

From left: Pravin Dand, CFO, and Natarajan Kumar



“With the resources of Ex-Im Bank behind us, we intend to export our technologically advanced products to help increase productivity and simplify network administration in every region of the world.”

Natarajan Kumar, President and CEO

A major concern for U.S. exporters, particularly small businesses, in entering a new market is to maintain sufficient working capital while collecting payment for shipped goods.

Cornet Technology Inc. (CTI) is a small, minority-owned manufacturing company in Springfield, Va., that delivers computer network infrastructure products and services to customers in countries all over the world, including Mexico, Brazil, Colombia, Surinam, Egypt, and South Korea, among many others. With an Ex-Im Bank working capital loan guarantee, the company is able to concentrate on getting the order, manufacturing the products and shipping them at the earliest opportunity – with the assurance that they will have the funds to keep operating.

The company is currently using an Ex-Im Bank working capital loan guarantee to obtain commercial bank financing from Chevy Chase Bank of Bethesda, Md. The assets earmarked for export, including receivables, are used as collateral to obtain the necessary working capital funds.

CTI has been using a \$500,000 Ex-Im Bank revolving working capital loan guarantee for the past five years. With Ex-Im Bank’s guarantee, the company has been able to export to countries such as Colombia and Surinam with the security that their financial resources would remain intact and that borrowed funds would be repaid upon receipt of payment from their foreign customers.

CTI’s product line emphasizes high-speed fiber and copper cross point LAN and WAN switching, video distribution, test and monitoring products, and videoconferencing, integration and other services. All of the company’s customer-focused products and services are designed to improve productivity and simplify network administration. The company has approximately 100 employees. In addition to its manufacturing facility in Springfield, Va., CTI has offices throughout the United States and subsidiaries in Germany, Japan and India.



PRODUCTS

Computer network infrastructure products and services

CHALLENGE

Need to maintain working capital while waiting for foreign receivables payment

SOLUTION

Ex-Im Bank's working capital guarantee enables the company to obtain working capital from commercial banks, easing cash flow concerns and providing security.

RESULT

The company has entered new and developing markets such as Colombia and Surinam and expanded production and staff due to increased sales.