

NWX-US-DEPT OF COMMERCE (US)

Moderator: Lisa Glover
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Coordinator: Welcome and thank you for standing by. At this time all parties are in a listen only mode until the question and answer segments throughout today's conference at which time you may press star 1 on your touchtone phone to ask a question.

I would also like to inform all parties that today's conference is being recorded. If you do have any objections please disconnect at this time.

I would now like to go ahead and turn today's call over to Ms. Wendy Peebles. Ma'am, you may begin.

Wendy Peebles: Thank you, Operator. Good afternoon everyone. My name is Wendy Peebles. I am the Lead Outreach Coordinator in the Census Bureau's Government and Trade Management Division. For today's Webinar we have Bill Houck, Small Business Administration Trade Financial Regional Manager, who will discuss financing export development activities.

I would like to start by thanking everyone for joining today's Webinar. We have an informative Webinar planned and I would like to go over a few items

before we start. The Webinar is being recording and for confidentiality reasons we ask that during the question and answer period that you only provide your first name and do not disclose your company's name or any other sensitive information. We will break for the Q&A portion throughout the presentation and at the end of the Webinar. We will also address questions using the chat feature answering as many questions as we can.

Following the Webinar, in about a week or so, the transcript, recording and presentation will be posted to the Census Web site. Lastly we value your feedback so please complete the evaluation form that will be emailed to you following today's Webinar. And it will also appear at the end of the Webinar. Your feedback assists us in planning future Webinars. Now we're ready to begin with the subject matter for today.

Please allow me to read the bio of our presenter Bill Houck. Bill has 30 years international trade finance, trade credit insurance and international corporate credit risk management experience. He's held management positions with the Export-Import Bank of the United States and private sector concerns specializing in asset based lending, corporate credit card risk management and global capital market origination. Bill is currently SBA's Office of International Trade Regional Manager for the Mid-Atlantic Region. He is based out of the Northern Virginia Export Assistance Center in Arlington, Virginia. Bill you may begin with the presentation.

Bill Houck: Good. Well, thank you Wendy, and thanks for setting this up. I know that EXIM Bank and SBA during World Trade Month had a series of Webinars so I'm glad we could fit this one in. So thanks again for taking the time to set it up. So there are my details right there. They'll be available to you once they're posted. But please don't hesitate to email me or call me with any

questions. So you can go to the next slide. Let's see. Mine isn't progressing. There we go.

So this is what we're going to review. There aren't a lot of slides and this is going to be purposely brief so hopefully it'll generate some questions. But - and I'm making an assumption that the 12 or 15 or so folks that are on the line are, you know, new to export or just thinking about doing more exporting so this is relatively basic. But we'll talk about is your company ready, an overview of my office and what the US Export Assistance Centers consist of, an overview of SBA's three export loan guarantee programs, an overview of SBA's state trade expansion program. So that's all we'll discuss.

We can - I know we were thinking about doing questions after two or three slides. If the number of people on the line are 15, you know, I would say it's possible Wendy if it's okay, if they'd want to send a question in we may be able to address it before that. But we'll probably take questions after every couple of slides or so. Next slide please.

The - for companies to get the best value of working with SBA and the US Commercial Service and the Export-Import Bank which you'll see here in a minute, make up the exports, US exports, etc. We really need for the company to ask themselves are you ready? And there is a export readiness assessment that is on the US Commercial Service Web site Export.gov.

Previously the - it covered, you know, any company that wanted to take it and now they've specialized the assessment for three categories of companies - new to export, companies that have never exported before, companies and sometimes we refer to it as accidentally exporting but are occasionally exporting. And those are experienced exporters that want to push into new markets but know what they're doing.

So I encourage everybody to hit that link and go through those assessments that are applicable to you and afterwards if you, you know, if you have a chance feel free to email me with any questions. Next slide.

Also to really benefit from the guidance counseling that we provide companies are encouraged to put together a business plan, an export business plan. It doesn't have to be an in-depth business plan but more than an outline. For companies - for small businesses probably the best resource to get started in developing a business plan is working with the small business development center near you. And you can find those at that link, at SBA.gov/SBDC and set up an appointment and ask them that you want to start going through an export business plan.

