





Inga Fisher Williams
Regional Manager, Export Solutions Group
Office of International Trade
US SMALL BUSINESS ADMINISTRATION
inga.fisherwilliams@sba.gov

SBA Export Financing
[plus International Payment Methods]



2010 – Billings, MT



U. S. Export Assistance Centers 

Over a Decade of Success
Joint Venture of U.S. Department of Commerce and SBA

SBA Export Finance Specialists provide

- Technical Assistance to Exporters
- Advising on International Financing Aspects
- Assisting with SBA Export Loan Applications
- Help for Banks on SBA Export Loans



2010 – Billings, MT

 **SBA Export Loan Products** 

How Can SBA Export Financing Help

1. Transactions [supplier or A/R financing]
2. Expansion [equipment; building;]
3. Export Development [trade show, etc.]
4. SBLC [Bid / Performance Bond]

 INTERNATIONAL TRADE **SBA**
U.S. Small Business Administration

2010 – Billings, MT

 **International Trade** 

Assess Risk & Exposure



... and be fluent in Mitigation

 INTERNATIONAL TRADE **SBA**
U.S. Small Business Administration

2010 – Billings, MT

 International Financial Risk 

- Political Risk
- Buyer Credit Risk
- Foreign Exchange Risk

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

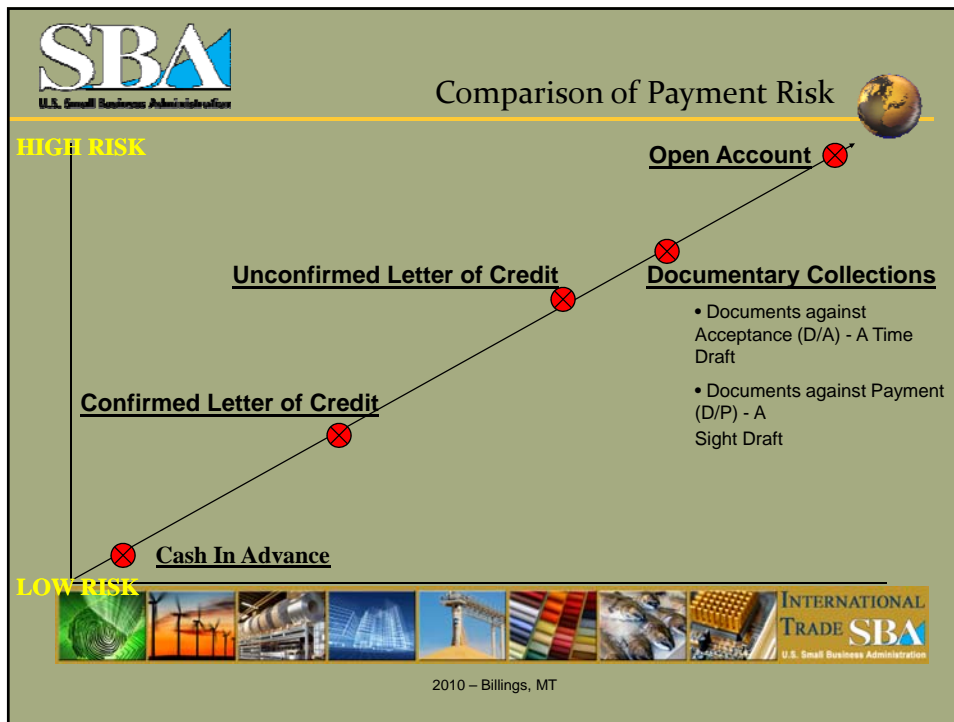
2010 – Billings, MT

 International Methods of Payments 

- Cash in Advance
- Letter of Credit
- Documentary Collections
- Open Account [with Risk Insurance]

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

2010 – Billings, MT



International Payment Methods

- International Financial Risk
- International Payment Methods

DOC Trade Finance Guide 2008: A Quick Reference for US Exporters

<http://www.ita.doc.gov/media/publications/pdf/tfg2008.pdf>

2010 – Billings, MT

INTERNATIONAL TRADE SBA U.S. Small Business Administration

The slide features the SBA logo and a globe icon at the top. Below the title 'International Payment Methods', there are two bullet points: 'International Financial Risk' and 'International Payment Methods'. A light blue box contains the text 'DOC Trade Finance Guide 2008: A Quick Reference for US Exporters' and a red URL: 'http://www.ita.doc.gov/media/publications/pdf/tfg2008.pdf'. At the bottom, there is a row of small images representing various industries and the text 'INTERNATIONAL TRADE SBA U.S. Small Business Administration'.

