

EPILOG LASER CORPORATION

GOLDEN, COLORADO

“OUR INTERNATIONAL SALES GROWTH USED TO BE HINDERED BY OUR NEED FOR EXPENSIVE LETTERS OF CREDIT. SINCE WE STARTED USING EX-IM BANK’S INSURANCE, OUR EXPORTS HAVE INCREASED 400 PERCENT.”

ROY MASTERS, DIRECTOR OF OPERATIONS

Opportunities for sales growth in international markets can be tremendous, but small companies can find it difficult to offer term financing to their foreign buyers without resorting to costly letters of credit. Epilog Laser Corp., a small-business manufacturer of laser-engraving and cutting systems in Golden, Colo., faced this challenge until the company discovered Ex-Im Bank’s short-term export-credit insurance that has opened doors all over the globe.

Epilog was introduced to Ex-Im Bank’s insurance by Navitrade Structured Finance, a financial advisor and specialty broker based in Littleton, Colo. Since the company began using Ex-Im Bank’s small-business policy in 2001, its international sales have increased phenomenally, in terms of both dollar volume and number of markets. The dollar volume of Epilog’s exports has increased 400 percent, and Epilog now exports to 32 countries throughout Europe, Asia, Latin America, North America, Africa and the Middle East.

Epilog’s growth in exports since 2001 has led the company to expand its workforce by 89 percent to meet the increased international demand. Due to its outstanding job growth, Epilog received the Governor’s Award for Excellence in Exporting from the Colorado Office of Economic Development and International Trade in 2005.

Epilog Laser Corp. is a leader in the design and manufacture of flying optics-based CO₂ and fiber laser systems. The company’s laser-engraving systems are used on a wide variety of materials such as wood, acrylic, plastic and many

other materials. Epilog has 66 employees at its manufacturing facility in Golden.

Ex-Im Bank’s short-term export-credit insurance minimizes risk and provides protection against buyer default for political or commercial reasons. Single-buyer and multibuyer policies are available to U.S. exporters and financial institutions. Ex-Im Bank’s policies cover 95 percent of the invoiced amount. The Bank’s short-term insurance enables U.S. exporters to offer open-account terms to customers, which makes companies more competitive.

The insurance also functions as a financing tool because banks are more willing to lend against insured foreign receivables. Exporters may assign their rights to receive the insurance proceeds to a lender in order to facilitate obtaining a loan.

The Bank’s small-business policy is similar to the multibuyer policy but features certain enhancements, including no first-loss deductible for small-business exporters with export volume averaging not more than \$5 million over the three most recent years. Due to its excellent export growth, Epilog has graduated from Ex-Im Bank’s small-business policy to the Bank’s multibuyer policy.

In FY 2007, Ex-Im Bank authorized \$3.6 billion in short-term and medium-term export-credit insurance, of which \$2.1 billion supported small-business transactions. Ninety percent of Ex-Im Bank’s insurance policies directly benefited small-business exporters.



PHOTOS COURTESY OF EPILOG LASER CORP.



Vieng K. assembles the top entry door of an Epilog Mini 24 laser engraving system at the company’s manufacturing facility in Golden, Colo.

Tong Chan follows a strict cleaning regimen for parts to be inserted into an Epilog laser system.