EXIM

EXPORT-IMPORT BANK
OF THE UNITED STATES

"Uncork" Your Exports with EXIM: *Resources to Support Your International Sales Growth*

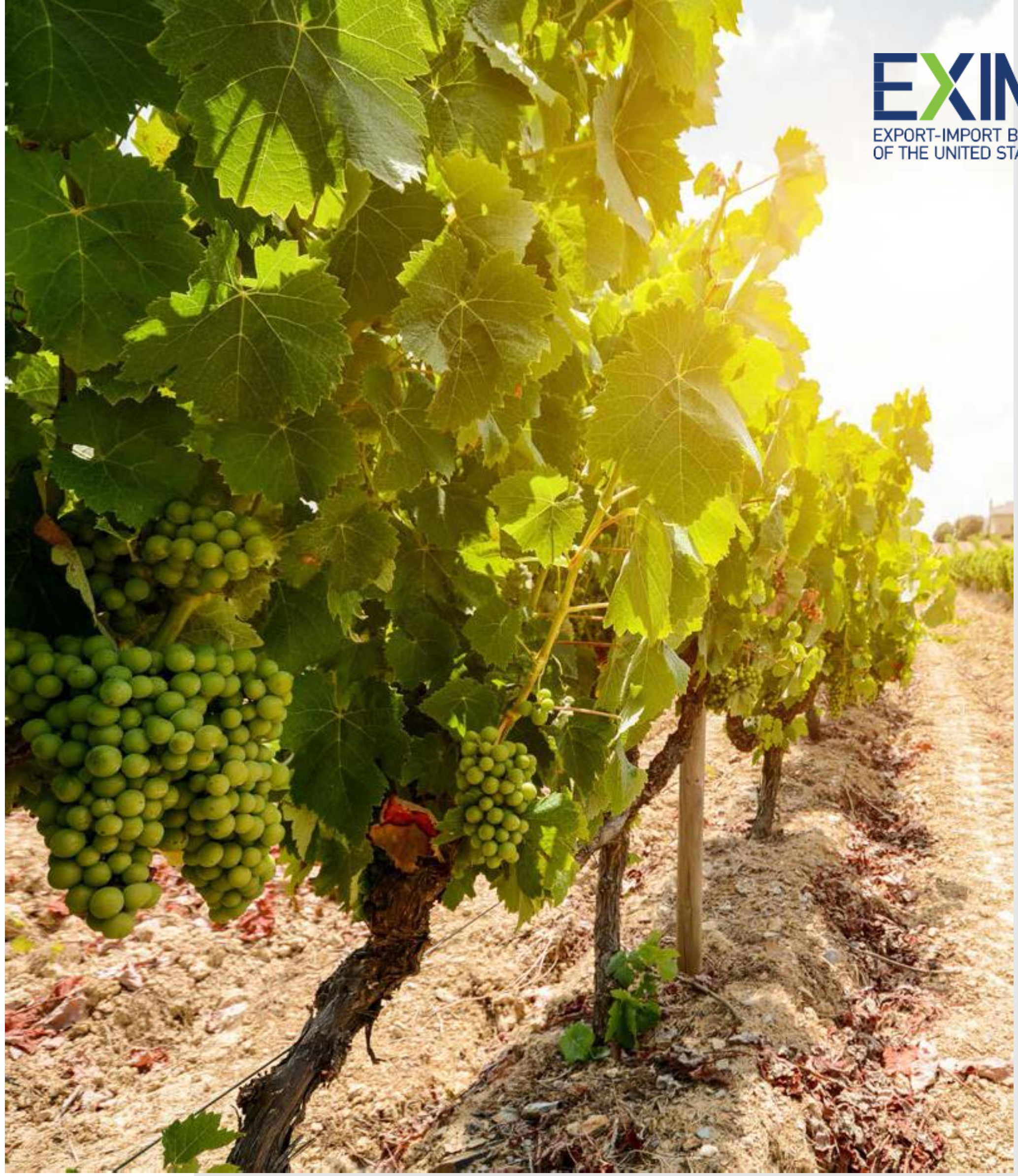
By: Sandra Donzella, Deputy Managing Director – Western Regional Office

WHY EXPORT?

