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JOINT ECONOMIC COMMITTEE,  
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# Congress of the United States

House of Representatives

Washington, DC 20515-3212

CONGRESSWOMAN CAROLYN B. MALONEY  
TESTIMONY TO THE NEW YORK CITY COUNCIL  
COMMITTEE ON ECONOMIC DEVELOPMENT HEARING ON THE  
FEDERAL EXPORT-IMPORT BANK IN NEW YORK CITY  
TUESDAY, APRIL 21, 2015

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Thank you, Councilmember Garodnick, for the opportunity to address the important issue of the US Export-Import Bank and its role in helping American businesses and sustaining American jobs.

Over the past few years, the American economy has made tremendous strides in recovering from the Great Recession. In the past 61 months, the private sector has added 12.1 million jobs. That is the longest uninterrupted streak of job growth on record. The U.S. economy has grown in 20 of the last 22 quarters, and the stock market has tripled since 2009. That's the good news. The bad news is that some American families are still struggling because they haven't yet felt the full benefits of the recovery. They need jobs – and we have to do more to help create them.

American companies hire workers when they know they can sell their products. They need markets here in the United States and abroad. In fact, 95 percent of the world's potential customers live outside of the United States. We are a major exporter of goods – American products are known around the world. If American companies can expand their sales abroad, they can expand their hiring here at home. More exports means more jobs. Exports of American goods and services accounted for more than 13 percent of our Gross Domestic Product last year, and exports were responsible for nearly 12 million American jobs.

We could do even better. Worldwide competition can be fierce – but I am convinced that we can compete with any nation in the world.

The problem is that in some cases American companies face unfair competition. Foreign-based corporations often get huge subsidies from their governments to help them capture markets. We need to level the playing field for American businesses by making it easier for businesses and consumers overseas to buy their products.

That is one of the reasons that Congress and the business community have long supported the work of the U.S. Export Import Bank, known by many as “Ex-Im.”

The Ex-Im Bank was chartered 80 years ago by Congress for the purposes of helping to develop markets for American goods. It helps provide credit to foreign companies specifically for the purpose of purchasing American products. For example, the Ex-Im Bank provides critical services like working capital guarantees, export credit insurance, loan guarantees and buyer financing. These services make it easier for foreign companies buy more American products. In order to meet demand, American companies produce more. And to get the job done they hire more employees.

**We win every step of the way.**

The Ex-Im Bank helps a wide range of American companies – from household names to startups. In fact, small businesses are at the center of Ex-Im's work: nearly 90 percent of Ex-Im transactions involve small-business exporters.

The Ex-Im Bank is very active right here in New York. Over the past 8 years, the Ex-Im Bank has helped 347 exporters – including 200 small businesses—finance exports worth \$11 billion. These exports have gone to the far corners of the world, and they include some products you might not expect, like professional automotive tools from Dreyfus Global Trade in NYC, cheesecakes from Love and Quiches on Long Island, custom sheet metal parts Dawson Medical Company of Jamestown, New York, and environmental products from Ecological Laboratories of Lynbrook. These companies are based here in New York and all of their exports were made possible by the Ex-Im Bank.

Since 2009, financing by the Ex-Im Bank has created or sustained 1.3 million private-sector American jobs. These are jobs that otherwise might have gone to countries like China, South Korea or France. Those countries all have their own version of an Ex-Im Bank. We would be at a significant advantage if we did not have one.

And what is the cost to American taxpayers of having an Ex-Im Bank to help sustain American exports and create American jobs? Well, last year, the Bank actually **made** \$675 million dollars for the government – helping to reduce the deficit.

That's why over the past 80 years, Congress has reauthorized the charter for the Ex-Im Bank 17 times - each time with large bipartisan support. The problem is that the Bank's charter will expire in just 70 days. Congress must reauthorize Ex-Im so it can keep on doing what it does best. Unless Congress acts, in 70 days, American companies will lose opportunities and American workers will lose jobs.

Some oppose extending the Ex-Im Bank's charter on narrow ideological grounds. You may have seen attack ads against the bank. The ads are misleading—the Washington Post Fact Checker recently awarded Three Pinocchios – meaning they contain significant factual errors and obvious contradictions.

The American people deserve the truth. And the truth is that exports create jobs and that the Ex-Im Bank helps create exports.

To create those jobs here in New York and here in the United States, we need Congress to renew the Ex-Im Bank's charter. It's the right thing for our city, our state and our country.

Thank you for your attention – and for this opportunity - to “import” a little truth.

**Written Testimony of  
Claudia Slacik, Chief Banking Officer, Export-Import Bank of the United States  
Before the Economic Development Committee of the New York City Council**

“The Economic Impact of the Federal Export-Import Bank in New York City”

April 21, 2015

Chairman Garodnik and distinguished members of the committee, thank you for inviting me to speak on the work of the Export-Import Bank of the United States.

The Export-Import Bank is the official export credit agency of the United States. The Bank is an independent, self-sustaining agency with an 81-year record of supporting U.S. jobs by financing the export of American goods and services.

In 2014, Ex-Im Bank supported \$27.4 billion of U.S. exports and 164,000 American jobs, including 3,390 jobs in the State of New York. Since 2012, Ex-Im has supported over \$600 million in exports from New York City alone, with 84% of that financing directly supporting small businesses.

The mission of the Bank is to enable U.S. companies – large and small – to turn export opportunities into sales that help maintain and create U.S. jobs which contribute to a stronger national economy.

Ex-Im fulfills its mission to support U.S. jobs in two ways.

First, Ex-Im fills the gaps when the private sector is unable or unwilling to provide financing for U.S. exports—a particularly important role for American small businesses, which often find it difficult to obtain export financing from their local banks, and for exports to emerging markets, which accounted for 68 percent of Ex-Im’s authorizations in 2014.

Second, it seeks to ensure a level playing field for U.S. exports in the hyper-competitive global marketplace by making available financing that encourages buyers to make decisions based on free market factors such as price and quality, rather than on foreign competitors’ state-sponsored or cut-rate financing.

Small businesses – the foundation of our economy – are at the forefront of U.S. exports. In 2014, Ex-Im completed over 3,340 small business transactions, accounting for nearly 90 percent of the Bank’s total activity. And we are committed to increasing the number of American small businesses exporting goods and services to markets around the world.

In fact, over the past two years, more than 1,100 U.S. Small businesses utilized Ex-Im Bank products for the first time. In New York City, the Bank was able to work with companies like Peanut Butter & Co, Madelaine Chocolate Company, and Jump Apparel to export their goods to international markets.

Ex-Im Bank's role is to complement and work with commercial lenders and brokers in order to fill any market gaps. These gaps might be linked to limited risk appetite, high capital requirements, or unwillingness to extend longer-term credit.

The Bank does not compete with the private sector. In fact, approximately 98 percent of the Bank's transactions include a partnering private financial entity. Ex-Im provides a vital backstop to ensure that the American export economy remains vibrant in a world of fluctuating markets.

Ex-Im Bank supports small businesses by providing export financing through its loan, guarantee, and insurance programs.

Ex-Im Bank's trade credit insurance reduces the risk of nonpayment by a foreign buyer and allows small business to offer extended repayment terms. For small business, trade credit insurance policies available in the private market are often prohibitively expensive or impossible to obtain.

Knowing Ex-Im Bank is insuring their shipments allows small business exporters to access more markets and create jobs here at home. This helps companies like Dreyfus Global Trade, an export management company in New York City that sells American manufactured tools and equipment to the global automotive industry. By using the Bank's export credit insurance policy, Dreyfus has been able to extend more lines of credit to international buyers and grow its business.

Other products, like Ex-Im Bank's working capital loan guarantee allows small- and medium-sized businesses to cover costs like payroll, overhead, and inputs while they wait to get paid from overseas customers. These lines of credit can keep small businesses operating and workers employed while business in global markets grows.

Ex-Im Bank's Global Credit Express working capital loans provide direct financing to eligible small businesses when conventional private financing isn't available.

Ex-Im Bank does not give out grants or any handouts. For each of our products, creditworthy businesses pay insurance premiums, guarantee fees, or loan fees and interest. This allows Ex-Im to provide its products and services at no cost to American taxpayers. In fact, new activity last year resulted in an estimated savings to the taxpayer of \$675 million, and over the past two decades the Bank has returned approximately \$7 billion to the U.S. Treasury.

