

Expanding Global Opportunities Webinar

Mike Winer
Economic Development Specialist
City Of Chandler AZ

Webinar January 28th 2020



Reducing Risk. Unleashing Opportunity.

Agenda



- Welcome
Mike Winer, City of Chandler AZ
- U.S. Commercial Service – Phoenix
Fernando C. Jimenez
- EXIM Bank
Aerek N. Stephens
- *Questions*

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Fernando C. Jimenez
U.S. Commercial Service – Phoenix

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Reducing Risk. Unleashing Opportunity.



**U.S.
COMMERCIAL
SERVICE**

United States of America
Department of Commerce

INCREASING JOBS AT HOME BY EXPANDING U.S. EXPORTS





We help our U.S. companies **compete** abroad.

A close-up photograph of two people shaking hands over a laptop on a wooden desk. The person on the left is wearing a blue and white checkered shirt, and the person on the right is wearing a white shirt. The background is softly blurred, showing a desk with papers and a red clock. A dark blue banner is overlaid on the top left of the image.

Our Mission

Grow U.S. exports to increase U.S. jobs.



We have global **relationships** and **expertise** in
every major industry **sector**.

Leverage the strength of the U.S. government

Market access problems

Unfair contract competition

Meetings with the right partners

Getting paid





The **local** trade specialist can **counsel** companies
and **connect** them to resources across the **globe**.

Supporting
export growth every
step of the way.



A background image showing a group of people in a business meeting. One person is holding a smartphone, and another is pointing at a laptop screen. There are papers and a pen on the table.

Service highlight: In-country **business matchmaking** to connect with the right **partners**.

Customized market and industry briefings

Post-meeting and follow-up strategies

Help with travel & interpreter service

Appointments with prospective partners



International Expansion Blueprint

Prepared for:

BOYD
CYCLING

U.S. Commercial Services
Atlanta, GA
December 18, 2016

INTERNATIONAL EXPANSION BLUEPRINT SCORECARD		
Export Operations Review		
ACME		
	DATE	Related Issue and/or Risk
Marketing & Sales		
Marketing Materials	3	
Website Globalization	1	
Identifying Markets	2	3
Free Trade Agreements (FTA)	2	1,11
Finding Partners	1	14
Government Programs (Gold Key etc.)	1	1,4
F.U.S.E Listing(s)	1	1,2
Joint Venture/Licensing	3	1
Responding to International Inquiries	3	
Trade Shows	2	5,15
ATA Carnet	1	5
U.S. Export Controls		
AES	1	6
BIS	1	6
ITAR	1	7
Compliance Management Program	1	8
FTA Compliance	2	14
Financial Considerations		
SBA/EXIM Programs	1	17
Receivables Insurance	1	17
Extended Cost/Export Pricing	1	9
Terms of Sale	1	TBD
Incoterms	1	10
Foreign Currency Management	1	TBD
Free Trade Zones (FTZ)	2	TBD
Recovery	1	
Considerations	1	
Professional Services (law firm)	1	
Specific Legal Requirements	1	
Tutor Agreements, Licensing etc.	1	
Requirements	2	
Logistics	1	19
Carriers	1	19

Service highlight: **Customized** report assessing every aspect of the company's **export program**.

Meet the Arizona Team

www.export.gov/arizona

Open

Industries:

- Architecture
- Energy
- Engineering
- Environmental Technology
- Infrastructure
- Mining
- Water Technology

Open

Industries:

- Consumer Goods
- Cosmetics
- Education
- Franchising
- Healthcare Technology
- Processed Foods
- Tourism

**Molly Ho
Sr. Int'l Trade Specialist**

Molly.Ho@trade.gov

Industries:

- Advanced Manufacturing
- Automotive
- Information Communications Technology

**Fernando Jimenez
Sr. Int'l Trade Specialist**

Fernando.Jimenez@trade.gov

Industries:

- Aerospace & Defense
- Safety & Security
- Sporting Goods



**U.S.
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CONTACT US



2828 N. Central Ave.
Suite 800
Phoenix, AZ 85004



602-640-2513



www.export.gov/arizona



Twitter: [Twitter.com/USCommercialSvc](https://twitter.com/USCommercialSvc)

Expanding Global Opportunities Webinar

Mr. Aerek N. Stephens
EXIM Bank
Office of Small Business

City of Chandler Webinar January 28th 2020



Reducing Risk. Unleashing Opportunity.

Who We Are - What We Do

- › EXIM is an independent agency of the U.S. Government
- › Established in 1934
- › Headquartered in Washington, DC
- › Twelve Regional offices
- › Regional Export Centers

Mission: To create and sustain jobs by increasing U.S. export sales



No Cost to Taxpayers



In the last decade, EXIM has supported more than 1.7 million jobs in all 50 states--and generated more than \$4 billion for American taxpayers.



