



WORLD TRADE CENTER®
DELAWARE

EXIM

EXPORT-IMPORT BANK
OF THE UNITED STATES

Trade Finance Tools for U.S. Exporters



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INTRODUCING OUR SPEAKERS



Kimberly A. Reed
President & Chairman



Tom Carper
U.S. Senator



Carla Sydney Stone
President



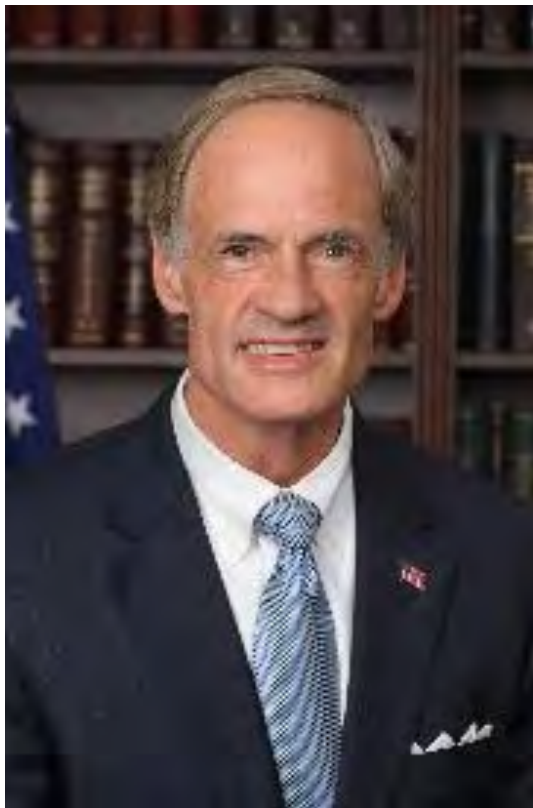
WORLD TRADE CENTER®
DELAWARE



Regina Gordin
Deputy Managing Director
of Small Business Group



OPENING REMARKS



Tom Carper
U.S. Senator

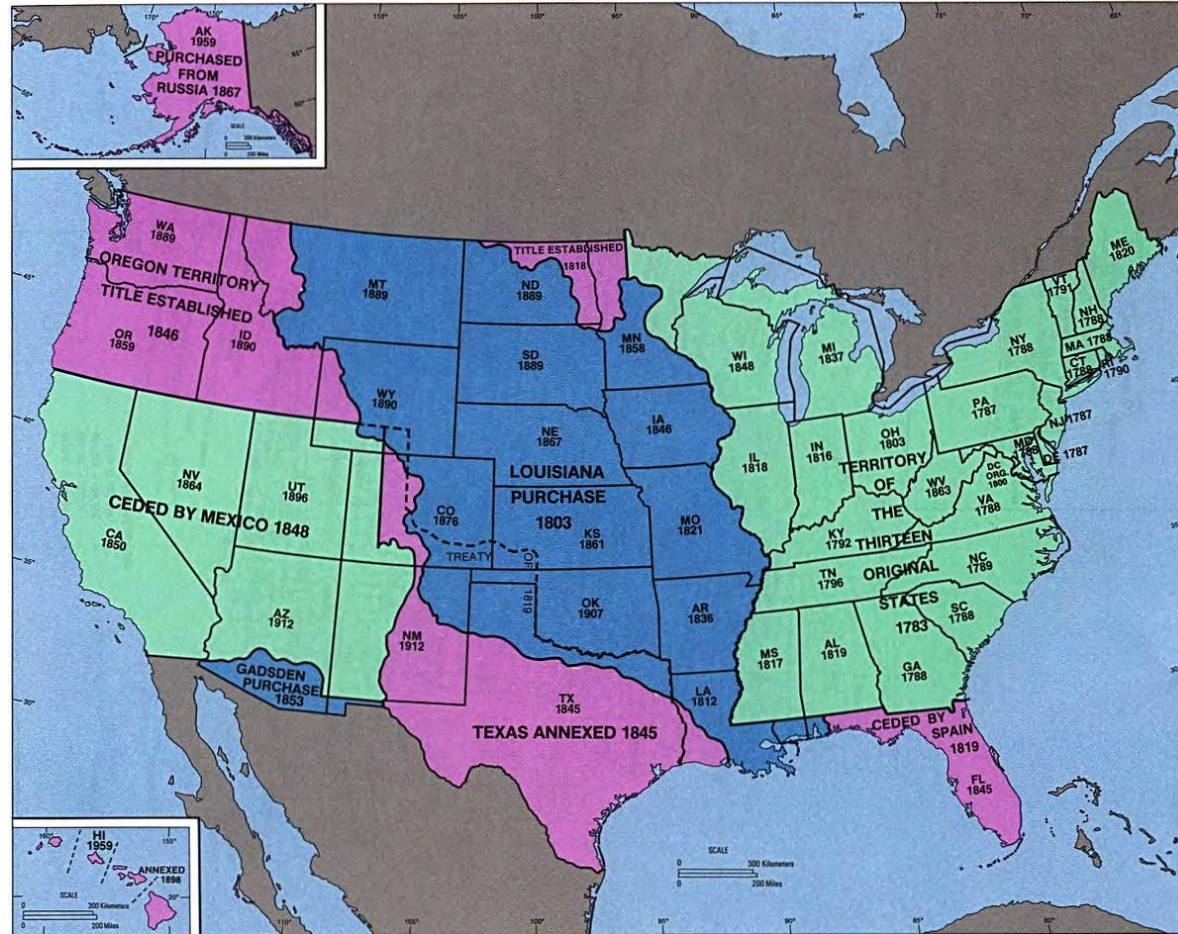


World Trade Center Delaware



WORLD TRADE CENTER®
DELAWARE

WHO WE ARE



A CLOSER LOOK



PHYSICAL ADVANTAGES



- ✓ Thriving and expanding Port of Wilmington
- ✓ Major interstate highways
- ✓ Passenger and cargo railroad lines
- ✓ Inland ports and distribution centers
- ✓ Sea level Chesapeake and Delaware (C & D) Canal
- ✓ Airports in all three counties.

OUR STRATEGIC LOCATION



JUST ONE STOP LIGHT



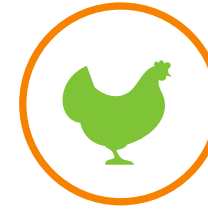
- ✓ From Port to Florida
- ✓ From Port to Canada
- ✓ From Port to Chicago



AGRICULTURE – OUR MOST IMPORTANT INDUSTRY