With 59 other export credit agencies operated by foreign governments around the world, rising competition and an ever-globalizing world have made Ex-Im Bank more vital than ever.

Ex-Im Bank serves to reduce the risks faced by American exporters so that they can unleash opportunity in the form of new jobs in New York City and across the country.

We look forward to continuing to work with you on empowering businesses to export, grow, and hire more American workers.

**New York City Economic Development Corporation**  
**New York City Council Oversight Hearing:**  
**The Economic Impact of the Federal Export-Import Bank in New York City**  
**Michael Moynihan**  
**Senior Vice President, Economic Research & Analysis**  
**April 21, 2014**

**Introduction**

Good morning Chairman Garodnick and members of the Committee on Economic Development. I am Michael Moynihan, Senior Vice President in the department of Economic Analysis & Research and Chief Economist at the New York City Economic Development Corporation ("NYCEDC"). Thank you for the opportunity to participate in this discussion on the importance of exports and imports to New York City's local economy. While NYCEDC does not deal directly with the Export-Import Bank on behalf of local businesses, we support the important work of the Bank because it enables local businesses in New York City and across the country to access the financing needed to remain competitive in the new global economy. We also commend Congresswoman Maloney and others for their leadership on this issue.

From New York City's days as a bustling Seaport to its rise as a manufacturing power to its current role as the world's greatest global city, New York has long been a center of trade. Our city offers unique opportunities for domestic and international businesses around the world from unparalleled talent, including one of the world's most productive workforces, to an expansive market of nearly 8.5 million people, to incredible diversity with over 170 languages spoken and 36% of our population born outside the United States. New York City is also the nation's 3<sup>rd</sup> largest seaport and John F. Kennedy airport (JFK) is poised to become the largest international cargo gateway by

freight value. As a result, New York City is home to more foreign-based companies than any other city in the nation. In fact, just this month New York took the top spot for the third time in fDi Magazine's bi-annual foreign direct investment (FDI) rankings in a study of the most promising investment locations in the Americas. We are also home to the world's largest diplomatic community, including the United Nations, 193 permanent missions, 114 consulates, and 75 trade commissions. And while we do not measure exports at the City's border, we know that they benefit our economy by expanding markets for our goods, enabling us to produce more than we consume and contributing directly to the Gross City Product.

The Ex-Im Bank partners directly with small businesses to facilitate new international market opportunities by providing risk protection in the form of export credit insurance, credit to buyers, loan assistance to US companies and additional capital or financing for foreign buyers to purchase US made goods and services. While the private market remains competitive, Ex-Im is one tool among many that small businesses can leverage to take on the risk required to compete in the global market. Other tools include the Foreign Trade Zone (FTZ) program, which provides small businesses with special status to import foreign goods and duty-free status for re-exported items, benefiting industries in construction, food production, fashion and luxury goods, green tech, and pharmaceuticals.

Based on data available from the Ex-Im Bank:

- From 2007-2015, the Ex-Im Bank provided over \$2.4 billion of support to New York City exporters, supporting over \$4.6 billion in export value – a 193% return on investment.

- The top five industries supported over the period were: Ore/Mineral Mining, Food Manufacturing/Sales, Wood Product Manufacturing/Sales, Chemical Manufacturing/Sales, and Insurance.
- While companies in Manhattan received the majority of Ex-Im disbursements between 2007 and 2015, boroughs outside of Manhattan also received significant benefits – nearly \$68.6 million in funds supporting more than \$135.5 million in total export sales over the period.<sup>i</sup>
- Small businesses, defined under federal SBA definition (<500 employees), were the greatest beneficiaries of assistance during this period, capturing more than 82% of total disbursements which supported nearly 89% of total export value.
- Minority-owned businesses received nearly \$20.5 million in support with a corresponding total export value of \$116.2 million, while women-owned businesses received \$35.2 million, which supported \$39.4 million in exports.

According to the International Trade Administration, every billion dollars of U.S. exports supports almost 5,800 jobs. Using this ratio, the \$4.6 billion in export value supported by the Ex-Im Bank's assistance to NYC companies from 2007-2015 would be associated with a total of approximately 27,000 jobs. In New York State, exports supported approximately 390,000 jobs in 2014 (5% of jobs in the state), ranking us 4th overall in export jobs, only behind Washington (3), California (2) and Texas (1).<sup>ii</sup>

Research has long suggested that workers at “globally engaged companies” and multinational companies that export, import and conduct international investment tend to pay higher wages than exclusively domestic companies, in some cases as much as 15% more.<sup>iii</sup> Exporters also support other industries. According to an article by

Professor Matthew Slaughter from the Tuck School of Business at Dartmouth, and former member of the Council of Economic Advisors, “in 2010, U.S.-based multinational companies purchased about \$6 trillion in intermediate inputs from other companies in America—including approximately \$1.5 trillion from U.S. small businesses, companies that employ 500 people or fewer.”<sup>iv</sup> Comptroller Stringer’s report release in September 2014 further cites that businesses that export are 8.5 percent less likely to go out of business and pay wages that are 13 to 18 percent higher than those that do not export.

Exporters are able to pay higher wages, in part, because export industries are by definition globally competitive. And the money they bring in when recycled, contributes to further economic activity in our city.

In conclusion, NYCEDC supports the work of the Ex-Im Bank because it incentivizes New York City businesses to take the risk to expand globally, which is crucial in the 21<sup>st</sup> century innovation economy. The international growth of our businesses will only further establish New York City as the international business capital of not only the United States, but the world. We appreciate the opportunity to participate in this dialogue with the Council on this important issue. Now I am happy to do my best to answer any questions.

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i. Beyond the Boroughs: The Export-Import Bank’s Effect on New York City’s Economy. Office of the NYC Comptroller, September 2014.

ii. International Trade Administration, Jobs Supported by State Exports, 2014.

iii. <http://www.wsj.com/articles/SB10001424052702303465004579323092482586398>

iv. Ibid





# The Export-Import Bank

## Empowering Small Businesses to Enter New Markets and Support American Jobs

### Ex-Im Bank is working harder than ever for small businesses.

- In fiscal year 2014 Ex-Im Bank completed over 3,340 small business transactions, accounting for nearly 90 percent of Ex-Im Bank's total activity last year.
- Ex-Im Bank supported small business exports worth \$10.7 billion in 2014, nearly 40% of the \$27.4 billion of U.S. exports supported overall.
- Ex-Im has financed more small business transactions since 2009 than in the prior 17 years combined.
- Over the past two years, more than 1,100 U.S. small businesses utilized Ex-Im Bank products for the first time.

### Ex-Im Bank has three products that are tailored to give small businesses the freedom they need to confidently enter and compete in global markets.

- Ex-Im Bank's trade credit insurance reduces the risk of nonpayment by a foreign buyer and allows small businesses to offer extended repayment terms. For small businesses, trade credit insurance policies available in the private market are often prohibitively expensive or, due to requirements like minimum shipment values, impossible to obtain. Knowing that Ex-Im Bank is insuring their shipments allows small business exporters to access more markets and create jobs here at home.
- Ex-Im Bank's working capital loan guarantees allow small businesses to cover costs like payroll, overhead, and inputs while they wait to get paid from overseas customers. These lines of credit can keep small businesses operating and workers employed while business in global markets grows.
- Ex-Im Bank's Global Credit Express working capital loans provide direct financing to eligible small businesses when conventional private financing isn't available.

