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# TENNESSEE

## INTERNATIONAL TRADE

### FINANCE GUIDE

#### 2003

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Provided By  
**U.S. Department of Commerce**  
**U.S. Export Assistance Center**

**Knoxville:**  
601 West Summit Hill Dr.  
Suite 300  
Knoxville, TN 37902  
Tel: 865-545-4637  
Fax: 865-545-4435

**Memphis:**  
650 E. Parkway South  
Suite 348  
Memphis, TN 38104  
Tel: 901-323-1543  
Fax: 901-320-9128

**Nashville:**  
211 Commerce Street  
3<sup>rd</sup> Floor, Suite 100  
Nashville, TN 37201  
Tel: 615-259-6060  
Fax: 615-259-6064

Edited by:  
Chelsea Kenyon  
International Trade Intern – Summer 2003  
Knoxville U.S. Export Assistance Center  
Carson-Newman College

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**TENNESSEE INTERNATIONAL TRADE FINANCE GUIDE**  
**2003**

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## INTRODUCTION

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### *SOURCES OF FINANCE*

The purpose of this guide is to inform the Tennessee international business community about the various sources of private and public sector trade finance, so that the exporters will know how to locate and identify these sources in order to expand their exports.

Financing overseas trade is a little different from domestic trade. The businessperson should bear in mind that, whenever possible, private lending institutions should be called upon to provide expertise and technical knowledge needed by the prospective exporter of U.S. goods. In addition to general policy, commercial bankers will be able to discuss the specific benefits and ramifications of the individual firm's sales and financing picture.

For those smaller-sized businesses seeking to expand their sales, increase productivity, and strengthen their market position through exports, the question of how and where to secure financing becomes very important. Any business should first turn to its own bank for information and assistance in developing loans or other export/import financing. It is important to note that even the smallest bank, through standing relationships with increasingly larger banks, will be able to arrange some type of financial backing for overseas sales.

Financing for exports, be it through the exporter or directly to the overseas buyers, is usually short-to medium-term. Beyond those limits, a governmental source will usually be called on to provide, guarantee, discount, or insure the funding. Thus, the private sector plays the key role of providing the most common types of loans and credit instruments scaled to the real needs of smaller businesses and first-time exporters.

Since the purpose of this guide is only to provide a trade finance road map for the exporter, it is recommended that the businessperson contact a commercial banker and discuss the specific financing instruments best suited for their export business plan.



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**PRIVATE SECTOR  
INTERNATIONAL TRADE  
FINANCE SERVICES**

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## BANKS WITH INTERNATIONAL TRADE FINANCE DEPARTMENTS

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There are many financial institutions within the private sector that offer international trade services to companies in Tennessee. These services include a broad range of export trade financing for export sales receivables, and individual counseling on export financing. The contacts representing these banks are:

### **AmSouth Bank**

John Walker, Vice President  
AmSouth Center  
Nashville, TN 37237-0901  
Tel: 615-748-8913  
Fax: 615-748-6088  
Email: john.walker@amsouth.com  
www.amsouth.com

### **Bank of America**

Kent W. Crocombe, Senior V.P.  
Trade Sales Officer  
Bank of America Plaza  
Nashville, TN 37239  
Tel: 615-749-3448  
Fax: 615-749-3378  
Email: kent.w.crocombe@bankofamerica.com  
www.bankofamerica.com

### **First Tennessee Bank**

Malcolm G. Koch, Vice President  
Email: mgkoch@ftb.com  
John C. Gurney, Vice President  
Email: jcgurney@ftb.com  
165 Madison Ave., 9<sup>th</sup> Fl.  
Memphis, TN 38103-2723  
Tel: 901-523-4444  
Fax: 901-523-4267  
www.firsttennessee.com

### **National Bank of Commerce**

Ms. Toni Sabella Barnes, First Vice  
President  
One Commerce Square  
Memphis, TN 38150  
Tel: 901-523-3122  
Fax: 901-523-3047  
Email: tsbarnes@ncbbank.com  
www.ncbbank.com

### **Region's National Bank**

P. Jay Hale, Assistant Vice President  
International Division  
6600 Peachtree Dunwoody Rd.  
400 Embassy Row, Suite 100  
Atlanta, GA 30328  
Tel: 770-481-4336  
Fax: 770-481-4395  
E-mail: jay.hale@regions.com

### **SouthTrust Bank**

George Clarke, Vice President  
112 North 20<sup>th</sup> Street  
Birmingham, AL 35203  
Tel: 205-254-4782, 800-239-6993  
Fax: 205-254-4285  
Email: george.clarke@southtrust.com  
www.southtrust.com

