



Tri-County Regional  
Black Chamber  
of Commerce



U.S. Small Business  
Administration



# Expanding Global Opportunities During COVID-19 Pandemic



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# INTRODUCING OUR SPEAKERS



**Tamara Maxwell**  
Vice President, Minority &  
Woman Owned Business



**Leondria Thompson**  
Chairwoman,  
President, & CEO



**Tri-County Regional  
Black Chamber  
of Commerce**



**Loretta Greene**  
Associate Administrator  
for International Trade

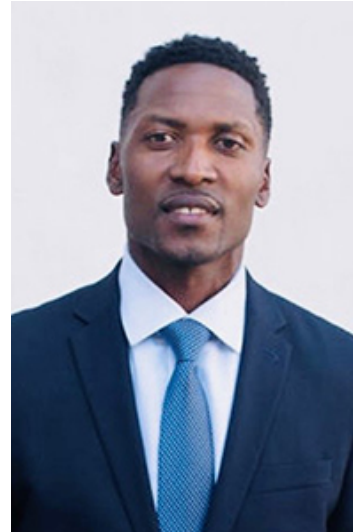


**U.S. Small Business  
Administration**

# INTRODUCING OUR SPEAKERS *(cont.)*



**Michele Schimpp**  
Deputy Associate  
Administrator, Office  
of International Trade



**Jeremy Foreman**  
International Trade  
Specialist, Office of  
International Trade



**LaTaunya Darden**  
Business Development Officer,  
Office of Minority & Woman-Owned  
Business Multiplier



# OPENING REMARKS



**Tamara Maxwell**  
Vice President, Minority &  
Woman Owned Business



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International Trade





U.S. Small Business  
Administration

# **SBA Tools for Small Business Exporters and Global Supply Chains**

**Office of International Trade**

July 23, 2020



# AGENDA

- I. **Welcome and Intro-** Loretta Greene, SBA Associate Administrator, Office of International Trade
- II. **Updates on SBA Disaster Assistance in Response to the Coronavirus –** Michele Schimpp, SBA Deputy Associate Administrator for International Trade
- III. **Debt Relief in the CARES Act and Other Assistance for Manufacturer Exporters –** Michele Schimpp, SBA
- IV. **Growing Global Sales with the help of SBA Export Financing –** Jeremy Forman, SBA International Trade Finance Specialist, Houston

# U.S.-MEXICO-CANADA AGREEMENT

On July 1 the USMCA enters into force, replacing NAFTA.

SBA helps U.S. small businesses to take advantage of the agreement and increase sales:

- **With new tools**
  - Explore [www.sba.gov/tradetools](http://www.sba.gov/tradetools) for U.S. Federal rules and tools
  - Visit USMCA information sharing sites through [www.trade.gov/usmca](http://www.trade.gov/usmca)



# U.S.-MEXICO-CANADA AGREEMENT *(cont.)*

- **With new opportunities**

- *Customs and Trade Facilitation*

- Canada and Mexico both raised their de minimis level for North American express shipments.

- *Cross-Border Trade in Services*



- U.S. small business services now have market access across North America without requirements for a foreign office or foreign representative.

- **With counseling, finance and training**



- Visit <https://www.sba.gov/local-assistance> or contact SBA's International Trade Ombudsman Hotline toll-free (855) 722-4877 and [international@sba.gov](mailto:international@sba.gov) for a referral.



# SBA DISASTER ASSISTANCE IN RESPONSE TO COVID-19

	<p><b>Paycheck Protection Program</b> This loan program provides loan forgiveness for retaining employees by temporarily expanding the traditional SBA 7(a) loan program.</p>	<p><a href="https://www.sba.gov/PaycheckProtection">SBA.gov/PaycheckProtection</a> Apply through <b>lender</b> Find a lender close to you at the above link</p>
	<p><b>EIDL Loan &amp; Advance</b> This loan provides up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties.</p>	<p><a href="https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan">SBA.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan</a> Apply online at: <a href="https://www.sba.gov/Disaster">SBA.gov/Disaster</a></p>

