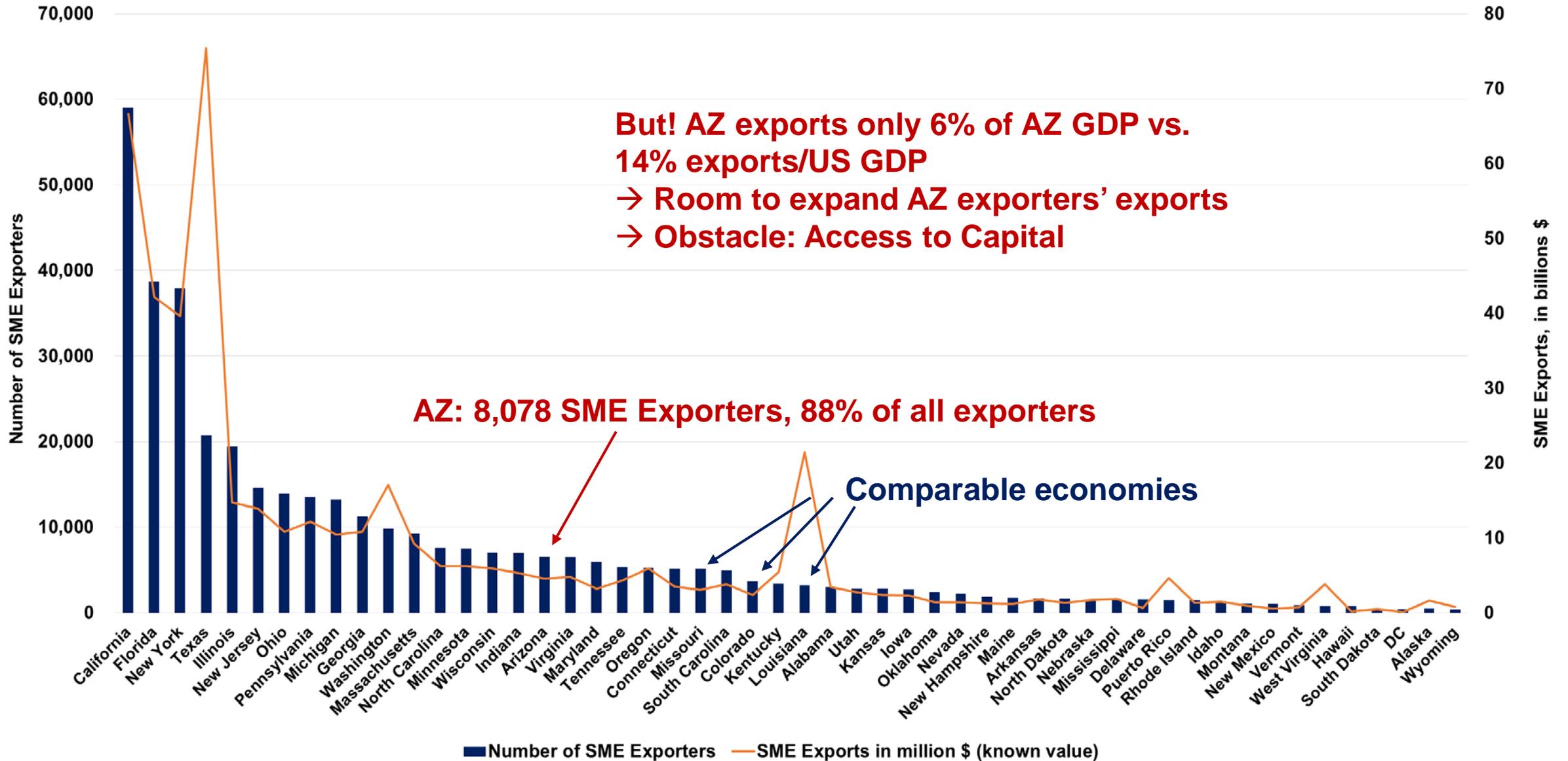


Helping Arizona Exporters Access Financing: New Tools and Policy Ideas

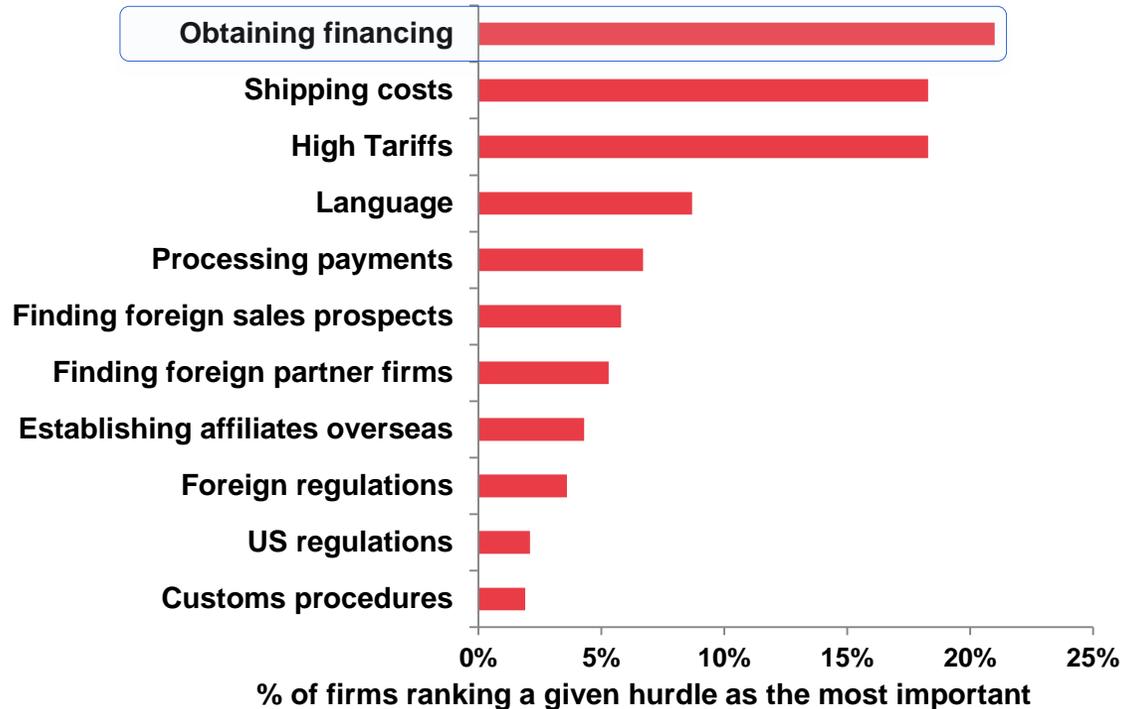
**Dr. Kati Suominen
Founder & CEO
TradeUp Capital Fund &
Nextrade Group, LLC
7 October 2014
Phoenix, AZ
kati@tradeupfund.com**

AZ Exporters: Several - but “Under-Export”