### **SunTrust Bank**

Ms. Susanne Keough, Vice President,  
International Division  
25 Park Place Ave.  
Atlanta, GA 30303  
Tel: 404-813-1030  
Fax: 404-588-7765  
E-mail: susanne.keough@suntrust.com  
www.suntrust.com

### **US Bank**

Tina Natorp, Vice President  
Global Trade Services  
425 Walnut St.  
CN-OH-W2GS  
Cincinnati, OH 45202  
Tel: 513-632-4134  
Fax: 513-632-4894  
E-mail: tina.natorp@usbank.com  
www.usbank.com

**BANKS WITH INTERNATIONAL TRADE FINANCE SERVICES (cont.)**

**Wachovia Financial Centers**

Glenn M. Cusick, Vice President  
Global Trade Services  
301 S. College St., TW-9, NC0401  
Charlotte, NC 28299-0401  
Tel: 704-374-6378  
Fax: 704-383-3826  
Email: [glenn.cusick@wachovia.com](mailto:glenn.cusick@wachovia.com)  
[www.wachovia.com](http://www.wachovia.com)

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## FACTORING AND FORFAITING

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**Factoring** is a discounting method without the recourse. Basically, it is the outright sale of export accounts receivable to a third party, the factor, who assumes the credit risk. The factor may be a factoring house or a special department of a commercial bank. The advantage to the exporter is the removal of contingent liabilities from its balance sheet, improved cash flow and elimination of bad debt risk.

Another method that has the same benefits to an exporter's balance sheet, cash flow and debt risk is **forfaiting**. This financial technique allows exporters to maximize cash flow and eliminate the payment risk inherent in an overseas sale. It is a flexible finance tool that can be used in short-, medium, and long-term contracts. In forfaiting, the exporter sells accounts receivables to a forfaiter on a "non-recourse discount" basis, and the exporter effectively passes all risks associated with the foreign debt to the forfaiter, and is completely removed from any risk associated with financing. As with factoring, the forfaiter may be a forfaiting house or a special department of a commercial bank.

Contact your international bank or the following factoring and forfaiting houses:

### **BB&T Factors**

Ray Rogers  
317 West High Street  
High Point, NC 27260  
Tel: 336-889-3355 ext. 236  
Fax: 336-882-1775  
Email: rrogers@bb&tffactors.com

### **Exim Trade Finance Corp.**

David L. Shepardson, Managing Director  
1601 Willow Lawn Drive, Suite 608  
Richmond, VA 23230  
Tel: 804-282-5052  
Fax: 804-285-0868  
Email: exim@mindspring.com

### **CIT Group**

Gerry Trutia  
1211 6th Avenue, 12th Floor  
New York, NY 10102  
Tel: 212-382-7221  
Fax: 212-382-9040  
Email: gerry.trutia@cit.com

### **First Exim Financial Ltd.**

John M. Reeves, II, President  
343 W. Main Street  
Durham, NC 27701-3215  
Tel: 919-682-8077  
Fax: 919-682-9278  
Email: john@feffl.com  
[www.firstexim.com](http://www.firstexim.com)

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## FOREIGN CREDIT INSURANCE UNDERWRITERS AND BROKERS

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The purpose of foreign credit insurance is to insure repayment of export credit against nonpayment due to political and/or commercial causes. Foreign credit insurance insures commercial risks of nonpayment by importers because of insolvency or other business factors and political risks of war, expropriation, confiscation, currency inconvertibility, civil commotion, or cancellation of import permits.

Following are the major underwriters in the U.S. who offer Foreign Credit Insurance.

### **Acordia**

Janet Roy  
3340 Peachtree Road NE  
Suite 2600  
Atlanta, GA 30326  
Tel: 404-841-3736  
Fax: 404-848-9454  
Email: janet\_roy@acordia.com  
www.acordia.com

### **Export Financial Services**

Bill Dunn, Director of Export and  
Finance  
130 Peachtree Battle Avenue NW  
Atlanta, GA 30305  
Tel: 404-213-4752  
Fax: 678-471-1487  
Email: Billdunn@exportfinancialservices.com  
www.exportfinancialservices.com

### **AON Trade Credit, Inc.**

Keith DeCoster  
201 N. Illinois Street, Suite 1400  
Indianapolis, IN 46204  
Tel: 317-237-2400  
Fax: 317-237-2461  
Email: keith\_decoaster@ars.aon.com  
www.aon.com

