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KEYNOTE REMARKS TO THE ECONOMIC CLUB OF FLORIDA

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Remarks as Prepared for Delivery

Thank you, Chris Emmanuel, for that thoughtful introduction. Thank you for all the work you do to help the people of Florida and the businesses that serve and employ them.

And, my thanks to The Economic Club of Florida Chair Cindy O’Connell, President Bill Moor, and members gathered here in Tallahassee and virtually across the state for inviting me to join you. This is one of the most important forums in our nation for enlightening discussion on important and relevant topics shaping our future and the world. You have provided a platform that, for over 40 years, has let diverse leaders bring knowledge of economic matters to Floridians. I love the words on your masthead: “educate, engage, and empower.” I am so honored to be with you and will strive to do those things today.

Before I begin my formal remarks, I would like to recognize WFSU Public Media Program Director Tom Flanigan. Thank you, Tom, for our conversation this morning and for joining us now. I am told that my remarks and discussion with this esteemed group will be aired in its entirety on National Public Radio WFSU.org Member Stations on Friday, October 9 at 7:00 p.m.

What exactly is the Export-Import Bank of the United States (EXIM)? And how can it help Florida businesses seeking not just to expand their customer base, but actually to become stronger and less vulnerable?

EXIM is an independent Executive Branch agency that has a critical mission: supporting jobs in America by facilitating the export of “Made in the U.S.A.” goods and services when private sector lenders are unable or unwilling to provide financing. EXIM fills the gap for American businesses with financing tools to compete for global sales. EXIM’s 515 professional staff and contractors work to level a very unlevel global playing field for U.S. goods and services in the very tough global marketplace, so that American companies can bring American workers more good-paying jobs.

We provide trade financing solutions such as export credit insurance, working capital guarantees, and guarantees of commercial loans to foreign buyers in order to empower exporters of U.S. goods and services. Since May, when EXIM was reopened by President Trump and the U.S. Congress, we have authorized over \$9.7 billion in financing, of which \$3.1 billion was for small businesses spread over more than 2,000 authorizations. At EXIM, we measure success by the

number of jobs supported, and I am pleased to report with EXIM reopened, we have supported tens of thousands of U.S. jobs with our export financing.

When the Coronavirus struck, [EXIM provided relief](#) and made things easier for small businesses and lenders. We raised the guarantee coverage option of our Supply Chain Finance Program and Working Capital Guarantee Program to 95 percent, up from the standard 90 percent guarantee. Other EXIM relief measures during the pandemic include temporary bridge financing, progress delivery payment financing, and flexibilities like waivers, deadline extensions, and streamlined processing. And we ourselves swiftly converted into a fully teleworking agency.

EXIM is a demand-driven agency. We follow the law. We do not pick winners and losers. We do not pick one U.S. industry over another. We judge each application on its merits and the reasonable assurance of repayment. We focus on supporting U.S. jobs while protecting the American taxpayer. We also adhere to guidelines regarding what we call “additionality,” which is the term we use in making sure that a transaction would not be able to go forward without EXIM financing and therefore requires EXIM support.

This underscores the strictures that we follow to ensure EXIM financing supplements, but does not compete with, private capital. EXIM’s commitment to its additionality and economic impact procedures demonstrates our commitment to transparency and accountability as we work towards our vision of “Keeping America Strong: Empowering U.S. Businesses and Workers to Compete Globally.”

President Trump [has proclaimed](#) this week Made in America Week. In doing so, the President stated that “the coronavirus pandemic has exposed the profound failures of past trade and manufacturing policies.” He said, “It has never been clearer that foreign dependence is not only the antithesis of the American spirit, but it also endangers our national security in times of crisis.”

In addition to renegotiating international trade agreements, like the landmark USMCA, President Trump has executed manufacturing policies that reassert America’s manufacturing might. As the President put it, “‘Made in America’ is not a slogan. It is a solemn pledge. It is the foundation of our renewed success,” he said, promising that “[o]n every front, my Administration will continue to fight for American workers, American jobs, and American businesses to ensure prosperity today and for America’s future generations.”

EXIM is a major part of this Administration’s commitment to “Made in America.” During my swearing-in ceremony in the Oval Office last year, President Trump told me to “try to give American workers a level playing field and to expand foreign markets for American-made goods” and, when it comes to the United States’ great small businesses, “aim to do even better.”

EXIM is spending Made in America Week saluting our nation’s builders, ranchers, crafters, entrepreneurs, and all those who make America great, and we are highlighting exporter success stories to raise awareness of the unique tools EXIM can provide.

In Florida alone, EXIM has provided \$2 billion in authorizations since 2014.

Some 456 of the 544 Florida exporters we have helped over that time are small businesses.

Among them is Greenfield World Trade in Ft. Lauderdale, which provides food service equipment and supplies, and which EXIM last month [honored](#) as an Exporter of the Year at our 2020 Annual Conference, the largest conference in EXIM history.