Growth Potential: **95%** of the world's consumers and **over 70%** of the world's purchasing power are outside the U.S.

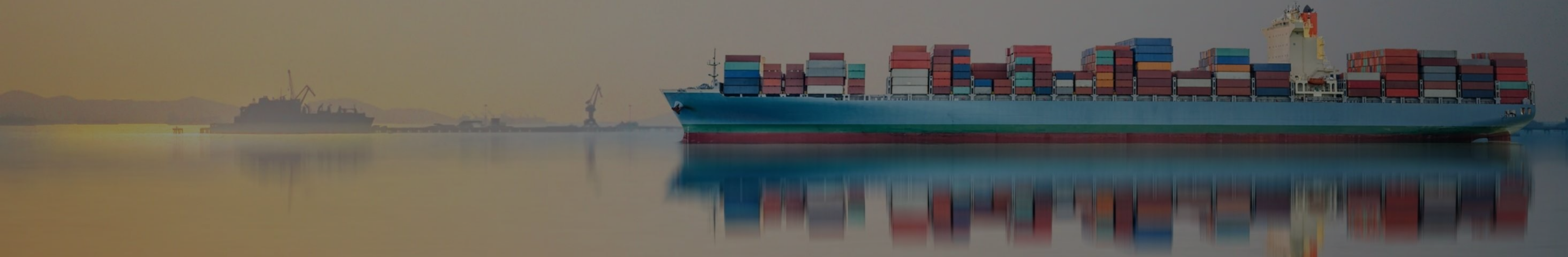
Diversification: Companies that export are **17% more profitable**, worth more, and achieve **more efficient operations**.

Exporting **smooths seasonality** and allows you to be better positioned to weather domestic economic declines



Why Do Only 1% of Companies Export?

