

EXPORT DEVELOPMENT CANADA

IS YOUR CLIENT AN EXPORTER?

At EDC, we define an exporter as any Canadian business, big or small, that sells goods and services outside Canada. But that's only part of it. Watch this <u>video</u> for our full definition.

Still not sure if your client is an exporter? Here are some key indicators:



- F/X requirements
- Incoming overseas wire payments
- Overseas buyers and accounts receivable unable to margin
- Inventory held outside of Canada and unable to margin
- Export Letters of Credit
- General Statement of Agreement (GSA)
 maxed due to export contracts or financing a
 foreign subsidiary/affiliate
- Pre-shipment costs or financing related to an export contract or purchase order

Your exporting clients' financial statements may exhibit:

- √ F/X gains or losses
- ✓ A currency risk notation
- ✓ Foreign affiliate or foreign inventory notation
- ✓ High travel expenses
- ✓ Freight & duty expenses

About EDC

Export Development Canada (EDC) is a financial Crown corporation dedicated to helping Canadian companies of all sizes succeed on the world stage.

As international risk experts, we equip Canadian companies with the tools they need—trade knowledge, financing solutions, equity, insurance, and connections—to grow their business with confidence.

Underlying all our support is a commitment to sustainable and responsible business.



You can also use these discovery questions to find out if your client is an exporter.

DIRECT EXPORTERS

Those who earn revenue from a customer outside of Canada.



- Do you have payments coming in from buyers/clients outside of Canada?
- Do you need to support a foreign subsidiary/ affiliate?
- Do you outsource manufacturing outside of Canada?
- Are you a software company?
- Are you a service company, invoicing foreign clients?

For example*:

- Engineering firm consulting on international projects
- Canadian company outsourcing all manufacturing overseas and drop ships around the world
- ✓ Tech companies working with non-Canadian customers
- Agricultural commodity trader selling peas, lentils and other legumes to international buyers

INDIRECT EXPORTERS

Those who support the supply chain of Canadian exporters, or those who sell goods or services to Canadian buyers, who in turn sell to customers outside of Canada.



- Do you have Canadian customers who sell their goods/services outside of Canada?
- Are you a supplier into an export dominant supply chain in Canada?

For example*:

- Company building components for a Canadian mining equipment manufacturer
- ✓ Farmer selling grains to a commodity broker/commodities exchange
- Tulip grower selling to a local large retailer, who sells internationally as well as in Canada
- Oil and gas well remediation service provider selling to Canadian O&G producers

FUTURE EXPORTERS

Those who are taking on their first contract outside of Canada or have a defined export plan.



- Are you in discussions with a foreign buyer for the first time?
- Have you received a proposal/purchase order from a foreign customer for the first time?
- Are you bidding on a contract with a non-Canadian customer for the first time?

For example*:

- ✓ Well established garments manufacturer receiving their first purchase order from a foreign buyer
- Tech company with a proven commercialized concept, engaged for the first time by a non-Canadian business

Canada

You've determined that your client is an exporter. What's next?

If your client meets EDC's export mandate, they are eligible for our support.

Collaborate with EDC to provide your client with a variety of EDC solutions designed to meet their exporting needs.

For more information and to learn how we can help, visit **www.edc.ca**.