They will do that. Some will do it for free, some will do it for a fee, some may refer you to a business school and maybe set you up with a student but that's the best place to start for companies that starting from scratch. For the occasional exporter or for an experienced exporter that wants to go to the next level of the business plan we do have - and they had the staff and the time to do it on their own, SBA and the US Commercial Service both have business planner tools that you can populate yourself. These are fillable PDFs that you can fill up on your own to prepare for your - going to that next level of exporting.

So just like the previous where, you know, you take the assessment it's a good idea to put it - put your thoughts down on paper, put together a plan so you understand where you are in your need for financing, where you are in your need to, you know, finding that - a new market or a new buyer. It's just very helpful in organizing your export plan. Next slide.

This is just to give you a overview of what SBA considers a small business. You are welcome to look at the NAICS codes that you find online. They're pretty numerous. So probably the easiest thing for - to remember are two things. For manufacturers it's 500 employees or less. And for all other companies, service providers the bottom is - the other is the bottom alternative side standard and that's for companies that have no more than \$15 million in net worth and their last two fiscal year net income can't average more than \$5 million dollars.

So if you remember the 500 employees or less for manufacturers and the alternative size standard you're not having to look up your individual code. At this point I'm just happy to take any questions on kind of the introduction as to what you need to do to kind of get started.

Coordinator: And as a reminder if you would like to ask a question it is star 1 and record your name when prompted. Again that's star 1 if you would like to ask a question.

Bill Houck: Okay. We'll go onto the next slide. So this is the makeup of US Export Assistance Center. There are I believe around 19 US export assistance centers around the country where we are collocated. But there is at least one US Export Assistance Center in each state. And the lead organization for that is the US Commercial Service but it's made up of the US Commercial Service, SBA and the Export-Import Bank of the United States. And this was formed back in 1992 through the Trade Promotion Coordinating Committee that was formed so that companies don't have to dig through phone books to find phone numbers to contact the commercial service, their SBA or EXIM bank.

They want to create a one stop shop or nowadays I guess they refer to it as no wrong door. And since that time this arrangement has worked really well

because it's somewhat seamless meaning the US Commercial Service, what they do is they provide - they can provide market research for any level of - any company at any level of exporting. They can find you new buyers overseas meaning that they'll get an understanding of your company and then they'll communicate with the Embassy overseas that they think best an assist you. Meaning in that country they feel based on their experience, can best assist you in finding either distributors or end users, how to enter that market - they'll identify that market at the way to get into it.

And then they'll also do buyer due diligence meaning that they'll actually do due diligence on that prospective buyer. But when they're speaking to their client almost immediately there are working capital needs that come up. It could be travel, it could be - anything that would impact their company's ability to get a product or service into a country that requires additional working capital. That's why SBA is there so that they can refer us to that business who sees a great opportunity but they're going to need some working capital assistance through a bank loan supported by SBA to accomplish that particular transaction.

The Export-Import Bank then is there to help companies protect them against nonpayment when they are looking to offer terms to their customers. And I believe we have Steve Maroon from EXIM Bank. He is Director of Marketing for EXIM. And fortunately we have him on the line so that he can give you more of an overview how EXIM Bank works and then we can move on from there.

But the way it works is the US Commercial Service or the State Economic Development Office who many provide the same services as the US Commercial Service, they find the opportunities. We're there to help finance the opportunities. EXIM Bank they also have the capability of financing. But

their primary role - when used under our SBA programs is their export credit insurance. And Steve go ahead, why don't you give the folks an idea of what EXIM Bank does?

Steve Maroon: Okay. Thank you, Bill. I'm going to discuss something that's dear to all of us, that is money. Research shows that getting paid is the number one concern of US exporters. Let's face it. When a buyer doesn't pay there's little recourse for you. And sometimes the financial hit can be significant. Consequently from this fear many businesses are wary of entering new markets let alone offering credit terms to the buyers. So this is a serious issue and this is the reason why many US companies are using EXIM Bank's export credit insurance.

It's important to note that this policy protects foreign accounts receivable generated by the sale of US goods and services to your international buyers. The policy covers up to 95% of the sales invoice against nonpayment that can be due to commercial risk and political risk. Commercial risk includes bankruptcy or a company is just not going to pay, while political risk could include war or even insurgency. So that's certainly going to let you sleep better at night.