FY	% of Total Ex-Im Authorizations	% of Total Ex-Im Portfolio
2014	89%	25%
2013	89%	19%
2012	87%	17%
2011	87%	18%
2010	88%	21%
2009	88%	21%

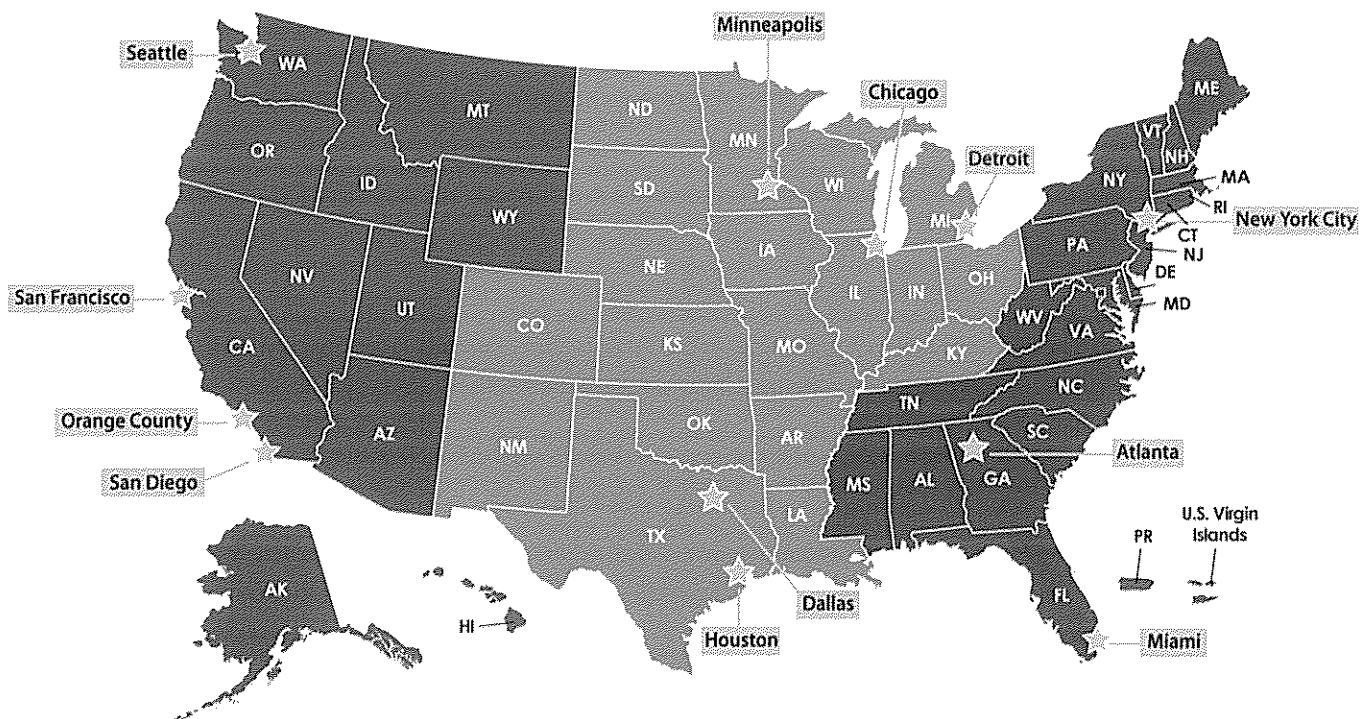
For each Ex-Im Bank product, creditworthy small businesses pay insurance premiums, guarantee fees or loan interest—Ex-Im Bank does not give out grants, it steps in when traditional financing isn't available.

### Ex-Im Bank is reaching more minority- and woman-owned enterprises than ever before.

- In fiscal year 2014, Ex-Im Bank authorized more than \$571 million to support over \$2 billion of export sales from companies owned by minorities and/or women.
- Nearly one in five Ex-Im Bank transactions directly benefited minority- and/or woman-owned small businesses in FY 2014.
- To increase awareness among minority and woman owned businesses, Ex-Im is partnering with private sector business associations, community banks, state and local government entities, and the Minority Business Development Agency of the U.S. Department of Commerce to develop outreach and educational campaigns.

## Ex-Im Bank's 12 Regional Export-Finance Centers serve local small businesses across the U.S.

From our 12 regional offices, Ex-Im Bank staff cover the entire country, ensuring more small business owners know how the Export-Import Bank can equip them to expand their exports and create jobs here at home.



## Ex-Im Bank is opening new doors for small businesses through its Global Access Forums.

- In 2011, Ex-Im Bank launched Global Access for Small Business, an initiative dedicated to increasing the number of small businesses exporting goods and services to markets around the world.
- Since its launch, the Bank has hosted more than 75 Global Access Forums in cities and towns across the country. The forums bring Ex-Im Bank leaders and current small business customers together to engage local small businesses on how Ex-Im products can empower them to reach new overseas markets, boost sales, and add jobs.

## Ex-Im Bank is working with cities, states, and local organizations to encourage more small businesses to export to new markets.

- Ex-Im Bank's City/State program links Ex-Im Bank resources with more than 75 economic development organizations throughout the country in order to expand awareness of export opportunities.

## Ex-Im Bank works closely with private sector lenders and brokers to reach small business exporters.

- In FY 2014, Ex-Im Bank increased both the number of private sector lenders utilizing its Working Capital Guarantee Program and the number of private sector brokers selling Ex-Im Bank's trade credit insurance.

## But we're not stopping there. Ex-Im Bank is expanding its efforts to reach even more U.S. small businesses.

- Through expanded marketing efforts and partnerships with companies like FedEx, which has daily interactions with thousands of U.S. small businesses, Ex-Im Bank is finding new ways to reach small businesses. With 95 percent of the world's customers living outside of the U.S., we want to empower more entrepreneurs to grow and create American jobs through exports.

For more information, please call 800.565.3946 to connect to a local Export Finance Manager.

Visit [www.exim.gov/smallbusiness](http://www.exim.gov/smallbusiness).



# Export-Import Bank of the United States

*The Official Export Credit Agency of the U.S. Government*

The Export-Import Bank of the United States (Ex-Im Bank) is an independent, self-sustaining agency with an 80-year record of supporting U.S. jobs by financing the export of American goods and services.

More than

# 164,000

U.S. jobs supported by Ex-Im  
authorizations in FY 2014

# \$675m

surplus generated for  
American taxpayers in FY 2014

Nearly

# 90%

of the number of authorizations  
in 2014 directly served  
U.S. small businesses

## **FY 2014 Annual Report Highlights: Supporting Jobs and Serving Taxpayers**

### **Boosting Exports**

- In FY 2014, Ex-Im authorized \$20.5 billion of financing to support of \$27.5 billion worth of U.S. exports.
- Ex-Im Bank support for U.S. manufacturing exports reached nearly \$16.6 billion in FY 2014.
- Nearly \$14 billion—more than 68 percent—of Ex-Im Bank authorizations supported U.S. exports to emerging markets such as sub-Saharan Africa in FY 2014, where commercial financial institutions are often more reluctant to lend or provide insurance.

### **Supporting Jobs**

- Ex-Im Bank supported more than 164,000 American jobs in FY 2014, and has supported more than 1.3 million jobs in all 50 states since 2009.

### **Empowering Small Business**

- Out of over 3,700 authorizations in 2014, more than 3,300— or nearly 90 percent—directly served U.S. small businesses, which accounted for approximately one quarter of authorizations by dollar volume.

### **Serving Taxpayers**

- Ex-Im Bank maintained an historically low default rate of 0.175 percent as of September 30, 2014.
- Last year, Ex-Im Bank generated a surplus of \$675 million for the American taxpayers. Over the last two decades, the Bank has wired \$6.9 billion to the U.S. Treasury to support deficit reduction.

### **Keeping America Competitive**

Exim Bank Reauthorization comments by Nancy Ploeger, member of the NY District Export Council

April 21, 2015

Our NY DEC members have worked with the Exim for about 40 years, primarily with small and mid-sized businesses. Nearly 90% of the transactions in 2013 & 2014 with the Exim have been with small businesses.

What would be the result if Exim is not reauthorized?

From the credit standpoint, the credit insurance market in the U.S. is made up of perhaps 20 underwriters. Most foreign owned. The thought that the general market could easily pick up the slack without Exim is unrealistic. Large underwriters have only modest interest in small exporters. When they do quote, the pricing is almost always on the high side. With Exim, the pricing is equal across the board. Exim will insure a company doing \$10k in exports a month as readily as a company doing \$10m a month. Also, the Exim is a willing participant with small exporters who want to do a single transaction overseas, or just a single buyer. Exim will also work with small companies who want to sell on longer terms. Perhaps a year or two for equipment sales. The general market is very seldom ready to help a company with a longer term sale.

The larger insurers are primarily interested in the 80 or 90 countries that make up the bulk of international trade. Such as, U.S. to Europe, U.S. to Japan, U.S. to Canada, U.S. to Mexico. The main channel trades. Exim deals in nearly 160 countries around the world. The most of any underwriter from the U.S. perspective. So if a small company wants to deal in the developing world, the most likely answer is the Eximbank. What better way to support company growth and jobs than to obtain this type of support.

