

SUCCESS STORY **Portland District Office**

World Bank Development Projects Create Opportunity for Oregon Exporter



As a student at Oregon State University during the early nineties, Sherlock B. Mahn (left), a native of Liberia, found a niche in exporting supplies for development projects in African countries. Building on his experience in his father's import-export businesses in Liberia, Mahn became a self-taught entrepreneur with a focus on bidding for World Bank procurement opportunities. In 1993 he founded Kwaplah Int'l Trading Company, Inc. with the initial intent to export textbooks and educational supplies or equipment.

Despite being employed full-time in the first years of launching his business, Mahn expanded the core product line of textbooks to include office equipment, AV and computer equipment, and occasionally even industrial machinery. With the success of being the successful bidder on several small Ethiopian projects also came disappointments when Kwaplah International was out-bid on larger contracts for more diverse products.

The secret of business growth, it became apparent, was in developing a broader supplier base and in developing a greater number of bids. At this stage of business development the working capital shortage became noticeable. Since the World Bank requires that every proposal be accompanied by a bid bond pegged at a percentage of contract value, the need for financing grew with the volume of bids. The more bids and the larger the contracts, the more money was tied up in bid bonds and often for many months.

When Kwaplah International required more working capital than his small personal line of credit could supply, Mahn applied for an export line of credit and was declined. In the bank's eye his continued employment while developing his company relegated the enterprise to "hobby" business status. Through a Small Business Administration (SBA) Export Working Capital Program (EWCP) loan, Kwaplah International secured its first business line of credit and increased its capacity for supplier and bid bond financing. "This [EWCP] loan program has enabled Kwaplah International to bid for more substantive export projects that have otherwise been avoided in the past due to limited financial capability," said Mahn.

With increasing success in landing bids and demonstrated performance to the World Bank, Mahn was successful in 2004 in signing a multi-year contract with the United Nations to supply a line of selected

office products to UN offices in African countries. In 2004, Mahn quit his job to dedicate himself 100% to his growing export company. "I want to express my deep gratitude to the SBA Export Working Capital/Assistance Program for providing much required working capital and Bid/Performance Bonds that I needed to successfully and equitably compete in the export markets," said Mahn.

With assistance from the SBA Export Working Capital Program, Kwaplah Int'l Trading Company, Inc.'s objective for the coming year is to vigorously pursue export opportunities across Africa in order to double or triple its export volume.

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