To meet growing international demand, exports of American agricultural products and equipment have increased significantly over the past few decades. Unfortunately, this opportunity is often hindered by a lack of financing. For example, foreign buyers expect open account credit terms, or lenders might be wary of extending working capital loans.

Fortunately there is a solution. The Export-Import Bank of the United States (EXIM) is a federal government agency that enables U.S. businesses of all sizes to win international sales in more than 180 countries.

EXIM supports the financing of a broad range of agricultural exports, including commodities, chemical inputs, and farm equipment. Many agriculture companies use EXIM’s export credit insurance to:

- **Protect against buyer nonpayment** due to commercial (e.g., bankruptcy) and political risks (e.g., war). EXIM covers up to 95 percent of the sales invoice. Bulk, unprocessed agricultural commodity exports qualify for 98 percent coverage.

- **Provide open account credit** terms for foreign buyers to open up new markets and increase sales in existing ones.

- **Enhance borrowing capacity** to improve liquidity and ease cash flow constraints by assigning now-secured foreign receivables to a lender.

EXIM complements private capital and the Commodity Credit Corporation, which is overseen by the United States Department of Agriculture.

**Two additional types of EXIM support benefits agriculture companies:**

1. An EXIM guaranteed credit line provides **vital funds to fulfill sales orders**. These funds from a lender can be used to purchase finished products, raw materials, and equipment as well as cover labor and overhead costs. This credit line may also cover standby letters of credit used as performance or bid bonds.

2. **Term financing** assists foreign buyers in obtaining loans from lenders to purchase U.S. capital goods (e.g., tractors, silos) and services (e.g., consulting). Repayment terms typically range from one to five years.

*Boost your sales while protecting your cash flow.*

Call 800.565.3946 to get started today.
EGGS GO GLOBAL
Keith Smith Company — Hot Springs, Arkansas

Headquartered in Arkansas, the Keith Smith Company is a producer and provider of quality hatching eggs. As the company was working to enter new international markets, it did not feel secure in doing so because of buyer nonpayment. EXIM’s export credit insurance gives the company the confidence needed to sell into new markets. EXIM’s insurance reduces Keith Smith Company’s cash flow risk and allows the business to be more comfortable in competing for international sales. Since 2009, the company has added 42 jobs and has seen sales increase by nearly 50 percent. Keith Smith’s exports as a percentage of total sales has grown from less than one percent to 61 percent in 10 years.

PRODUCING SOLUTIONS FOR ANIMAL FEEDS
Heartland Agri Partners, LLC (DBA Insta-Pro International) — Grimes, Iowa

Heartland Agri Partners, LLC, has been producing solutions for animal feeds for more than 50 years. It is known for its “dry extrusion process” technology, a chemical and mechanical free method of utilizing friction as a source of heat for cooking, dehydrating and sterilizing agricultural crops, such as soybeans used in the food, feed and renewable fuel industries. With just over 100 employees, this company exports to about 100 countries and uses EXIM’s small business export credit insurance to protect against buyer nonpayment. EXIM has supported more than $4 million of Heartland’s international sales since 2014.

PLANT FOOD COMPANY HARVESTS RESULTS
Monty’s Plant Food Company — Louisville, Kentucky

Monty’s Plant Food Company provides a natural soil enhancement and plant fertility program to maximize a farmer’s yield. Monty’s products are developed to be the best quality plant food on the market. In 2018, this Kentucky company obtained EXIM’s export credit insurance to reduce the risk of nonpayment from foreign buyers and offer its customers open account credit terms. EXIM has supported nearly $170,000 of its exports to four countries.

EXIM SAVES THE SALE
Mathews Company — Crystal Lake, Illinois

Mathews Company, a family-owned manufacturer in Illinois, has been building agriculture equipment for 60 years. It specializes in continuous flow grain dryers and multi-crop shredders. Almacenamiento de Granos Y Semillas, a Mexican company with limited cash flow, needed financing to purchase one of its continuous flow grain dryers. The Mathews Company turned to EXIM to save the deal. With EXIM’s medium-term export credit insurance policy, the buyer was able to secure a loan with longer repayment terms. According to the president of Matthews, this sale would not have gone through without EXIM support.

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