



5 Minutes Until the Webinar



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4 Minutes Until the Webinar



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2 Minutes Until the Webinar



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1 Minute Until the Webinar



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World Trade Month: Export Resources for Economic Recovery



Ensure your speakers are
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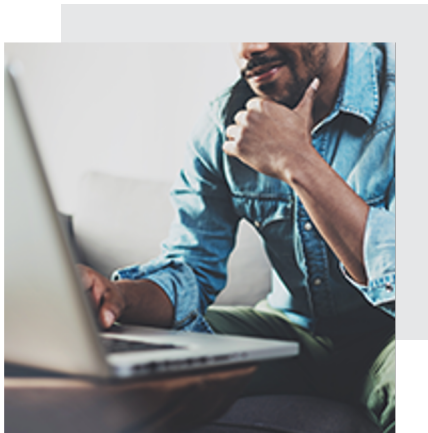


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WELCOME TO THE INTERACTIVE WEBINAR



Ensure that your speaker volume is turned up



Submit questions through the Q&A widget



A copy of the slides will be emailed after the event



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LIVE CHAT FEATURE



The live chat feature allows attendees and hosts to communicate for the duration of the webinar.

To enable the live chat window, click the blue icon on the right side of the user panel.



Technical problems? Click the **Help** button or ask a question through the **Q&A** widget.

INTRODUCING OUR SPEAKERS



Jenny De La Mora
Economic Development Coordinator
San Bernardino County



Eduard Roytberg
Director
U.S. Commercial Service



Paul Duncan
Western Regional Director
EXIM



Dennis Sonney
Client Advisor Consultant
CMTC





Economic Development
Economic Development Department

Create, Maintain and Grow Jobs and Economic Value in the County

Jenny De La Mora
Economic Development Coordinator
Business Development & Marketing
Jennifer.delamora@eda.sbcounty.gov

YOUR PARTNER IN BUSINESS

Jenny De La Mora
Economic Development Coordinator
Business Development & Marketing
Jennifer.delamora@eda.sbcounty.gov

The San Bernardino County Economic Development Department (ED) helps build bridges between business and opportunities.

Here are examples on the type of services that we can assist your business with:

Site Selection

Market Analysis

**Labor Market &
Wage**

**Regulatory and Tax
Assistance**

**Referrals to
External Resources**

Permit Assistance



Economic Development
Economic Development

www.SelectSBCounty.com



Certificate of International Success

Brad Barry Company, Ltd.
Chino, CA



Certificate of International Success



Brad Barry Company, Ltd.

May, 2021

A handwritten signature in black ink, appearing to read "James Watson", written over a horizontal line.