### **Export Insurance Services, Inc.**

Ms. Gail H. Wilson, Chairman  
3495 Piedmont Rd., Suite 810  
Atlanta, GA 30305  
Tel: 404-237-3979  
Fax: 404-237-9933  
Email: gwilson@exportinsurance.com  
www.exportinsurance.com

### **Coface North America**

Patrick L. Hudson, Agent  
7003 Chadwick Drive, Suite 220  
Brentwood, TN 37027  
Tel: 615-376-6007  
Fax: 615-376-6006  
Email: pat\_hudson@coface.com  
www.coface.com

### **Export Risk Management Inc.**

Mr. Carey Fiertz  
225 Taconic Rd.  
Salisbury, CT 06068  
Tel: 860-435-0430  
Fax: 860-435-0436  
Email: cfiertz@exportrisk.com  
www.exportrisk.com

### **EIA Global**

Mr. Albert Giandomenico  
40 Front Street  
Walpole, MA 02081  
Tel: 800-446-7613  
Fax: 508-668-7969  
www.eia-global.com

### **Foreign Credit Insurance Association**

125 Park Avenue, 14<sup>th</sup> Floor  
New York, NY 10017  
Tel: 212-885-1500  
Fax: 212-885-1535  
www.fcia.com

**FOREIGN CREDIT INSURANCE UNDERWRITERS AND BROKERS (cont.)**

**Gerling NCM Credit Insurance**

Mark A. Greenlaw  
Southeast Regional Manager  
P.O. Box 2546  
Alpharetta, GA 30023  
Tel: 770-663-0756  
Fax: 770-663-0225  
Email: mark.greenlaw@gerlingncm.com  
www.gerlingncm.com

**International Risk Consultants**

Patricia Malone  
692 North High Street, Suite 207  
Columbus, OH 43215  
Tel: 614-224-7623  
Fax: 614-224-7901  
E-mail: pmalone@irc-group.com  
www.irc-group.com

**Global Commercial Credit**

Vic Sandy  
30200 Telegraph Road, Suite 250  
Bingham Farms, MI 48025  
Tel: 248-646-6900  
Fax: 248-646-0525  
Email: vsandy@gccrisk.com  
www.gccrisk.com

**Washington Int'l Insurance Co.**

Mike Davenport, Sr. VP  
1200 Arlington Heights Road, Suite 400  
Itasca, IL 60143  
Tel: 630-227-4770  
Fax: 630-227-4705  
Email: mike\_davenport@nassurety.com

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## CREDIT REPORTS ON OVERSEAS FIRMS

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In many instances a simple background check on your potential customers will reduce your risk and allow you to enter new business relationships with confidence. Information on potential or existing foreign buyers can be obtained through several agencies, both public and private:

**International Company Profile** - A service for checking the reputation, reliability, and financial status of a prospective trading partner. Contact the local U.S. Dept. of Commerce, Export Assistance center listed on the cover.

Several private firms also offer information on the credit status and reliability of foreign firms:

### **B to B Credit Reporting**

Mary Mausbach or Michael David  
440 Regency Parkway, Suite 134  
Omaha, NE 68114  
Tel: 404-393-3477  
Fax: 404-393-3541  
E-mail: [mmausbach@b2bcreditreporting.com](mailto:mmausbach@b2bcreditreporting.com)  
[www.b2bcreditreporting.com](http://www.b2bcreditreporting.com)

### **Dun & Bradstreet**

Austin, TX 78731  
Tel: 800-234-3867  
Tel: 512-794-7768  
Fax: 512-794-7670  
Email: [custserv@dnb.com](mailto:custserv@dnb.com)  
[www.dnb.com](http://www.dnb.com)

### **Graydon American, Inc.**

116 John Street, Suite 3300  
New York, New York 10038-3302  
Tel: 800-466-3163  
Fax: 212-385-3490  
[www.graydonamerica.com](http://www.graydonamerica.com)

### **The Kreller Business Information Group**

817 Main Street, 7<sup>th</sup> Floor  
Cincinnati, Ohio 45202  
Tel: 513-723-8900, 800-444-6361  
Fax: 513-723-8907  
[www.kreller.com](http://www.kreller.com)

### **Owens OnLine, Inc.**

Mark Owens, President  
6501 North Himes Avenue  
Tampa, FL 33614  
Tel: 800-745-4656, 813-877-2008  
Fax: 813-877-1826  
Email: [email@owens.com](mailto:email@owens.com)  
[www.owens.com](http://www.owens.com)

