When Data Tells the Real Story: Three Insights for Lenders from TAME™

Description

At Newpoint Advisors, we believe numbers speak louder than stories. That's why, from the beginning, we built transparency into our methodology — fixed fees, visible scoring, and a fact-based evaluation of company viability. For lenders, this means less guesswork, fewer surprises, and faster, fact-driven resolutions.

Our proprietary tool — **TAME™ (Turnaround Action Matrix Evaluation)** — has now been applied across hundreds of engagements. The data doesn't just confirm what you may already suspect; it often uncovers hidden weaknesses that borrowers either don't see or won't admit. Below are three case-based observations that bankers will recognize all too well:

1. Sales and Marketing Weakness is the Silent Killer
– **Case #185:** A sporting goods retailer drained inventory with unprofitable promotions.
– **Case #369:** A marketing firm built a cult-like following around its founder, but lacked scalability.
– **Case #582:** A "growth-at-all-costs" agency woke up to dangerous customer concentration.
For lenders, the pattern is clear: poor sales structures create fragile cash flow.

2. Accounting Blind Spots Hide Credit Risk
– **Case #537:** A top salesman gave away margins to win customers, leaving the books bleeding.
– **Case #38:** A consumer health business leader actively concealed financial data, even committing acts against his lender.
When borrowers minimize accounting, lenders lose the very system that should signal risk early.

3. Market Shifts Can Overpower Good Management
– **Case #172:** A health club missed critical shifts in consumer preferences, making its real estate more valuable than its operations.
– **Case #499:** A freight company was crushed under industry-wide cash flow pressures during a sector downturn.
In these cases, shrinking costs or incremental fixes can't save the business.

Why This Matters for Lenders

Each case represents a borrower who lacked the tools — or willingness — to see reality until it was too late. By applying TAME™ early, lenders and advisors can cut through emotions and narratives, relying on data to determine the company's true trajectory. Not every situation is recoverable, but an early TAME review often means higher recoveries, more preserved jobs, and fewer unpleasant surprises.

If you'd like to see how TAME™ can help assess a borrower and protect your portfolio, reach out to Newpoint Advisors. We'll bring the data, not the fish tale.

Want to learn more? Get in touch today!

Get in Touch

Category

1. Business Insights

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