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# EX-IM BANK NEWS

## Merrill Emphasizes Customer Service, Cycle Time, Knowledge-Based Industries



Ex-Im Bank Chairman Philip Merrill emphasizes putting customers first, quicker cycle time, and supporting knowledge-based service industries.

Ex-Im Bank Chairman Philip Merrill welcomed 1,000 exporters, lenders, and government officials to the Export-Import Bank's 2003 Annual Conference at the Omni Shoreham Hotel in Washington, D.C. on April 22.

"At Ex-Im Bank, we are committed to provide efficient and effective customer service," he said in a morning address that opened the Bank's 28th annual conference. "We are here to help American businesses reap the benefits of foreign sales, and to support the jobs that depend on exports. I am also committed to Ex-Im Bank working in ever closer partnership with the government-wide Trade Promotion Coordinating Committee (TPCC)," he said.

"We are committed to supporting the great manufacturing industries that grew up during the early-to-mid 20th century, but now that we are in the 21st century, we also need to embrace the newer service and technology sectors. In addition, we need to embrace more fully the knowledge-based and service industries that made America the world's pre-eminent economic power."



SBA Administrator Hector Barreto addresses Ex-Im Bank Annual Conference.

## Zoellick Tells Conference of U.S. "Competitive Liberalization" Trade Strategy



U.S. Trade Representative Ambassador Robert Zoellick addresses the Ex-Im Bank Annual Conference on April 22.

U.S. Trade Representative Ambassador Robert Zoellick presented what he described as the United States' "competitive liberalization" trade strategy in an address to the Ex-Im Bank Annual Conference on April 22.

"We want to move on multiple fronts to keep free trade on the offensive," said Zoellick, who was appointed by President Bush as the 13th U.S. Trade Representative two years ago. While the nation focuses on security, it also must focus on trade, which is essential not only for U.S. economic growth but also for "global growth, development, the rule of law, and open societies."

Zoellick cited the Bush Administration's success in launch the Doha global trade talks in 2001, successfully completing accession of China and Taiwan to the World Trade Organization (WTO), winning fast-track authority, and advancing negotiations for a 34-nation Free Trade Area of the Americas. He also highlighted efforts to secure bilateral and regional trade agreements.

"Why bilateral initiatives?" he asked rhetorically. "Trade theorists says the WTO gives the best bang for the buck. But bilateral initiatives level the playing field for U.S. firms and workers, and these agreements can break new ground and set higher standards" than multilateral agreements.

Zoellick noted a number of issues on America's trade agenda, including the need for follow-through on China's accession to the WTO, discussion of Russian membership of the WTO, expanding small business trade opportunities, building trade capacity for developing countries, enforcement actions in the WTO, bringing HIV/AIDS medicines and funds to populations in need, and doing a better job of building coalitions with businesses and governments abroad.

## CEOs Discuss “Global Competition and the American Exporter”

Five U.S. business leaders discussed the U.S. economy and the importance of exports during a “CEO roundtable” at the Ex-Im Bank Annual Conference on April 22 that was moderated by PBS anchorwoman Karen Gibbs.

Tom Donohue, president and CEO of the U.S. Chamber of Commerce, said that America’s “economic strength depends on three things -- small business, our ability to complete bilateral and regional trade agreements, and balancing the need for security with the need to move goods and people across borders quickly.”

J.W. Marriott, Jr., chairman and CEO of Marriott International, Inc., and William O’Shea, president of Bell Labs, noted how the tourism and telecommunications industries had been hurt by recent economic conditions, but noted major opportunities for growth in emerging markets.

