	Very slow
Garri	\$7,000	\$15,500	\$8,500	Fast

WHAT THIS REVEALS

The container may look attractive overall, but some SKUs may tie up capital, require discounting or contribute little profit. Product-level economics help decide what deserves more - or less - space in the next shipment.

Container space is capital allocation. Every carton should have a commercial reason to be there.

How quickly you make the profit matters.

A high-margin product is not automatically the best use of capital if it takes too long to sell. Inventory velocity changes the economics.



Profit-Led Cross-Border Sourcing™ therefore looks at three dimensions:



Important: These dimensions should be evaluated together; the examples are simplified and are not a universal scoring formula.

The sourcing decision should improve after every shipment.

The strongest sourcing system does not end when the container ships. It compares the original business case with what actually happens in the market.

1 MODEL Landed cost Expected sales Expected profit	2 SOURCE Supplier Product mix Quantities	3 MOVE Production Compliance Shipment
4 SELL Inventory Selling price Customer orders	5 MEASURE Actual margin Sell-through Capital turn	6 OPTIMIZE Increase winners Reduce weak SKUs Reorder

MODEL → SOURCE → MOVE → SELL → MEASURE → OPTIMIZE → REORDER ↻

THE CLOSED-LOOP ADVANTAGE

When sourcing and downstream sales are connected, the next container can be planned using actual selling prices, inventory movement and reorder behavior - not only supplier quotes.

GloSource™ turns sourcing into a live business case.

Gloway connects upstream sourcing data with downstream sales data. That makes it possible to model the transaction before purchase, track it during execution and compare the plan with actual performance after landing.

**GLOSOURCE™ |
BUSINESS CASE
OVERVIEW**

23 products • 1,277
cartons • 17,799.84 kg

\$70,000
Products + landed costs

\$150,000
Expected sales

\$80,000
Estimated gross profit

SKU VIEW
Drill down by product

STAGE	WHAT GLOWAY CONNECTS
Before sourcing	Model landed cost, selling price, expected sales and potential profit.
During execution	Track production, payments, compliance, consolidation, loading and shipment milestones.
After landing	Track inventory, actual selling price, sell-through and realized performance.
Next sourcing cycle	Use what actually sold to improve product mix, quantities and sourcing decisions.

WHY DOWNSTREAM SALES MATTER

A sourcing agent can know what a product costs. Gloway can increasingly connect what it costs with what it sells for, how quickly it sells and whether it gets reordered.

Five questions to ask before you load.

1

What is the true landed cost?

Include the costs required to get inventory into your warehouse
- not only the supplier invoice.

2

What can each product realistically sell for?

Use current market and your own selling history where
available.

3

Which SKUs create the strongest profit contribution?

Look beyond the container total and inspect product-level
economics.

4

How quickly is each SKU likely to sell?

Slow inventory can trap capital even when its percentage
margin looks attractive.

5

What did the last shipment teach you?

Use actual sales, margin and reorder behavior to improve the
next product mix.

BEFORE YOU LOAD YOUR NEXT CONTAINER, **know the business case.**

Share your proposed products, quantities and target market with Gloway. We can help structure a sourcing business case around estimated landed cost, expected sales and potential profitability before you commit.

REQUEST A SOURCING PROFITABILITY ASSESSMENT

WHAT TO PREPARE

- Product list or target categories
- Approximate quantities / carton requirements
- Current or target selling prices
- Destination warehouse / market
- Any previous sales or reorder history available

GLOWAY™

End-to-End Cross-Border Food Sourcing

Source. Move. Track. Sell. Reorder.

gloway.co

Note: All financial examples in this guide are illustrative and simplified for education. Actual sourcing economics vary by product, supplier, shipment, destination, duties, financing, operating expenses, selling prices and market conditions.