

Ex-Im Bank: an Important Tool for Iowa Exporters

Quotes from Iowa Companies



“Vermeer has eleven deals quoted, totaling upwards of \$46 million, that include Ex-Im Bank support so that our US Bank can provide financing to our customers in Indonesia, Morocco,

Mongolia, Chile and the Philippines. Without Ex-Im Bank, not all, but some of these sales will be lost because in many countries, both foreign and US banks are unable or unwilling to finance our specialized equipment. If we would lose just \$10 million of these sales due to not having adequate end-user financing, that's nearly 40,000 labor hours lost or the equivalent of 20 jobs for an entire year...with an equal or greater affect upon our US supply chain.”

Highlight

In Iowa, nearly 429,000 jobs depend on international trade and the majority of exporters are small and medium sized companies.

Export-related jobs have higher pay than non-trade-related jobs.

From 2007 to August 2014, the Ex-Im Bank has helped support more than \$230 million of exports from more than 50 Iowa businesses – a majority of which are small businesses.



Mechdyne

ENABLING DISCOVERY

“Mechdyne Corporation, Marshalltown Iowa, has previously utilized the Ex-Im Bank to assist with the financing of a major, approximately \$20 Million project for an international customer. The Ex-Im Bank provided assistance with a credit line that included advances to purchase materials as well as to provide letters of credit for advance payments by the customer.

Without the assistance of the Ex-Im Bank Mechdyne Corporation would have been very stretched with its working capital, and possibly may have been unable to fulfill the order due to timing and limitations of domestic financing at the time. The Ex-Im Bank financing program for international transactions however, made the order very doable and, in fact, a successful venture for the Company.

Mechdyne highly recommends the Ex-Im Bank for international orders to provide necessary working capital and letters of credit as may be necessary to obtain and complete the transactions. Mechdyne plans to utilize the Ex-Im Bank for future international transactions as may be necessary to order material and work on the project prior to receipt of payments from the customer. In addition, the Ex-Im Bank is important to enable companies like Mechdyne to meet required time lines and have a successful completion to future, large international orders.”



“The Ex-Im Bank programs have been paramount and instrumental to Paper Systems in growing our business. These programs have served as a safety net, especially for Canada, Mexico and countries in Asia, Europe and South American.”



“We have been utilizing Ex-Im Bank programs now for nearly four years. We are mainly using their programs to insure our international receivables.

Although we may have been able to complete these international transactions without these programs, the insurance has provided our company with better peace of mind, and enabled us to affect our transactions within the normal course of business.”



“Freund-Vector Corporation is a medium size business located in Marion, Iowa providing US Made equipment to the Pharmaceutical Industry.

Our customers have used Ex-Im Bank Med Terms loans several times in the past. We currently have two customers (One in Turkey and One in Brazil) that are using an Ex-Im Bank Med Term Loan and we have two other customers that are waiting to see what Congress decides before they go ahead with their order.

Ex-Im Bank Medium Term Loans have been very helpful to Freund-Vector Corporation and our customers. We have had several customers use Ex-Im Bank financing in order to purchase our equipment instead of another supplier that is not located in the U.S.

One of these sales does have alternate financing available, but with the customer in Turkey, I believe they would have went with our competitor had Ex-Im Bank financing not been available.

Freund-Vector Corporation was founded here in Iowa with integrity, a strong work ethic, and high standards. We have grown our business by excelling in service, our Midwestern work ethic and high standards. We employ 112 people and will be hiring 12 more in the near future. We are not a large company and in these difficult economic times, we rely heavily on International Sales to grow our business. International Sales makes up over 50% of our total sales. Our main competition is located in Germany. Germany offers Hermes financing. To lose sales to our competitor because we can't offer Ex-Im Bank financing would cripple Freund-Vector Corporation financially and hurt our reputation of being able to satisfy our customer with high integrity and service.”



“Metalcraft uses Ex-Im Bank coverage at least 20 times a month and usually more. It has allowed us to expand our acceptance of international customers and has been easy to use. Their support has been very good and they have been easy to deal with over the years. We have seen an increase in our export business and part of this is due to the Ex-Im option for some of our customers.”



“Stellar Industries has been able to expand their international exposure with the backing of Ex-Im Bank. It is a powerful tool when providing lines of credit to be extended to customers that otherwise would be limited on buying power. The ease of qualifying a customer has increased our export shipments and allowed the volume to grow with the relationship. Without the program many of our international customers would be limited on options for terms on shipments.”



“Byron Originals has utilized Ex-Im Bank programs for 3-4 orders per month that we send overseas. Our overall satisfaction is excellent. Byron Originals would probably not have been able to complete these transactions without Ex-Im Bank programs. Ex-Im Bank programs are very important to our export sales.”