



Ex-Im Bank News

"The Export-Import Bank helps advance U.S. trade policy, facilitate the sale of U.S. goods and services abroad, and create jobs here at home." -- President George W. Bush

News in Brief

Administration Presents 2004 Ex-Im Budget Proposal

The Bush Administration proposed \$14.6 billion in lending authority for Ex-Im Bank in its fiscal year 2004 budget that it submitted to Congress on Feb. 4. This lending authority and administrative expenses of \$75.4 million will be funded by program budget authority carried over from prior years.

Ex-Im Seminars Offer Trade Finance Solutions

Ex-Im Bank's ongoing series of seminars for exporters and lenders continues in the coming weeks with a two-day seminar for both exporters and lenders in Washington, D.C., on March 3-4; seminars for lenders in Washington, D.C., on March 5, and in Miami, Fla., on March 11-12; and a full-day session for exporters slated for Grand Rapids, Mich., on March 18. Exporter seminars help businesses overcome barriers to

CONTINUED ON BACK

Ex-Im Bank Offers Aircraft Exposure Fee Reduction

Ex-Im Bank will reduce its exposure fee by one-third -- to as low as 2 percent -- on financing of U.S. large commercial aircraft for buyers in countries that sign, ratify, and implement the Cape Town Convention, an international treaty to facilitate asset-based financing and leasing of large commercial aircraft. "Ex-Im Bank is working to encourage countries to adopt the kind of legal framework that will enable their airlines to upgrade and expand fleets by reducing the risk in cross-border asset-based financing," said Chairman Philip Merrill.

Ex-Im Teams with Nigerian Bank To Promote U.S.-Nigeria Trade



Ex-Im Bank-Access Bank Seminar: Left to right - Anthony Oputa, Aigboje Aig-Imoukhuede, Joe Grandmaison, Salewa Fajoba, and Roosevelt Ogonna.

Access Bank Plc of Nigeria joined Ex-Im Bank at a seminar on Jan. 16 at Ex-Im Bank's Washington, D.C., headquarters to promote U.S.-Nigerian trade. Managing Director Aigboje Aig-Imoukhuede and other Access Bank officials discussed Nigeria's business environment and told U.S. bankers that, despite perceived country risks, foreign institutions have participated in transactions in Nigeria under the current democratic government with very high success rates and few losses.

"Strategically, Ex-Im Bank has made it a priority to reach out to African banks as partners, and Access Bank is the most recent example of that strategy," said Ex-Im Bank board member Joe Grandmaison. "We have to become more comfortable financing in the African marketplace, and working with those who know it best is very much to our advantage."

Ex-Im Bank Introduces Annual Performance Metrics

Ex-Im Bank will begin measuring operational performance to help management monitor performance and allocate resources. The annual performance metrics will calculate transaction efficiency and cycle time using formulas that consider the number of employees, transactions, and business days. Resource utilization will be measured by comparing actual appropriated program budget authority with the level of authorizations committed by the Bank. Data on how satisfied the Bank's customers and other stakeholders are will be gathered through a survey conducted by the Federal Consulting Group this summer.

"These performance metrics will enable us to collect quantitative data on how well we are doing under the reorganization and what further steps we need to take to deliver on our goals of streamlining the process, standardizing our credit culture, and reducing the time it takes to obtain a credit decision," said Ex-Im Bank Vice Chairman Eduardo Aguirre.

"In support of President Bush's goals for management reform, Ex-Im Bank is serious about becoming more citizen-centered, results-oriented, and market-driven," added Ex-Im Bank Chairman Philip Merrill. "I commend Vice Chairman Aguirre and Ex-Im Bank's staff on successfully completing the recent reorganization of the Bank's divisions to accomplish these goals, and I anticipate that these performance metrics will give us valuable data and feedback on our progress."

Ex-Im Bank will host its
2003 Annual Conference
on Tuesday, April 22 and
Wednesday, April 23, 2003
at the Omni Shoreham Hotel in
Washington, D.C.

Ex-Im Bank Transaction of the Month

Family-Owned Food-Distribution Company Expands Exports to Middle East with Ex-Im Bank Financing

enter new, riskier markets with Ex-Im Bank financing products. Lender seminars are intended to help financial institutions better understand Ex-Im Bank products and requirements. Costs range from \$149 for export seminars to \$299 to \$499 for the lender and exporter/lender seminars. Registration is available at <https://apps.exim.gov/apps/iccc/seminar.nsf/seminar?openform> or by fax to (202) 565-3723.