#1 value of agricultural products sold per farm



#1 broiler producing county



#1 value produced per acre of land



#1 lima beans



**WTC Delaware:
Where Business and Government Come
Together™**

“INCORPORATION CAPITAL OF THE WORLD”

- › **50%** of all U.S. publicly-traded companies
- › **64%** of the Fortune 500 businesses



DELAWARE'S CHANCERY COURT

Only Court of Equity in USA

- › Resolve business issues and conflicts in a timely and cost-efficient manner



WHAT'S NEW & UNIQUE?

- › Certification of Adoption of Transparency
- › Sustainability Standards Law





INNOVATION CORRIDOR



- › Agricultural Technology
- › Biopharmaceuticals
- › Environmental Services
- › Fintech
- › Healthcare
- › IT
- › Logistics, Distribution, Shipping
- › Education, Research, and Training



SOME DELAWARE TRADE STATISTICS – 2019

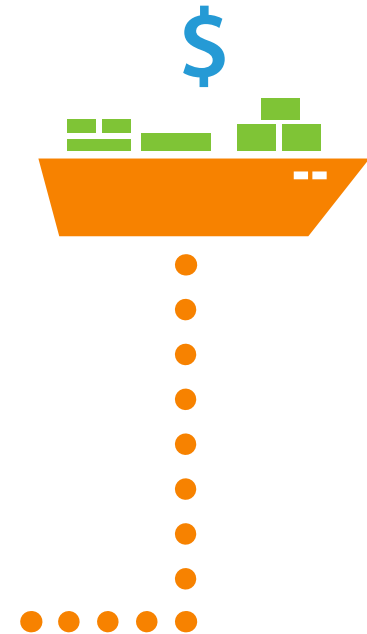


- › Exported products represent **5.9%** of state's total economic output (**\$75.4 billion**) or real GDP
- › **\$4.4 billion** in exports
- › Delaware's population: **973,764 people**
- › Exports of **\$4,500 per resident**