James Watson, CMTC President and CEO





America's Export Experts



WORLD TRADE MONTH

CALIFORNIA IMPACT



CALIFORNIA IMPACT



WORLD TRADE MONTH

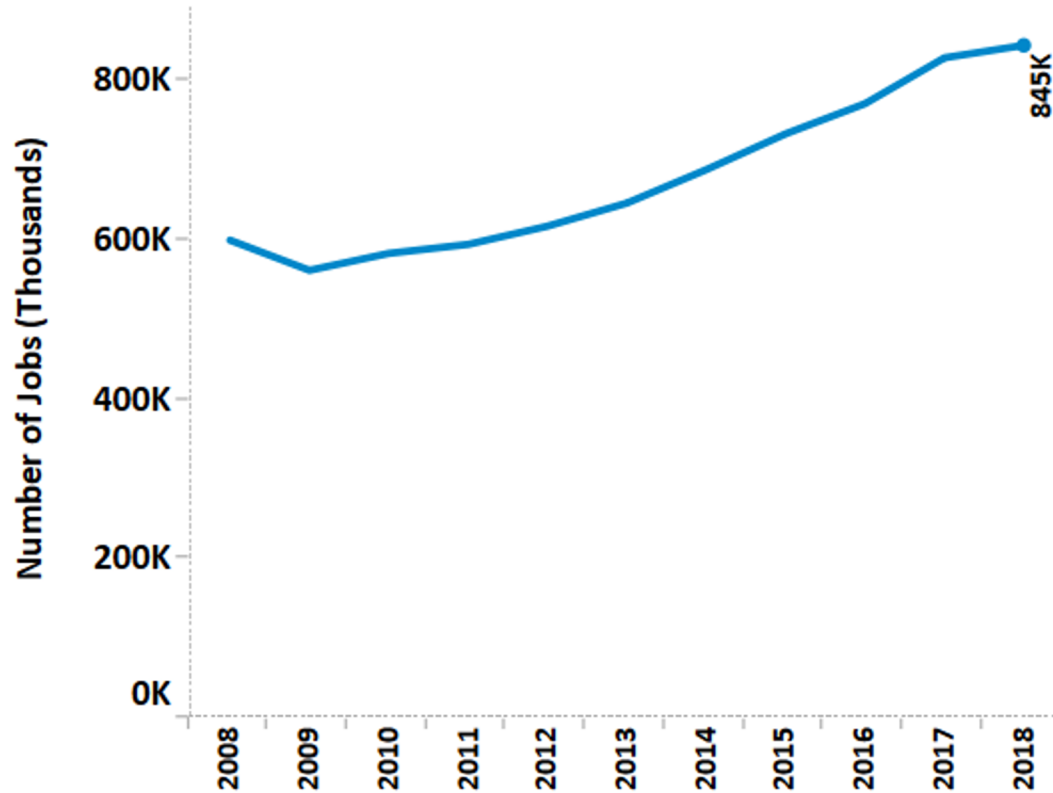




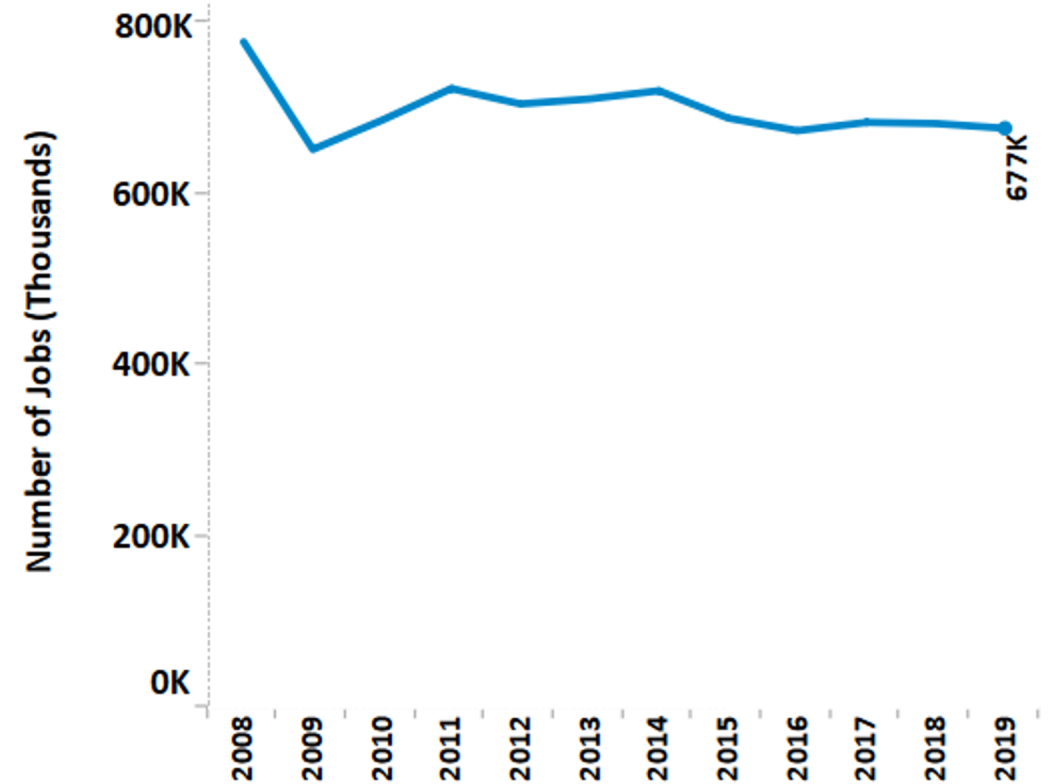
WORLD TRADE MONTH

FDI & EXPORT SUPPORTED JOBS

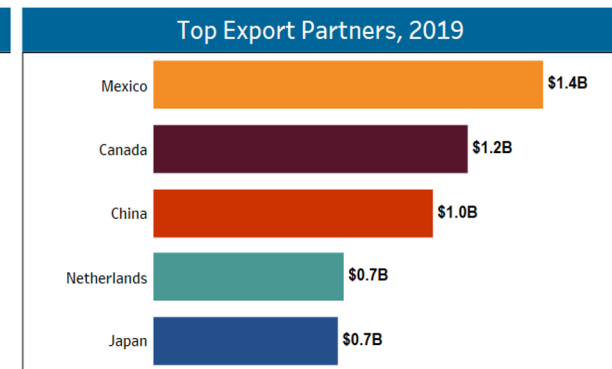
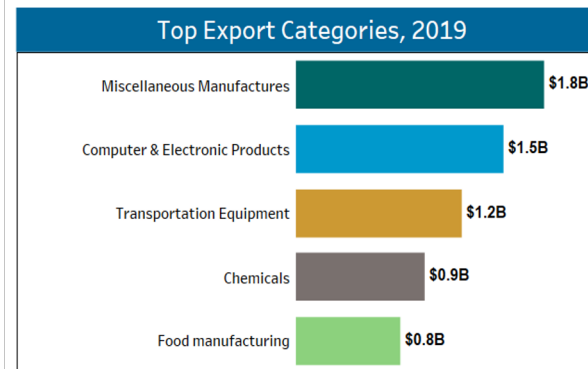
