

EXPORT WITH CONFIDENCE

Tools and Opportunities
for Texas Businesses

EXIM
EXPORT-IMPORT BANK
OF THE UNITED STATES

GROWING REVENUE

With 95% of the world's consumers located outside the United States, Texas companies can grow their business by exporting their U.S.A-made goods and services around the globe. Record-setting U.S. export levels underscore the vast opportunity. In 2022, U.S. exports increased 17.7%, to \$3.01 trillion, according to the U.S. Census Bureau and the Bureau of Economic Analysis, at the U.S. Department of Commerce. You can be part of this revenue stream with EXIM's assistance.

For the Houston metropolitan area, the top 5 export markets in 2022 were:

Countries	Total Sales
Mexico	\$37.5 million
Canada	\$21.6 million
Brazil	\$11.7 million
Japan	\$9.4 million
China	\$8.9 million

"Small businesses should be exporting because there is a world of opportunity out there — literally. Businesses are no longer competing against the business across the street; they're competing in a global market. There's no reason why small businesses shouldn't, with the help of others, learn how to do it and export their products globally. After all, the world is shrinking, and there's a great opportunity out there for people to grow and scale up."

J.R. Gonzales,

Executive Vice Chair, Texas Association of Mexican American Chambers of Commerce,
Buda, TX

2022 Texas Exports at a Glance:



\$485.6B

total TX export revenue



29%

increase from 2021



\$191.8M

total Houston export value



36%

increase from 2021

<https://www.bls.gov/mxp/publications/regional-publications/texas-exports.htm>

<https://www.trade.gov/data-visualization/top-50-metropolitan-area-export-tool>



WHAT'S STOPPING YOU FROM EXPORTING?

Imagine this: your U.S. business has identified an international buyer for its product, you have agreed on pricing, and your buyer wants open account credit terms. How will your company manage the risk of nonpayment by your foreign buyer? Insuring your foreign receivables through EXIM's Export Credit Insurance is a great place to start.

Export Credit Insurance is an insurance policy that covers foreign receivables.

Export Credit Insurance mitigates your nonpayment risk while empowering you to meet, or beat, your competitors by offering attractive credit terms. Your business can use open account credit terms to win new customers and increase sales to existing buyers.

Another benefit to insuring foreign receivables is that lenders will often accept them as collateral, expanding your borrowing base and improving cash flow.

Export Credit Insurance:

- ✔ Increases your ability to compete in international markets
- ✔ Protects your foreign receivables from nonpayment
- ✔ Expands your borrowing base for improved liquidity

"Exports have increased 50% and sales have increased by 25% since we began using EXIM support on our lending program. This directly benefits 25% of our workforce, who are also our employee-owners. Our relationship with EXIM has grown to be a very important part of our business."

Phil Jeske,

Finance Manager, Air Tractor Inc.,
Olney, TX

BENEFITS INCLUDE:

Increased Sales

Every business wants to be more competitive. Providing open account credit terms is very appealing to foreign buyers and can be the difference between winning and losing a deal. When given more time to pay, existing customers have the financial flexibility to increase the size of their orders. Even the delivery speed of goods can be positively affected by open account credit terms since the delay associated with a letter of credit or cash in advance is avoided.

Risk Prevention

The challenge for exporters, particularly small businesses, is clear. Selling to international buyers on open account credit terms can be risky. If the buyers don't pay, there is little recourse for a U.S.-based company and the financial impact can be significant. Export Credit Insurance mitigates the risk of nonpayment by insuring foreign receivables.

Cash Management

When your business needs cash to fulfill orders or pay for operations you often look to your local lender. These lenders are more likely to include foreign receivables in your borrowing base when those receivables are insured, giving you access to additional financing and improving cash flow.

“EXIM allowed us to take on a larger customer overseas; we never would have expanded our exports without the support offered by EXIM. We could take on multiple orders, pay our vendors on time, and offer better terms without concern for receipt of payment.”

Lynn James-Meyer,
CEO & Founder, BioSafe
Technologies, Denison, TX

“Americans need more product internationally, and you can use EXIM to help with that.”

Merrilee Kick,
CEO & Founder, Buzzballz,
Carrollton, TX



What's Stopping Your Business from EXPORTING?

Risk of Buyer Nonpayment

You Need:



Export Credit Insurance (ECI)

EXIM helps small business exporters mitigate financial risks to achieve success.

- ✔ Protects & insures foreign accounts receivable
- ✔ Covers up to 95% of invoice value
- ✔ Can apply to single or multiple foreign buyers

With ECI You Can:



Offer open account credit terms & win new sales contracts



Borrow against insured foreign accounts receivable



Expand your products to global markets

Access to Cash Flow

You Need:



Working Capital Loan Guarantee (WCLG)

EXIM helps you secure a loan by providing your commercial lender with a guarantee.

- ✔ Guarantees 90% of loan to the lender
- ✔ Supports advances against export-related inventory & accounts receivable

With WCLG You Can:



Use cash for materials, labor, & production



Borrow against work-in-progress for more capital



Lower collateral rates for performance & bid bonds [25% vs. 100%]

This is a descriptive summary to be used only as a general introductory reference tool. The complete terms and conditions of the policy are set forth in the policy text, applications, and endorsements.

Start Your Journey:
grow.exim.gov/consultationrequest



WHAT POLICY OPTIONS ARE OFFERED?

Express Insurance

Most attractive to small businesses with limited or no prior export experience.

Features Include:

- ✓ 95% coverage
- ✓ No deductible
- ✓ Pay-as-you-go premiums
- ✓ Streamlined application

Multi-Buyer Insurance

Options to cover all or part of your export portfolio.

Features Include:

- ✓ 95% coverage
- ✓ No deductible
- ✓ Pay-as-you-go premiums

Single-Buyer Insurance

Covers one buyer for a predetermined period of time and dollar amount.

Features Include:

- ✓ 90% coverage
- ✓ No deductible
- ✓ Individual policies for each deal
- ✓ Policies to cover all the deals from a single buyer

TIP: With Single-Buyer Insurance, you can have multiple policies for the same buyer covering different deals.



WHAT'S NEXT?

EXIM is here to support you on your exporting journey. We offer a wide range of financing tools for your company's unique needs, as well as free consultations, educational material, exporter resources, and more. You can:



Talk to an Expert

EXIM specialists are ready and waiting in your area to give you a free consultation:

grow.exim.gov/consultationrequest



Get Helpful Advice

Do you have questions about account terms and financing for exporters? Our experts are here to help:

grow.exim.gov/export-financing-faqs



Learn Exporting Basics

The Basic Guide to Exporting, a free eBook, provides valuable insight and guidance to get you started:

grow.exim.gov/export-guide



Unlock Your Business's Cash Flow

Learn how EXIM works with your lender to provide access to working capital:

grow.exim.gov/wclg-guide



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