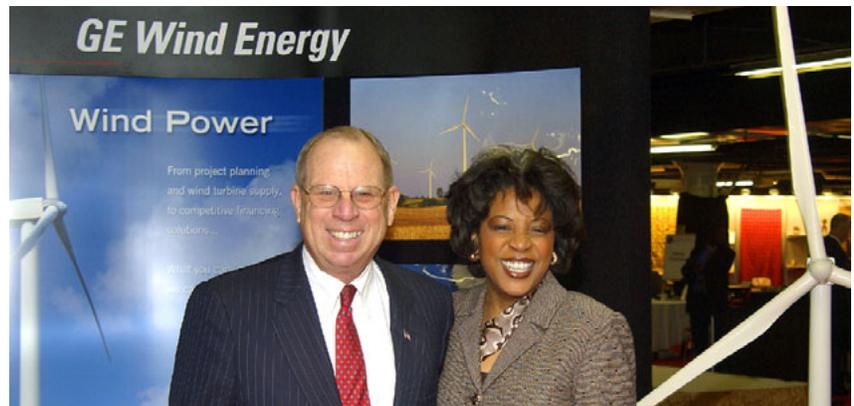
David J. Weber, president and CEO of Wells Fargo HSBC Trade Bank, said that, while U.S. small business exporters are sometimes at a disadvantage due to the financing that foreign competitors receive, “U.S. small businesses have the edge with products that require innovation, creativity, and flexibility.”

Nat Kumar, president and CEO of Cornet Technology, also emphasized the importance of small business to the U.S. economy. “If a large business lays off 10,000 people, it’s big news,” he said, “but if 5,000 small businesses hire two people each there’s no news.”



Left to right--Tom Donohue, president and CEO of the U.S. Chamber of Commerce (center); J.W. Marriott, Jr., chairman and CEO, Marriott International, Inc.; William O’Shea, president, Bell Labs; David J. Weber, president and CEO, Wells Fargo HSBC Trade Bank; and Nat Kumar, president and CEO, Cornet Technology.

## More Than 50 Exhibitors Display a World of Export Finance Solutions



## Ex-Im Bank Names Three Small Business Award Winners, as SBA Administrator Barreto Cites Key Role of Small Business Exporters

**E**x-Im Bank presented its three small business awards at a ceremony at the Annual Conference led by Hector Barreto, administrator of the U.S. Small Business Administration; Eduardo Aguirre, vice chairman of Ex-Im Bank; and Vanessa Weaver, Ex-Im Bank board member. Barreto noted that the number of small business exporters had doubled in the last decade to 237,000, and that 89 percent of U.S. exporters are small businesses. "Small business is an essential and growing part of international trade," he said. He also cited a U.S. government study that found that 30 percent of small firms not currently exporting would be interesting in selling abroad. "What these small businesses lack is someone to point the way," he said.

The three award winners were:

**Meridian Finance Group**, of Los Angeles, Calif., received the 2003 Small Business Broker of the Year award. Meridian is the broker of approximately 170 active Ex-Im Bank export credit insurance policies in 19 states, of which 130 are small business policies. The company's customers represent a wide range of manufacturing and service industries from food to capital equipment to software.

**Bank of America**, whose headquarters is in Charlotte, N.C., received the 2003 Small Business Bank of the Year award. During the 2002 fiscal year, Bank of America approved nearly \$110 million in Ex-Im Bank working capital guarantee facilities to 42 clients, supporting more than \$422 million in export sales. Thirty-six of these clients were small businesses, and the volume of small business export sales supported under this program increased 46 percent from the previous year to \$365 million.

**MD International**, of Miami, Fla., received Ex-Im Bank's Small Business Exporter of the Year award. MD International, an exporter of medical equipment and supplies to developing countries, has used Ex-Im Bank financing to sell \$1.3 million of medical equipment to Venezuela, \$475,000 of imaging equipment to a small clinic in Veracruz, Mexico, and \$7.4 million in exports for a maternity hospital in the Dominican Republic.



## Workshops Offer Perspectives on Ex-Im Bank Changes, Regional Trade Finance

**W**orkshops at Ex-Im Bank's Annual Conference offered attendees information and insights on recent changes in Ex-Im Bank policies and procedures, sub-Saharan Africa, three countries identified as key export markets by the Trade Promotion Coordinating Committee, small and medium enterprises, transportation, PEFCO, asset management, trends in structured finance, and a new history of Ex-Im Bank (see story on page 4). Pictured at right are Ex-Im Bank board member Joe Grandmaison and Walter Kosciow, Ex-Im Bank assistant vice president, small and medium enterprises.



Ex-Im Bank City/State Partners at Annual Conference.