Besides nonpayment protection EXIM's export credit insurance can also improve your US competitiveness in the world market. Let's face it many exporters resort to cash in advance or credit cards to avoid nonpayment risk. Most foreign competitors however are used to getting open account credit terms. It's very popular in Europe and elsewhere. And this makes them more attractive potential buyers than you who was requiring cash upfront or credit card.

And let's face it, that really hurts the buyer's cash flow. They've got to wait for you to send the product meanwhile they've already paid you the money, they've got to wait for the product to be made and then shipped and then they have to resell it often. And it could sit in their showroom for months.

So as you can see, paying upfront is really bad for US business. With global competition intense I really encourage all of you exporters that are listening to offer terms to your buyers that can be 30 days, 60 days or 90 days. You know, with the SBA's working capital and Census research data then you've got commercial service which helps you find buyers and EXIM covering your payment risk, you get some great marketing tools from the US government to enter new markets and increase sales with existing ones.

So with that I'm just going to turn you over to Bill so he can continue talking about working capital.

Wendy Peebles: Hi Bill, before you resume I do have a few questions that have come in from the chat. Do we have a moment to pause and...

Bill Houck: Of course. Sure.

Wendy Peebles: Okay. Great. The first question is, is the export working capital support the processing of inventory getting ready for export? Then...

Bill Houck: Yes. And we'll - the next slide will be - I believe it's the next slide we'll - we're going to go through each one of our export loan guarantee programs. But yes that's - that is the case.

Wendy Peebles: Okay. Another question that has been received via chat is, is the working capital facility a revolving line of credit? Is this expandable as export orders develop?

Bill Houck: Yes. And - yes and you'll see that in the next slide.

Wendy Peebles: Okay. I believe we have a minute for one more. Does the political and comprehensive cover importer unable to get foreign currency when government intervenes to preclude FX? What about nationalization?

Bill Houck: Well the EXIM Bank insurance they will cover non-convertibility meaning because of a political action the government is no longer converting local currency into dollars and it causes a default the insurance will cover that. It will - if there is a large inflation of the currency meaning that, you know, one - the next day - one day it's ten to the dollar and the following day because of a political event it's now 100 to the dollar and that company does not have sufficient local currency to convert to the dollar that could cause a financial default. So yes that would - the insurance would cover those situations.

And it covers most - it'll cover any political event that would cause the buyer not to pay, meaning if they withdraw the import licenses and so forth, war hostilities - if they take over a printing press and the newspaper can't pay for their newsprint, you know those types of things. So pretty much all political risk and non-convertibility is covered under the insurance.

Wendy Peebles: Okay. Great. Those are all the questions from the chat so far.

Bill Houck: Okay. All right. So we'll - the first two questions we'll go into more depth through that summary. So you can go to the next slide. There we go. So those are our - these are SBA's three export loan guarantee programs. They are in

the order of a company's I guess export maturity. These are loan guarantees meaning EXIM Bank or SBA is not doing direct lending.

They tried that once and it didn't work out very well. So these are - what we do is we work with the bank to give them a 90% guarantee so that they will, you know, they will open their eyes to your business opportunity and lend you the working capital that you need.

So you'll need to - a company will need to come up with, you know, if you've been in business for five years they're going to want, you know, three years of financial statements, three years of tax returns. They're going to need a personal guarantee, personal tax returns, personal financial statements. Anybody that owns 20% or more needs to personally guarantee the loan. So these requirements aren't any different than a regular - than what a bank requires doing a loan conventionally.

And in many cases banks will not even entertain anything export related, financing anything export related. So the 90% guarantee plays a big role in them even considering a company for a loan. But the Export Express program beginning with that one, that covers any export related activity that the title of this Webinar is you're financing export development costs. This is the program that really gives companies the ability to finance any report related development costs.

If you need to optimize your Web site, if you need to change labeling, if you need to change plans to metric, any cost that you feel is something that you'd rather not finance from your internal source of cash you can finance under the Export Express program. There are - many banks are express lenders. So if they're not offering the Export Express you can work with me so that we can get them approved to offer the Export Express. But it's the most flexible

because you can finance anything export related under that program in addition to that loan can be used up to 30% for domestic purposes.

