M&S commits to supplier payments and credit

By Sandra Halliday - April 24, 2020

With a number of retailers being heavily criticised for not paying suppliers and cancelling orders, many others have been emphasising how they’re doing the complete opposite. Yesterday it was H&M and Bestseller and today M&S is the latest to detail measures put in place to help suppliers during the coronavirus crisis.

The UK retail giant said that all its suppliers were asked to cease production on the day after the UK lockdown began but it will still pay for product shipped before March 24.

And as far as orders that haven’t been shipped by that date are concerned, the company is paying for 95% of them with the exception of niche lines or products from suppliers with which it doesn’t deal directly, Retail Week reported.

And the company is also paying for large volumes of fabric that suppliers may have purchased as this is often the largest cost that those suppliers face.

It will also continue to offer letters of credit and vendor finance should suppliers need it.

The company is one of many backing the initiative that’s being driven by the International Labour Organisation to support manufacturers and to protect garment worker jobs.

By Sandra Halliday

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