### **Veritas Business Information Corp.**

121 Whitney Avenue  
New Haven, CT 06510  
Tel: 800-929-7779, 203-503-6700  
Fax: 800-929-7779, 203-781-3833  
Email: [sales@Veritas-USA.com](mailto:sales@Veritas-USA.com)  
[www.veritas-usa.com](http://www.veritas-usa.com)

### **Whitehall Consultants Ltd.**

P.O. Box 1715  
Smyrna, TN 37167  
Tel: 615-223-1125  
Fax: 615-223-1436  
[www.whitehallusa.com](http://www.whitehallusa.com)  
Email: [Whitehall@comcast.net](mailto:Whitehall@comcast.net)

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## THE BANKERS ASSOCIATION FOR FOREIGN TRADE (BAFT)

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### ACCESS TO EXPORT CAPITAL

The Bankers Association for Foreign Trade (BAFT), an association of banking institutions, dedicated to promoting American exports, international trade, and finance and investment between U.S. firms and their trading partners. BAFT has set up a trade finance database with a grant from the U.S. Department of Commerce. The database serves as an essential resource for assisting exporters seeking trade finance and banks that provide financial services. Exporters seeking information about these international finance services should contact the following:

#### BAFT

1120 Connecticut Avenue, N.W. 5<sup>th</sup> Floor  
Washington, DC 20036  
Tel: 202-663-7575  
Fax: 202-663-5538  
[www.baft.org](http://www.baft.org)  
Email: [baft@aba.com](mailto:baft@aba.com)

#### The following is a partial list of the components of Bankers Association of Foreign Trade:

- Location and use of U.S. Government export finance programs
- Commercial banks and other funding sources that offer the above and other export services, including the names of appropriate officers, cross-referenced with the locations of banks' offshore branches, subsidiaries, and affiliates, as well as their correspondent banks
- List of financiers' trade services; financial officers cross-referenced by both domestic and overseas locations
- List of bankers who are willing to assist exporters with specific problems including small business division
- Banks that actively support environmental exports
- Documentary Letters of Credit
- Back to Back Letters of Credit
- Standby Letters of Credit
- Acceptance financing
- Pre-shipment financing
- Receivables financing
- Political and commercial risk insurance
- Factoring and forfaiting



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**PUBLIC SECTOR**

**INTERNATIONAL TRADE**

**FINANCE SERVICES**

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## U.S. SMALL BUSINESS ADMINISTRATION

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The SBA's mission is to strive to maintain and strengthen the nation's economy by aiding, counseling, assisting, and protecting the interests of small business. They achieve this goal in part by providing business development and financial assistance to help small businesses complete their export sales. The SBA offers loan guarantees to help businesses obtain the capital needed to explore, establish or expand international markets. As a prospective applicant, you should request that your lender seek SBA participation if the lender is unable or unwilling to make the loan directly.

The financing staff of each SBA office administers the loan guarantee programs. You can contact the finance division of the SBA Nashville, TN District Office or the SBA representative in the U.S. Export Assistance Center in Atlanta, GA for a list of participating lenders. The business development staff of each SBA office can provide counseling on how to request export financing assistance from a lender.

### **EXPORT WORKING CAPITAL LOAN PROGRAM (EWCL) \***

The Export Working Capital Loan Program provides short-term, transaction-specific financing for small business exporters. Exporters may use this program for preexport financing of labor and materials, financing receivables generated from these sales, and standby letters of credit used as performance bonds or payment guarantees to foreign buyers. The EWCL provides 90 percent guarantees up to \$1 million to commercial lenders and offers exporters preliminary commitments (PCs) that encourage lenders to provide credit to small business exporters.

Foreign business travel and participation in trade shows can be financed by a regular 7(a) guarantee business loan or under SBA's new Export Express program. This program provides the lender with a guarantee that if the borrower cannot repay the loan, the federal government will repay the loan up to the percentage of the SBA guarantee.

*\* See Appendix A*

### **EXPORT EXPRESS**

The SBA's new Export Express loan program helps small businesses by allowing lenders to use streamlined and expedited loan review and approval procedures to process SBA guarantees up to 85 percent on export loans of up to \$150,000. Loan proceeds may be used for most business purposes, including: market development activity, such as participation in a foreign trade mission; transaction-specific financing; general lines of credit for export purposes; and term loans for permanent working capital and fixed-asset financing.

### **THE INTERNATIONAL TRADE LOAN PROGRAM**

The International Loan helps small businesses that are new-to-export, already engaged in exporting and seeking to expand their operation, or adversely affected by competition from imports. The International Trade Loan Program can guarantee up to \$1.25 million in combined working-capital and facilities and equipment loans. To qualify a business must establish that the loan proceeds will expand an existing market or develop new export markets, or the business is adversely affected by import competition.