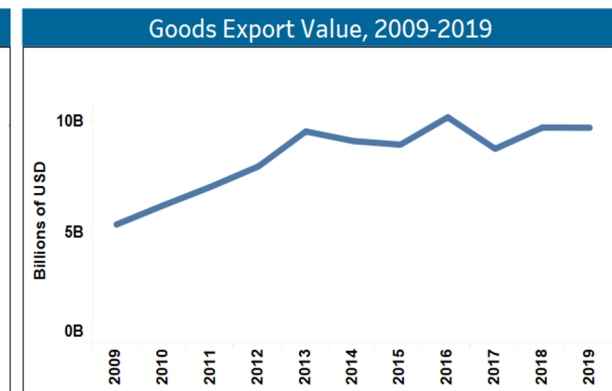
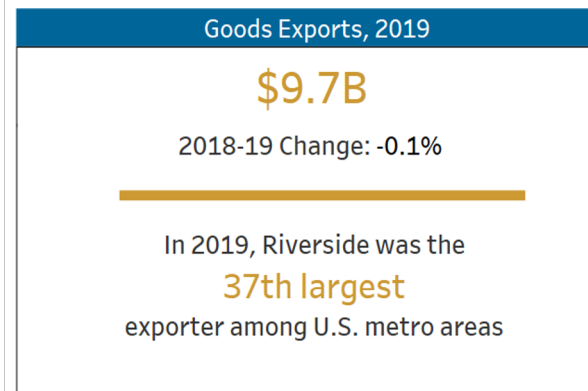
California Jobs in Foreign-Owned Firms,
2008-2018



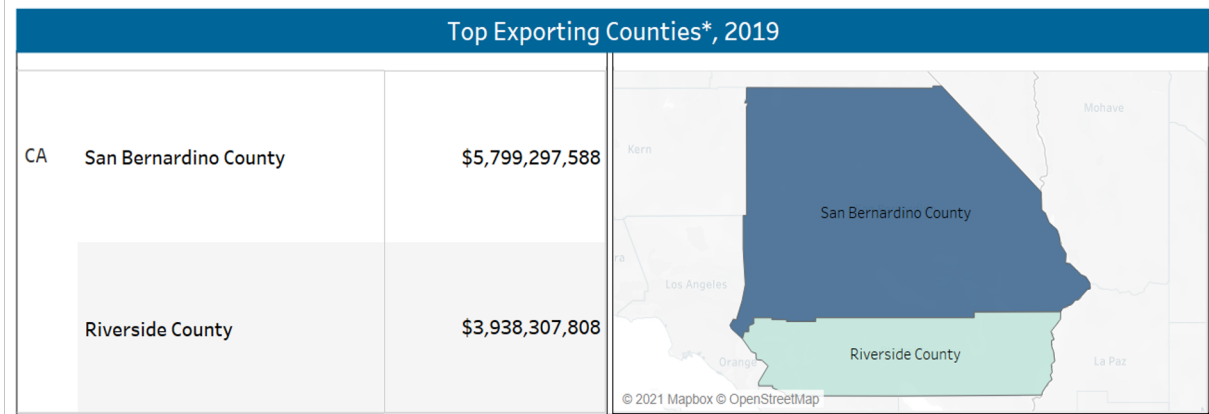
Jobs Supported by California Exports,
2008-2019



INLAND EMPIRE IMPACT



Note: NA indicates export data are suppressed, but category/partner are among the top 5.



