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# “Financing Exporters and Non-Exporters in the Supply Chain”

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*NOTE: The views expressed here are the views of the author and do not necessarily represent the views of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.*

# Top 10 Reasons To Understand More about Import/Export Activities

1. Many bank customers are already involved in the export supply chain. SBA export clients: Computer Software Maker, Data Center, Public Relations & Management Consulting, Publishing Co, Herb & Spice Wholesaler, Food Processor, Roller Coaster Contractor, Video Game Designer, Winery, etc.
2. Export business at Ports and Harbors create Industrial Development and Community Development projects.  
e.g. Supermarkets, Food Distribution Centers, Warehouse/Distribution Centers, Mixed Use projects, etc.
3. The U.S. is following a strategy to make trade a “central part of America’s economic DNA.” The U.S. Dept of Commerce, 20 federal agency partners, many state and local government agencies, and chambers of commerce have been promoting and supporting export initiatives for U.S. firms. Also effort to help communities integrate exports into economic development plans (US Dept of Commerce, ITA).

# Top 10 Reasons To Understand More about Import/Export Activities continued

4. Approximately 98% of US Exporters are small or medium size (<500 employees). Wholesalers and non-manufacturing firms made up 76% of all SME Exporters. (US Dept of Commerce, ITA 2013) As the global economy grows, it is anticipated that almost half of all U.S. small businesses will be involved in global trade by the year 2018. (Institute for the Future)
5. Five years straight, U.S. set annual export record in goods and services. (13.4% GDP 2014). Exports supported 11.3 million American jobs and contributed one-third of US annual growth 2009-2013. (World Trade Month, May 5, 2015)
6. Minority businesses export to 41 countries. (ExIm Bank). Top sectors include wholesale trade, professional services, scientific & technical services, finance & insurance services. (US Dept of Commerce, ITA)
7. More than 65% of MDIs operate in the top-ranked states for exporting.  
Export Ranking: 1<sup>st</sup> Texas, 2<sup>nd</sup> California, 4<sup>th</sup> NY, 5<sup>th</sup> Illinois, 6<sup>th</sup> Florida, 12<sup>th</sup> Georgia, 34<sup>th</sup> Oklahoma

# Top 10 Reasons To Understand More about Import/Export Activities continued

8. The cities with the largest number of MDIs are also served by SBA, ExIm Bank, and MBDA offices, including Los Angeles, Miami, Chicago, New York, and Houston. MDIs can leverage these resources for bank customers.
9. Easy to integrate partners.  
SBA, ExIm, MBDA, US Commercial Service, Chambers of Commerce, and Port Authorities are motivated. Potential consideration for CRA credit for non-MDI banks (outside MDI assessment area) that collaborate with MDIs in community development projects, and other initiatives. Section 228.21(F) of CRA Regs.
10. Many economic benefits are associated with well-functioning ports, such as lower costs of trade, increased employment, and attraction of certain economic sectors. “Organisation for Economic Co-operation and Development” (OECD).