U.S. SMALL BUSINESS ADMINISTRATION (CONT.)

**Small Business Administration**

Ray Gibeau, Export Finance Officer  
285 Peachtree Center Ave., Suite 900  
Atlanta, GA 30303-1229  
Tel: 404-657-1961  
Fax: 404-657-1970  
Email: [raymond.gibeau@sba.gov](mailto:raymond.gibeau@sba.gov)  
[www.sba.gov](http://www.sba.gov)

Tennessee District Office  
50 Vantage Way, Suite 201  
Nashville, TN 37228  
Tel: 615-736-5881  
Fax: 615-736-7232  
[www.sba.gov](http://www.sba.gov)

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## EXPORT-IMPORT BANK OF THE UNITED STATES

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The mission of the Export-Import Bank of the United States is to support the financing of U.S. goods and services, turning export opportunities into real transactions and creating more U.S. jobs. As an independent U.S. government agency, it assumes credit and country risks the private sector is unwilling or unable to accept. Its products fill financing gaps, allowing U.S. exporters to break into new markets and increase their export sales. These export sales expand job creation in the United States and contribute to a stronger economy.

### **PRE-EXPORT FINANCING-PROVIDING WORKING CAPITAL TO FULFILL AN EXPORT SALES ORDER**

With Ex-Im Bank's *working capital financing*, you can arrange a loan from a commercial lender, guaranteed by Ex-Im Bank. This product assists small businesses in getting the working capital needed to purchase raw materials, supplies, and equipment to fulfill an export sales order. The Ex-Im Bank has generous advance rates and accepts a broad range of collateral. Their guarantee covers 90% of the commercial loan and can extend from 1 to 3 years. A lender can also advance up to 90% for accounts receivable while inventory and work-in-process receive an advance rate up to 75%.

### **POST EXPORT FINANCING-PROTECTING THE CREDIT YOU EXTEND TO BUYERS**

The Ex-Im Bank offers short and medium-term *export credit insurance* that covers the risk of buyer nonpayment for most commercial and political reasons. It also allows you to give buyers competitive terms of credit. This program also allows you to assign your insured accounts receivable to a commercial lender and borrow against these receivables to increase your cash flow.

*Short-term insurance* (generally up to 180 days) is available for items such as consumables, raw materials, and spare parts while *medium-term insurance* (generally up to 5 years) is available only for capital equipment and related services.

Ex-Im Bank offers a variety of insurance policies. The policies are fashioned around two different formats. The *multi-buyer* policy covers an entire export portfolio while the *single-buyer* policy covers only single or multiple shipments to one buyer.

### **BUYER FINANCING-SUPPORT LENDER FINANCING FOR YOUR BUYERS**

The Ex-Im Bank can guarantee or insure loans made to a business's international buyers. They can insure a lender against non-payment for a short-term credit provided to the buyer with a *financial institution buyer credit* policy, which is typically used for non-capital items.

With the *medium-term* financing (up to 5 years and under \$10 million) the lender can be protected with either a loan guarantee or a medium-term insurance policy. This option is used for capital goods and related services. This program requires the buyer to make at least a 15% down payment, and the Ex-Im Bank covers the remaining portion.

*Long-term financing* (up to 10 years and over \$10 million) is also available with loan guarantees that require the same down payment as under medium-term financing.

**EXPORT-IMPORT BANK (CONT.)**

**Export-Import Bank**

John Johnson  
777 N.W. 72<sup>nd</sup> Ave., Suite 3M2  
Miami, FL 33126  
Tel: 305-526-7436, ex. 19  
Fax: 305-526-7435  
Email: [jmorris@exim.gov](mailto:jmorris@exim.gov)  
[www.exim.gov](http://www.exim.gov)  
(Covers Eastern Time Zone  
of Tennessee)

Patrick Crilley  
1880 South Dairy Ashford II, Suite 585  
Houston, TX 77077  
Tel: 281-721-0465  
Fax: 281-679-0156  
Email: [pcrilley@exim.gov](mailto:pcrilley@exim.gov)  
[www.exim.gov](http://www.exim.gov)  
(Covers Central Time Zone  
of Tennessee)

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## OVERSEAS PRIVATE INVESTMENT CORPORATION

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The Overseas Private Investment Corporation (OPIC) mission is to facilitate the participation of United States private capital and skills in the economic and social development of less developed countries and areas. OPIC provides project financing, investment insurance and a variety of investor services for U.S. companies in some 140 developing nations and emerging economies. OPIC supports U.S. businesses that invest in developing countries and emerging market economies, creating U.S. jobs, increasing U.S. exports, and promoting economic growth at home and abroad.

