



Jo-Jo'z Enterprises (ZMG Inc.), Walnut, California

“With the financial support and backing of Ex-Im Bank, our export sales have no limit or boundaries.”

Demand for U.S. consumer goods in emerging markets remains high, but U.S. exporters often find that financing is hard to obtain without insurance. Export credit insurance is an important financing tool. ZMG Inc., which does business as Jo-Jo'z Enterprises, is a small, family-run business in Walnut, Calif., that is using Ex-Im Bank's short-term multi-buyer policy to sell U.S. food products, primarily to Mexico. Nearly 70 percent of the company's exports are insured by Ex-Im Bank.

Jo-Jo'z Enterprises exports canned vegetables, fruits and table sauces from 20 U.S. suppliers that otherwise would have limited access to the Mexican market. The company uses Ex-Im Bank's multi-buyer policy to protect against the risk of buyer default on its sales to numerous customers in Mexico. The policy also protects the company against currency devaluations in the market.

Jo-Jo'z Enterprises began using Ex-Im Bank's insurance in 1994, and at the same time, used Ex-Im Bank's working capital guarantee to secure a \$1.25 million foreign line of credit from Mercantile National Bank in Los Angeles. The company currently has a

\$1.75 million line of credit from Imperial Bank in Inglewood, which is an Ex-Im Bank delegated authority lender.

The company arranges its insurance through a local broker, International Insurance in Downey, Calif., and also works with Ex-Im Bank's West Regional Office, located in Long Beach. Since 1994, Jo-Jo'z Enterprises has insured and financed more than \$43 million of its export sales through Ex-Im Bank.

Ex-Im Bank's export credit insurance helps U.S. exporters, especially small businesses, to develop and expand foreign sales by protecting against the risk of buyer default for either political or commercial reasons. Exporters also can obtain financing more easily because the proceeds of the policy can be assigned to a financial institution as collateral. The Bank's multi-buyer policy provides comprehensive credit risk protection on short-term sales to many buyers and can be tailored to meet the exporter's export receivables insurance needs.

In FY 2001, Ex-Im Bank authorized more than \$900 million in export credit insurance for small businesses. The 1,723 export credit insurance policies issued to small businesses represented 98 percent of the total number of Ex-Im Bank policies issued in FY 2001.



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