For more than 20 years, Greenfield World Trade has been a wholesale provider of kitchen appliances and implements for the food service industry worldwide, serving both commercial and consumer markets. It represents more than 30 world-class manufacturers of high-quality restaurant equipment. With 450 employees, exports sustain 20 percent of Greenfield's jobs.

Greenfield currently benefits from EXIM's guarantee of a \$6 million line of credit from PNC Bank of Pittsburgh. The working capital loan guarantee has allowed Greenfield's export-related inventory and foreign receivables to be used as collateral. That makes it possible for this small business to expand its borrowing base and borrow more with the same collateral, allowing the company to compete more effectively and aggressively pursue international markets. Since 2014, EXIM has supported approximately \$150 million of Greenfield's exports.

Greenfield World Trade President Neal Asbury calls EXIM "an invaluable asset in ensuring America competes globally."

I now invite Greenfield World Trade Corporate Vice President, International, Jonathan Vadnos to join me at the podium so that I may present the EXIM Exporter of the Year award. Jonathan, congratulations, and please extend my congratulations to all of your colleagues. I now invite you to address this esteemed audience.

[Jonathan Vadnos provides remarks.]

Another example is Motortronics, a small business motor device manufacturer based in Clearwater. I [visited this amazing small business](#) back in January. Motortronics was worried about nonpayment on the part of its foreign buyers, and the growing company also had cash flow concerns. The firm has been an EXIM customer since 2007, and EXIM's Export Credit Insurance, with its multi-buyer policy that covers up to 95 percent of the sales invoice, solved the non-payment issue. EXIM's Working Capital Guarantee helped with cash flow, and Motortronics currently has a \$4.25 million Loan Facility with EXIM Delegated Authority lender JPMorgan Chase. Since 2014, EXIM has supported Motortronics' exports valued at more than \$60 million, shipping to buyers in more than two dozen countries, including Egypt, Nigeria, South Korea, Singapore, and Turkey. According to Motortronics, 70 of the company's employees would not have jobs without EXIM.

Still another EXIM success story in Florida is Ben Kaufman Sales Company, a small business in Medley that sells printed towels and apparel to countries throughout the Caribbean. Its market is extremely competitive and price is the primary buying criterion. The company was hesitant to take risks that could have a significant negative impact on its operations. But working with EXIM gave Ben Kaufman's executives the peace of mind to expand into riskier international

markets while protecting their assets and employees from what might happen if an international business deal went sour.

It had a number of challenges as a small business. It had to borrow against its receivables both to expand into new markets and to manage the seasonal nature of its sales. At the same time, Kaufman needed to mitigate the risk of not being able to collect from international customers.

Without EXIM, Ben Kaufman would still be exporting, but only to a few customers they know would pay within 30 days, a big limit on the number of companies Kaufman could do business with. With export credit insurance from EXIM, 95 percent of its shipment is covered in case of financial default by one of its international customers.

EXIM insurance also expands Kaufman's borrowing base. With export credit insurance, Kaufman is protected against the risk of non-payment by a foreign buyer, allowing the business to export with confidence.

EXIM staff were easy to work with, according to Kaufman, and made it a simple process that did not take up much of the company's time. And the firm only pays for credit insurance when the company uses it to cover exports. Since 2012, when Kaufman became an EXIM customer, its workforce has more than quadrupled from 12 to 50 employees, and it grew from a single embroidery machine to 24 embroidery machines.

Like Motortronics, Ben Kaufman was one of the firms I [visited](#) in January, when I spent three days first in Tampa, then the Miami area, meeting a cross-section of 150 EXIM customers, business owners, bankers, and community leaders to underscore how EXIM can support American jobs by helping U.S. businesses export their great "Made in the U.S.A." products around the world.

During that trip, EXIM Regional Director [Elena Mendez](#) joined me in placing special emphasis on the unique tools EXIM offers minority-, women-, and veteran-owned businesses of all sizes to help them grow and compete when exporting. One event was hosted the Florida Export Finance Corporation (FEFC) and the Miami Minority Business Development Agency Export Center (MBDA). Also participating were Miami International Airport's Protocol and International Affairs Division and a representative from the office of Congressman Mario Diaz-Balart who represents Florida's 25th Congressional district.

Florida Export Finance Corporation Executive VP Daisy Ramos-Winfield, whose organization has partnered with EXIM for 27 years, said, "the impact of EXIM has shifted the way Florida exporters are conducting business abroad." Citing the improvements EXIM's help has brought over that time, she promised that FEFC will "continue to support EXIM and share its passion for small business development."

FEFC and MBDA are both members of EXIM's Regional Export Promotion Program (REPP), a cooperative arrangement between EXIM, cities, counties, states, and local nonprofit economic development entities. With 57 members in 35 states and two U.S territories, REPP has yielded

more than \$25 million in new authorizations through direct referrals, connecting small business exporters to the global economy.