### **POLITICAL RISK INSURANCE**

*Objective:* to promote and facilitate U.S. investment in emerging market economies by helping businesses manage risk.

Risk in today's increasingly global marketplace can take many different forms. Risk is a very real factor in business and investor decision making, and managing that risk is paramount to the ultimate success of any international activity. Whether it is the exportation or nationalization of your assets or losses that result from politically motivated violence such as civil or international wars, these risks affect business across the globe every day. OPIC Political Risk Insurance provides the security necessary to pursue opportunities in emerging markets.

### **FINANCE PROGRAMS**

*Objective:* to promote and facilitate U.S. investment in emerging market economies by providing medium to long-term loans and guaranties to projects involving significant equity or management participation.

OPIC offers various financing options to assist U.S. businesses investing overseas. OPIC views each project as unique and assesses each transaction individually. If the proposed projects are financially and commercially sound, OPIC can lend up to \$250 million per project on either a project finance or corporate finance basis in countries where conventional institutions are often unwilling or unable to lend on such a basis. Generally, OPIC tries to identify three sources of repayment and may use a combination of available project cash flow, sponsor support, and collateral to reach a sound financing structure with a prudent security package.

### **INVESTMENT FUNDS**

*Objective:* to address the lack of sufficient equity funds in certain regions or sectors in emerging market economies.

OPIC provides long-term patient growth capital and facilitating critically needed technology and management skills development. These investment funds act as a catalyst for private sector economic activity in the developing countries served. Specifically these funds contribute to the support for the achievement of U.S. Foreign policy objectives, the development of new markets and opportunities for American companies, and the strengthening economic growth at home through connections established between U.S. companies and the businesses supported overseas.

### **Overseas Private Investment Corporation**

1100 New York Avenue, N.W.

Washington, DC 20527

Tel: 202-336-8799

Fax: 202-408-9859

[www.opic.gov](http://www.opic.gov)

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## U.S. DEPARTMENT OF AGRICULTURE

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The U.S. Department of Agriculture's (USDA) Foreign Agricultural Service (FAS) works to improve foreign market access for U.S. products. FAS operates programs, including Market Access Program (MAP) and the Export Credit Guarantee Program that are designed to build new markets and improve the competitive position of U.S. agriculture in the global marketplace.

### **EXPORT CREDIT GUARANTEE PROGRAMS**

FAS provides U.S. agricultural exporters with short and intermediate-term commercial financing support through Commodity Credit Corporation (CCC) export credit guarantee programs. The Export Credit Guarantee Program provides U.S. exporters and bankers protection against default on repayment of credit extended for an export sales transaction. The program covers both political and commercial default. U.S. exporters benefit by being able to make a sale that might not be made without a payment guarantee. With a CCC guarantee, U.S. bankers can extend more attractive rates of interest for longer periods than commercial terms. Importers benefit by being able to negotiate better-than-commercial rates of interest and longer periods for repayment with their banks.

- *The Export Credit Guarantee Program (GSM 102)* and the *Intermediate Export Credit Guarantee program (GSM 103)* underwrite credit extended by the private banking sector in the U.S. to approved foreign banks using dollar-denominated, irrevocable letters of credit to pay for food and agricultural products sold to foreign buyers. GSM 102 covers credit terms up to 3 years. GSM 103 covers longer credit terms up to 10 years. Under GSM 102/103, the CC does not provide financing, but guarantees payments due from foreign banks.
- *The Supplier Credit Guarantee Program (SCGP)* provides a guarantee in the event of an importer's default on a portion of a U.S. exporter's open account receivable. U.S. exporters can purchase coverage for agricultural commodities or product sales where short-term credit has been extended directly to the importer. The payment obligation of the importer must be evidenced by a signed promissory note as prescribed by the CCC. While the SCGP emphasizes high-value or value-added agricultural commodities, any agricultural product may be considered.
- *The Facility Guarantee Program (FGP)* provides credit guarantees for the sale of manufactured goods and services to enhance and establish agribusiness-related facilities overseas that primarily handle, store, distribute, or process U.S. agricultural products and commodities. The FGP assists importers in acquiring needed manufactured goods and services while protecting exporters from most of the risk of nonpayment by foreign banks.

