

Announcer: Ladies and gentlemen welcome to the 39th Annual Conference of the Export,-Import Bank of the United States. Please rise for the National Anthem.

[NATIONAL ANTHEM]

President Obama: Hi everybody. Four years ago at the Export-Import Bank's annual conference I unveiled the National Export Initiative, a new strategy for promoting American goods around the world. Today our business is selling more goods made in America to the rest of the world than ever before. And those four straight years of record exports support over 11 million jobs here in the United States. The EXIM Bank has played a big role in that success. Thanks to you more American companies are competing in the global marketplace. They're meeting the needs of more customers. They're creating new jobs and promoting American innovation and know-how. And they are helping to convince more global companies to invest and hire here in America which is good for them and good for us, because it always pays to bet on America. So I just want to thank you for helping build a lasting foundation for our future growth, create more good jobs here at home and give more entrepreneurs their shot at the American dream. So to Chairman Hochberg and everyone at the EXIM Bank congratulations on 80 years, keep up the great work and have a wonderful conference

Announcer: Ladies and gentlemen please welcome Chairman and President of the Export-Import Bank of the United States, Fred P Hochberg.

Fred P Hochberg.: Good morning. Good morning and welcome to the 2014 Export- Import Bank Annual Conference. I've had the opportunity to welcome you here for five years running. And I couldn't be more excited about today's program and the direction that EXIM is headed. I'm particularly delighted and we'll be welcoming the Secretary of State John Kerry who'll be joining us at lunch today. I want to begin today by talking about money. Not what's inside this bag I want to talk to you about the dollar sign itself? Everybody in this room knows what the symbols means. But I'm willing to bet not many of you know where it came from. Historians differ on the exact source of the dollar sign. But the theory that I like best traces it back to the strait of Gibraltar. Long before Columbus and others set sail for the new world legend held that on each side of the strait of Gibraltar was a pillar. And the story goes that on those pillars was an inscription meant to warn sailors who ventured out west and the inscription said "Nec plus ultra." Translated from the Latin it means "nothing further beyond." For centuries most Europeans believed that there was nothing out there beyond the waters' edge. And off course all that changed when Columbus reached the Americas on what I would call Europe's first trade mission. After word got out of the new discovery King Charles decreed that the old saying "Nec plus ultra" would be changed to simply plus ultra, further beyond. Those pillars become some of the world's most enduring symbols. A symbol that still reminds us that opportunity and prosperity aren't confined within our own borders, they can be found further beyond and that's exactly what I want to talk to about today. At EXIM we want to be the wind in your sails equipping you with tools you need to venture out to new frontiers. Now it wasn't so long ago that American business people, myself included, only turned to exports after US markets were exhausted. Many entrepreneurs were like those 15th Century Europeans, they didn't see a lot of value beyond their own shores. And this is what explorers used. It's not really great for discovering new markets but it does let me see who is already on Twitter at this early part in the conference. Back in the 1950s US exports made up about 4% of GDP, today that number has more than tripled. As the world continues to globalize exports are increasingly vital to our economic success and job growth. Since President Obama announced the National Export Initiative on this very stage back in 2010 we have made historic progress. Just last year, 16 states set new records for export sales and America set a new export record for the fourth straight year. America has added 9 million private sector jobs since 2010. And at the rate we are going April is poised to be the 50th straight month of US job growth. The momentum is only going to go stronger in the years ahead. Now despite that tremendous progress we still have more to do if we want to match our overseas competitors. US exports are nearly 14% of GDP. But Germany and Korea's export represent more than half of their GDP. And in fact Korea's export financing amounts to \$100 billion. That is nearly four times what America supports for an economy less than one-tenth our size. And they are not alone. When I travel around the world I see government after government looking to strengthen their economies through exports. Everyone is putting their foot on the gas trying to win the race for leadership in the global marketplace. Last year we pulled ahead of German to become the world's number two exporter. We're right behind China. And as far as I'm concerned there's no reason we can't top them. It was only a dozen years ago that we were the number one exporter in the entire world and we can get there again. So this is the time to drive forward. That is especially true now that there are going to be more than a billion people who are poised to join the middle class within the next five years alone. Demand is going to sky rocket for transportation, infrastructure, power, and high tech services, and every other consumer and capital good you can imagine. The countries that seize these opportunities won't just be benefiting the nations they export to they'll be