A highlight of that Florida trip for me was delivering a keynote address to nearly 100 Florida Bankers Association Leadership Forum participants. I told them that, as President Trump has made clear, economic security is national security, and EXIM will not sit idly by while China uses unfair trade practices at the expense of American workers. EXIM's reauthorization gave us clear direction to focus on the economic and national security challenges from China, and I continue today to remain committed to fulfilling that directive.

Our nation's financial institutions and leaders, including the Florida bankers who joined me that day earlier this year, are key to ensuring America's businesses are able to compete and win around the world.

Florida Bankers Association President and CEO Alejandro "Alex" Sanchez, who serves as an exceptional [EXIM Advisory Committee](#) Member, said at that time, "[o]ur country needs to be involved and engaged on China policy and the trade deficit that exists between our countries." He added that with the leadership of President Trump and the reauthorization of EXIM, this is finally being addressed. Alex knows how important trade is to Florida, and we are all very excited that President Trump recently announced his [intent to appoint](#) Alex to the President's Export Council. Alex very much wanted to be with us today, and I know you join me in having Alex and his family in our thoughts and prayers during his family's time of great loss.

President Trump and the U.S. Congress—when it reauthorized EXIM last December for the longest period in our agency's 86-year history, a historic seven years—charged EXIM with establishing a new "Program on China and Transformational Exports" to support the extension of loans, guarantees, and insurance to American exporters on terms competitive with those offered by the People's Republic of China. EXIM seeks to reserve at least 20 percent of our financing authority, or at least \$27 billion of our \$135 billion in financing, to "neutralize" Beijing's export subsidies, advance the comparative leadership of the United States with respect to the People's Republic of China, and support U.S. innovation, employment, and technological standards through direct exports in ten industries key to America's prosperity and security. These include 5G, artificial intelligence, biomedical sciences, biotechnology—including agricultural biotechnology, which is vital to the success of Florida's agricultural exports, including Florida citrus, with which I am so familiar, renewable energy, water sanitation, semiconductors, and financial technology. And, the [space technology sector and space-related exports](#) are a key part of our focus and I know it is for all of you in Florida as well.

EXIM already has confounded some of Beijing's designs. In March, EXIM's Board of Directors unanimously approved approximately \$91.5 million in loan guarantee financing that supports U.S. exports of design engineering and construction services to Senegal. Illinois company Weldy-Lamont was selected for the project over foreign competition that was supported by at least four other governments, including China. The transaction is expected to bring electricity to approximately 330,000 Senegalese in more than 400 villages while supporting an estimated 500 U.S. jobs in 14 U.S. states, including Florida.

Another accomplishment was when Chinese and Russian financing was displaced by EXIM's authorization of \$4.7 billion in financing for U.S. exports to support construction of an integrated liquefied natural gas project in Mozambique, one of the largest transactions in EXIM's history. It will support 16,700 American jobs across 68 suppliers in eight states, again including Florida.

Tomorrow, I will tour Air Products in Palmetto, in Manatee County, Florida, whose LNG manufacturing facility in Port Manatee will manufacture LNG heat exchangers for the Mozambique project and produce millions of tons per year of liquefied natural gas.

I am proud to be the first woman, and first West Virginian, to serve as Chairman of EXIM. But I am just as proud to preside over an agency whose purpose is to make high-quality, reasonably priced "Made in the U.S.A." products and services fully available to the world, and in so doing bring good jobs to American workers. It has been proved that when U.S. exporters compete on a level playing field in a fair global marketplace, and consumers around the world are allowed full choice to buy American, time and time again that is the choice they will make.

I now would like to ask Florida Chamber of Commerce President and CEO Mark Wilson to join me for a special announcement. Mark also is the current Chair of the National Association of State Chambers of Commerce and he, like so many of us, is focused on supporting U.S. jobs.

We are so excited to announce that EXIM and the National Association of State Chambers of Commerce will join together in phase two of EXIM's [All America](#) initiative. The U.S. Congress wants EXIM to do even more when it comes to reaching and empowering businesses in Florida and across our great nation—including rural and women-, minority-, and veteran-owned businesses. We want to empower U.S. businesses to compete in the global marketplace and take actions to grow their revenues and sustain American jobs through exports. The National Association of State Chambers will help EXIM "go local" as we work to reach and deliver critical products and services to businesses through digital tools like webinars and video conferences.

[Mark Wilson provides remarks.]

Thank you, Mark! EXIM looks forward to working with all of the State Chambers of Commerce to take our tools locally to businesses throughout our country.

In closing, I would like to again thank The Economic Club of Florida for inviting me here today because EXIM, as a key tool in the U.S. trade toolbox, stands with you to "educate, engage, and empower." Ninety-five percent of consumers live outside of the United States and exporting is a great way for Florida businesses to grow and increase jobs. We at EXIM are committed to continuing to help bring to the world what the [United States](#)—and [Florida](#)—have to offer for many years to come.

Thank you for the opportunity to speak to you. I would be pleased to take your questions.