Typically the way these work is a company will provide a bank with an idea of what their use of proceeds - what their needs are. They'll provide a 12 month export projection. The bank will do their due diligence and do their credit analysis and the company may be, you know looking for \$200,000 to finance a group of export activities. That may include, you know, actual transactions, inventory receivables that type of thing.

And then the bank what they'll do is - what the 90% guarantee and sufficient credit history, the bank would then lend the company \$200,000. In many cases, you know, anywhere from three to five. And for permanent working capital and equipment, the useful life of equipment, that can go up to ten years and commercial real estate up to 25 years.

So it's a term loan, it's - this would not be kind of a revolver. It's based on a statement of proceeds and your 12 month projection. And you use the funds - the company uses the funds as they've defined in a statement to the bank as to how they're going to use that - those funds. And then a payment obviously - the loan is amortized over a certain period of time and payments are made. The only shortfall to that - downside to that (pram) is that the bank can get a 90% up to \$350,000 and as a company matures in exporting they may graduate out of that pretty quickly particularly when financing transactions, receivables, purchase orders, inventory, work in progress.

So that's the reason why the export working capital guarantee program is there so that companies can finance larger pools of receivables, inventory, larger purchase orders and standby letters of credit that are used for both bid funding and advanced payment guarantees. That program goes up to \$5

million dollars, the bank gets a 90% guarantee. Going back to that one question this is typically either a transaction base meaning a company has one or two transactions that they want to finance and that's typically based on a purchase order or a small down payment. And the bank can advance up to 100% of a company's costs.

So if it's \$1 million transaction and the cost is \$850,000 the bank may advance you up to \$850,000 for purchase order financing or it can be a revolving going back to that question. It can be annual - it can be a 12 month revolving line for receivables and inventory work in progress. So that's typically 12 months and it's - the bank will call it a renewal but the bank will actually apply for a brand new loan at the end of that 12 months. So the export working capital is only for export transactions - purchase order, receivables, and inventory.

This is a program where combining working capital with EXIM Bank credit insurance a company can see relatively rapid and sustainable revenue growth because they have the ability to offer terms without affecting cash flow. A company may be moving from cash in advance or letter of credit but to open account because they have sufficient history with that buyer. But they also may want to keep in mind with the buyers having a longer period to pay they maybe will actually order more. So, you know, a \$100,000 order or cash in advance or letter of credit.

Moving into open account you may very well be able to say well I'll tell you what, I'll give you 60 days if you increase your order size. That is serviced well by the working capital and EXIM Bank will cover the - assuming the buyers accept the EXIM Bank the buyer is covered for 60 days open account. You can increase the order size and have the working capital to service that larger order.

So the credit insurance is not only, you know, helps you sleep at night but also gives ability onto, you know, to be more competitive but increase order size. And then the working capital is there so that you can be aggressive on those size of orders to boost your sales. So once a company strategically starts using the US Commercial Service or their state economic development office to find new buyers incorporating credit insurance and export working capital it's not uncommon that a company can see 5%, 10%, 15%, 20% revenue growth on a sustainable basis.

So it's very important to understand how these programs work and building them into your business plan even before you start talking to a prospective buyer so that you're fully prepared and able to price your good or service accordingly based on the terms - a price for letter of credit, a price for cash in advance, and a price using EXIM credit insurance. I won't get into a lot of detail about structuring. You know, if you've got a letter of credit or if you need an advanced payment guarantee or how the advances are made under revolving lines or asset based lending for receivables.

That's why you're going to have my contact information so that you can contact me and I can put you in touch with one of my colleagues around the country so that you can get one on one counseling with them. But going back to my message, make sure you understand these and you build these into your business plan well before you start negotiating your foreign sales.

The last program, the international trade loan, that is for expansion of a company's capacity here in the United States. It's not uncommon that a company will find themselves because of export orders, in the need to hire more people. They need to add another piece of equipment. They need to expand their operating - their operations, their plant and equipment.

The international trade loan is there so that a company can do that on a large basis meaning I've got companies that are on their second expansion under the International Trade Loan. So they've expanded twice - two different facilities hiring more people, buying real estate or building a building, 25 year financing. I think there are probably banks out there that might even offer fixed rates. Rates are very competitive. You know, we - it's rare that I'm seeing loans, you know, prime - anymore than prime plus 2.

