

dexFreight Demonstrates Inexpensive Factoring for Trucking Companies

In collaboration with Maker and Centrifuge, a successful pilot project uses tokenized freight invoices as collateral to provide financing at a much lower borrowing rate

Sunrise, Florida – October 15, 2019-- [dexFreight](#), providers of a blockchain-based logistics platform, today announced it has completed a pilot project to tokenize freight invoices and use them as collateral to provide invoice factoring at a much lower borrowing rate for trucking companies. The pilot with [Centrifuge](#) and the [Maker Foundation](#) used decentralized finance (DeFi), an emerging use case in the public blockchain, on top of dexFreight's logistics platform with several participating freight brokers and trucking companies.

“We can now reduce friction, extend instant credit lines, and offer highly competitive rates to trucking companies on the dexFreight platform,” said Jim Handoush dexFreight's newly appointed president and CEO who brings more than 30 years of transportation, technology and logistics experience to dexFreight. *“This is a major step in the transformation of the logistics industry, and we could not have realized such a milestone without our partners Centrifuge and the Maker Foundation.”*

The pilot proved that smart contracts and tokenized invoices can be used to create a faster and inexpensive alternative to traditional factoring. For an industry with millions of small trucking companies around the world, this access to lower and faster capital represents a major shift in solving a liquidity problem. Trucking companies often seek short term financing against invoices to cover, fuel, maintenance, and driver expenses because they do not receive payment until long after the shipment is delivered – on average 37 days in the US and even longer in Europe.

In the pilot, a third-party logistics (3PL) provider agreed to pay on 45-day terms a carrier who opted to finance shipment invoices using the dexFreight platform's 'dexFi' feature. From the moment, the trucking company pressed the dexFi button, it took less than a minute for it to receive the funds at less than a 1% borrowing rate with little or no paperwork involved.

About dexFreight

dexFreight is a blockchain-based logistics platform for brokers, carriers, and other stakeholders to handle shipments more efficiently from booking to payment in one place. For information, visit www.dexfreight.io

About Centrifuge

Centrifuge is a protocol for the financial supply chain. An open network that connects businesses in global supply chains, enables them to exchange business documents in a private way while allowing for an immutable single source of truth for said documents. In addition, it provides users with the possibility to create a digital representation of the assets exchanged on the network, in the form of Non-Fungible Tokens (NFTs).

About Maker

MakerDAO is a decentralized organization dedicated to bringing financial stability and transparency to the world economy. Its purpose is to create an inclusive platform for economic empowerment -- MakerDAO strives to unlock access to the global financial marketplace for all. MakerDAO enables the generation of Dai, the world's first unbiased currency and leading decentralized stablecoin.

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