Fear of the Unknown ….. ***RISK!***

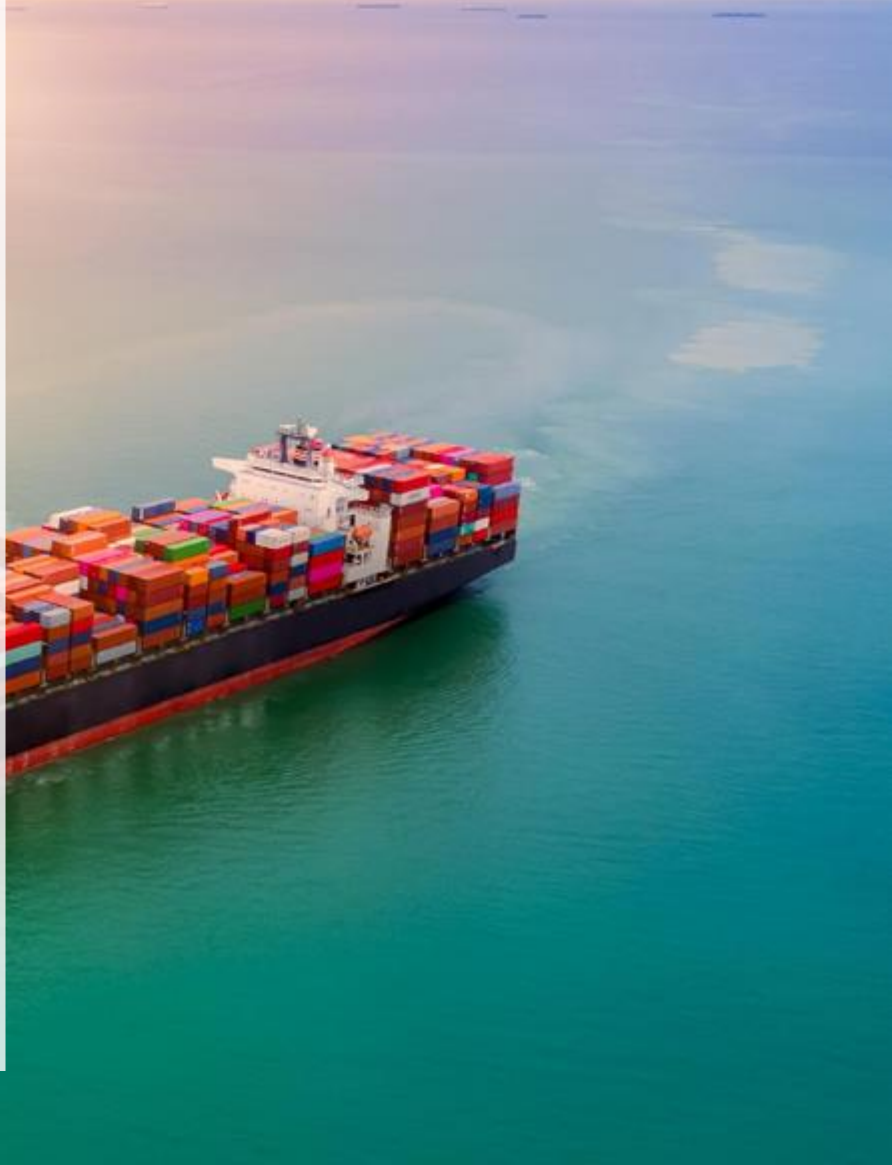


WHO WE ARE

EXIM Bank is a U.S. federal government agency

Mission: support **U.S. jobs** by facilitating U.S. exports

- Offer financial solutions: *Loan Guarantees* & *Insurance*
- Established in 1934
- Headquartered in Washington, D.C.
- 12 Regional Offices nationwide
- Small business focused (nearly **90%** of EXIM clients are small)



EXPORT CREDIT INSURANCE

An insurance policy covering receivables generated from export sales
that protects against nonpayment by foreign buyers

Risk Protection:

- Protect against nonpayment by foreign buyers due to commercial and political risks: 90% or 95% of invoiced amount

Sales Tool:

- Be competitive by offering open account credit terms to foreign buyers

Helps to Maximize Cash Flow:

- Accounts receivable from export sales may be used as collateral to access working capital

Policies can cover one buyer, a portion, or all intl. buyers

****Single-Buyer policies can supplement private-sector insurance coverage***

RISKS COVERED

Commercial:

- Insolvency
- Bankruptcy
- Protracted Default

Political:

- War, revolution, insurrection
- Currency transfer
- Cancellation of import or export license

COST

Example "Small Business" Policy Rate:

- Sell to a private sector buyer on repayment terms of up to 60 days from shipment
- Premium cost is **$0.55** per $100 of the gross invoice value…
- Gross invoice is covered to **95%**
- ……on a $30,000 sale, $28,500 is covered for only **$165** in premium!

Example "Single-Buyer" Policy Rate:

- Singapore: Premium cost is **$0.49** per $100 of the gross invoice value…Gross invoice is covered to **90%**
- ……on a $30,000 sale, $27,000 is covered for only **$147** in premium!

ELIGIBILITY CRITERIA

An Exporter Must:

- Be in business at least three years
- Have a DUNS number
- Sell products that have ≥50% U.S. content including labor and overhead but not markup
- Ship from the U.S. to a buyer abroad
- Sell in one of over 180 countries where EXIM provides cover
- Have a SAM.gov registration and active UEI (Unique Entity Identifier)

Underwriting Standards on your Buyer:

Credit Information

Foreign Buyer

Buyers Credit Limit	Trade Reference	Credit Report	Financial Statements	Bank Reference
Up to $100,000	✓			
$100,001 - $500,000	✓	✓		
$500,001 - $1,000,000	✓	✓	✓	
Over $1,000,000	✓	✓	✓	✓

**Note: Assuming a $100K credit limit on Net-60 days credit terms, and 6 shipments per year; one trade reference can support $600,000 in annual export sales.*

https://grow.exim.gov/hubfs/resources/EXIM-qualifying-buyer-light.pdf

HOW DOES **EXPORT CREDIT INSURANCE WORK?**

Step 1:
You identify an international buyer and obtain an Export Credit Insurance policy.