It's very competitive out there so the banks want your business, they're going to give you the best rate possible. Although the Export Express and the International Trade Loan, there are ceilings on the interest rates. It's rare that I see that a bank is offering rates, you know, at Prime plus, you know, 6. So - but anyway, commercial real estate up to 25 years, plant and equipment up to ten years, useful life of equipment can be over ten years if the manufacturer of that piece of equipment documents that as a useful life of 13 years the bank may very well finance that up to 13 years.

And then permanent working capital for ten years typically companies use that to maybe change their process to adapt to what the buyer needs and it's going to involve retooling so to speak. Or it's there to hire more people to service the growing exports. So as you can see Export Express finances that first development dollar from, you know, changing your Web site and then helps you boost exports, make it sustainable so that you have constant flow of working capital under the export working capital program.

And then the international trade loan is there to help you boost your capacity, boost your employment, boost your ability to produce goods or services through investment through that long term capital. With that maybe we can see if anybody has questions.

Wendy Peebles: Yes. Operator, please check to see if there are any questions in the queue. And while the operator is queuing up for Q&A out there I'll submit one question from the chat. And it reads is there a published list of countries excluded from the various programs?

Bill Houck: Very good question. The Export-Import Bank produces a document called Country Limitation Schedule and that's found on their Web site I believe under tools. That lists all the countries where EXIM Bank is considering coverage. It's a good guide meaning that if a particular country has all (Xs) meaning that EXIM Bank is not considering applications for short term private sector or public sector you have an idea that there's - that's a risky country.

You need to look at the notes for each individual country to see where EXIM Bank may consider. There may be an (X) there but under certain situations they may consider it. So it doesn't mean that they're totally off cover, not like countries such as Iran and North Korea.

We're legally prohibited from doing business with them. There are many countries where the (Xs) are there but there may be a case where EXIM Bank might consider it. But it's a good guide just to give you an idea the risk factors associated with that country. So I'd encourage people to look at that. So that's a good question.

Coordinator: And again as a reminder from the phone line, if you would like to ask a question it is star 1 and record your name. Again, that's star 1 and record your name if you would like to ask a question from the phone. We have none coming through at this time. It will take a few moments for those new ones to come through.

Bill Houck: All right. Well...

Wendy Peebles: Okay.

Bill Houck: Do you want to move onto the next slide or did you want to wait?

Wendy Peebles: Well I have a few more questions from the chat.

Bill Houck: Okay.

Wendy Peebles: Okay? It says - this may be for you Stephen. It says given the name Export-Import Bank does EXIM finance imports?

Steve Maroon: Great question. We have three parts to our name like most people and unfortunately we were misnamed back in 1934. We only cover exports that is goods and services coming out of the United States. So we don't cover imports and we don't - were not a typical bank. So I'm sorry about that. But we're just focused on US exports.

Wendy Peebles: Okay. And one last question that appears in the chat is do you see in the future settlements in Bitcoin and other related tokens?

Bill Houck: No. No.

Wendy Peebles: Okay. Bill please resume.

Bill Houck: Okay. Next slide. SBA ten years ago they produced - they proposed a grant program to give states the ability to reimburse companies to go overseas to trade shows. We wanted to give states - or enable states or empower states the

ability to encourage companies to go on trade shows by reimbursing them for the costs associated with those trade shows or those trade missions. So we developed the State Trade Expansion Program. Initially that was a \$90 million appropriation for over three years but priorities came into play and that was reduced I think now it's \$18 million per year.

Almost all states apply, some are not in need of it. But what happens is that they submit a proposal, SBA reviews those proposals and we come up with a final number. It may be the amount that they request or maybe a little - a bit lower. Then the banks - then the states use that - usually their economic development officer, their Department of Commerce for that state manages the (STEP) program and they will identify trade missions that are applicable to their state. There may be a heavy concentration of a particular sector or industry in their state.

They identified trade missions and then they're advertised through their - the Department of Commerce or economic development office to the public asking for applications. So companies then will apply with the state and they are reviewed under certain criteria. The basic criteria is that, you know, the company is in the United States and they're profitable. There are some other criteria and if you have questions, the link is below. Or you can just speak with the people in your state which again you can find at the link at the bottom of the slide.