Exim is part of a \$2 trillion market worldwide supporting over \$235 mill. in exports nationwide, 7,340 companies and 1,500,000+ jobs. And in NY State, from 2007-2014, 272 companies have been supported accounting for \$7 mill. and 46,474 jobs. In Manhattan, GEMCO, Argosy International, Tr apparel, McIntosh Group and Globex Intl are just a few of the companies supported by Exim. And Kiss Nail Products in Port Washington & DGM Commodities Corp wholesale meat in Great Neck are also local companies benefitting from Exim's support.

In a recent study, the EIU found that total authorizations of the primary ECAs of China (\$153.8 billion), Japan (\$104.0 billion), Canada (\$92.5 billion), South Korea (\$63.5 billion) and Germany (\$37.1 billion) were much larger than those from the Ex-Im Bank (\$27.3 billion).

To lose Exim would be competitive disarmament and a major loss for small businesses in NYC and NY State.

Nancy Ploeger

New York District Export Council .

[np@manhattancc.org](mailto:np@manhattancc.org)



April 21<sup>st</sup>, 2015

**Written testimony respectfully submitted to NYC Council Committee on Economic Development by Andrew Hoan Steininger, Senior Vice President & Chief of Staff at the Brooklyn Chamber of Commerce on The Economic Impact of the Federal Export-Import Bank in New York City.**

Good Morning Chair Garodnick, other committee members and guests.

I'm Andrew Hoan Steininger, Senior Vice President and Chief of Staff at the Brooklyn Chamber of Commerce (BCC). We're a membership-based, business assistance organization representing the interests of over 2,000 member businesses, as well as other businesses across the borough of Brooklyn. The Brooklyn Alliance (BA) is the not-for-profit, economic development affiliate of BCC, which works to address the needs of businesses through direct business assistance programs.

Simply put, the Federal Export-Import (Ex-Im) Bank is critical to the future of Brooklyn's rapidly expanding manufacturing sector, and as such we strongly support its reauthorization beyond June 2015. Without the Ex-Im Bank businesses of all sizes will have limited access to financing needed to turn export opportunities into sales. More specifically, the varied credit insurance products provided by the Ex-Im bank is not readily available at private institutions, which will inhibit the ability of small businesses being able to finance their exports.

For over 11-years, our Brooklyn Goes Global (BGG) has been helping Brooklyn manufacturers looking to compete in an international marketplace. BGG's tri-level strategy helps to identify, evaluate and connect Brooklyn manufacturers and export/import companies with domestic and international buyers through promotion and marketing, education and training, and technical assistance. BCC also offers Certificate of Free sale and Certificate of Origin documentation for companies. As of April this year, nearly 100 businesses have been issued these documents through BCC.

From May 15<sup>th</sup> – 24<sup>th</sup> this year, BCC will lead a group of 10 delegates on a business-only trade mission to China to explore export/import opportunities. We have also hosted innumerable international trade missions who are looking for opportunities to import the famous Brooklyn brand.

In 2014, we launched Brooklyn-Made, a certification program for locally-made goods. The certification is the only one of its kind – a market-driven, geographically-focused certification assessing the extent to which a particular product is manufactured in Brooklyn, NY.

Our Industrial and Manufacturing Coalition (I+M) works to promote Brooklyn's industrial sector through advocacy, education, marketing, and business support.

BCC hosts and participates in events that provide wide exposure for Brooklyn businesses to thousands of local and international buyers including Brooklyn Eats, BKLYN DESIGNS, Cheers NY and the Fancy Food Show.



According to its Annual 2013 Report, Ex-Im Bank authorized more than \$5.2 billion in financing and insurance for the direct support for American small-business exporters in FY 2013; and in so doing supported approximately 205,000 American jobs.

In addition, to financial assistance the Ex-Im Bank provides technical advice and educational services. We were pleased to co-host a major panel with the NY Federal Reserve and representatives from the Ex-Im bank called experts in export as part of our "Meet the Makers" series.

As of 2015 seven Brooklyn companies have received direct financial support from the Ex-Im Bank in excess of \$9 million, including Jos. H. Lowenstein And Sons, Inc. who is a member of Brooklyn Chamber's I & M Coalition.

The Ex-Im Bank is a fundamental resource for businesses looking to compete globally, and as such we urge an extension in its reauthorization beyond the June 2015 expiration date. We also look forward to developing a stronger partnership with the Ex-Im Bank to connect Brooklyn businesses to their suite of services.

Thank you again for facilitating today's hearing and for inviting us to testify on this issue.

## **Testifying to the NYC Economic Council Committee Hearing on EXIM's economic impact to NYC**

### **Statement about CC Solutions**

CC Solutions is a small consulting business based in Manhattan that administers project and export finance loans for borrowers overseas, including loans made or guaranteed by US Ex-Im Bank. This work has traditionally been very labor-intensive and performed outside the United States. In order to attract this high-value business stateside, we have developed a state-of-the-art web application called MTS that streamlines the US Ex-Im Bank loan administration process. With it, we have helped our customers disburse over USD 2 billion in loans. We employ four people and expect to hire a fifth this summer.

Over 75% of our revenues come from consulting services provided to US exporters and overseas buyers. We help companies understand, process, and manage US Ex-Im Bank financings. CC Solutions has worked with over 500 US exporters in sectors as diverse as mining, oil/gas extraction, refineries, petrochemical complexes, satellites and manufacturing. We have been involved in EXIM financings in support of US exports to countries ranging from Mongolia to Mexico, Saudi Arabia to Bulgaria, and China and the United Arab Emirates, among others.

The Principals, Francisco Anzola and Valerie Colville have long-standing careers in project and export finance (in NYC) and they worked together at Fluor, the largest publicly traded US-based engineering firm.

Using their experience in procurement and finance, they created CC Solutions to help US exporters and their overseas buyer analyze the maximum amount of financing eligible from US Ex-Im Bank to purchase US goods and services. Our company created The School of ECA Finance, an intensive two-day program delivered 4 times a year in London, Paris, Washington and Hong Kong. The course teaches participants about export credit agency financings and is grounded in case studies and interactive exercises using US Ex-Im Bank as a basis. In fact, Valerie & Francisco are conducting the program today in Washington DC in advance of EXIM's annual conference later this week.

Recently, we became an EXIM registered insurance broker. With our connection to hundreds of exporters nationwide, and our deep knowledge of export finance, we are well qualified to help small and medium sized businesses access US Ex-Im Bank financing. We are already working with US Ex-Im Bank's NYC office to identify and



4/21/2015



book business in NYC and NY State. We look forward to working with companies in each of the NYC districts in the days ahead.

Most of our customers finance our services using US Ex-Im Bank as part of their financing of U.S. goods and services; thus the bank is crucial to our business. We would also posit that US Ex-Im Bank is essential to the survival and health of a myriad of companies in New York and the country as a whole. As front-row spectators to many US Ex-Im Bank transactions, we see every day how the support of US Ex-Im Bank is critical for U.S. exports; business that otherwise would be won by non-U.S. companies that are backed by their own very aggressive export credit agencies.

#### **Statement about importance to NYC**

EXIM is uniquely important to NYC jobs and businesses. First of all, the Bank has supported exports in excess of USD 1.1 billion between 2012-2014 for companies located in the 5 boroughs. In Congresswoman Maloney's district, for example, EXIM financed USD 650 million in just the last 2 years. This is the heartbeat of EXIM financing and you will find it in most cities across the USA.

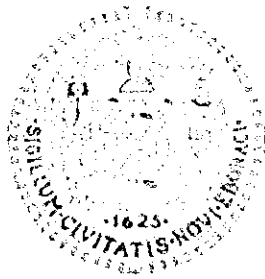
However, speaking very locally, EXIM financing is arranged by hundreds of New Yorkers. With many large banks located in NYC, this city is the heart of EXIM's financing community. Both US and non-US based banks have divisions here in NYC that originate, transact and administer EXIM financings.

While EXIM finances US goods and services coming from all over America, the majority of bankers that arrange these transactions work, live and spend money in NYC. And so do their administrative assistants and other staff members.

