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From the JIBC Publisher

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Supply Chain Finance and Global Liquidity Crunch

Supply Chain Finance (SCF) covers liquidity management and payment activities among the collaborating business partners. Its key objective is to monetizing the working capital tied up in the Global Value Chain (GVC). The ways and means of SCF is the use of financial instruments, practices, technologies and liquidity management optimization methods.

Global liquidity crunch affects SCF even more than mainstream commercial lending financing instruments. According to *Supply Chain Finance Working Group Report 2010* of The Association of Corporate Treasurers (ACT), 2010, p. 9:

> “The credit crisis … has seen the rapid withdrawal of some banks from the SCF market and others who raised credit quality requirements and in some cases decreased funding”*

With vendor costs increasing, we are seeing the growth of the newer customer-led programs, despite their complexity and typically higher costs to the vendors. Some such programs are perceived as less risky to the funders or as the last resort cash to finance the sale.

To increase liquidity, SCF as an asset class needs creating of a secondary market, which is difficult to initiate in the current regulatory climate.

When attracting new investors, commercial paper and corporate bonds are seen as benchmarks for the risk/reward criteria. To successfully run SCF programs, a specialized management platform is essential. Its principal attributes should be transparency, liquidity and regulatory/legal certainty.

SCF papers typically do not have formal credit ratings or might be rated as debt to the customers. Hence, money market funds have mostly been excluded from investing in the SCF instruments. Hedge funds are unlikely to invest in SCF due to inadequate margins.

In contrast, properly setup and managed SCF solutions can be as cost/risk competitive as the traditional banking financing.

JIBC is still growing, and as a part of new opportunities, we are looking for one more new key member of our editorial team to act as an *Assistant Editor*. The candidates should be open to evolving responsibilities, have strong research, organizational and communication skills, ability to work both independently and with the JIBC editorial team, proficiency at multitasking, and be passionate about the newly emerging field of electronic banking and commerce. Past editors have used the position as a staging ground for the leading positions in the global academia and industry.

For a highly qualified person well familiar with HTML and looking for a world-class carrier in ecommerce, this position opens unparalleled opportunities to work closely with a wide range of international scholars, to learn the modern online publishing ropes, to develop familiarity with the style guides and establish useful academic and industrial connections. It provides an excellent opportunity to hone your editing and time management skills, to gain experience in academic publishing, and to actively develop an understanding of issues considered of great import to the electronic banking and commerce.

A successful candidate will help JIBC Editor-in-Chief Prof. Nikhil Agarwal, Managing Editor Dr. Xin "Robert" Luo and Assistant Managing Editor Francis Chlarie in working with the JIBC authors to ensure high academic quality contributions and preparing submissions for our leading publication. She or he will provide the editorial input on the articles' fitness for publication, and perform formatting of each article to ensure that their language, layout and style meet academic standards.

As we only issue JIBC three times a year, a volunteer Assistant Editor will be asked to commit just 2-3 hours of work per week performed on their own schedule. Please send your CV to JIBC Chief Editor Prof. Nikhil Agarwal or myself if you would like to participate and contribute to our advanced global community.

Again, I am asking each and every one of you, our readers and subscribers, to email JIBC to at least 3 of your colleagues, friends and discussion groups that you are participating at, and recommend that they also subscribe. Please share information about JIBC articles with the Internet community and suggest to us new ways to promote JIBC among academics and professionals from around the globe.

As well, I am challenging all the current and past authors and editors to email your own articles -- along with the rest of JIBC edition -- to at least 10 of your peers and colleagues in academia, government and industry. Make sure that they are well aware of your articles and the *Journal of Internet Banking and Commerce*. Recommend that they also subscribe to email editions. After all, we send it around just 3 times a year.

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