### **MARKET ACCESS PROGRAM (MAP)**

The Market Access Program uses funds from USDA's Commodity Credit Corporation to help U.S. producers, exporters, private companies, and other trade organizations finance both brand and generic promotional activities for U.S. agricultural, fish, and forestry products. The MAP encourages the development, maintenance, and expansion of commercial export markets for these products. Activities financed include consumer promotions, market research, technical assistance, and trade servicing. Agricultural trade organizations, cooperatives, state departments of agriculture, and small businesses may submit applications for participation.

**U.S. DEPARTMENT OF AGRICULTURE (CONT.)**

**U.S. Department of Agriculture**

Foreign Agricultural Services  
14<sup>th</sup> Street and Independence Avenue, SW  
Washington, DC 20250  
Tel: 202-690-3421  
Fax: 202-690-4374  
Email: [AGConnections@FAS.USDA.gov](mailto:AGConnections@FAS.USDA.gov)  
[www.fas.usda.gov](http://www.fas.usda.gov)

**Tennessee Department of Agriculture**

For further information on the financing of Tennessee agriculture products for export, please contact:

Paul Nordstrom  
International Marketing Coordinator  
Market Development Division  
P.O. Box 40627  
Nashville, TN 37204  
Tel: 615-837-5160  
Fax: 615-837-5194  
Email: [paul.nordstrom@state.tn.us](mailto:paul.nordstrom@state.tn.us)  
[www.picktnproducts.org](http://www.picktnproducts.org)

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## U.S. DEPARTMENT OF COMMERCE

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The U.S. Export Assistance Center network in Tennessee includes offices in Knoxville, Memphis, and Nashville. This network serves as the coordinator for U.S. Government international trade promotion activities within Tennessee. Overall, the offices work to avoid duplication of efforts by international service providers within the state so that each organization enhances the total effort.

Additionally, the Tennessee USEAC network has the acknowledged role as the primary organization for providing value added, one-on-one counseling to export ready firms. Specifically, the offices help U.S. firms compete more effectively in the global market place by using a network of trade specialists in 108 major U.S. cities and 85 countries worldwide.

### **TENNESSEE U.S. EXPORT ASSISTANCE CENTERS NETWORK**

For additional information about our international trade services contact:

#### **Knoxville U.S. Export Assistance Center**

U.S. Commercial Service  
601 West Summit Hill Dr., Suite 300  
Knoxville, TN 37902  
Tel: 865-545-4637  
Fax: 865-545-4435

#### **Memphis U.S. Export Assistance Center**

U.S. Commercial Service  
Buckman Hall, 650 E. Parkway South, Suite 348  
Memphis, TN 38104  
Tel: 901-323-1543  
Fax: 901-320-9128

#### **Nashville U.S. Export Assistance Center**

U.S. Commercial Service  
211 Commerce Street, 3<sup>rd</sup> Floor, Suite 100  
Nashville, TN 37201  
Tel: 615-259-6060  
Fax: 615-259-6064

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## U.S. COMMERCIAL SERVICE-YOUR GLOBAL BUSINESS PARTNER

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Enter new export markets faster and more profitably with the US Commercial Service's worldwide network. Here are the four main categories of marketing services and some of the programs available to help put your business on the map.

### **COUNSELING & ADVOCACY**-*get personalized, expert help at each step of the export process*

- **Counseling** assist in the development of an export strategy and obtaining financing.
- **Consulting** helps resolve regulatory hurdles and recover payment.
- **Advocacy** through U.S. diplomats and other officials gives you the competitive edge.
- **The Platinum Key Service** provides customized, long-term support to achieve your goals.

### **MARKET RESEARCH**-*target the best markets with world-class research*

- **Country Commercial Guides** provide comprehensive information including market conditions, best export prospects, financing, finding distributors, and legal and cultural issues.
- **International Market Insights** analyze conditions in specific country markets.
- **Industry Sector Analyses** offer details on an industry to help determine market potential and size, and foreign competitors for your product or service.
- **Flexible Market Research** answers your inquiries about specific markets and the interest in your product or service.
- **Video Market Briefings** answer your specific questions on market conditions, regulations, key players, competitors, and more.
- **Webcasts** feature market opportunities and how to do business in specific countries.
- **Business Information Centers** worldwide provide access to valuable market-specific information.