Starting here in NYC, billions of dollars of US exports obtain financing from EXIM by working with NYC based bankers who are knowledgeable about EXIM programs, requirements and processes. We know these people well and work with them daily. Their jobs, just like ours, depend on EXIM's survival. Importantly, so do the jobs of the thousands of US exporters whose goods and services are financed by EXIM.

Thank you.

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**THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
SCOTT M. STRINGER**

TESTIMONY OF NEW YORK CITY COMPTROLLER  
CONCERNING THE ECONOMIC IMPACT OF THE FEDERAL  
EXPORT-IMPORT BANK ON NEW YORK CITY

BEFORE MEMBERS OF THE  
COMMITTEE ON ECONOMIC DEVELOPMENT  
OF THE NEW YORK CITY COUNCIL

April 21, 2015

Thank you to Chairperson Garodnick and the members of the Committee on Economic Development for holding this hearing today on the effects of the Export-Import Bank on the City's economy, and thank you to Congresswoman Carolyn Maloney, who continues to be a tireless advocate for the Ex-Im Bank in Washington D.C.

From 1945-2012, Congress voted to reauthorize the Export-Import Bank 15 times. This was done during Democratic and Republican administrations—the clear message being that economic growth is not a partisan issue.

However, despite the stellar record of the Ex-Im Bank in the 80 years since it was created by President Franklin Delano Roosevelt, Tea Party Republicans in Congress threaten to undermine the growth of our export economy by shutting down the Bank at the end of June.

We cannot allow this to happen.

As I found in a report last September, The Export-Import Bank provided over \$1.1 billion in assistance to local businesses in New York City, supporting almost \$3 billion in export sales from 2007-2014.

While the Bank's opponents love to highlight the fact that certain large corporations are beneficiaries, the data shows that the bulk of support, at least in New York City, flows to small businesses. Of the \$1.1 billion that came to the City from 2007-2014, over \$900 million went to small businesses, supporting \$2.67 billion worth of sales. Furthermore, minority and women-owned businesses in the five boroughs received \$48 million in assistance, which supported over \$131 million worth of sales.

In the first four months of 2015 alone, the Bank has continued to support the export economy throughout the Empire State.

- Statewide, 71 businesses (49 small businesses and 11 MWBEs) have received Ex-Im Bank assistance, which has supported \$528 million in exports.
- In NYC, 19 companies have secured assistance from the Ex-Im Bank in 2015, supporting \$352 million in export activity.
- 12 of the 19 businesses in New York City are small businesses.

Exports are an important component of the City's economy, particularly at a time when nearly 87 percent of the world's economic growth is projected to take place outside of the United States in the next five years. Studies show that for every \$1 billion of new exports, an additional 4,926 jobs are created. Businesses that export are 8.5 percent less likely to go out of business, and pay higher wages than those that do not.

The Ex-Im Bank has been an economic engine for generations. As a result, I strongly support its continued authorization. Thank you.



Office of the  
New York City Comptroller  
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Bureau of Policy and Research  
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September 2014



# BEYOND THE BOROUGHES: THE EXPORT-IMPORT BANK'S EFFECT ON NEW YORK CITY'S ECONOMY

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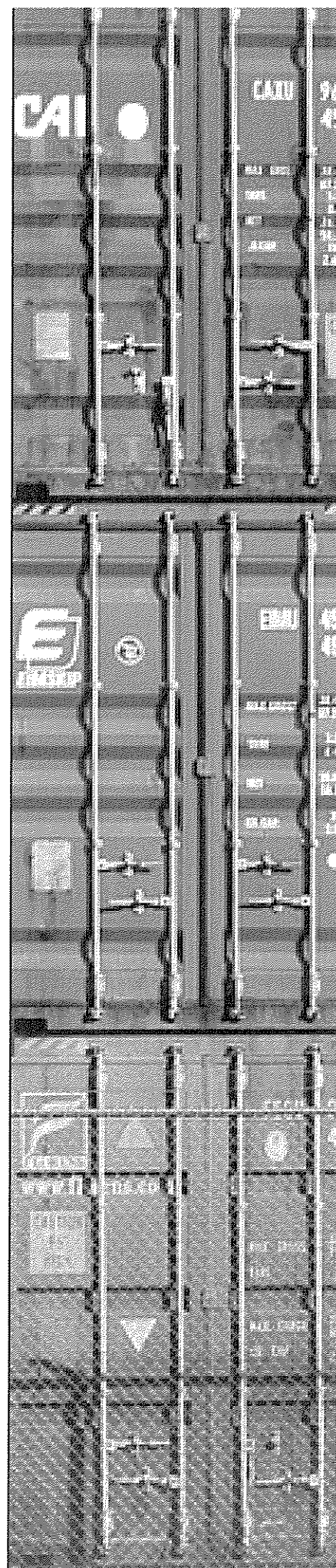


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## EXECUTIVE SUMMARY

The Export-Import Bank (Ex-Im Bank) provides critical support for New York City's export economy by helping businesses that would not find assistance in the private markets. From 2007-2014, the Ex-Im Bank provided over \$1.1 billion of support to New York City business, supporting almost **\$3 billion in export sales.**<sup>1</sup>

Nationally, studies show that for every \$1 billion of new exports, an additional 4,926 jobs are created. Businesses that export are 8.5 percent less likely to go out of business and pay wages that are 13 to 18 percent higher than those that do not.<sup>2</sup>

As a federal agency, the Ex-Im Bank provides export assistance such as credits, insurance, and guarantees designed to boost the competitiveness of American businesses. The Ex-Im Bank does not compete with private lenders, but instead provides assistance that is not being met by the private market.<sup>3</sup> It is estimated that from FY 2009 – 2013 the Ex-Im Bank supported 1.2 million export-related jobs nationwide.<sup>4</sup>

The Ex-Im Bank is a self-sustaining agency, which means that all of their expenses and loan loss reserves are paid for through the fees and interest it charges its customers. In fact, the Ex-Im Bank generates profits for the taxpayers. Not only does the Ex-Im Bank fill a gap in the private capital markets, but the Congressional Budget Office ("CBO") recently estimated that the Ex-Im Bank's six largest credit programs will be either revenue neutral or positive in the coming years.<sup>5</sup> Since the Federal Credit Reform Act of 1990, the Ex-Im Bank has sent \$6.7 billion more to the U.S. Treasury than it has received for program and administrative costs.<sup>6</sup> The CBO's most recent estimate found that the Ex-Im Bank would net \$14 billion for U.S. taxpayers over the next decade.<sup>7</sup> Furthermore, the Ex-Im Bank's default rate dropped to a historically low level in 2013 of 0.237 percent.<sup>8</sup>

The U.S. is not the only nation to support its export economy in this manner. Over 30 countries in the Organisation for Economic Cooperation and Development ("OECD") operate export credit agencies.<sup>9</sup> As a result, it is critical for the United States to maintain its own export credit agency to stay globally competitive. Following the Ex-Im Bank's last reauthorization in 2012, President Obama declared, "As long as our global competitors are providing financing for their exports, we've got to do the same."<sup>10</sup>

This report, from Comptroller Scott M. Stringer, highlights the history of the Bank and finds that the Ex-Im Bank provides significant benefits to the New York City economy, including:

- Over \$900 million worth of support to New York City small businesses, which facilitated \$2.67 billion worth of sales; and
- Over \$48 million in support to Minority and Women Owned Businesses ("MWBEs") which facilitated over \$131 million worth of sales.

These findings highlight the importance of the Ex-Im Bank to the New York City economy, especially for small businesses. As a result, Comptroller Stringer urges Congress to reauthorize the Ex-Im Bank before its scheduled expiration on September 30, 2014.



## BACKGROUND

The Ex-Im Bank was established 80 years ago pursuant to an Executive Order by President Franklin D. Roosevelt. Its mission was to create and sustain American jobs through financing sales of domestic exports to international buyers.<sup>11</sup> The Bank was created as a government corporation by Congress and, according to its charter, provides assistance for transactions that would otherwise not take place because commercial lenders are either unable or unwilling to accept the political or commercial risks inherent in the deal.<sup>12</sup>

The Ex-Im Bank conducts four major programs to help banks and companies tap into the export economy:

- a direct loan program to foreign buyers in order for these consumers to purchase U.S. products;
- a loan guarantee program for banks that lend capital to foreign buyers;
- an insurance program that mitigates potential losses for American banks or exporters on loans to foreign buyers; and
- a loan guarantee program for banks making a “working capital” loan, which provide American exporters loans based on “guaranteed” future revenue but have material or wage costs in the present.