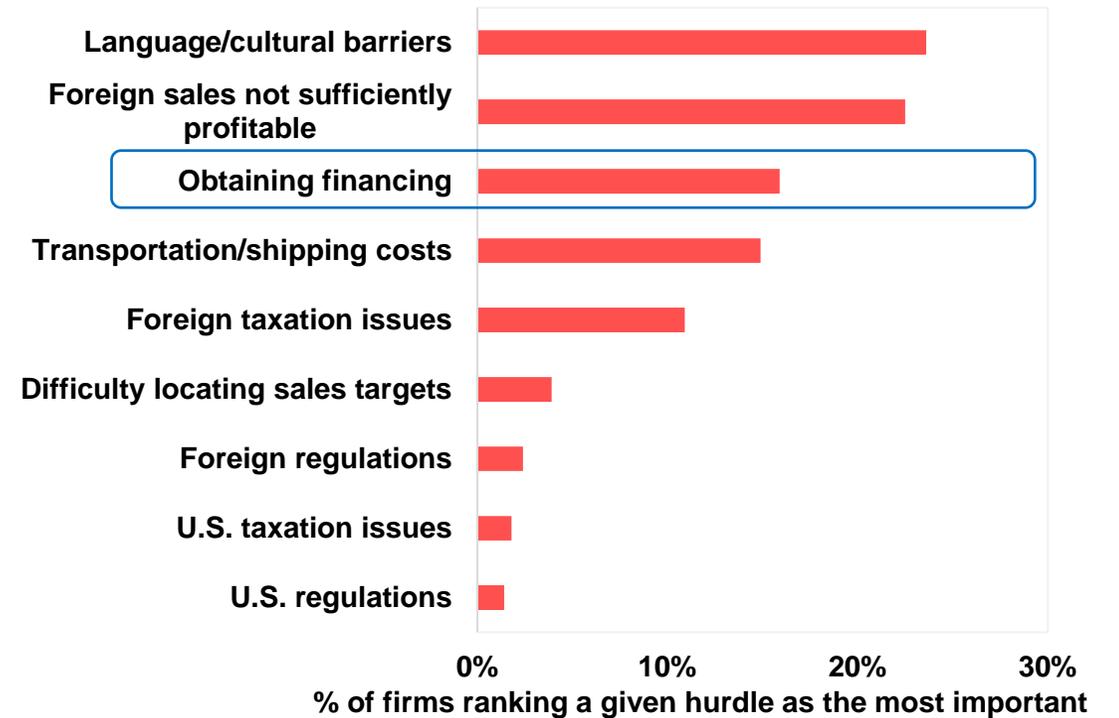


Lack of Capital = Main Constraint to Trade

U.S. Small and Mid-Size Manufacturers Rank Lack of Financing as the Main Hurdle to Trade



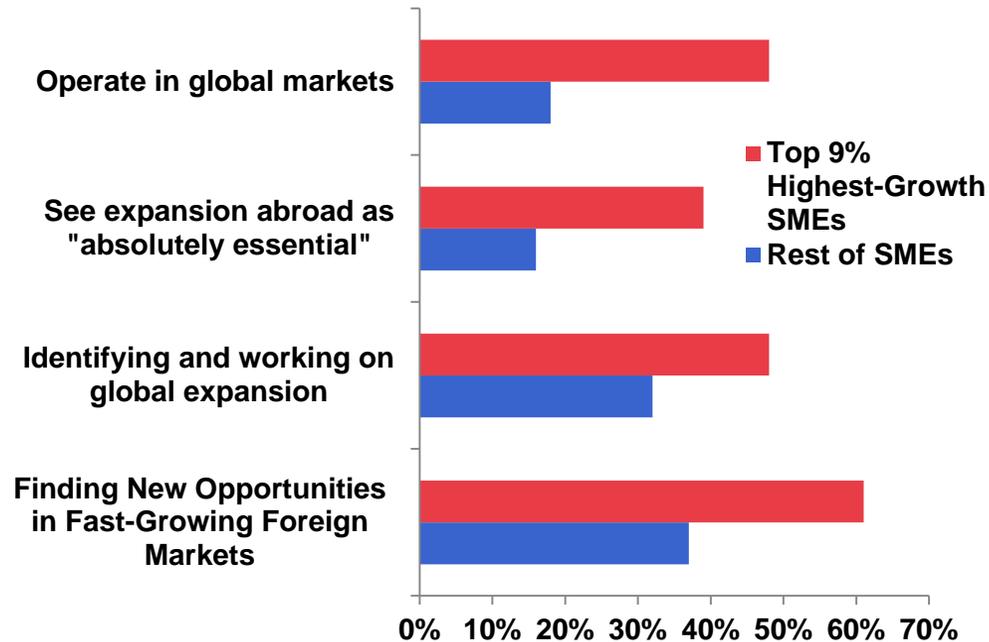
U.S. Small and Mid-Size Services Firms Rank Lack of Financing as 3rd Main Hurdle to Trade



Source: U.S. International Trade Commission (2010) survey of 1,176 SMEs.