Source: US Department of Commerce's Bureau of Economic Analysis (BEA)

SMALL BUSINESS EXPORTS

- › **Less than 5%** of U.S. SME's export!
- › Of those that do, **58%** sell to just *one* market



Source: US Commercial Service / World Bank, 2017

WTC DELAWARE EXCLUSIVE PROGRAMS

- › WTC Delaware Procurement Partners
- › WTC Delaware On the Road
- › WTC Delaware At Your Doorstep



Source: US Commercial Service / World Bank, 2017

DELAWARE PARTNERS



MAKING GLOBAL LOCAL
U.S. TRADE AND DEVELOPMENT AGENCY



16 BENEFITS OF MEMBERSHIP



- 1 Training events, networking events, and “Member Only” events
- 2 Assistance from any other WTC across the globe
- 3 Monthly newsletter, World Trade Center Delaware News
- 4 3 hours of FREE international business consulting services
- 5 Discounts to WTC Delaware events
- 6 Referrals to your business

16 BENEFITS OF MEMBERSHIP *(cont.)*



- 7 Promote your events
- 8 New conference room you can use to host a small meeting
- 9 Travel with us to trade fairs, Embassies, or US partner agencies, meetings, and events
- 10 Display your brochures, business cards, or samples in our office
- 11 Highlight your recent offerings and achievements with WTC Delaware
- 12 Use our LinkedIn page to post information, market your goods and services, or to seek suppliers



16 BENEFITS OF MEMBERSHIP *(cont.)*



- 13** Display your banner, product/service brochures, or business cards at international trade shows and events
- 14** Affinity partnerships with the Hotel DuPont, Bannockburn University and Whist Club, and Continuity Dynamics
- 15** Searchable listing in our website Business Directory by industry sector with link to your company
- 16** Become a Premier Member to get even more exposure, international business assistance, and the opportunity to offer a custom designed event, just for your company, members, or the public. We do the work; you get the credit



WORLD TRADE CENTER®
DELAWARE



Carla Sydney Stone
President

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cstone@wtcde.com





Export Finance Solutions

WHO WE ARE – WHAT WE DO

EXIM Bank is a U.S. federal government agency

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



OUR FINANCING SUPPORT MAKES THE DIFFERENCE



Minimize risk



**Level the
playing field**



**Supplement
commercial financing**



WORKING CAPITAL GUARANTEE (WCG)



Assists small and mid-size companies in obtaining working capital to produce or purchase U.S. goods and services for export

- › Provides a 90% guarantee of repayment on loans to exporters
- › May be set up as “Transaction-Specific” or a “Revolving” Line of Credit
- › Loan proceeds may also be used to collateralize a stand-by letter of credit to be used as a performance bond (25% collateralization)
- › No minimum or maximum amounts
- › Support advances against export-related inventory (including WIP) foreign receivables
 - Up to 75% advance rate on inventory, and up to 90% on foreign receivables

WORKING CAPITAL GUARANTEE (WCG)



| | | Your Working Capital Facility <i>without</i> EXIM | | Your Working Capital Facility <i>with</i> EXIM | |
|-------------------------------------|-----------|--|------------------|---|----------------|
| Collateral (Inventory) | Amount | Advance Rate | Borrowing Base | Advance Rate | Borrowing Base |
| <u>Export Inventory</u> | | | | | |
| 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 |
| <u>Export Inventory</u> | | | | | |
| 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 | |