In 1945, the Government Corporation Control Act required the bank to be reauthorized by Congress periodically. Since that time, the Bank has been reauthorized 15 times. The most recent reauthorization, in 2012, passed— 330-93 in the House and 78-20 in the Senate — and was lauded for supporting \$40 billion in export sales and 290,000 jobs at more than 3,600 U.S. companies.<sup>13</sup>

At the time, President Obama stated, “By reauthorizing support for the Export-Import Bank, we’re helping thousands of businesses sell more of their products and services overseas, and, in the process, we’re helping them create jobs here at home. And we’re doing that at no extra cost to the taxpayer.”<sup>14</sup>

Thomas J. Donohue, president of the U.S. Chamber of Commerce, also hailed the deal as great news for American businesses and essential to the continued competitiveness of domestic exports. With other countries providing an estimated \$1 trillion in export finance, Donohue said that failure to reauthorize the bank “would amount to [a] unilateral disarmament and cost tens of thousands of American jobs.”<sup>15</sup>

With nearly 87 percent of the world’s economic growth projected to take place outside the U.S. in the next five years,<sup>16</sup> it is imperative that the New York region and the United States as a whole, take a proactive approach to capitalizing on exports. Reauthorizing the Ex-Im Bank is a central part of this strategy.

The Ex-Im Bank is an engine for the national export economy, and its impact is felt in businesses throughout the five boroughs. From 2007-2014, the Ex-Im Bank provided over \$1.1 billion of support to 83 New York City businesses to support almost \$3 billion in export sales.

### THE EXPORT-IMPORT BANK AT WORK IN NEW YORK CITY

Small businesses were the greatest beneficiaries of Ex-Im Bank support, securing over 80 percent of the value of the total disbursements which buttressed over 90 percent of the total sales supported.<sup>17</sup> Of these businesses, minority and women owned businesses accounted for \$48 million in total disbursements, which supported \$131 million in sales.<sup>18</sup>

Of the total amount of disbursements, companies based in Manhattan received the bulk of the support, with 71 companies receiving around 94 percent of funds.<sup>19</sup> Yet 15 businesses in the Bronx, Brooklyn, Queens, and Staten Island also received support—over \$61 million in support that led to \$126 million in total sales.<sup>20</sup> Without the Ex-Im Bank, many of these investments would not have occurred and billions of dollars of economic activity would not have taken place in New York City.



Below are three case studies of New York City businesses that have benefitted from Ex-Im Bank support: StriVectin of Manhattan, Madelaine Chocolates of the Rockaways in Queens, and Albatross USA of Long Island City in Queens.<sup>21</sup>

## CASE STUDY: STRIVECTIN

**Company:** StriVectin

**Where:** Chelsea, Manhattan, NYC

**Revenues from Exports:** 12%

**Ex-Im Bank Assistance:** \$18 million

**Bottom Line:** The Ex-Im Bank supported millions in sales, which led to significant growth. Chief Executive Officer JuE Wong said, “With globalization, exporting is essential. We can’t be doing business in the US alone and expect to grow – especially because of the competition.”

StriVectin, a high-end skin care product company located in Chelsea, was founded in 2002 in Salt Lake City. In 2007, the company relocated to New York City. During the economic recession, StriVectin reached out to the Ex-Im Bank to support its international sales.

Wong stated that the Ex-Im Bank provided critical financial support for StriVectin’s growth. “This type of financing gives opportunities for businesses to grow to a point where private investors would be interested in it.” She added that the Ex-Im Bank provides companies with the credibility and legitimacy that investors will notice. “These two opportunities are very important to any company. Together they give businesses the leverage to make it to the next level.”

Without the Ex-Im Bank, smaller companies would be hard pressed to find this type of support in the private market. As Wong noted, private lenders would likely be looking for a “\$30-35 million company with a 20-25 percent earnings before interest, taxes, and amortization” or EBITA, a widely used financial indicator measure of efficiency and profitability.

Wong concluded:

“I think of the Export-Import Bank a little bit like student loans. Student loan providers give students an opportunity to continue their education to grow, learn, and develop into a better employee. The Export-Import Bank does the same thing. They are going to look at the opportunity of businesses to grow and scale from their investments – this mission is what makes the difference.”

Overall, the Ex-Im Bank provided \$18 million in disbursements to StriVectin, leading to \$60 million of supported sales.

These disbursements led the company down a path of considerable growth. The company has grown 20-25 percent in the last two years.

## CASE STUDY: MADELAINE CHOCOLATES

**Company:** Madelaine Chocolates

**Where:** Rockaways, Queens, NYC

**Revenues from Exports:** 2-3%

**Bottom Line:** The Ex-Im Bank supported firm’s first forays into exporting. As Norman Gold, Vice President and the son of the founder, said, “Without the Export-Import Bank, it’s fair to say that we would have had to forfeit some of our sales.”

Madelaine Chocolates is a 65 year success story in New York City. Launched in 1949, in a small loft on Spring Street and West Broadway, the company moved to a Brooklyn factory in the 1950s, before constructing its own facility in the Rockaways in 1967. Today, Madelaine’s main factory is approximately 200,000 square feet.

The firm has been exporting for about 10 to 15 years with international sales making up 2-3 percent of their business.

Gold mentioned how the company has taken advantage of the Ex-Im Bank’s credit insurance.

"A couple of years ago we were looking into credit insurance for overseas vendors and found it prohibitively expensive on the private market," he said. "But when we found out the Export-Import Bank had credit insurance, it was perfect for us." The flexibility of the insurance allowed them to only pay the premium when the shipment went out, which worked well for the mid-sized business.

For a mid-sized company with limited exporting experience, it can be challenging to find credit insurance on the private market. Yet this insurance is critical for firms that want to export, in order to feel protected and minimize their risk. "Using the Ex-Im Bank definitely helped us rest easy at night and become more secure in our exporting business," Gold noted.

He concluded: "Without the Export-Import Bank, it's fair to say that we would have had to forfeit some of our sales. The Ex-Im Bank helped our bottom line. It helped increase our revenues. And it was very helpful to know that our receivable was guaranteed...Overall, it was perfect."

## CASE STUDY: ALBATROSS USA

**Company:** Albatross USA

**Where:** Long Island City, Queens, NYC

**Revenues from Exports:** Around 50%

**Ex-Im Bank Assistance:** Around \$2.4 Million

**Bottom Line:** The Ex-Im Bank support allowed Albatross to follow sales to international markets as the economy shifted. As Vice President Paul Fields said, "Without the Export-Import Bank we would...probably end up losing a lot of our international customers."

Albatross USA, based in Long Island City, is a small company providing textile cleaning products for clothing manufacturers. The company was founded in New York during the 1930s and benefited for many years from the close proximity of the garment district in Manhattan. As textile manufacturing went overseas, so did much of Albatross's business.

Today, Latin America, Central America, Mexico, and the Caribbean make up a majority of their exporting

and international sales, which is about 50 percent of their bottom line according to Fields.

Fields described how the Ex-Im Bank's credit insurance has benefitted the company: "The Export-Import Bank makes it easy to take the credit risk. We are a small company, about \$6 million in business a year. Without the Export-Import Bank we would do the same thing, but we would be more hesitant to take the credit risk and probably end up losing international customers."

The largest risk in exporting for smaller businesses like Albatross is that they have limited ways to collect funds, if customers don't pay the bills. "If someone in Country X doesn't pay us, we are not going to fly there and try to collect. We are not going to knock on their door. We would lose out on those payments – end of story," Fields stated.

The Ex-Im Bank covers most of Albatross's export receivables and in return the firm receives the credibility and insurance from the United States government – which is helpful when collecting payments. "The Export-Import Bank gives us security. Over the years we have never found it necessary to collect a single invoice from our international customers because of the backing from the Export-Import Bank."

Indeed, they have used it with customers that have late payments. When this happens, Fields explained, "We tell our customers that we have insured our receivables with the Export-Import Bank and if they are late, we need to report it to the Bank. And [when we report it to the Bank] it's going to adversely affect you. Because of this backing, our receivables have always been successful – we pay for the credit insurance but we have never needed to use a claim."