Ex-Im Bank board members past and present (from left to right): H.K. Allen, Rita Rodriguez, Chairman Philip Merrill, Vice Chairman Eduardo Aguirre.

## Ex-Im Bank's New Customer-Focused Organization

Under Ex-Im Bank's reorganization, which has begun to be implemented during the last few months, every exporter now has a single point of contact -- a "relationship officer" -- who can direct them to the product that is right for them -- whether insurance, loan guarantee, or working capital guarantee. This relationship officer will shepherd their transaction from start to finish. The new "export finance group is devoted to, and accountable for, managing transaction relationships with our exporters, lenders, and foreign buyers," said Ex-Im Bank Vice Chairman Eduardo Aguirre. "This group has the breadth of resources to deliver all our products globally."

When an exporter comes to Ex-Im Bank for financing, instead of having to go to different divisions for different products, as was true in the past, the exporter is assigned to a relationship officer who is a specialist in the country to which the exporter seeks to sell. After helping the exporter find either a broker, a financial institution, another intermediary, or the product that he or she needs directly from Ex-Im Bank, the relationship officer takes the exporter's application and makes sure the exporter quickly gets a credit decision. At that point, the relationship officer prepares the transaction memo for approval by either Ex-Im Bank's board of directors or credit committee, or by internal delegated authority.

In another move to better serve customers, Ex-Im Bank has begun measuring operational performance to help management monitor performance and allocate resources. These new performance metrics calculate transaction efficiency and cycle time. One goal is to process at least 80 percent of transactions submitted to the Bank within 20 business days.

## New History of Ex-Im Bank Published

The Market, the State,  
and the Export-Import Bank  
of the United States,  
1934-2000



William H. Becker  
William M. McClenahan, Jr.

A new history of Ex-Im Bank, *The Market, the State, and the Export-Import Bank of the United States, 1934-2000*, has just been published that chronicles the Bank's development from its New Deal origins to today's new economy. The book was written by William H. Becker, a professor of history at George Washington University, and William M. McClenahan, Jr., a lecturer in business law and public policy at the University of Maryland's Robert H. Smith School of Business.

The authors write: "Franklin D. Roosevelt created the Export-Import Bank in 1934 during the New Deal's earliest zeal for planning and building the power of the state. It now exists in an environment where leaders extol market solutions to economic growth and development in most places in the world. As this transformation suggests, Ex-Im has long conducted its business in an ever-changing realm defined by the shifting demands of both the state and the market... Ex-Im's history tells us much about the use of market principles over many decades to attain the objectives of the American state."

Published by  
Office of Communications  
Lorrie A. Secrest, publisher  
Andrew L. Yarrow, editor  
(202) 565-3200 or  
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## Rep. Oxley Addresses Conference



Rep. Michael G. Oxley (R-Ohio), the Chairman of the House Financial Services Committee, addressed the Ex-Im Bank Annual Conference today at 9 a.m. Oxley, an 11-term Congressman from western Ohio, leads the committee which oversaw Ex-Im Bank's reauthorizing legislation last year. Interested in trade, telecommunications, and energy issues, he has helped shaped policies intended to promote economic growth, jobs, and savings. Before being elected to Congress, Oxley served for nine years in the Ohio General Assembly and was a special agent for the FBI.

"Ex-Im plays a critical role in helping U.S. exporters reach markets that would otherwise be closed to them," Oxley said on April 23. "By facilitating sales to countries and regions where commercial banks fear to tread, Ex-Im promotes growth and development. Oxley will discuss Ex-Im Bank's role in promoting U.S. exports. It also establishes important footholds for U.S. business to develop relationships and expand market access."

The second day of Ex-Im Bank's 2003 Annual Conference also featured a number of concurrent workshops on export finance, including ones on "Exploring U.S. Government Financing Tools," "Small and Medium Enterprises," "What's New in Trade Finance and Insurance and Credit Underwriting (at Ex-Im Bank)," and "From Central Europe to Central Asia: Financing Trends and Information."

The conference will conclude after today's luncheon, when Ex-Im Bank Chairman Philip Merrill will deliver closing remarks.