 Receivable Insurance 

Export Credit (Risk) Insurance

How Does It Work

- Specialized Brokers
- Single or Multi-Buyer Policy
- Quotes / Premiums / Deductibles
- Coverage
- Record-Keeping

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

2010 – Billings, MT

 Receivable Insurance 

Who Offers Export Credit Insurance

- Export-Import Bank of the United States

With more than \$7 million in export credit sales, the **Small Business Multi-Buyer Policy** is cost-effective added PLUS, premium discount with SBA EWCP loan

- Private Sector Insurance

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

2010 – Billings, MT

 SBA Export Loan Products 

SBA Loan Programs + Risk Insurance

the combination means

Increased

- Liquidity
- Competitiveness
- Risk Management

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

2010 – Billings, MT

 SBA Export Loan Products 

- **Working Capital Loans**
 - EWCP** Export Working Capital Program: \$ 2 million
 - EE** Export Express: \$250,000
- **Term Loans**
 - 504 public policy goal #4: \$4 million for mfg
 - 7(a) International Trade Loan: \$1.75 million

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

2010 – Billings, MT

 **SBA Export Working Capital Program** 

EWCP Loans

- Up to \$2 million @ 90% guaranty
- Transaction working capital for exports
[Supplier financing @ 100%]
- LOC for annual export sales
- Contract financing
- Standby Letters of Credit
- Indirect exporters are eligible

 **INTERNATIONAL TRADE SBA**
U.S. Small Business Administration

2010 – Billings, MT

 **SBA Export Working Capital Program** 

Financing for

- Manufacturing goods for export
- Purchasing goods for export
- Service contracts with foreign buyers
- Standby letters of credit

 **INTERNATIONAL TRADE SBA**
U.S. Small Business Administration

2010 – Billings, MT

 SBA Export Working Capital Program 

Exporters' Benefits

- Increased sales/profits
- Expand collateral base
- Liquidity
- Competitive Terms





2010 – Billings, MT

 SBA Export Working Capital Program 

Exporters	Borrowers
Manufacturers	* Tight Liquidity
Trading Companies	* Losses or erratic earnings
Wholesalers/distributors	* Minimal Net Worth
Service Companies	* Collateral Shortfall
Indirect Exporters	* WIP financing needed
	* Large order relative to history



2010 – Billings, MT


 EWCP 

SBA Export Working Capital Program
Loans Up to \$2 million

- Finance goods or their production for export [& WIP]
- Finance receivables [up to 180 days]

- Low SBA fee [0.25%], if 12 months maturity
- Can help with liquidity for indirect exporters
- Can capitalize SBLC [bid or performance bonds]

Apply with SBA Lender – Loan Application Forms: www.buyusa.gov/oregon/ewcp.html

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

2010 – Billings, MT

 SBA Export Express 

SBA EXPORT EXPRESS

- Loans up to \$250,000
- Same easy process as SBA Express
- LOC or term loan
- 75% to 85% SBA guaranty
- Transaction or term financing

SBA fees will vary depending on maturity of loan

 INTERNATIONAL TRADE SBA U.S. Small Business Administration

2010 – Billings, MT

 **SBA Export Express** 

USE OF FUNDS

- Start-up Financing [for early stage exporters]
- Export Development [trade shows, etc]
- Export Transactions [supplier & A/R financing]
- Equipment [F/A]
- Building or lease hold improvements [F/A]

Fees contingent on Terms
Apply with SBA Express Lenders

 **INTERNATIONAL TRADE SBA**
U.S. Small Business Administration

2010 – Billings, MT

 **Inga Fisher Williams** 
Regional Manager
EXPORT SOLUTIONS GROUP, Office of International Trade
U.S. SMALL BUSINESS ADMINISTRATION



www.sba.gov/mt and click on **EXPORT TOOLS**

U.S. Export Assistance Center
One World Trade Center
121 SW Salmon Street, Suite #242
Portland, Oregon 97204
(503) 326-5498
inga.fisherwilliams@.gov

 **INTERNATIONAL TRADE SBA**
U.S. Small Business Administration

2010 – Billings, MT