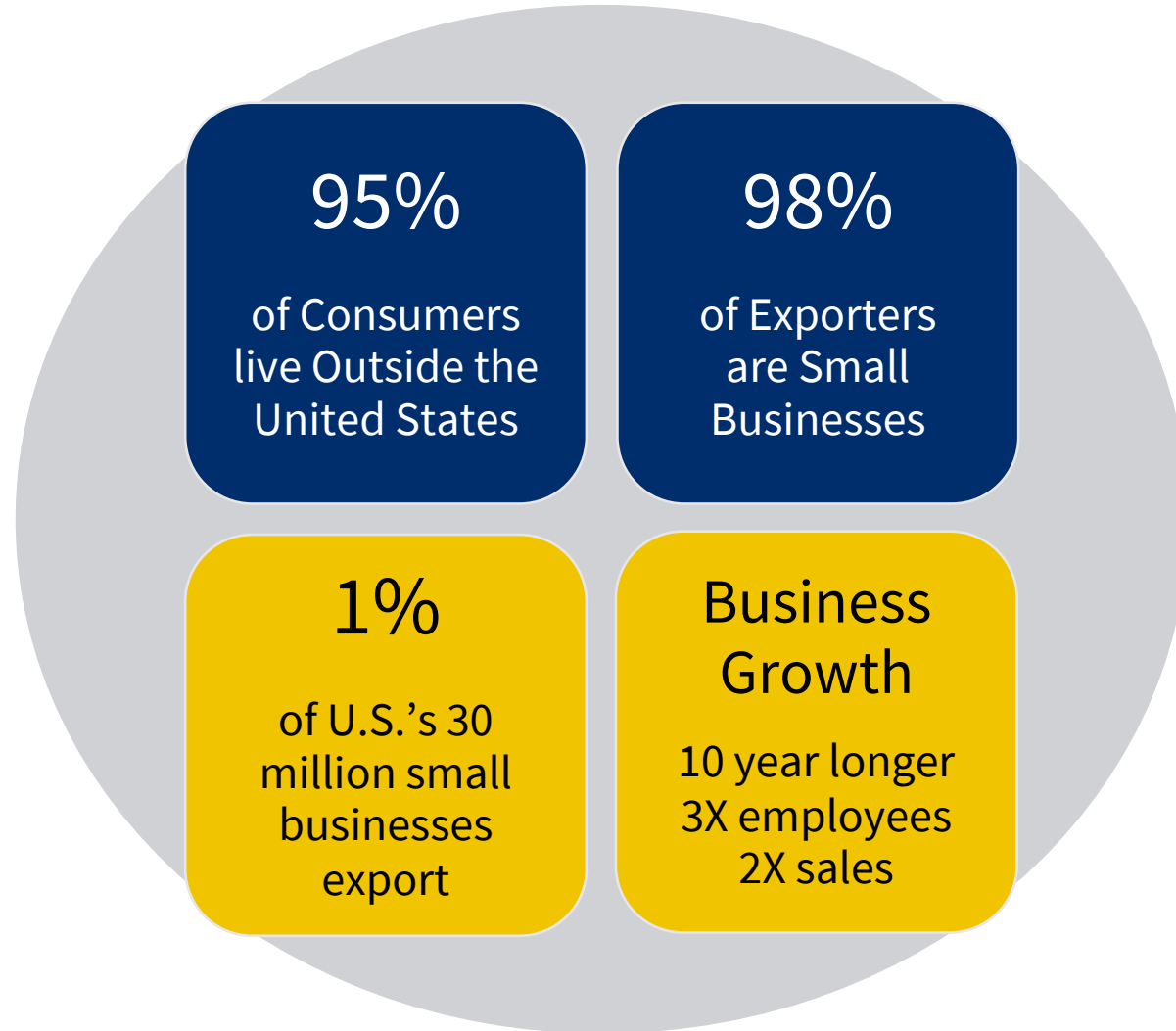
# SBA DISASTER ASSISTANCE IN RESPONSE TO COVID-19 *(cont.)*

	<p><b>SBA Express Bridge Loans</b> Enables small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 quickly.</p>	<p><a href="https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-express-bridge-loans">SBA.gov/funding-programs/loans/coronavirus-relief-options/sba-express-bridge-loans</a> Apply through current SBA Express lender</p>
	<p><b>SBA Debt Relief</b> The SBA is providing a financial reprieve to small businesses during the COVID-19 pandemic.</p>	<p><a href="https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief">SBA.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief</a></p>

# SBA DEBT RELIEF

- Principal, interest, and fees paid by SBA
- Current **and NEW** loans issued prior to September 27, 2020
- For a period of six months.
- <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief>