When asked if he would recommend the Ex-Im Bank's services to other exporters, Fields replied, "I would and I have."

## CONCLUSION: THE CONTINUED PROMISE OF THE EXPORT-IMPORT BANK

The Export-Import Bank creates jobs by boosting exports—a critical component of New York City's economy. The continued existence of the Ex-Im Bank is essential for the nation as a whole to stay competitive in the export economy — and as long as other countries use

such an instrument, it should be available in the United States. Therefore, Comptroller Stringer urges Congress to reauthorize the Export-Import Bank so that New York City can continue to forge trading partnerships with businesses in every corner of the world.

## ACKNOWLEDGMENTS

Comptroller Scott M. Stringer thanks Adam Eckstein, Policy Analyst, the lead writer of this report, and Patrick Brogan, Policy Intern, who conducted data analysis for this report.

Comptroller Stringer also recognizes the important contributions to this report made by: David Saltonstall, Assistant Comptroller for Policy; Andrew L. Kalloch, Deputy Policy Director; Alaina Gilligo, First Deputy Comptroller; Sascha Owen, Chief of Staff; Tim Mulligan, Deputy Comptroller of Budget; Camille Joseph, Deputy Comptroller for Public Affairs; Michael Nitzky, Director of Communications; Eric Sumberg, Deputy Communications Director and Press Secretary; Frank Braconi, Chief Economist; Brian Cook, Director of Economic Development; Jenna M. Adams, State Legislative Counsel; and Archer Hutchinson, Creative Lead and Web Developer.

**Table 1: New York City Businesses Receiving Export-Import Support, 2007-2014**Source: Export-Import Bank<sup>22</sup>

Name	Borough	Small Business	MWBE	Total Disbursements	Total Sales Supported	Return on Investment (%)
A2z Perfumes Inc.	SI	Y	N	\$900,000	\$10,000,000	1,011
AFC Industries	QN	N	N	\$675,000	\$4,500,000	567
Albatross USA	QN	Y	Y	\$2,423,388	\$2,423,388	0
Albert International	MN	Y	N	\$13,944	\$34,255	146
Allen and Overy LLP	MN	N	N	\$5,443,129	\$6,863,562	26
American International Group	MN	Y	N	\$12,455,757	\$11,583,141	-7
Amsa International	MN	N	N	\$900,000	-	
Anza Capital Partners	MN	Y	N	\$247,743	\$247,743	0
Argosy International Inc	MN	Y	N	\$188,628,757	\$188,628,757	0
Argosy International Inc	MN	N	N	\$17,640,000	\$45,000,000	155
Atlantic Paste & Glue	BK	Y	N	\$1,506,093	\$1,506,093	0
Ba-Insight	MN	N	N	\$1,800,000	\$1,800,000	0
Baker & McKenzie	MN	N	N	\$1,458,692	\$2,215,225	52
Barclays Capital	MN	N	N	\$6,413,075	\$6,157,274	-4
Bnp-Paribas	MN	N	N	\$2,882,746	\$2,852,936	-1
Cecilware Corp	QN	N	N	\$7,200,000	\$15,700,000	118
Chaffets Lindsay LLP	MN	N	N	\$64,629	\$129,010	100
Citibank	MN	N	N	\$25,304	\$31,237	23
Cleary Gottlieb Steen Hamilton	MN	N	Y	\$549,467	\$867,835	58
Corporation Service Company	MN	N	N	\$4,279	\$3,200	-25
Curtis Mallet-Prevost	MN	Y	N	\$248,580	\$294,180	18
Customers of JP Morgan Chase NA	MN	N	N	\$41,270	\$40,165	-3
Dataprint Technology Inc	QN	Y	N	\$756,696	\$756,696	0
Deutsche Bank NY	MN	N	N	\$57,092	\$42,700	-25
Deutsche Bank Trust Company	MN	N	N	\$54,845	\$43,959	-20
Dr. Miracles Inc	MN	N	N	\$1,800,000	\$7,000,000	289
Dremel	MN	Y	N	\$294,678	\$262,000	-11
Dreyfus	MN	Y	N	\$4,367,974	\$4,367,974	0
Export Trade of America	QN	Y	N	\$34,394,586	\$34,394,586	0
Faviana International INC	MN	Y	N	\$169,697	\$169,697	0

Name	Borough	Small Business	MWBE	Total Disbursements	Total Sales Supported	Return on Investment (%)
Fieldstone	MN	N	Y	\$273,196	\$318,547	17
Fox, Horan & Camerini Llp	MN	Y	N	\$243,297	\$428,515	76
Freshfields Bruckhaus Deringer Llp	MN	N	N	\$731,459	\$833,379	14
Global Export Marketing Co	MN	Y	N	\$475,489,227	\$475,489,227	0
Global Export Marketing Co	MN	Y	N	\$31,950,000	\$351,000,000	999
Global Strategic Communications	MN	N	N	\$13,022	\$17,500	34
Global Traders	BK	Y	Y	\$200,000	\$200,000	0
Globex International	MN	Y	N	\$43,650,000	\$1,222,300,000	2,700
Gogomix	MN	Y	N	\$120,467	\$120,467	0
Graphic Systems Group	MN	N	N	\$949,260	\$949,260	0
Grif Management	MN	Y	N	\$3,165,400	\$3,165,400	0
HSBC USA	MN	N	N	\$2,452,580	\$119,178	-95
I. Marks Textiles, Inc.	MN	Y	N	\$789,968	\$789,968	0
ING Capital	MN	N	N	\$137,777	\$157,845	15
JP Morgan Chase & Co.	MN	N	N	\$12,672,227	\$19,046,370	50
JP Morgan Chase NA	MN	N	N	\$9,578,136	\$9,359,847	-2
Jump Apparel Co.	MN	Y	N	\$158,459	\$158,459	0
Koudis International	BK	Y	N	\$5,037,717	\$5,037,717	0
Latham & Watkins	MN	N	N	\$12,719,265	\$18,533,271	46
Live Gamer	MN	N	N	\$810,000	\$13,051,635	1,511
Madelaine Chocolates	QN	Y	N	\$226,618	\$226,618	0
Manor Trade Development Corp.	MN	Y	N	\$74,391	\$74,391	0
Marsh & McLennan Companies	MN	N	N	\$903,605	\$988,036	9
Marsh, Inc.	MN	N	N	\$24,202,758	\$27,977,539	16
Marubeni America Corp.	MN	N	N	\$13,616,590	\$16,019,518	18
Mcintosh Group, Inc.	MN	Y	N	\$4,500,000	\$29,000,000	544
Metropolitan Paper Recycling	BK	Y	N	\$1,575,000	\$44,750,000	2,741
Milbank Tweed Hadley & McCloy	MN	N	Y	\$3,359,149	\$2,725,508	-19
New Hampshire Insurance Company	MN	N	N	\$2,095,759	\$1,948,936	-7
Nord	MN	N	N	\$114,290	\$81,560	-29

Name	Borough	Small Business	MWBE	Total Disbursements	Total Sales Supported	Return on Investment (%)
Oliver Wyman	MN	N	N	\$6,885,831	\$8,196,434	19
Peanut Butter & Co.	MN	Y	N	\$703,256	\$703,256	0
Petro-Chem Dev Co	MN	Y	N	\$19,082,334	\$60,857,496	219
Pillsbury Winthrop	MN	N	N	\$30,059	\$33,195	10
Premier Brands of America	BX	Y	N	\$3,244,099	\$3,244,099	0
Private Export Funding Corp.	MN	N	N	\$267,869	\$243,031	-9
Quadlogic Controls Corp.	QN	Y	Y	\$2,207,004	\$2,682,654	22
R & I Trading of New York	MN	Y	N	\$1,800,000	\$16,000,000	789
Rb International Finance (USA)	MN	N	N	\$16,666	\$35,000	110
Ro-An Industries	QN	Y	N	\$225,485	\$225,485	0
Saco International, Inc.	MN	Y	Y	\$8,073,000	\$90,000,000	1,015
Shearman & Sterling	MN	N	Y	\$47,404	\$22,570	-52
Signature Systems Group	MN	Y	N	\$2,871,849	\$2,871,849	0
Simed International Inc.	MN	Y	N	\$91,131	\$1,920,000	2,007
Skadden Arps Slate Meagher	MN	N	Y	\$2,506,844	\$2,906,206	16
Societe Generale S.A.	MN	N	N	\$33,368,000	\$29,717,069	-11
Source 4 Africa, LLc.	MN	Y	N	\$139,384	\$139,384	0
Stellar Freight Ltd.	MN	Y	N	\$293,869	\$345,000	17
Stewart Stern & Co	MN	Y	N	\$563,953	\$715,000	27
Strivectin Operating Comp.	MN	Y	N	\$18,000,000	\$60,000,000	233
Strong Lite Machinery Company	MN	Y	N	\$123,222	\$144,967	18
Sullivan & Cromwell	MN	N	N	\$223,582	\$263,172	18
Tr Apparel	MN	Y	Y	\$23,848,730	\$23,848,730	0
Tri Component Product Corp.	BX	Y	N	\$466,158	\$466,158	0
Vip Paper	MN	Y	N	\$908,255	\$908,255	0
White and Case Llp	MN	Y	Y	\$4,156,967	\$4,273,765	3
White and Case Llp	MN	Y	Y	\$712,056	\$794,559	12
Willis North America	MN	N	N	\$27,272,978	\$32,198,078	18
<b>Grand Total</b>	-	-	-	<b>\$1,103,357,023</b>	<b>\$2,936,539,716</b>	<b>166%</b>