generating new jobs and a stronger economy back home as well. So, we know the ground is fertile, we know the opportunities are out there, but we also know that foreign competition has never been more intense. If you are an American exporter and you feel like you are wearing a big target guess what, you're not paranoid. Everybody wants to top the United States, so they're pulling out all the stops to win trade deals and boost exports. Sometimes for countries like China and Russia that can even mean throwing out the rule book. US businesses don't have that luxury, you play by the rules. So on an uneven playing field facing relentless competition, how can America succeed on the global stage? First and most importantly, by continuing to ensure that the US produces the highest quality, most innovative goods and services in the entire world. Make no mistake America's success begins with you. The second way we can ensure that is by leveling the global playing field so that U.S. goods have an opportunity to succeed on their own merits. Your focus should be coming up with the next breakthrough product or game-changing idea, not on financing. You may lose out to a competitor on pricing or scheduling but you shouldn't lose out just because you were steamrolled on financing by an aggressive foreign government. And at EXIM, that's where we come in, by breaking down barriers to financing. We level the playing field for American businesses and we deliver a good night's sleep to entrepreneurs who might otherwise be worried they won't get paid for an overseas sale. And we've been coming through on that promise for 80 years now. In the 1930s, support of U.S. businesses working on the Burma Road meant that the trucks constructing that 700-mile road were GMs, Fords, and Chryslers. And just two months ago, after a 26-year hiatus we announced they were beginning to open in Burma. In the 1950s, EXIM loans backed the construction of the first electric power plants in Riyadh and Jeddah, Saudi Arabia. And today, a small business in New Hampshire is working with EXIM to transform energy production in Saudi Arabia and dozens of other countries around the globe. Let me tell you about that company. Mike Boyle started Boyle Energy & Technology 20 years ago in a rented room in Nashua. For more than a decade, his business struggled to stay afloat due to a sluggish domestic market. Then his team came up with an idea for a new technology, one that could reinvent the way power plants were cleaned, tested, and certified. With this innovative approach, Boyle now had the ability to service power plants in a way that dramatically reduced costs, hazardous waste, and carbon emissions. They invented a groundbreaking technology, but they lacked customers. That all changed when Mike discovered EXIM credit support could help them reach new markets. Armed with competitive financing, Mike's team has now taken on more than 400 projects in 28 countries. They have doubled their revenue twice in six years. And since partnering with EXIM, they've been able to grow from about a dozen employees to more than 50 today. Ten years ago, exports accounted for about 5% of sales, today, they top 90%. With EXIM support, Mike now has the confidence to venture to new markets, knowing, not only does he have the highest quality services, he has the most reliable financing to back it up. Mike went further beyond. I'm glad Mike could join today, Mike could you please stand? Let's give him a round of applause. As exports grow more increasingly central to our economic success, America's future would depend more and more on companies like Mike's. And that means the Export-Import Bank will be more vital to the American economy than ever before. Because when we empower businesses to reach new markets and win deals, the ripples are felt in cities and towns across our country. The 40 jobs and 40 jobs that Mike added after partnering with EXIM they're not just a statistic. That's 40 families in New Hampshire and a dozen other states who gained a little more security. That's 40 families, where planning for the future is an opportunity to savor instead of a burden to dread. Exports breathe new life into businesses. They transform whole communities through job growth. And that's what EXIM delivers: global tools that reap lasting local benefits. That's especially true when it comes to our work with small businesses. Last year, we set a record of small business transactions we authorized at EXIM. Nearly 90% of our authorizations directly served small business, another historic high. Gaining access to global markets is what empowers small companies to become big companies; one of those is SpaceX. And tomorrow, you'll be hearing from Elon Musk, the visionary CEO. SpaceX like many companies was born in the garage in 2002. Eight years ago, they had 200 employees. They were a small business with some truly innovative ideas. But with limited financing opportunities, they faced serious competition from France, from Russia, and from China. Now, financing rockets is complicated business. It may not be rocket science, but it's still complicated. So we partnered with SpaceX to overcome those obstacles. They got the support they needed to compete on a level playing field, and they won. Today, those innovative ideas have turned into reality, and nearly 4,000 people are part of the SpaceX team. Their supply chain is here in America, their manufacturing is here in America, their launches are here in America and those 4,000 jobs here in America. I think that deserves a round of applause. The growth of SpaceX from an ambitious small business to a global leader is an inspiring story. And at EXIM, it's the type of story we want to make possible for all of our customers. If your ideas aren't bound by gravity, then your sales should not be bound by financing. So... but as it turns out, not everyone understands the value that EXIM provides. That's despite our 80-year track record, despite supporting more than a million U.S. jobs over the last four years, despite the fact that we run a surplus for the American taxpayers, despite the fact that we've done more to propel thousands of businesses to new heights of global success. Maybe those critics just aren't talking to entrepreneurs like Mike Boyle who've added

