

Easy implementation provides additional liquidity beyond senior banking relationship.

“Tradecycle’s program has provided the additional liquidity we needed above and beyond our senior banking relationship. It was incredibly easy to implement and very efficient.”

*Chief Financial Officer
Technology Distribution and
Integration Company*

Challenge

A privately held technology distribution and integration company was experiencing phenomenal growth, but struggling to keep up with the working capital demands of the industry. The company often had to lay out substantial payments to hardware vendors as well as carry substantial inventory. The scenario created strain on the company’s working capital and, due to the long WIP timeframe for projects, had pushed them to max out their Bank LOC.

Tradecycle Solution

Tradecycle’s unique Payables Finance model was an ideal solution as it allowed the company to make timely payments to its suppliers and obtain sufficient working capital to handle the extended WIP timeframe. Tradecycle’s program was implemented to work in unison with the company’s existing LOC without the need for intercreditor or subordination agreements. Further, the company has continued to use Tradecycle’s program to make strategic purchases of material to improve its internal operational schedule.

Program Features

- Tradecycle funds its clients payable obligations
- Tradecycle extends DPO for its clients creating instant liquidity
- Tradecycle’s solution is effectively “Finance as a Service”
- No UCC liens or collateral required

Result

The company obtained a 7-figure revolving facility to augment their existing capital structure. The company was able to implement Tradecycle’s program with 14 days of completing the application. As Tradecycle’s solution is transactional, the company has been able to use the facility to meet its needs without any non-utilization charges or required minimum funding requirements.