The companies will then go on the trade mission and then they keep the receipts and they submit the receipts to (STEP) program managers in that state and they're reimbursed. Typically it's up to about 75% of the costs or maximum I would say \$5000 or \$7500. I believe there may be a state or two out there that will reimburse up to \$10,000. That's been extremely effective, very effective. The return on investment has been very good. I was in a

meeting just yesterday with the State of Maryland that said that in the last year their \$300,000 (STEP) grant that was disbursed to Maryland companies produced \$30 million I export orders.

So it is very effective use and way to get companies overseas in the trade missions in front of buyers at the trade missions. Or the states will actually set up separate meetings while the trade mission is going on. And in many cases they're walking away with export orders. So I would encourage everyone to go to that link, find the state - the (STEP) manager for their state, communicate with them and say you're interested in participating in their program.

It's - I think now some states have applied and been approved for two year plans instead of having to reapply every year. But again it's extremely useful for the smaller companies that don't have the cash to go overseas. This is a good way of getting reimbursed and covering your costs.

Next slide. So what's next is we'll take some more time for questions. So please don't be shy.

Please ask questions. If you have to go but questions do come up again don't be shy. Email me and I can make a personal introduction to any one of my colleagues around the country so that you can get personalized counseling. Or email Steve so that he can put you in touch with one of EXIM's regional offices in the country, again for personalized counseling. So with that I'm happy to take any questions.

Coordinator: And again as a reminder please press star 1, unmute your line and record your name if you would like to ask a question from the phone.

Wendy Peebles: While we're waiting for the operator are there any other points from you Bill or Steve that you want to share with the participants today?

Bill Houck: No. I don't have any more questions. Just to reiterate look at the services provider by all three agencies. Again I'm happy to make an introduction to anyone at the US Commercial Service at any one of their offices around the country. If you are export ready and I, you know, please take that assessment so that you're prepared to speak with the US Commercial Service or your state economic development office. But take advantage of that.

A company that does this on their own it may take them 18 months to two years before they find themselves with an export order and spend a lot of money. Using the US Commercial Service or the State Economic Development Offices, you know, through the (STEP) program you may find yourself in a situation where your first order comes six months after you start a conversation with the US Commercial Service. And you'll spend significantly less money because they're essentially an extension of your company.

And they have effective ways of getting you into the market through introducing you to buyers. Then you're able to finance all of those activities and ensure I guess nonpayment direction. So I'd just encourage all the companies to fully grasp the services provided by the US Export Assistance enter because you'll get much quicker results by doing so. And don't - again don't hesitate to email me with any questions to get the ball rolling. So that's really the message I want people to leave with.

Steve Maroon: Yes. And I just wanted to add that for about 55 cents on \$100 you can get EXIM Export Credit Insurance. And that just shows that it's a really good deal. And to give you peace of mind that allows you to sleep at night

remember that we cover up to 95% of your sales invoice. So that can really help your company. As you know one big bad transaction can put your company in default.

So it's great if you get the working capital from SBA along with the export credit insurance from EXIM Bank. And we'll be glad to help you in any way. We have brokers that will fill out your applications for you at no cost and we have sales reps and insurance brokers throughout the country.

Bill Houck: Yes. And just to expand on that Steve if by chance there are larger companies on the line EXIM Bank is able to do deals over \$10 million. Their export working capital guarantee program is somewhat preferred by medium, larger because they can go well above \$5 million. There's no limit. It's not uncommon for somebody to have a \$50 million to a \$100 million export working capital guarantee from EXIM Bank. They - EXIM Bank if you don't mind me Steve, I'll just mention, you know, they're not able to do military applications or work - or sell to military buyers. SBA can.

EXIM Bank does have a US content requirement of 50% or more. SBA can be 100% foreign content but it has to be shipped from the United States. Trans shipments are not allowed. But EXIM Bank can service those larger companies with much larger pools of receivables to inventory or transactions. And now that they have a full board they can do transactions over \$10 million. No questions?

Wendy Peebles: Great. Thank you. Operator could you check one last time please to see if there are any questions?

Coordinator: Absolutely. Again as a reminder if you would like to ask a question it is star 1, unmute your line and record your name when prompted. Again that's star 1 and record your name if you would like to ask a question.