* Data available for up to top 10 counties by export value. NA indicates suppressed data.

\$3,938M \$5,799M

Inland Empire Top Export Markets

Country	2016 (Full Year)	2017 (Full Year)	2018 (Full Year)	2019 (Full Year)
Mexico	1,554,636,599	1,430,577,856	1,549,614,315	1,440,437,761
Canada	1,217,153,898	1,195,627,674	1,289,603,842	1,159,874,035
China	908,046,339	926,535,845	1,051,873,800	1,033,395,066
Netherlands	NA	542,836,888	671,404,434	701,905,846
Japan	663,332,402	674,725,481	687,833,927	681,749,071
Viet Nam	D	NA	NA	NA
United Kingdom	NA	NA	NA	NA
Residual	D	4,011,987,786	4,495,351,953	4,720,243,617



WORLD TRADE MONTH

**Let our global network
work for you.**

Worldwide Recognition

As the U.S. government, we can open doors that no one else can in markets around the world.

Global Network

Our unmatched global network with trade experts in more than 80 countries can provide you with on-the-ground knowledge and connections.

Results Driven

Our expert, in-person counseling is unparalleled and designed to help you succeed in global markets.



Our Mission - Grow U.S. exports to increase U.S. jobs.

Our global network of experienced trade professionals is located throughout the United States and in U.S. Embassies and Consulates worldwide. Whether you're looking to make your first export sale or expand to additional markets, we offer the expertise you need to connect with lucrative opportunities and increase your bottom line.

Our Services



Export Counseling

- Develop effective market entry and sales strategies.
- Understand export documentation requirements and import regulations of foreign markets.
- Navigate U.S. government export controls, compliance and trade financing options.



Market Intelligence

- Analyze market potential and foreign competitors.
- Obtain useful information on best prospects, financing, laws, and cultural issues.
- Conduct background checks on potential buyers and distributors.



Business Matchmaking

- Connect with pre-screened potential partners.
- Promote your product or service to prospective buyers at trade events worldwide.
- Meet with international industry and government decision makers in your target markets.



Commercial Diplomacy

- Overcome trade obstacles to successfully enter international markets.
- Benefit from coordinated U.S. government engagement with foreign governments to protect U.S. business interests.



Export Counseling

International Business Development

The U.S. Commercial Service provides you with reliable information and personalized counseling at every step of your export journey- from strategy and planning, financing and logistics, market entry and expansion, to advocacy and dispute resolutions, and even eCommerce counseling. Our trade experts are here to address your concerns and guide you to success in the global marketplace.

eCommerce Innovation Lab

The eCommerce Innovation Lab helps U.S. business by identifying export opportunities across the ecommerce sales channels, through concentration on client digital strategy development, use of Website Globalization Review gap analysis tools, and the online eCommerce Export Resource Center business library to help companies adapt and grow in the digital economy.





Market Intelligence

Country Commercial Guides

Prepared by trade and industry experts, Country Commercial Guides provide information on market conditions, opportunities, regulations and business customs for over 125 countries. Country Commercial Guides detail important factors to help you decide if a market is right for your product or service.

Customized Market Research

Customized Market Research answers questions about an overseas market including; market trends & size, customary distribution and promotion practices, market entry requirements, product standards and registration, regulations, key competitors and potential agents, distributors, and strategic Partners.

Initial Market Check

The Initial Market Check is an initial assessment of the market potential of your product or service in the targeted market. The service gauges the potential of a specific product or service in a market by gathering feedback from up to five industry participants and provides recommendations on whether to pursue the target market.

International Company Profile

The International Company Profile provides U.S. companies and economic development organizations with a comprehensive background report and full analysis on a specific foreign company. Reports provide general business information, background and product information, key officials, references contacted by ITA, financial data/credit worthiness, reputation, results of site visits and interviews with principals; information sources consulted in preparing the report; and analysis of information collected.



Business Matchmaking

Single Company Promotion

Provides U.S. companies with promotional services to help increase the awareness of their product or service in a specific market. The promotional event may consist of a technical seminar, press conference, luncheon, dinner, or reception with targeted direct mail or email campaigns.

International Partner Search

Provides U.S. firms with a list of up to five agents, distributors and partners that have expressed an interest in your product or service. Virtual introduction via teleconference to the identified contacts also available.

