

# Large International Sales Orders = Cash Flow Challenges for Small Business Exporters

## Solution: SBA Export Working Capital Program & Export Express

U.S. small businesses may have opportunities to fill large orders for their international customers. The challenge is handling working capital between the time of order and payment. With the SBA's **Export Working Capital Program (EWCP) and Export Express Loan**, lenders can offer much-needed assistance to fund export transactions for small businesses, with the assurance of 90% guarantees.

- EWCP Transaction-based Revolving Line of Credit can be used to fund 100% of a small firm's direct cost of production. **Maximum loan amount available up to \$5 million**
- Export Express loan can support purchase of inventory, labor, shipping, installation by U.S. personnel, and foreign accounts receivable. **Maximum loan amount up to \$500,000.**

**With SBA's help, lenders interested in building long-term relationships with small business exporters can be ready with a solution.**

To learn about SBA programs supporting U.S. small business exporters, contact an SBA office near you or visit [SBA.gov/InternationalTrade](https://www.sba.gov/InternationalTrade).



FOR BORROWERS



## Example

**Company:** Trading company focused on African and Middle Eastern markets, 5 years in business, annual sales of \$1 million

**Order:** Multiple purchase orders to the Ethiopian Armed Services for Aircraft Parts equipment, projected total of \$800,000

**Transaction:** Purchase Order Financing

**Foreign buyer provides:** Confirmed commercial letter of credit through Ethiopian bank on terms of 10% down, 90% on delivery

**U.S. small business exporter provides:**

Goods per contract

Aircraft parts valued at \$800,000

**Working Capital Loan Amount:**  
\$445,000

**\*\$5 million maximum**

**Use of Proceeds:** Purchase inventory, support for foreign accounts receivable; letter of credit secured with 90% SBA guarantee

**Term:** 12 months

**Collateral:** Inventory and foreign accounts receivable

**Benefit to Business:** Ability to offer favorable terms to customer resulted in repeat orders.