### **INTERNATIONAL PARTNERS**-*meet the best buyers, distributors, and agents for your products and services*

- **International Partner Searches** deliver details on potential partners that have expressed an interest in your product or service.
- **The Gold Key Service** arranges one-on-one appointments with pre-screened business contacts in a targeted export market
- **www.BuyUSA.com** matches international buyers with U.S. suppliers online.
- **Commercial News USA** promotes your products or services to more than 400,000 international buyers through a free monthly catalog
- **International Company Profiles** offer low-cost, quick credit checks and due-diligence reports on buyers and distributors.

### **TRADE EVENTS**-*promote your product or service to targeted pre-screened buyers*

- **Certified Trade Fairs** place you in the best international trade shows with access thousands of buyers and targeted matching
- **The International Buyer Program** draws thousands of foreign buyers to U.S. trade shows.
- **Trade Missions** arrange face-to-face meetings with pre-screened business partners.
- **Virtual Trade Missions** let you explore promising markets via video conferencing.
- **Catalog Exhibitions** showcase your product and service literature overseas and send you the lead without leaving home.
- **Single Company Promotions** provide meeting space and pre-screened invitations to help you successfully present product or service seminars.

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## MULTILATERAL DEVELOPMENT BANK COMMERCIAL LIAISON

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### U.S. DEPARTMENT OF COMMERCE

Multilateral Development Bank (MDB) commercial liaisons counsel U.S. firms about opportunities associated with funding by the World Bank; Asian, African, and Inter American Development Banks; and the European Bank for reconstruction and Development. MDB liaison officers ensure project information is available on a timely basis and organize and develop outreach programs throughout the United States. The development banks assist in financing social and economic infrastructure and privatization projects in developing countries. The U.S. liaison officers in each of these institutions are dedicated to the identification of these projects at the earliest possible stage. They provide in-depth counseling to U.S. firms on bank opportunities and advocate on behalf of U.S. firms.

### Contact List for Department of Commerce/US Commercial; Service Multilateral Development Bank Liaison Officers

#### African Development Bank

Commercial Liaison to the AfDB  
USA Trade Center, Mail Stop: R-MDBO  
U.S. Dept. of Commerce  
Washington, DC 20230  
Tel: 202-482-3399  
Fax: 202-482-3914

#### Asian Development Bank

Stewart Ballard, Director  
ADB Liaison Officer  
U.S. Commercial Service  
25/F Ayala Life-FGU Center  
6811 Ayala Avenue, Makati City 1226  
Philippines  
Tel: 632 887 1345/46  
Fax: 632 887 1164  
Email: manila.adb.office.box@mail.doc.gov

#### European Bank for Reconstruction and Development

Alice Davenport, Director  
Commercial Liaison to the EBRD  
Office of the U.S. Executive Director  
1 Exchange Square  
London EC2A2JN  
United Kingdom  
Tel: 44-20-7588 8490  
Fax: 44-20-7588 4026  
Email: ebrd.office.london@mail.doc.gov

#### Inter-American Development Bank

Gene Harris, Director  
Commercial Liaison to the IDB  
Office of the U.S. Executive Director  
1300 New York Ave., N.W.  
Mail Stop E 0209  
Washington, D.C. 20577  
Tel: 202-623-3821  
Fax: 202-623-2039  
Email: iadb.banks@mail.doc.gov

#### World Bank

Bill Crawford  
Commercial Liaison Office  
Office of the U.S. Executive Director  
1818 H Street, N.W.  
Washington, D.C. 20433  
Tel: 202-458-0120/1954  
Fax: 202-477-2967  
Email: bcrawford@worldbank.org

## The Ideal Prospect

What are the characteristics of a company that is an ideal prospect to benefit from the Export Working Capital Loan Guarantee Program (EWCP) of the Small Business Administration.

- currently has a domestic accounts receivable and inventory line of credit with a commercial lender.
- company could also have term debt.
- the line of credit with the bank is usually fully utilized, or the company is frequently bumping up against the maximum allowable borrowing amount.
- line of credit excludes foreign accounts receivable from the borrowing base and the foreign accounts are deemed ineligible.
- typical transaction sale size is \$10m to \$300m.
- export sales are 5 to 25% of total sales.
- annual sales of \$500m to \$20mm.
- experiencing growth in export sales.
- company is having to turn away export orders due to lack of working capital financing capacity.
- company is a manufacturer with a pre-shipment production cycle in excess of 30 days.
- high percentages of product costs are expended early in the production cycle.
- the company has a minimum of one to three regular foreign buyers.
- the company has utilized and understands freight forwarders.
- the company has history and experience with L/C documentation and/or Exim Bank receivable insurance.
- the company has been in operation for five years.
- the company has positive profits and cash flow,
- the company is interested in exploring new markets.