

CLIENTSPEAK

Background: Standard Tube is a wholesale distributor of oil tubular and casing and has been in business for eight years. The company is a limited partnership with the majority share owned by Coe Wilson, who has been in the pipe business for more than 20 years. Standard Tube has good business relationships with six steel mills in China and one in Taiwan. Since the inception of the company, tubular products and goods have been imported from both countries.

Financing Challenge: As the company grew, Standard Tube needed a larger line of credit to support its working capital needs. As noted above, inventory primarily consists of imports, which need to be paid for at time of purchase rather than delivery. Furthermore, it often takes six to eight weeks for the inventory to arrive from the point of shipment.

Compass Solution: Through the utilization of the Structured Lending Group, Compass was able to meet the needs of Standard Tube by providing a substantially larger line of credit and the flexibility to adjust the line to correspond with sales growth.

Standard Tube

Coe Wilson
Owner

"Working with Compass has been so much better than our former lender. I actually like that someone comes in and looks at my books before they will approve a loan. Compass offers a lot of expertise and another set of eyes to make sure we're doing everything we are supposed to do.

Compass has made the financial part of our business an extremely easy process. They understand that in importing our inventory fluctuates greatly. My partners at Compass are here to help me solve problems and to see what they can do for us."

Another example of how Compass is just a little better.