Steve Maroon: Meanwhile I just wanted to add a point. This is Steve Maroon again from EXIM Bank. I forgot to mention if you get the SBA working capital along with the EXIM Export Credit Insurance you'll get a 25% discount on your insurance rates. That's very important. It'll cut your costs dramatically and you'll be protected. Make sure you'll get paid and then you'll have the funds to fulfill the sales order whether it's inventory or labor or you need to buy supplies. So keep that in mind - a 25% discount.

Bill Houck: Yes. Thanks for reminding - thanks for adding that Steve. I always forget to add that. Another item I need to put on the slides but when I say exported from the United States if you have - if you - and we can talk offline about this but if your company sells to another company in the United States that results in an export, you may very well be able to finance that transaction under our program as indirect export.

So if you want more information about that feel free to reach out to me. As long as an export is made your sale to a US company can be financed.

Wendy Peebles: Okay. Operator...

Coordinator: I do have one question that just came through. One moment here. And that question comes from (Jane File). Your line is open ma'am.

(Jane File): Oh. Hello. I learned a lot from this Webinar and I am an engineering librarian at an academic library. And I've just been given liaison work for the Business Department. And all of this export/export business is new for me. Do you

have any recommendations of other than the references you've recommended in this presentation?

Bill Houck: Well I would say - this is Bill Houck. I would say the US Commercial Service would be happy to meet with you to go over more in-depth and demonstrate some of the market research capabilities they have. They have also - you can look up on Export.gov the country commercial guides. That's over like 120-125 maybe countries. And it's very comprehensive on how to do business in that country. Export.gov is a very good site for information.

(Jane File): Will you repeat - let's see I have that I should contact the US Commercial Service and I'm looking for market what?

Bill Houck: Market research.

(Jane File): Research. Thank you so much Mr. Houck. I truly appreciate this Webinar and valuable information.

Steve Maroon: I have something else to add to what Bill said that would make it easy for you. We just had World Trade Month last month and we put a bookmark - we made a bookmark for World Trade Month. And if you go to the Export - EXIM.gov Web site and do a search on bookmark you will find a variety of exporter challenges and there'll be corresponding links to various government agencies' Web sites that will have the answers. So let's say you wanted to find a buyer, there'll be a link that takes you right to the Commercial Service section on the Gold Key program which will help you find buyers overseas.

So once again go to EXIM.gov and do a search on bookmark. And that'll pop up and give you a chart that shows all of the challenges that you - exporters typically face and the government agencies' links that can solve the problem.

(Jane File): And the Web site is EXIM.gov?

Steve Maroon: Perfect.

(Jane File): Thank you so very much. That's extremely helpful. Much appreciated.

Steve Maroon: My pleasure.

Coordinator: Thank you. And we are showing no other questions from the phone at this time.

Wendy Peebles: Okay. There is one question from the chat that I have and I'll read it. It says I have an opportunity to attend a trade mission. My state, Indiana, does not participate in the (STEP) program. Are there any other options for me to help fund this?

Bill Houck: Well if you go back to the one slide where it shows the Export Express I don't know of any grant programs and that you may want to contact - you said Indiana I believe right?

Wendy Peebles: Yes.

Bill Houck: You may want to contact Indiana. They may not participate because they may have their own grant program funded by the state. So you may want to start there first just to make sure that they're not able to help you through their own grant program.

But if you're in a position to finance your export development activities that Export Express program you can finance any export related activity. So if the

trip is going to come up to \$15,000 you could fund that under that program and get up to there to five years to pay it back.

Wendy Peebles: Operator, are there any additional questions?

Coordinator: I am showing no questions from the phone.

Wendy Peebles: Okay. If there a no further questions or further comments we'd certainly like to - we've covered overviews of the US Export Assistance Center, Small Business Administration Export Loan Guarantee programs and the State Trade Expansion program. I'd like to thank our presenter on today's Webinar, Bill Houck, Small Business Administration and Stephen Maroon from Export-Import Bank for his assistance during the question and answer.

We're very pleased with the collaboration with SBA and EXIM. This Webinar today has provided valuable information offered by the government for helping exporters accelerate business opportunities abroad. We value you as our customers and thank you for your participation today. And please, please complete the evaluation. As I mentioned earlier that does assist with planning future Webinars. This concludes the Webinar for today. Thank you for your participation.

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