Regional Export Promotion Program (REPP) Overview

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EXIM SUPPORT

- Direct Loans and Lender Loan Guarantees to foreign buyers of U.S. capital goods and services
- Working Capital to U.S. exporters
- Receivables Insurance to U.S. exporters
SMALL BUSINESS

• About **90%** of EXIM Bank transactions supported small & medium sized business exports.

• No company or transaction is too small.

• EXIM has supported sales of just a few thousand dollars
Express Insurance

- In order to qualify for Express Insurance, an exporter must:
- Meet the Small Business Administration’s definition of a small business
- Have an average of less than $7,500,000 in export credit sales over the last three years
- Have at least a three year operating history
- Have offered open credit terms to foreign buyers for less than five years
Use Express Insurance to:

- Access credit reports on ten buyers the exporter elects to insure (these are complimentary, though they remain with EXIM).
- Insure against nonpayment by international customers.
- Cover both commercial (e.g., bankruptcy) and political (e.g., war or the inconvertibility of currency) risks.
- Arrange financing through a lender by using insured receivables as additional collateral.
The Benefits of Express Insurance

**Credit Management Expertise**
Ease the burden of credit risk management by leveraging EXIM's international expertise.

**Safeguard Against Losses**
Safeguard against catastrophic losses due to buyer nonpayment.

**Increased Competitiveness**
Offer the credit necessary to expand into new markets and boost sales with existing customers.

**Improved Liquidity**
Accelerate your cash flow by borrowing against foreign receivables.
<table>
<thead>
<tr>
<th>Term/Type of Foreign Buyer</th>
<th>Class I: Sovereign</th>
<th>Class II: Bank</th>
<th>Class III: Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sight Letters of Credit</td>
<td>$0.04</td>
<td>$0.04</td>
<td>N/A</td>
</tr>
<tr>
<td>S/DD/P; CAD</td>
<td>$0.07</td>
<td>$0.09</td>
<td>$0.24</td>
</tr>
<tr>
<td>1-60 Days</td>
<td>$0.19</td>
<td>$0.24</td>
<td>$0.65</td>
</tr>
<tr>
<td>61-120 Days</td>
<td>$0.32</td>
<td>$0.39</td>
<td>$1.06</td>
</tr>
<tr>
<td>121-180 Days</td>
<td>$0.41</td>
<td>$0.50</td>
<td>$1.35</td>
</tr>
<tr>
<td>181-270 Days</td>
<td>$0.51</td>
<td>$0.63</td>
<td>$1.70</td>
</tr>
<tr>
<td>271-360 Days</td>
<td>$0.62</td>
<td>$0.77</td>
<td>$2.08</td>
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</tbody>
</table>

- Pricing per $100 of insured shipments
Example: Express Insurance Rates

- Sell to a Foreign buyer on terms up to 60 days open account
- Premium cost is $0.65 per $100 of gross invoice value
- **on $30,000 sale that’s $195.00 premium!**
- No application fee, no upfront Premium, no deductible
MAGNOLIA METAL VICKSBURG, MS

One company has equipped to enter the international marketplace is Magnolia Metal & Plastic Products, Inc. Magnolia Metal is a Vicksburg, MS based company that specializes in the manufacture of window and door components, primarily screens. Magnolia Metal is a “mom and popshop” that employs 35 people out of their factory in Vicksburg.

Over the past five years, Magnolia Metal has expanded its business internationally with sales in Chile. Since 2009, Magnolia Metal’s business with Chile has grown significantly, expanding from $5,000 in sales to $25,000.

Following a change in ownership and an increase in sales, Magnolia Metal received an order for $50,000—they needed to offer an alternative to cash-in-advance payment. MDA was able to help. Magnolia Metal knew from previous conversations that MDA could provide information and resources on offering credit terms to their foreign buyer.

MDA put them in contact with an EXIM Trade Finance Specialist within an hour. The EXIM representative assisted Magnolia in getting a $100,000 Express Insurance Policy after just two short weeks.
Mission of REPP

• The Regional Export Promotion Program complements and directly supports EXIM’s Small Business Group’s goal of promoting financial support for small business exporters, as mandated by Congress in EXIM Bank’s Charter. Thus, REPP is an important program to reach more U.S. companies wanting to build their global sales.
EXIM Bank will provide

- All the essential support and resources your organization needs, including training and marketing materials at no cost
- Highly qualified trade-finance specialists to speak at your events
- One-on-one trade finance counseling and support for exporters
- Use of the EXIM Bank logo on joint marketing materials
- Free admission to EXIM-sponsored events (i.e. Annual Conference)
- Assistance with joint marketing and joint outreach campaigns
REPP Member Requirements

- Maintain at least one qualified and trained representative dedicated to promoting EXIM.
- Organize at least 3 trade finance/EXIM events. (This can include Webinars)
- Provide 10 referrals a year to EXIM
- Reports events and referral on the REPP Webpage
- (Report referral)
- [https://docs.google.com/forms/d/e/1FAIpQLSfsIxUCxF7UogAKfJwG-Doc75_TG7Cr2lEx4qxQ_nAtaJ1wPw/viewform?c=0&w=1](https://docs.google.com/forms/d/e/1FAIpQLSfsIxUCxF7UogAKfJwG-Doc75_TG7Cr2lEx4qxQ_nAtaJ1wPw/viewform?c=0&w=1)
Accomplishments

- Grown collective Twitter presence by 76%
- Started Facebook Page in April 2016 with 70 fans currently at over 8,000
- Reach 3,000-12,000+ unique users daily
REPP by the Numbers

• REPP membership increased from 36 members to 50 members in FY 2017 which represents a 37% increase in REPP membership and we currently have members in 30 states

• Referral and Authorizations
  • Eastern Region referrals
    • 70 referrals
    • 29 Authorizations
    • $5.4 million dollars
  • Central Region referrals
    • 17 referrals
    • 3 Authorizations
    • $206,500.00
  • Western Region referrals
    • 55 referrals
    • 5 Authorizations
    • $800,000.00
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