

NEWSWORTHY TRENDS

U.S. Small Business Sees Global Boom

(NAPSA)—Houses in Nigeria, Algeria and other countries are helping the economy here at home. That's because many of them were prefabricated in the U.S. and exported overseas—and it was done by a small business.

The exporting is part of a larger trend in America that involves small companies competing on a global scale and finding new customers overseas. Today there are an estimated 225,000 small-business exporters in the United States, according to the U.S. Department of Commerce. While they offer a variety of different goods and services, many of them have one thing in common: They've found ways to minimize the risk of foreign—and sometimes politically unstable—markets.

For instance, a number of small businesses have worked with the Export-Import Bank of the United States (Ex-Im Bank) to establish themselves in foreign markets. The Bank is an agency of the federal government that was established to support sales of U.S. exports. It offers small businesses financial products that help minimize risk, increase foreign sales and improve cash flow.

The Bank's export credit insurance can be used to protect small businesses against buyer nonpayment (a legitimate concern when your new customers are thousands of miles away). This added level of financial safety lets exporters enter riskier—but potentially more lucrative—new markets.

The Bank also offers buyer financing products as well as



Over There—Many U.S. small businesses are now big overseas.

working capital loan guarantees. Both allow small businesses to extend longer lines of credit to customers because the tools absorb much of the risk associated with doing so. Extending more credit to new customers helps establish U.S. small businesses in foreign markets and allows them to increase sales and international competitiveness.

However, the working capital loan guarantees also make small businesses more attractive to outside lenders, helping the firms build their credit and acquire more cash to run operations and reinvest internally.

In 2005, Ex-Im Bank made more than \$2.6 billion in transactions with small U.S. firms selling to foreign markets. Analysts say that money has helped people in foreign countries, small-business owners and the economy as a whole here at home.

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