more and more jobs because of export support. Maybe they don't realize that other countries salivate at the idea of a world without EXIM. Let me tell you, if we were to shut down, Russia, China, and other countries would gladly snatch up the opportunities that America would be forfeiting. Whatever the reason, there are a few folks out there that still need some convincing. This fall our charter is set to expire. And unless Congress acts, we'll be forced to close our doors on October 1st. And all the momentum we have built up as an engine for U.S. exports and job growth these last 80 years will grind to a halt. Now, reauthorizing the Bank never used to be a political issue, and it shouldn't be today. Supporting American job growth shouldn't be controversial. Keeping America competitive in the global economy shouldn't be controversial. And that, after all, is what we do. An economist, every political stripe will tell you the same thing. Yet there's a vocal minority out there who can't stomach the fact that the thought that the government might have a role to play in empowering U.S. businesses to compete across the globe. Everybody is entitled to their theories and dogmas, but theories they don't pay the bills. Business owners like you live in the real world, and for you, those theories can trigger harmful repercussions. Let me tell you about one other person, Steve Wilburn. Steve is a veteran whose small renewable energy company has created 165 jobs in California and its suppliers in seven other states since it began partnering with EXIM. Two weeks ago, Steve was stunned to hear, he'd lost a \$57 million order in the Philippines. He'd been told he was the preferred supplier. He thought he had it in the bag. But he lost out because his competitor from South Korea convinced the buyer that Steve's business might not have the financing to get it done. They pointed to the debate surrounding EXIM's reauthorization and they said, "There's too much uncertainty there. You can't rely on America." You can't rely on America. That is just wrong. We should not accept that, and we don't have to. This isn't speculation. This is a real company losing real business and sacrificing real American jobs because of political games being played here in Washington. So I don't think our critics have been talking to Steve. I don't think they've been talking to Mike or Elon Musk. I don't think they've been talking to you or the hundreds of other entrepreneurs I have met with on the road across this country. And I don't think they've been talking to the millions of Americans who are earning a living through export-backed jobs. Because if they did, they'd know that EXIM has a clear role to play in strengthening our economy. We cannot let rigid ideologies stand in the way of American jobs and American leadership. We simply can't afford it. This is the time to add your voice to this critical conversation. The President stands strongly behind U.S. entrepreneurs and their workers. He's asked for EXIM to be reauthorized for five years, and increase on lending cap to \$160 billion. Those five years would deliver confidence to countless American exporters and their workers, and certainty to their buyers overseas. Everyone is counting on Congress to get this done, and done on time. China is buying U.S. satellites. America now builds and exports more Hondas than we import from Japan. All across this country, innovative entrepreneurs are teaming with EXIM to get an edge on their foreign competition and create new jobs. We cannot pull the rug out from under them. We cannot play political games with these American jobs. These jobs drive our economy, and they drive us at EXIM. We've got a team of 400 people with a singular focus: getting deals done so America can add jobs. Actually, we're up to 401. Thanks to a confirmation two weeks ago, we're thrilled to welcome back our Vice Chair, Wanda Felton. We're sleek, we're nimble, we're entrepreneurial-minded, and we defy every tired stereotype about federal agencies; we deliver government at the speed of business. The reason for that is simple: we live in the world of business. We've spent 80 years cultivating a record of success in this global business community. And despite that success, we're not resting on our laurels; we constantly seek out new ways to improve. That's why we're cutting red tape and rolling out new tools, that exporters can use to connect with us and their customers more efficiently. And it's why we always take a responsible approach to risk. Last year, we supported 205,000 U.S. jobs. We empowered more than 3,000 small businesses to reach out Plus Ultra, further beyond our shores. We engaged with more U.S. companies than ever before, all while maintaining a historically low default rate of less than one quarter of one percent. And we did this at no cost to the U.S. taxpayer. In fact, we ran a surplus of one billion, 57 million dollars. I was actually so proud of that number, it's the password on my iPhone; just don't tell anyone else. The U.S. economy isn't slowing down, and we aren't either; with our support for small businesses coming in at a record-breaking pace so far this year. And that's a testament to the entrepreneurs in this room and around this country. And that's a reminder that America still creates the best products born of the best ideas. Your ideas can be deployed to every corner of the globe, to revolutionize industries, to meet the needs of consumers on every continent, and to deliver good jobs and revitalize towns around this country, to ensure that the U.S. becomes the number one exporter again, and the home to the strongest, most durable economy in the entire world. You can be a part of that growth, if you're willing to venture out. The days of Nec Plus Ultra are over; the world is waiting for you. So set a new course for that new market, reach out further beyond; and when you do EXIM will continue to stand with you; a pillar of support for innovators and entrepreneurs all across our country, guiding a way towards opportunity, prosperity, and American jobs. Thank you, and enjoy the conference.