Step 2:
You offer credit terms to your foreign buyer.

Step 3:
The buyer accepts the deal's terms.

Step 4:
You ship your product and invoice the buyer.

Step 5:
You report shipments and pay premiums on the amount shipped.

Step 6:
The buyer pays. If they fail to do so, EXIM pays.

CASE STUDY

Paul Hobbs Winery

Sebastopol, CA

Family-owned small business

Exports to Paraguay, Hong Kong, United Kingdom

Uses EXIM Export Credit Insurance (ECI)

Working with EXIM since 2008

Company Background:

Pioneering winemaker Paul Hobbs established his namesake California winery in 1991 after working with some of the world's greatest vintners. Through sustainable farming, meticulous vineyard management, and minimally invasive winemaking techniques, each wine expresses its vineyard origins with finesse, complexity, and authenticity.

With EXIM Support for 16 Years:

- Expanded exports into 14 countries
- Uses export credit insurance to extend credit terms to buyers

"With EXIM's support, we can export goods seamlessly and with peace of mind. Simply put, they are a vital resource for any business seeking to grow their global reach and export with confidence."

William Atwood, Controller

CASE STUDY

Miller Family Wine Company

Santa Maria, CA

Family-owned small business

Exports to Canada, Norway, South Korea

Uses EXIM Export Credit Insurance (ECI)

Working with EXIM since 2022

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Company Background:

Recognized as one of California's most respected winegrowing families, the Miller family is a fifth-generation farming family with agricultural roots on the Central Coast tracing back to 1871. In 1973, the family developed a vineyard in the Paso Robles highlands. Today, the Miller Family Wine Company oversees 1,400 acres with the highest quality fruit sources that help to create the highest quality wines.

With EXIM Support for 2 Years:

- Expanded exports into 15 countries
- Uses export credit insurance to extend credit terms to buyers

EST. 1973

MILLER FAMILY WINES

CASE STUDY

Hedges Family Estate

Benton City, WA

Family-owned small business

Exports to Sweden, Canada, China

Uses EXIM Export Credit Insurance (ECI)

Working with EXIM since 1989

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Company Background:

Tom Hedges and his wife, Anne-Marie, established their wine business in 1987. With international backgrounds, exporting has been essential from the beginning. Over the years, they've expanded Hedges Family Estate, with their son & daughter now playing key roles producing award-winning wine that is estate grown & bottled and certified biodynamic & organic.

With EXIM Support for 35 Years:

- Expanded exports into 25 countries
- Exports now comprise about 20% of total revenue
- Previously used EXIM's working capital product

"If you want to be in the business forever, and most great wineries are, you've got to be worldwide… It just opens up so many opportunities." Tom Hedges, Owner

HEDGES Family Estate

WORKING CAPITAL
LOAN GUARANTEE

A guarantee to a commercial lender that makes a loan to an exporter to purchase or manufacture U.S. goods for export

- Guarantees **90%** of loan amount
- Asset-Based Loan Structure: Supports advances against export-related inventory (including WIP) and foreign accounts receivables
- Loans are available through a network of participating lenders nationwide
- No minimum or maximum amounts
- For loan amount under $500K, SBA's Export Express Program may be more suitable
- Community Development Financial Institutions are sources of financing for pre-revenue/early-stage small businesses

Unified Wine & Grape Symposium (Sacramento, CA)

It's likely that international buyers will be approaching you at the Unified Symposium. Are you prepared for these opportunities?

- ***Display Made In the U.S.A.***
  Attract buyers seeking safe, high-quality goods.

- ***Don’t Dismiss International Buyers:***
  Ask for their legal name and address that they use to place orders, to vet them after the show

- ***Meet or beat your competitors with attractive payment terms :***
  EXIM’s insurance can help you compete globally, protect your business against non-payment, and expand your borrowing base to boost cash flow.

- ***Visit EXIM at the Unified Wine & Grape Symposium: Booth A2908 January 28 – 30, 2025***

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QUESTIONS FROM THE AUDIENCE?