



# U.S. SMALL BUSINESS BENEFITS FROM OPIC-SUPPORTED PROJECT IN KENYA

## AQUARIUS SYSTEMS OF NORTH PRAIRIE, WISCONSIN



Jane Dauffenbach, President of Aquarius Systems, a small business based in North Prairie, Wisconsin, says "with the tools provided by OPIC... (Aquarius Systems is) in a better position to go out and initiate business than ever before." The company has realized in its 35 years of business that although the international market is often lonely and foreign competition harsh, with OPIC, Aquarius Systems has the security that the U.S. government is behind it, watching and ready to assist.

Ms. Dauffenbach says that with OPIC's help Aquarius Systems has been able to enter new markets, remain a strong international competitor and start projects previously unattainable to the company. OPIC's \$1.4 million political risk insurance commitment and the security it provided were instrumental in convincing the company's bank to finance its project in Kenya to help remove a water hyacinth infestation in Lake Victoria that is harming the livelihoods of fishermen, damaging the capacity of sewage treatment plants and limiting boat transportation and commerce across the lake. "When we told our bankers that we won the Kenya bid, they were delighted with the news, but uncomfortable with the thought of our sending equipment to a country in Africa for 12 months or more. It certainly was not a typical transaction for us or our bank. Although they were unfamiliar with OPIC at first, once they understood the political risk coverages we intended to buy, they proceeded to finance our needs," says Ms. Dauffenbach. Now this project belongs to Aquarius, despite the fact that the Japanese Government was offering the Kenyans both the equipment and the money to run the operation.

Aquarius Systems was founded in 1964, before environmental-based industries like aquatic manage-

ment were widely established. By 1968 the family owned business prototyped the modern aquatic weed harvester and developed the worldwide market for the equipment in the 1970's. For the last 35 years, the company has designed, manufactured and sold aquatic plant management equipment used for weed control in lakes, rivers, ports, harbors and even oceans. It became the world leader of this niche industry, with equipment across the United States and in nearly 40 countries.

Increasingly, Aquarius Systems' unique machines are required overseas. In any given year, 15 to 45 percent of company sales are to foreign markets. Exporting equipment has become necessary for its growth and survival, and it continues to do so with great success. However, Aquarius Systems has recently dealt with some difficult issues that threatened to impede the company's ability to export. The aquatic plant-management equipment market has become increasingly competitive on an international level. Aquarius Systems' foreign competitors are well supported by, and often fully subsidized, by their own governments. Aquarius Systems has been out competed on more than one occasion when the governments of its competitors supplied free machines to the customers to secure deals.

Aquarius Systems has found that working with OPIC has made international business just a little bit easier. Ms. Dauffenbach says, "[OPIC] will be very helpful should a dispute arise... it will help us to maintain proper transparency, and give us some muscle to push through bureaucratic impediments, if necessary. We are certain that if an issue comes up in the next 12 months our position will be taken more seriously now that it is known that our Government is behind us."

### OPIC Client Profile

OVERSEAS PRIVATE INVESTMENT CORPORATION