SALES TERMS AS A SPECTRUM OF RISK



Seller Risk High



Seller Risk Low

Trade Terms

- › Open Account
- › Cash Against Documents & Other Documentary Collections
- › Usance/ Deferred Letters of Credit
- › Sight Letters of Credit
- › Payment in Advance

Buyer Risk Low



Buyer Risk High

EXPORT CREDIT INSURANCE – BENEFITS



Risk Prevention:

- › Protect against nonpayment by foreign buyers due to:
 - Commercial risks
 - Political risks

Sales Tool:

- › Allows exporters to offer competitive credit terms to foreign buyers
 - Generally up to 180 days
 - Some products may qualify for 360 day terms

Financing Aid:

- › Obtain additional financing
 - Insured foreign receivables may be added to your borrowing base by assignment of policy proceeds (claim payments) to a lender

RISKS COVERED



Commercial Risk:

- › Insolvency
- › Bankruptcy
- › Protracted Default



Political Risk:

- › War, Revolution, Insurrection
- › Currency Transfer Risk
- › Cancellation of an Import or Export License



SMALL BUSINESS EXPRESS INSURANCE: KEY FEATURES



- › 95% coverage for nonpayment due to commercial insolvency/bankruptcy/default) and political (war, revolution, “transfer risk”) risks
- › Insuring existing buyers is optional
- › **No deductible! No application fee!**
- › EXIM pre-approves all credit limits requested and obtains credit information on your buyers at no additional cost to you
- › 5 business day buyer approval turnaround on credit limits of \$500,000 or less (longer turnaround on higher amounts)
- › **No minimum sales volume or premium ... pay only on the gross invoice value of what you ship, when you ship!**

SMALL BUSINESS EXPRESS INSURANCE: RATES

- › Rates are charged according to the length of the credit term you extend and the buyer type
 - For a sale to a private sector buyer on terms up to 60 days open account - \$0.65 per \$100 of the gross invoice value.
 - On a \$25,000 sale, that's only \$162.50 in premium!
- › **AND...** if you use insurance with a working capital guarantee **from either EXIM OR the SBA**, you get a **25% rate reduction** on your premiums!





MEDIUM-TERM FINANCING SUPPORT



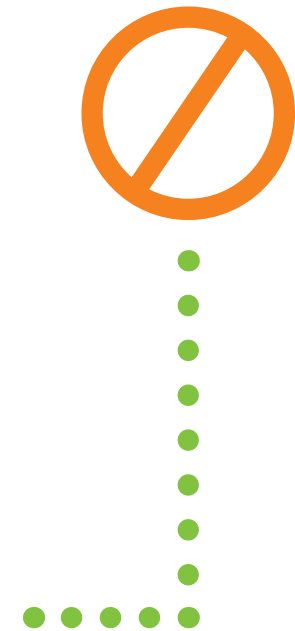
Generally used for buyer financing of capital equipment

- › 85% financed, 15% cash down payment by the buyer (may be financed by a lender)
- › Repayment up to 5 years, exceptionally 7 years
- › Amounts of \$25 million or less
- › Financing can be accomplished through the following EXIM products:
 - Lender guarantees
 - Credit Insurance
 - Direct Loans (few)

JUST A FEW RESTRICTIONS



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



COUNTRY LIST

- › EXIM conducts business in many countries throughout the world
- › Restrictions or special conditions may apply for political or economic conditions
- › Check the Country Limitation Schedule (CLS) at www.exim.gov



CONTACT A REGIONAL OFFICE NEAR YOU



Eastern

- › Miami: 305-526-7436
- › New York: 212-809-2650
- › Atlanta: 404-815-1497

Central

- › Chicago: 312-353-8093
- › Houston: 281-721-0470
- › Minneapolis: 612-348-1213
- › Dallas: 214-551-4959
- › Detroit: 313-226-3067

Western

- › Orange County: 949-660-1341
- › San Diego: 858-467-7035
- › Seattle: 206-728-2264



EXPORT-IMPORT BANK
OF THE UNITED STATES



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Questions?



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