



OPIC HELPS U.S. SMALL BUSINESS EXPORTERS OVERSEAS

ELLICOTT INTERNATIONAL OF BALTIMORE, MARYLAND



OPIC Client Profile

OVERSEAS PRIVATE INVESTMENT CORPORATION

Ellicott International, a small business engaged in construction of dredging equipment, is the only dredge builder which designs and builds all key components of the dredging system — from winches to pumps, from excavators to spud carriages. In 1931, Ellicott, located in Baltimore, Maryland, built all of the cutter dredges used in construction of the Panama Canal.

OPIC and Ellicott have been working together for 15 years. OPIC has supported Ellicott with political risk insurance, and, by supporting other U.S. companies, OPIC has indirectly provided additional business opportunities for Ellicott.

OPIC's support to Ellicott has included insurance against the wrongful calling of performance and bid bonds. Many U.S. exporters are faced with requirements by foreign government entities that purchase their equipment or services to obtain bank guarantees in favor of the purchaser to support the exporter's bid and performance obligations. OPIC mitigates some of the risk associated with this process by offering insurance that compensates the exporter or contractor if a guarantee is wrongfully called. Ellicott President Peter A. Bowe says, "The comfort which comes from this insurance induces many American exporters, small or large, to bid on projects they would otherwise avoid... OPIC's prestige goes a long way in assuring that foreign governments treat American exporters fairly."

It is often not the OPIC insurance that is called upon, but OPIC's assistance in preventing an insurance claim altogether. For example, for three years Ellicott had negotiated unsuccessfully with one of their clients, a public entity, as part of an effort to recover an OPIC-insured Bank guarantee. When Ellicott asked OPIC to get involved, Mr. Bowe says, "they jumped in with both feet" in an effort to ensure that a fair and proper resolution was achieved. On Ellicott's behalf, OPIC contacted Ellicott's customer and let them know the importance of returning the bank guarantee. Both the host government and Ellicott's customer responded immediately. In the end, the parties reached an acceptable resolution, which Bowe attributes to OPIC's involvement.

OPIC's support for Ellicott does not stop there. Today, many of Ellicott's U.S. customers are also clients of OPIC. Ellicott has expanded its business by selling dredging equipment to a number of OPIC clients operating in emerging markets. In addition, one of Ellicott's largest contracts is a \$20 million project to supply dredging equipment to support a port development project in Asia. Ellicott got their first big boost for this project when OPIC helped introduce Ellicott to key developers involved in the project. Dredges sold to this project and others supported directly and indirectly by OPIC are creating many jobs in the company's Baltimore factory.