# SMALL BUSINESS EXPORTS COULD BE BIGGER BUSINESS



# OBSTACLES TO OVERCOME

## Top reasons small businesses don't export

37%

Don't know where to start

24%

Believe regulatory environment is too complex

35%

Cite difficulty getting financing for international operations

*\* National Small Business Association's 2016 Exporting Survey*



# THE SBA CAN KEEP YOU COMPETITIVE

1



## Business Intelligence for Changing Times

Find a Local Advisor at  
[sba.gov/local](https://sba.gov/local)

2



## Grants to Reach International Buyers

See if your state/territory  
offers grants at  
[sba.gov/international](https://sba.gov/international)

3



## Grants to Reach International Buyers

See if your state/territory  
offers grants at  
[sba.gov/international](https://sba.gov/international)

# BUSINESS INTELLIGENCE FOR CHANGING TIMES

## SBA's Fast Track Service

- Meet privately with SBA senior trade and technical staff to discuss unique needs
- Quickly access to accurate information, guidance on eligibility requirements
- Receive introductions and professional referrals to Federal, State or local resource partners

## How to Schedule Fast Track Service and SBA's International Trade Hotline?

Call SBA toll free at (855) 722-4877 or send an email to [international@sba.gov](mailto:international@sba.gov)

# e-COMMERCE AND DIGITAL RESOURCES

More than **4.5 billion people** are now online, and that number is growing fast. Every day an average of 640,000 people gain access to the internet for the first time.

Get help from SBA and the Department of Commerce to increase your online presence in order to:

- **Increase online sales, including abroad**
- **Build brand name and recognition**
- **Find new partners and sales opportunities**

[www.trade.gov/ecommerce](http://www.trade.gov/ecommerce)

# GRANTS TO REACH INTERNATIONAL BUYERS



The **State Trade Expansion Program** or STEP provides grants to U.S. states/territories to help small businesses to go international.

Your small businesses may qualify for a grant and/or training to:



- Cover expenses to:
  - Participate in virtual trade missions
  - International Partner Search Plus Virtual Introductions
  - Website optimization for global sales
  - Obtain services to support foreign market entry including market research and initial market check to determine opportunities
  - Training workshops (e.g. ExporTech)



# GRANTS TO REACH INTERNATIONAL BUYERS *(cont.)*



The **State Trade Expansion Program** or STEP provides grants to U.S. states/territories to help small businesses to go international.

Your small businesses may qualify for a grant and/or training to:

- Translate websites to attract foreign buyers
- Design marketing media and more



Visit [sba.gov/international](https://sba.gov/international) to find out if your state/territory is participating in SBA's State Trade Expansion Program.

# OVERCOME FINANCING CHALLENGES

**SBA can work with your lender to help you overcome financing challenges such as:**

- Canceled or reduced buyer credit insurance coverage
- Reduction in lines of credit or working capital financing
- Demand by foreign buyers for advanced payment or performance guarantees
- Supply chain issues: extended payment terms from OEMs

# FINANCING YOUR INTERNATIONAL & SUPPLY CHAIN SALES

**Loan options for direct and indirect exporters (AKA supply chain):**

- **Export Express** for business development
  - \$500,000 limit
- **Export Working Capital** to fulfill your international & supply chain orders
  - \$5 million limit
- **International Trade Loan** for expanding your production capacity, re-financing debt, and reshoring
  - \$5 million limit

# FINANCING YOUR INTERNATIONAL SALES

Examples of uses:

- Offer payment terms to customers to make your bid more competitive
- Proactive marketing
- Purchase machinery or equipment to meet international demand for your product
- Finance international purchase orders
- Issue a bid bonds, advanced payment or performance guarantees to secure an international contract.



Contact your local export finance manager at [sba.gov/international](https://www.sba.gov/international)



# GET HELP FROM SBA

## For **local** help

- For export finance, and help navigating SBA resources, contact [Jeremy.Foreman@sba.gov](mailto:Jeremy.Foreman@sba.gov) or [Sonia.Maldonado@sba.gov](mailto:Sonia.Maldonado@sba.gov)
- For State Trade Expansion Program (STEP) grants contact the Texas Department of Agriculture [Mindy.Fryer@TexasAgriculture.gov](mailto:Mindy.Fryer@TexasAgriculture.gov) or visit [www.sba.gov/STEP](http://www.sba.gov/STEP)
- To find an SBA district office, SBDC, SCORE, VBOC or WBC, please visit [www.sba.gov/local-assistance](http://www.sba.gov/local-assistance)

## GET HELP FROM SBA *(cont.)*

**Call** SBA toll free (855) 722-4877

**Email** [international@sba.gov](mailto:international@sba.gov) with your contact information and trade questions

**Stay Informed** with SBA's OIT's Newsletter and Webinars: [sba.gov/newsroom](https://sba.gov/newsroom)



U.S. Small Business  
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# EXIM Overview

