



## EDC'S FOREIGN EXCHANGE FACILITY GUARANTEE HELPS COMPANY GROW ITS SALES AND PLAN ITS CASH FLOW

ECBVerdyol is a Manitoba-based manufacturer of high-quality revegetation, erosion and sediment-control products that it exports all over the United States and to a few Latin American countries.

### Challenge

#### Protecting against foreign currency fluctuation

When ECBVerdyol is dealing with longer payment terms—something it needs to offer to remain competitive - currency rates can change wildly. Meanwhile, the company still has to pay its costs, including materials and payroll, in Canadian dollars.

### EDC Solution

The company approached its financial institution to set up a foreign exchange (FX) contract, to build in FX predictability. Then EDC put a Foreign Exchange Facility Guarantee (FXG) in place with ECBVerdyol's financial institution. FXG provides a collateral replacement, instead of tying up the company's assets as collateral against the FX contract.

### Result

Using EDC's FXG in place of collateral allowed ECBVerdyol to put its cash back to work, growing the business.

### Succeed with EDC

Learn more about the [Foreign Exchange Facility Guarantee](#) or contact your relationship manager. If you don't have a relationship manager yet, call 1-800-229-0575 or [send an inquiry](#).

Company:  
[ECBVerdyol](#)

Location:  
Riverton, Manitoba

Exports to:  
United States, Mexico & Chile

Industry:  
Construction

EDC Product/Program:  
[Foreign Exchange Facility Guarantee](#)

"Utilizing EDC's FXG while hedging with our bank has allowed us to better manage our cash flow, scale our exports and yield higher gains"

— Sean James, ECBVerdyol's chief operating officer