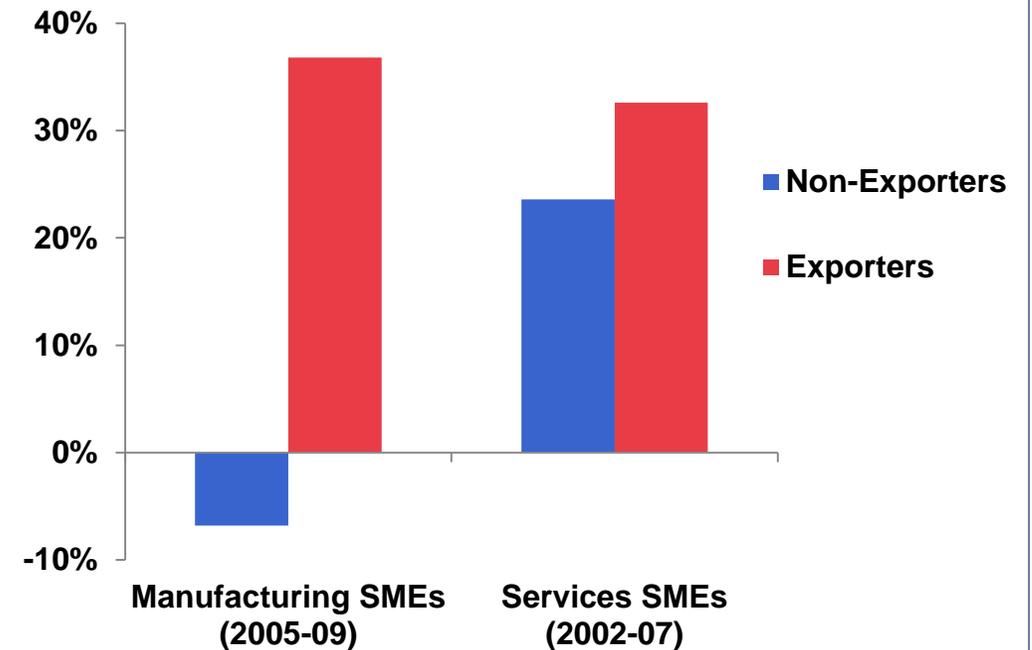
Yet Globalizing Companies Are Better

Growth and Globalization Correlate: Highest-Growth U.S. SMEs Are Also Most Globalized



Source: Ohio State and GE (2011), based on a survey of 1,447 SMEs (companies with \$10mm to \$1bn in revenue).

Globalizing Companies Outperform: Recent Revenue Growth of U.S. SMEs



Source: U.S. International Trade Commission (2010) based on a survey of 1,176 manufacturing and 1,175 services SMEs (<500 employees).

→ **PROBLEM: Outperforming companies lacking capital**

OUR SOLUTION: Platform to enable globalizing companies to connect and transact with accredited investors

Globalizing Companies



- Proven companies with >\$500K in revenue
- Already export or are about to start
- Seeking growth capital, working capital, acquisition, overseas expansion and BD, etc.



TRADEUP

- Companies and investors can view and browse each other & do deals of \$100K - \$20M
- Analytics give investors short-cuts into company fundamentals
- Start-to-finish model for companies, including full document upload, internal messaging system & transaction capabilities with escrow services

Accredited Investors



- Angels & Super angels
- Private equity funds
- Family offices
- Banks
- Non-bank lenders
- Mezzanine funds
- Venture capital funds
- Corporate strategics

Tradeupfund.com

- See also white papers and blog:
<http://www.tradeupfund.com/white-papers.html>
<http://www.tradeupfund.com/blog>
- Contact: kati@tradeupfund.com

Ideas for Next Steps

- Blogs and webinars for your exporters / to-be exporters by TradeUp team
- Seminar about exporting to Phoenix area companies, leveraging TradeUp team and local and federal partners
- Seminar to Phoenix area angel investors, funds, and banks on crowdfunding, including crowdfunding aimed at exporters

Relevant Work Coming Up by Nextrade Group

- Policy paper for Brookings Institution: How can state governments help exporters get financed?
- Rigorous report on obstacles and opportunities for Latin American SMEs to export
- New platform / info hub on regional trade agreements - RTAexchange.com
- Platform idea → online customizable resources for exporters

Nextradegroupplc.com