



THE FUTURE OF BUSINESS

"Connecting AAPI Entrepreneurs and Business Community with Federal Resources and Opportunities"

The Export-Import Bank of the United States
October 8th, 2pm EDT

For live caption, go to meeting controls and
select more options to turn on live caption.

BRIEF WELCOME



Tina Wei Smith
Executive Director
White House Initiative on AAPIs



White House Initiative on
Asian Americans and Pacific Islanders

BRIEF REMARKS



White House Initiative on
Asian Americans and Pacific Islanders

Commissioner Prem Parameswaran
PAC-AAPI

SPECIAL REMARKS



White House Initiative on
Asian Americans and Pacific Islanders

Chairman Kimberly Reed

Export-Import Bank of the United States





White House Initiative on
Asian Americans and Pacific Islanders



Michael K. Jackson

Business Development Specialist

**Minority & Women Owned Business Outreach Group
Office of Small Business of EXIM**

EXECUTIVE OVERVIEW

EXIM / WHIAAPI Webinar

The Future of Business

October 8, 2020

Mr. Michael K. Jackson

Business Development Specialist,

Minority & Women Owned Business Outreach Group



EXPORT-IMPORT BANK
OF THE UNITED STATES

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
- › Regional Export Centers

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





GLOBAL POPULATION



95%

of Sales Opportunities Outside US





EXIM REDUCES RISK AND UNLEASHES OPPORTUNITY!



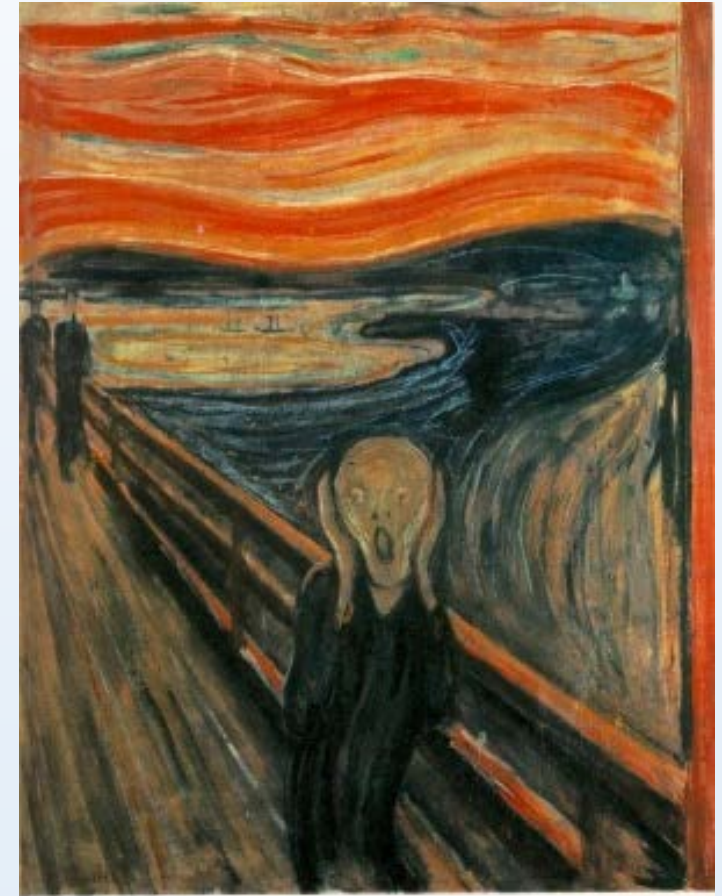
Why Do Only 1% of Companies Export?

Fear of the Unknown **RISK!**

TAKING THE FEAR OUT OF EXPORTING



- › Should I enter that new market?
- › When and will I get paid?
- › How will I get cash to make the product?
- › I made the big sale, but will my buyer be able to obtain financing?



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 exceeding \$2.3 billion, representing 27.5 percent of total authorizations 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.



OUR FINANCING MAKES THE DIFFERENCE

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



WE SUPPORT A VARIETY OF INDUSTRIES



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

EXIM BANK 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

Access to capital



Receivables Insurance

Buyer Financing



Medium- and Long-Term
Insurance and Loan Guarantee

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



EXIM Accounts

Receivables Insurance

EXPORT CREDIT INSURANCE - BENEFITS



› **Protects against buyer nonpayment**

- Shields U.S. exporters from commercial and political risks

› **Expands sales and develops new markets**

- Allows exporters to offer “open account” credit terms
- Eliminates the need for buyers to pay in advance thereby improving cash flow

› **Boosts borrowing base**

- Increases exporters borrowing base with their lenders by assigning EXIM insured receivables as collateral

PRICING: EXPRESS POLICY



Term/ Type of Foreign Buyer	Class I: Sovereign	Class II: Bank	Class III: Private
Sight Letters of Credit	\$0.04	\$0.04	N/A
S/DD/P; CAD	\$0.07	\$0.09	\$0.24
1-60 Days	\$0.19	\$0.24	\$0.65
61-120 Days	\$0.32	\$0.39	\$1.06
121-180 Days	\$0.41	\$0.50	\$1.35
181-270 Days	\$0.51	\$0.63	\$1.70
271-360 Days	\$0.62	\$0.77	\$2.08

➤ Pricing per \$100 of insured shipments

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





CALL EXIM, IF YOU...



- › Have a foreign buyer that wants credit terms
- › Export routinely but your growth in foreign sales is limited because of risks of non-payment
- › Are losing export opportunities because you will only accept a Letter of Credit (L/C) or cash pre-pay
- › Are encountering cash flow problems due to increased foreign sales
- › Have a buyer that needs several years to pay for capital equipment



Additional Resources



- Additional resources and assistance in applying for Ex-Im Bank products are available from:

- Insurance Brokers
- Regional Export Promotion Program (REPP) Members
- Delegated Lenders

www.exim.gov/tools-for-exporters

- US Export Assistance Centers (USDOC and SBA)

www.export.gov



Michael K. Jackson

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exim.gov

800.565.3946 (EXIM)





Questions?

QUESTION & ANSWER



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Asian Americans and Pacific Islanders

THANK YOU!



@WhiteHouseAAPI

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