## ENDNOTES

1. [http://www.exim.gov/customcf/congressionalmap/state\\_map.cfm?state=NY](http://www.exim.gov/customcf/congressionalmap/state_map.cfm?state=NY); the data analyzed for this report comes from the Export-Import Bank. From 2007 – 2014, 88 disbursements were given to 83 New York City companies. During this time period, a total of \$1,103,357,023 in disbursements were issued, which supported an estimated \$2,936,539,716 in total sales. For a further breakdown of these figures please refer to the appendix.
2. <http://www.trade.gov/mas/ian/employment> ; [http://www.bis.doc.gov/index.php/forms-documents/doc\\_view/605-national-export-initiative-neidocuments/doc\\_view/605-national-export-initiative-nei](http://www.bis.doc.gov/index.php/forms-documents/doc_view/605-national-export-initiative-neidocuments/doc_view/605-national-export-initiative-nei).
3. Export-Import Bank of the United States, “Report to the U.S. Congress on the Export-Import Bank of the United States and Global Export Credit Competition,” June 2014, available: <http://www.exim.gov/about/library/reports/competitivenessreports/loader.cfm?csModule=security/getfile&pageID=41933>, p.11; as directed by its Charter, the Ex-Im Bank carries out its mission by, “Filling market gaps that the private sector is not willing or able to meet, such as volumes or length of repayment beyond the scope of commercial lender capacity and reasonable risks that the private sector is unable to cover. Ex-Im is prohibited from competing with private sector lenders.”
4. Id. at p.4.
5. Congressional Budget Office, “Fair-Value Estimates of the Cost of Selected Federal Credit Programs for 2015 to 2024,” May 2014, available: <http://cbo.gov/sites/default/files/cbofiles/attachments/45383-FairValue.pdf>; estimates following the Fair Value Accounting (FVA) claim that the Ex-Im Bank will cost taxpayers \$2 billion over the next 10 years. However, the strength of this calculation is undermined by the fact that FVA presumes market-rate interest rates on loans. The Ex-Im Bank’s interest rates are significantly and consistently lower, which devalues this calculation. For this figure, the CBO’s estimates compiled using the Federal Credit Reform Act of 1990’s (FCRA) guidelines were used.
6. Export-Import Bank of the United States, “Annual Report: 2013,” April 2014, available: <http://www.exim.gov/about/library/reports/annualreports/2013/annual-report-2013.pdf>, p.43.
7. “Fair-Value Estimates.”
8. “Report to the U.S. Congress,” p.4.
9. Organization for Economic Cooperation and Development, “Official Export Credits Agencies,” available: <http://www.oecd.org/tad/xcred/eca.htm>.
10. Mark Landler, “Obama Extends the Export-Import Bank,” New York Times (31 May 2012), available: <http://www.nytimes.com/2012/05/31/business/obama-signs-extension-of-export-import-bank.html>.
11. Robert J. Samuelson, “The Misleading Debate on the Export-Import Bank,” Washington Post (1 Jul. 2014), available: [http://www.washingtonpost.com/opinions/robert-samuelson-the-misleading-debate-on-the-export-import-bank/2014/07/01/91bb7208-0138-11e4-8572-4b1b969b6322\\_story.html](http://www.washingtonpost.com/opinions/robert-samuelson-the-misleading-debate-on-the-export-import-bank/2014/07/01/91bb7208-0138-11e4-8572-4b1b969b6322_story.html).
12. The Charter of the Export-Import Bank of the United States (updated 30 Aug. 2012), available: [http://www.exim.gov/about/whoweare/charterbylaws/upload/Updated\\_2012\\_EXIM\\_Charter\\_August\\_2012\\_Final.pdf](http://www.exim.gov/about/whoweare/charterbylaws/upload/Updated_2012_EXIM_Charter_August_2012_Final.pdf).
13. The White House, “FACT SHEET: President Obama to Sign the Export-Import Bank Reauthorization Act of 2012,” available: <http://www.whitehouse.gov/the-press-office/2012/05/30/fact-sheet-president-obama-sign-export-import-bank-reauthorization-act-2>.
14. <http://www.exim.gov/about/library/reports/annualreports/2012/reauthorization.html>
15. Ed O’Keefe, “Export-Import Bank Reauthorized by House; Senate Expected to Act Soon,” (9 May 2012), available: [http://www.washingtonpost.com/blogs/2chambers/post/export-import-bank-reauthorization-set-to-pass/2012/05/08/gIQAoAzPBU\\_blog.html](http://www.washingtonpost.com/blogs/2chambers/post/export-import-bank-reauthorization-set-to-pass/2012/05/08/gIQAoAzPBU_blog.html).
16. U.S. Global Leadership Coalition, “Smart Power 2.0: America’s Global Strategy,” Dec. 2012, available: <http://www.usglc.org/downloads/2012/12/USGLC-Smart-Power-Brochure.pdf>.
17. [http://www.exim.gov/customcf/congressionalmap/state\\_map.cfm?state=NY](http://www.exim.gov/customcf/congressionalmap/state_map.cfm?state=NY); \$901,099,189 (81.6 percent) in total disbursements went to small businesses while \$2,657,549,929 (90.5 percent) in total sales supported came from small businesses.
18. Id.; \$48,357,205 of disbursements were given to minority-owned and women-owned businesses; supporting \$131,063,762 in sales for minority-owned and women-owned businesses.
19. Id.; 71 businesses in Manhattan received \$1,039,866,599 in total disbursements (94.2 percent of total disbursements).
20. Id.
21. These case studies are based on interviews conducted by the Office of the Comptroller with the individual businesses profiled.
22. All data displayed is from the Export-Import Bank website. Businesses were then vetted for location by the Comptroller’s Office. [http://www.exim.gov/customcf/congressionalmap/state\\_map.cfm?state=NY](http://www.exim.gov/customcf/congressionalmap/state_map.cfm?state=NY).





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☐ in favor ☐ in opposition

Date: April 21, 2015

(PLEASE PRINT)

Name: Claudia Starik

Address: 1425 P St., Washington DC

I represent: The Export Import Bank of U.S.

Address: 811 Vermont St., Washington, DC

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Name: Ami Cohen

Address: 304 Park ave. South Suite 1132 NY, NY 10010

I represent: CC Solutions LLC.

Address: \_\_\_\_\_

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Name: Joe Coletti

Address: \_\_\_\_\_

I represent: NYCEDC

Address: \_\_\_\_\_

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Name: Michael G. Lohan (PLEASE PRINT)  
Michael Moynihan

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Address: \_\_\_\_\_

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Name: Andrew Steininger (PLEASE PRINT)

Address: 335 Adams Street, 2700

I represent: Brooklyn Chamber

Address: \_\_\_\_\_

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Date: \_\_\_\_\_

Name: NANCY FLOEGER / CLONMDEC (PLEASE PRINT)

Address: 1375 BROADWAY

I represent: NY DISTRICT EXPORT COUNCIL

Address: 290 BROADWAY / SUITE 1312

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