Featured U.S. Exporter Listing

A listing in the directory of an overseas U.S. Commercial Service's website gives U.S. exporters targeted exposure to more effectively help them find foreign business partners in specific local markets. It allows local importers to find U.S. exporters interested in exporting to a specific local foreign market.

Business Service Provider Listing

An online program to help U.S. exporters identify a professional export service provider to support them in the assessment, financing, or completion of an export transaction.



Gold Key Service

Provides U.S. firms traveling to a foreign market with up to five pre-screened appointments to establish relationships with potential overseas agents, distributors, sales representatives, business partners and other local, in-country entities.





Commercial Diplomacy

Advocacy Center

The Advocacy Center coordinates U.S. Government advocacy efforts for U.S. companies bidding on public-sector contracts with overseas governments and government agencies. The Center helps to ensure that sales of U.S. products and services have the best possible chance competing abroad. U.S. Government advocacy assistance can help U.S. companies overcome trade barriers, bureaucratic problems, and unfair trading practices; level the playing field to ensure that your company has the best possible chance to win foreign government contracts; and settle payment disputes with foreign companies.

Report a Trade Barrier

File a complaint with the International Trade Administration's Trade Agreements Negotiations and Compliance Office. This office works with U.S. businesses to remove unfair foreign government-imposed trade barriers.

Trade Dispute Resolution

We can help you resolve common trade disputes like customs issues. We engage directly with foreign governments to advance and protect your business interests and help your company overcome barriers to trade.





Contact Your Local Office

U.S. Commercial Service – Inland Empire

(909) 390-8283

office.inlandempire@trade.gov

www.trade.gov/california-ontario

Eduard Roytberg, Director

eduard.roytberg@trade.gov

(909) 390-8482

Learn more about our export solutions:

<https://www.trade.gov/export-solutions>

Follow us on social media:



www.linkedin.com/company/cs-ontario



[@IE_Exports](https://twitter.com/IE_Exports)



U.S. COMMERCIAL SERVICE

United States of America
Department of Commerce



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Director, U.S. Department of Commerce

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EXIM's Trade Finance Solutions

Increase Export Sales with Minimal Risks!

WHO IS EXIM?

EXIM is the official Export Credit Agency (ECA) of the U.S. Government

Mission: Maintain and create U.S. jobs by supporting the growth of U.S. exports

- › Established in 1934, Headquartered in Washington, D.C.
12 Regional Offices nationwide
- › Support for all U.S.-based companies who export
- › Small business focus 90% of # of deals
 - No deal is too small



COVID REALITY



› Disruption of supply chains – rethink who carries costs?

› Good buyers – how are they

› coping?

Markets – how hard hit?

- Good buyers in bad markets

› • Bad buyers in good markets

Industry – are terms lengthening?

- Some harder hit than others – avionics, oil/gas, hospitality

› Cost of funds – what is this doing to bottom line

› Lending relationships – PPP sucking all the oxygen out of room

- Will lenders be even more cautious/risk adverse moving forward?

› How have your buyers cash flow been impacted?

WORKING CAPITAL GUARANTEE (WCG)

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 –*Your DA Bank approves, not us*
- › EXIM has no minimum or maximum amounts (your lender will)
- › Supports advances against export-related inventory (including WIP) and foreign receivables (during COVID – *ANY potential* exportable inventory)
- › May be used to collateralize a stand-by L/C or performance bond
EXIM is a 3rd source of repayment behind:
a) Your cash flow b) The assets that support the transaction



EXPANSION OF YOUR CLIENTS COLLATERAL BASE



Collateral (Inventory) Amount <i>Export Inventory</i>		Your Working Capital Facility <i>without</i> EXIM		Your Working Capital Facility <i>with</i> EXIM	
		Advance Rate	Borrowing Base	Advance Rate	Borrowing Base
Raw Materials	\$200,000	20%	\$40,000	75%	\$150,000
WIP	200,000	0%	0	75%	150,000
Finished Goods	600,000	50%	300,000	75%	450,000
<i>Export Inventory</i>					
Open Account/ Foreign Receivable	\$200,000	0%	0	90%	\$360,000
L/C Backed A/R	600,000	70%	\$420,000	90%	\$540,000
Total Borrowing Base			\$760,000		\$1,650,000

TRADE TERMS AS A SPECTRUM OF RISK – YOUR VIEW



Credit Term Type	Tenor				
	Sight / Acceptance	1-60 Days	61-120 Days	121-180 Days	181-260 Days
Letter of Credit					
Sight Draft Documents against Acceptance (SDDA)					
Sight Draft Documents against Payment (SDDA)					
Cash Against Documents (CAD)					
Open Account					

Lowest Risk

Highest Risk

*Your buyer on the other hand, their viewpoint is different.
With insurance, you can turn any open account sales into secured terms*

WHAT COST?



