

Asset-Based Lending Case Study: Unlocking Liquidity Through Asset-Backed Credit

Asset-Based Lending Case Study

- Industry: Industrial Distribution
- Facility Size: \$8,000,000
- Financing Type: Asset-Based Lending (ABL)

The Challenge

A regional distribution company secured several large customer contracts but faced liquidity strain due to:

- 60–90 day customer payment cycles
- Increased inventory requirements
- Limited traditional bank credit

The Solution

An \$8M revolving asset-based lending facility secured by receivables and inventory.

Advance structure:

- 85% on eligible receivables
- 50% on inventory
- Revolving borrowing base

The Results

- Immediate access to working capital
- Ability to support larger purchase orders
- Improved inventory stability
- 40% revenue growth within 12 months

Key Takeaway

Asset-based lending allowed the company to convert balance-sheet assets into working capital and scale operations without traditional financing limitations.

Stabilize Cash Flow.

Strengthen Operations.

Scale with Confidence.



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