Ex-Im Bank Project Finance Deals Win Kudos

Three Ex-Im Bank project finance transactions have received awards from two industry publications. Project Finance International magazine named the Baymina transaction in Turkey, which Ex-Im co-financed, as its European-Middle East-African Power Deal of the Year. It also named a satellite transaction in Thailand that Ex-Im Bank co-financed as its Asia Pacific Telecom Deal of the Year. Another publication, Project Finance magazine named the Nigeria LNG deal, which Ex-Im Bank financed, as its Africa Oil and Gas Deal of the Year.



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Smith Packing Company (SPC) Inc., a fifth-generation, family-owned food distribution business in Utica, N.Y., turned to Ex-Im Bank when it sought to increase its working capital capacity to support its growing sales to a long-time buyer in the United Arab Emirates (UAE). This 92-year-old small business, which specializes in meat and frozen foods, first obtained a short-term multi-buyer export credit insurance policy to help it export to clients in the Middle East and central Europe.

However, after 12 years of doing business in the UAE, SPC's buyer dramatically increased their demand, and SPC needed to find a way to increase its cash flow to meet the demand. With its monthly sales to the UAE buyer rising to more than \$650,000, SPC converted the multi-buyer policy to a single-buyer

policy, which insured a shipment volume of \$1.1 million on open account, reduced paperwork, and cut the premium from \$0.65 to \$0.48 per \$100.

At the same time, the company explored the possibility of an Ex-Im Bank working capital guarantee to cover the working capital line that it was seeking from the Savings Bank of Utica. However, James Taylor, an Ex-Im Bank relationship officer, advised Smith Packing to assign the single-buyer policy to Savings Bank of Utica and borrow against the \$1.1 million of insured receivables, which eliminated the need for a working capital guarantee.

"Ex-Im Bank fulfilled its mission in helping us to grow our business," Wesley Smith, SPC's president, said. "Mr. Taylor was extremely patient and did a great job during two years of working with us."

Dan Renberg Looks Back on Recent Ex-Im Board Tenure



Dan Renberg concluded his three-year term as an Ex-Im Bank board member on Jan. 20. He coordinated the Bank's environmental activities, served on its audit committee, and spoke at trade and economic development events in 29 states and 7 countries for the Bank. He reflected on the Bank:

Of which accomplishments are you most proud?

I am very proud of the momentum we got started in the environmental and renewable energy sectors by convening an advisory committee and holding our first international conferences of exporters, foreign buyers, and lenders in Mexico City and in Budapest. The new co-financing process will help U.S. firms win deals they might not have. I am quite pleased that we can cofinance with Hungary.

What significant challenges face Ex-Im Bank?

Ex-Im Bank has had to identify new models to reach exporters. Harnessing the Internet for business development and internal case processing, and keeping career professionals are also important.

How could Ex-Im Bank better serve U.S. exporters in the years ahead?

We must continue to streamline processes, take greater risks in markets where it is in the national interest to give exporters a foothold, such as sub-Saharan Africa, Central Europe, and Central Asia/NIS, before our competition 'cleans our clocks.'

Connecting Southeastern U.S. Exporters with the World

Cybermetrics Inc. of Alpharetta, Ga., a small manufacturer of laboratory instruments and process control sensors to measure pulp paper products, turned to Ex-Im Bank's Southeast regional office in Miami, Fla., last fall when it sought financing to expand its exports to Europe and Asia.

Cybermatics is one of 735 companies in over 150 communities in the area covered by the Southeast office that its staff have helped to export more than \$4 billion of U.S. goods and services during the last five years. The Miami office, one of five Ex-Im Bank regional offices, serves Florida, Georgia, eastern Tennessee, Puerto Rico, and the U.S. Virgin Islands. The office partners with many banks in the region.

"A lot of our business is conducted in Spanish since many exporters speak Spanish and Latin American buyers turn to us because Miami is such a center for U.S.-Latin trade," said Maria Gutierrez, one of four Ex-Im Bank professionals in the office.



Ex-Im Bank's Southeast Regional Office Staff: from left to right - Director James Morris, Janette Iker, Maria Gutierrez, and John Johnson.