>\$4B returned

EXIM Supports Small Business!



FY 2019

- › In FY 2019, EXIM authorized \$8.2 billion of loan guarantees, export credit insurance, and direct loans in support of an estimated \$9 billion of U.S. export sales.
- › U.S. export sales backed by EXIM in FY 2019 supported an estimated 34,000 U.S. jobs.
- › In FY 2019, EXIM's small business authorizations totaled nearly \$2.3 billion, representing 27.5 percent of total authorizations exceeding the agency's charter requirement of 25 percent. Transactions that directly benefited small business exporters were more than 89 percent of total transactions.
- › EXIM authorized \$440.6 million for minority- and women-owned businesses in FY 2019.

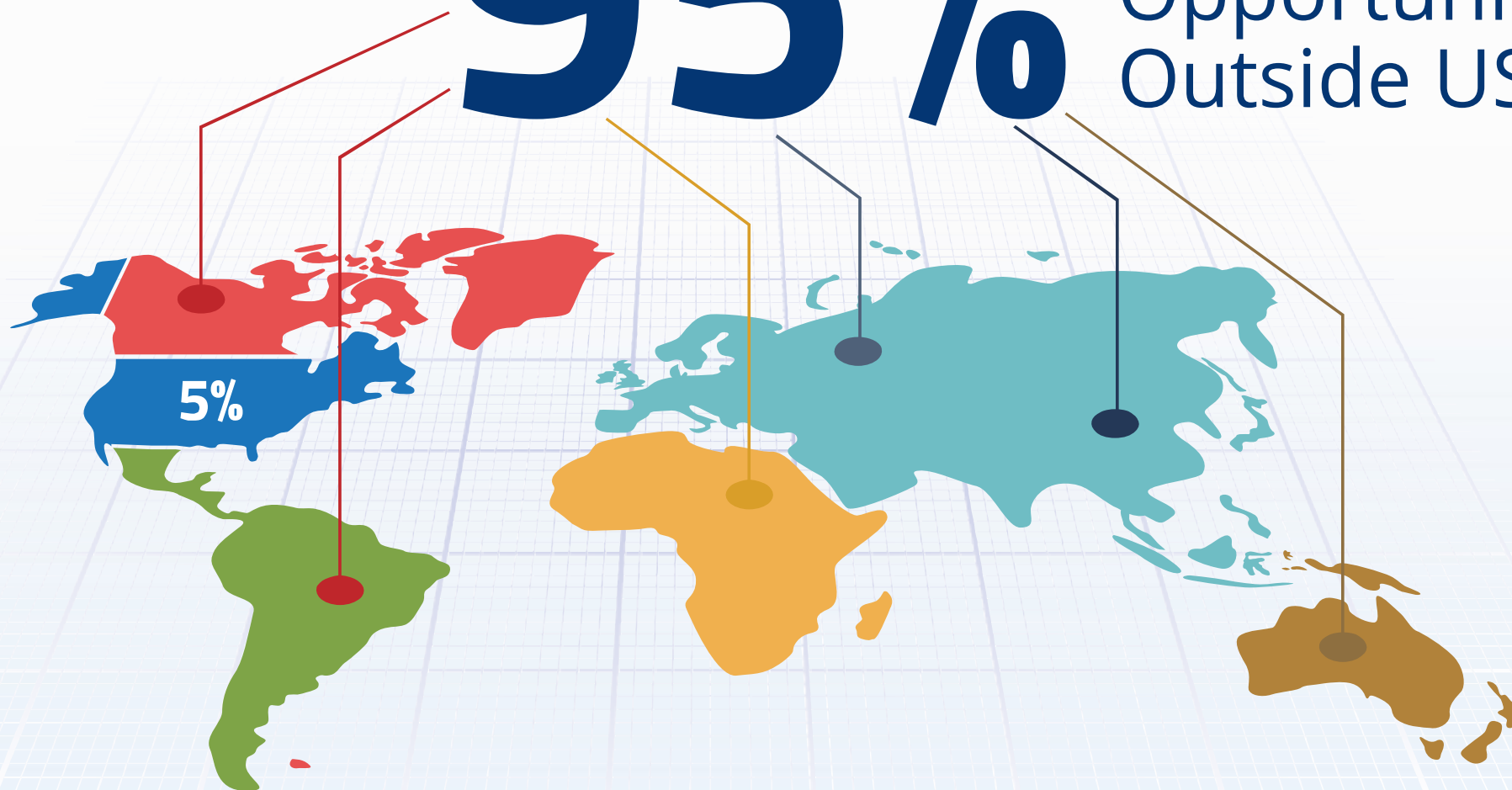


GLOBAL POPULATION



95%

of Sales
Opportunities
Outside US



EXIM REDUCES RISK AND UNLEASHES OPPORTUNITY



Why Do Only 1% of Companies Export?