**LaTaunya Darden**

Business Development Specialist

Minority & Women-Owned Business Outreach



*Reducing Risk. Unleashing Opportunity.*

# OUR FINANCING SUPPORT MAKES THE DIFFERENCE



**Minimize risk**



**Level the  
playing field**



**Supplement  
commercial financing**



# EXIM SUPPORTS SMALL BUSINESS!



## FY 2019

- › EXIM authorized **\$8.2 billion of loan guarantees**, export credit insurance, and direct loans in support 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 % of total authorizations**. Transactions that directly **benefited small business exporters** were more than **89% of total transactions**.
- › EXIM authorized **\$440.6 million for minority- and women-owned businesses** in FY 2019.

# INTERNATIONAL EXPORTING



**95%**

**Of Sales  
Opportunities Are  
Outside of the US**



# Why Do Only 1% of Companies Export?

Fear of the Unknown ..... **RISK!**





# HOW CAN EXIM PRODUCTS ASSIST YOU?



## Challenge:

## Solution:



Funds to Fulfill Orders

Working Capital Guarantee

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Risk Protection  
Extension of Credit  
Access to Capital

Receivables Insurance

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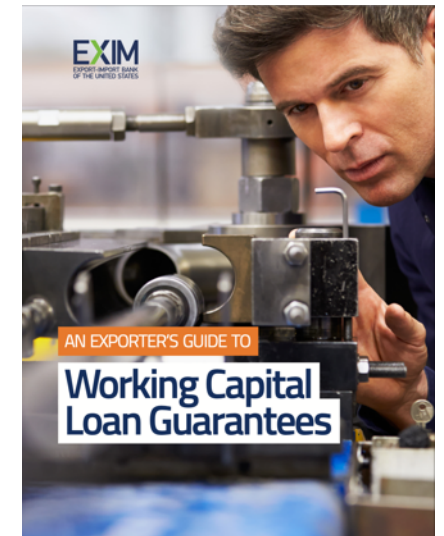
Buyer Financing

Medium and Long-Term  
Insurance and Loan Guarantee

# WORKING CAPITAL GUARANTEE (WCG)

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
  - Up to 75% against exportable inventory (*including work-in-process*)
- › Also covers standby letters of credit





# 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

# WE SUPPORT A VARIETY OF INDUSTRIES



Manufacturing



Services



Construction Equipment



Renewable Energy



Medical Equipment



Agribusiness



Mining



Wholesale/Retail



Power-generation



Oil & Gas



Aircraft & Avionics

# PUBLIC POLICY (CHARTER) RESTRICTIONS – JUST A FEW

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





# EXIM COVID-19 RELIEF PROGRAMS



- › Temporary Bridge Financing
- › Expanded Supply-Chain Financing
- › Expanded Pre-Delivery & Pre-Export Financing
- › Expanded Working Capital Guarantee Program
- › Multi-Buyer and Single-Buyer Short-Term Insurance



# ADDITIONAL RESOURCES



Additional resources and assistance in applying for EXIM Bank products are available from:

› **Insurance Brokers**

*Broker Locator:*

[www.exim.gov/tools-for-exporters/  
broker-and-lender-locator](http://www.exim.gov/tools-for-exporters/broker-and-lender-locator)

› **Delegated Lenders**

*Working Capital:*

[www.exim.gov/tools-for-exporters/repp](http://www.exim.gov/tools-for-exporters/repp)

› **Regional Export Promotion Program  
(REPP) Members**

*REPP Locator:*

[www.exim.gov/tools-for-exporters/repp](http://www.exim.gov/tools-for-exporters/repp)

› **US Export Assistance Centers  
(USDOC & SBA)**

[www.export.gov](http://www.export.gov)



EXPORT-IMPORT BANK  
OF THE UNITED STATES



## LaTaunya Darden

*Business Development Specialist*

(202) 565-3900

[lataunya.darden@exim.gov](mailto:lataunya.darden@exim.gov)





## CUSTOMER TESTIMONIAL



Georgetown, Texas

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Electronics distributor

“Since we began using EXIM, the monthly shipment reporting process has been very simple and with this insurance in place we continue to have full range access to financing options with our bank. Our primary use for the policy is risk mitigation for our foreign AR. We have had one renewal since we started using EXIM, and that process was very easy and efficient.”



Questions?



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