- › Cash – never lose money – sales, yes
- › L/C – how much % - plus discrepancy
 - 5 - 10 different fees; .75 - 2% common
- › Represents a cash up front + to your buyer CAD
 - good but still bank driven & you retain title
- › Credit Insurance – pending policy around 1/2 of a percentage



TRADE TERMS AS A SPECTRUM OF RISK – YOUR VIEW



	2%	3%	4%	5%	6%
To offset a loss of:	These additional sales are required:				
\$500	\$25,000	\$16,666	\$12,500	\$10,000	\$8,333
\$600	\$30,000	\$19,999	\$15,000	\$12,000	\$9,999
\$700	\$35,000	\$23,333	\$17,500	\$14,000	\$11,667
\$750	\$37,500	\$25,500	\$18,750	\$15,000	\$12,500
\$800	\$40,000	\$26,667	\$20,000	\$16,000	\$13,333
\$900	\$45,000	\$30,000	\$22,500	\$18,000	\$15,000
\$1,000	\$50,000	\$33,333	\$25,000	\$20,000	\$16,667
\$1,500	\$75,000	\$50,000	\$37,500	\$30,500	\$25,000
\$2,500	\$125,000	\$83,333	\$62,500	\$50,000	\$41,667

WHAT IS EXPORT CREDIT INSURANCE?



1

**Insurance against
nonpayment of foreign
accounts receivable**

2

**NOT a means to make
bad credit look good**

3

**NOT a primary source
of repayment**

Source: en.wikipedia.org/wiki/Trade_credit_insurance

WE PAY YOU IF YOUR BUYER FAILS TO...



But first, the back end:

- NO recourse back to you, no other costs
- “Evidence of loss” – we sue your buyer, so you don’t have to
 - Purchase order
 - Evidence of delivery (ocean bill of lading/ tracking # - other)
 - Invoice
 - Collection effort (minimum of ONCE 30 days prior to claim)
- You do NOT need to notify buyer of our involvement
- Unless & until they default – THEN notify (make us the bad guy)
- We pay you whether we ultimately collect or not
- We cover your INVOICE value – charge your buyer **MORE**



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

EXPORTER BENEFITS – SECURE LIQUID ASSETS



Risk Mitigation

- › Prevention of catastrophic losses to one of the company's largest, unprotected assets
- › Credit management tool

Competitiveness/Marketing

- › Growth of existing accounts
- › New market penetration

Utilization of A/R as an Asset

- › Borrowing against foreign receivables
- › Lower borrowing costs
- › Frees up working capital and accelerates cash flow

Everything else on your balance sheet has some form of insurance on it – why not A/R?

EXPORTER-HELD POLICY TYPES



Multi-Buyer*

95% Coverage

(Discretionary Credit Authority: 0.55%)

Portfolio Coverage

1. Standard 2. Small Business

Express*

95% Coverage

(Named buyer – 0.65% Rate)

Self Insure,
Letter(s) of
Credit

Buyer
1

Buyer
2

Buyer
...

Single-Buyer*

90% Coverage

(One policy per buyer – country risk)

Buyer
1

Buyer
2

Buyer
3

Buyer
4

** Premium discount of 25% available when combined with SBA or EXIM Working Capital Guarantee*

ELIGIBILITY / RESTRICTIONS



An Exporter must:

- › 1 year operational History
- › Have a DUNS # - financial info
- › Products must be minimum 50% USA content (*all direct AND indirect costs*)



An Exporter must:

- › Have no Military or Defense-related products or obligors (*exceptions apply*)
- › Sell in one of over 180 countries where EXIM provides cover
- › Ship from U.S. port (*some exceptions*)
- › USA content requirements (*show me the jobs*)

UNDERWRITING STANDARDS: BUYER



Credit Information

Foreign Buyer



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

EXIM Bank's Short-Term Credit Standards are available at: www.exim.gov/tools-for-exporters/credit-standards

**Note: Snapshot in time; Assuming Net 30, buyer pays approx. 30 slow, can ship 5+ times a year.
One trade reference can support over half million in annualized sales.*



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Questions?



Closing Remarks