



The Written Statement of Archana Sharma on “Promoting American Jobs: Reauthorization of the US Export Import Bank”

Chairwoman Waters, Ranking Member McHenry, and Members of the Committee, thank you for inviting me here today to testify about the US Export-Import Bank.

I came to the United States in 2005 from India with my husband and children. I found employment as Director of Quality Control at Osteotech Inc (later Medtronic), a company that made medical devices from donated human bones and tissue. My husband is a textile engineer who found work in a textile manufacturing company in NJ which declared bankruptcy and closed in 2010. That’s when we decided to get into manufacturing our own fabrics. Recession was at full peak, and no bank was willing to lend us the money. We took a leap of faith and invested our entire savings in our business. Our first batches were ready by the fall of 2010. My son Ashrey created the website; my daughter Karishma started a blog to attract customers to the website. I did the planning in my spare time and my husband ran production and sales. The four of us were co-owners, but the vision and strategy was mine so I became the CEO. During my vacation time and weekends my husband and I made visits to potential customers - makers of reusable cloth diapers and that’s where our first big order came from. Within one year the fabric became a bestseller, by our modest standards, and it was deemed to be the best in the market. We had to keep the prices competitive with overseas imports so our margins were low but our confidence in the quality of our fabric was high. In 2012 I acquired a Canadian company Wazoodle Fabrics with an online web store and added more fabrics to our product line. I am the CEO of both businesses. We invested our earnings back into the business and developed more specialty fabrics.

AKAS is a textile manufacturing company with expertise in design, engineering, raw materials sourcing and fabrication. Our experience in fibers, lean manufacturing, quality, and supply chain, and our focus on sustainability have made us a global leader in specialty fabrics that are safe for the environment and safe for end users.



Our business designs and produces high-performance custom made fabrics desired by entrepreneurs and industry giants alike. We also make our own lines of fabrics and have engineered some of the top brands for absorbency, food safety, waterproofing, organics, athletic performance, anti-microbial protection and more. These are stocked as roll goods available for applications in a wide range of industries including apparel, automotive, food, furniture, industrial, healthcare, oil, hospitality and the military.

Made from the best yarns available, our textiles have gone up in space with astronauts, they've been part of the Winter Olympics torch, and they are used in gear for America's armed forces. They perform every day throughout the world, and they meet mil spec, food-safe, flame retardant and other U.S. certifications.

We are one of the few textile manufacturers in the United States that source all our raw materials in the USA, and partner exclusively with American mills for production. That's because our mission is to create and support jobs in American mills, showcase the excellence and superior quality of US made fabrics and bring recognition to our hard working and knowledgeable textile industry. This is our way of showing our gratitude and giving back to this country that has welcomed us and accepted us in its fold.

The fabrics that we manufacture are used for making a wide range of reusable products that help in reducing the use of disposables and the amount of material going into landfills. Some examples are washable and reusable cloth diapers, nursing pads, adult incontinence wear, cloth pads, soaker pads, surgical drapes, food safe snack bags, unpaper towels, pet bedding and there are many more.

In our manufacturing journey we came across other small textile businesses that had the machines to knit or finish fabrics but their capacity was underutilized because much of textile manufacturing had been moved overseas. Many machines sat idle. We worked with several of these mills to create our fabrics- knit, print, dye, finish, apply special finishes etc. Now we have a supply chain of more than 50 small companies and larger ones. Over the past 11 years, we have increased production at some of our mills from two to four days a week and overall have been able to create over 100 jobs and sustain over 650 jobs throughout our supply chain.



By 2013 we were exporting some of our fabrics and had maybe six overseas customers in four countries. Orders had to be paid for in advance so that limited our sales. We could not offer credit terms because we had no way of recovering the money if our foreign buyers defaulted on the payment. People across the world sampled our fabrics and wanted them, but the shipping costs were exorbitant and customers would purchase only small amounts.

I was introduced to the EXIM bank in 2013 at a trade seminar, and learned about their export credit insurance program. That came as a blessing to us as it enabled us to offer credit terms to our international customers and encourage them to place larger orders. The customers saved on shipping costs ordering larger amounts of fabric and we were able to give them volume discounts. It was a win-win situation.

Now that we could offer credit terms to overseas customers it leveled the playing field and gave us an edge over international competitors because the quality of our US made fabrics was superior. EXIM's team of professionals has been invaluable in helping us navigate its export tools we have benefited immensely by using EXIM Bank.

In 2011-12 we had six overseas customers in four countries.
Today we have more than 800 customers in over 60 countries.

People use the retail website to purchase small quantities of our textiles to test them and make prototypes. Once they have finalized the design of their product, they graduate to the wholesale site and buy whole rolls of fabric (25-50 yards). Because we are able to offer them credit terms many of these companies start purchasing larger volumes at a time (500 yards and more). It helps them get volume discounts from us, saves on shipping costs for them and helps their production efficiency by making large batches of product. That's how much difference the support of the EXIM bank makes. Without the peace of mind that EXIM's credit insurance provides us, our exports will suffer tremendously.



We are very proud of our American textile industry and grateful to our vast supply chain of textile businesses that help us create these wonderful fabrics that are recognized for their quality all over the world. The fabrics are then used by creative people across the world to make creative reusable items that reduce the usage of disposable goods and make a difference to the carbon footprint on the earth.

Our two most sought after products are our Zorb absorbent fabrics and ProSoft food safe fabrics, over 70% of which are used by woman-owned and operated businesses around the world. We are thankful to the US government for creating such an awesome asset that benefits small industry and women owned businesses. EXIM offers such good programs and services and I am grateful for the opportunity to speak about them today. I would readily recommend them to other business owners and let them know that banks like EXIM are not just for big business, in fact they are even more important for small business owners.

Our revenue has grown from \$0.5 million in 2010 to over \$4.6 million in 2018. A large part of the growth has come from our exports due to our ability to offer credit terms. I have noted below the list of countries where our fabrics are exported.

In closing, I would like to thank you all for listening to me and I'd like to thank the EXIM bank for helping a small business like ours compete globally and export American made goods. I'd be happy to answer any questions.

Note:

The list of the countries where our fabrics are supplied are:

Country

Argentina

Australia

Austria

Belgium

Brazil

Brunei Darussalam

Canada



TEXTILES & LAMINATIONS

- Chile
- China
- Colombia
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- French Guiana
- French Polynesia
- Germany
- Greece
- Guadeloupe
- Honduras
- Hong Kong
- Hungary
- Iceland
- India
- Ireland (Eire)
- Israel
- Italy
- Japan
- Korea, Republic of (South)
- Kuwait
- Latvia
- Lithuania
- Luxembourg
- Malaysia
- Mauritius
- Mexico
- Morocco
- Netherlands
- New Caledonia
- New Zealand

1360 ADAMS ROAD,
BENSALEM, PA 19020

P: 215 244 2589
F: 215 244 2585

www.akastex.com
info@akasllc.com



TEXTILES & LAMINATIONS

- Norway
- Oman
- Philippines
- Poland
- Portugal
- Qatar
- Russia
- Saudi Arabia
- Singapore
- Slovak Republic (Slovakia)
- Slovenia
- South Africa
- Spain
- Sri Lanka
- Sweden
- Switzerland
- Taiwan
- Thailand
- Turkey
- Ukraine
- United Kingdom
- Vietnam

Thank you
Archana Sharma