Fear of the Unknown RISK!

Our Financing Makes the Difference

- › Minimize risk
- › Level the playing field
- › Supplement commercial financing



Support for a Variety of Industries



- › Manufacturing
- › Construction Equipment
- › Medical Equipment
- › Mining
- › Power-generation
- › Aircraft and Avionics
- › Services
- › Renewable Energy
- › Agribusiness
- › Wholesale/Retail
- › Oil & Gas

EXIM Financing Covers The Spectrum



Pre-Export
Financing

Post-Export
Financing



Working Capital Guarantees

**Insurance
Guarantees
Direct Loans**

How Can EXIM Products Assist You?



Funds to Fulfill Orders



Working Capital Guarantee

Risk Protection
Extension of Credit



Receivables Insurance

Buyer Financing



**Medium- and Long-Term
Insurance and Lender Loan
Guarantee**

WHAT IS EXPORT CREDIT INSURANCE?



Insurance
against non-
payment of
foreign accounts
receivable

NOT a means to
make bad credit
good

NOT primary
source of
repayment

Short Term Export Credit Insurance



- Protects against non-payment by foreign buyers
 - Commercial Risks: insolvency and protracted default
 - Political Risks: currency inconvertibility; war, revolution, insurgency, expropriation; cancellation of import or export license
 - Coverage ranges from 90% to 100% of the invoiced amount
- Covers competitive credit terms
 - Up to 180 days for consumable products, as well as sales to distributors
 - Up to 360 days for some bulk agricultural products, as well as sales to end-users of capital equipment

Small Business Multi-Buyer Policy



- Coverage: 95% commercial and 95% political
- Exporter must qualify as “small business” by SBA definition, and
- Average export credit sales over the past 3 years must be less than \$7.5million
- In same line of business for at least 3 years
(No material adverse issues)
- Must insure ALL export credit sales
(L/C, CIA, CAD, SDDP, and Canadian sales may excluded)
- No deductible, no application fee, no advance premium required, “pay-as-you-ship,” no minimum premium requirement
- Buyer credit limits endorsed to policy (requires minimal pre-approvals by EXIM Bank)

Short-Term Single Buyer Insurance Policy



Insures a single sale or multiple sales to one buyer

90% coverage, both commercial and political;

98% for bulk agricultural transactions

95% for letter of credit transaction

- Maximum policy period: 1 year
- No deductible, No application fee
- Premium based on country, type of buyer, and length of credit term extended (see rates on www.exim.gov)
- Charged on sales volume (not credit limit)
- “Pay-After-You-Ship” premiums
- Reduced \$500 minimum premium for “small business” exporters (\$2500. minimum premium for non-small business)



WORKING CAPITAL GUARANTEE



Provides lenders with a **90%** guarantee to extend short-term loans allowing exporters to purchase inventory, pay for labor, overhead, etc.

- › Advance rates are larger than lenders typically offer:
 - › up to 90% against export accounts receivable; and
 - › up to 75% against exportable inventory (including work-in-process)
- › Also covers standby letters of credit

Public Policy (charter) Restrictions – Just A Few

- › No Military or Defense-related products or obligors (exceptions apply)
- › U.S. Content (Standard-Term: 50+%; Medium-Term: 85% U.S.)
- › Restricted Countries (Country Limitation Schedule)
- › Economic impact
- › Shipping
- › Additionality



Consult with an EXIM Regional Director



Customer Contact Center: 800.565.3946 (EXIM)

(Operating Hours: 8 a.m. to 5 p.m., Eastern Time
Monday through Friday, excluding Federal holidays.)

www.exim.gov/contact

www.exim.gov/contact/regional-export-finance-centers

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Additional Resources



- Additional resources and assistance in applying for Ex-Im Bank products are available from:
 - Insurance Brokers
[Broker Locator](#)
 - Regional Export Promotion Program (REPP) Members
[REPP Locator](#)
 - Delegated Lenders
[Working Capital Locator](#)
 - US Export Assistance Centers (USDOC and SBA)
www.export.gov



Aerek N. Stephens
Regional Export Promotion Program Manager
Export-Import Bank of United States
Phone: 202-565-3913
Email: Aerek.Stephens@exim.gov

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1-800-565-3946 | exim.gov

