



Export Success Story

University-Government Partnership Helps Local Small Businesses Export

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Lumber Company Builds Small Town Employment

What was once an idle saw mill and a sign of a declining economy is now a boon to a small town in rural Clarke County. With the aid of an SBA Export Working Capital Loan and an eager local bank, Thomasville Lumber secured the necessary financing to re-start the idle mill and create approximately 40 jobs. Products made in Thomasville are hot in the export markets and overseas sales continue to grow to over \$10 million. The company continues to use the SBA loan program as part of its financing strategy to support international sales.

Thomasville Lumber Company is a high quality Southern Yellow Pine mill that produces U.S. lumber for sale to international markets. It is located in Thomasville in the Southwestern part of Alabama and has a population of around 4,500 people. The former lumber yard, Coastal Lumber Company, had been in operation in Thomasville since the 1960's and employed 50 people in the heart of Alabama's southern pine forest. Coastal Lumber had been selling its products for international customers and had a solid reputation among buyers. A fire destroyed the Coastal facility and the yard closed. Coastal Lumber, part of a large operation with many locations around the U.S., decided to keep the insurance money and abandon the mill.

Two former Coastal employees and the Mayor of Thomasville contacted the Alabama International Trade Center and asked for financial assistance to restart the mill and export their production to customers in Europe. With the help of the city and county, and an eager local bank, the former employees negotiated a purchase for very little money and worked to restore the mill. With the assistance of the AITC, Thomasville secured a \$1,000,000 export working capital loan from the SBA to purchase logs and carry short term receivables.

The deal worked beautifully. Thomasville Lumber Company now employs over 70 people and exports over \$10 million annually. Their lumber is being sold internationally to the Caribbean, Japan, and Western Europe, with a large majority going to Spain. Thomasville Lumber is contributing in excess of \$2,000,000 in direct payroll to the community and may hire several more people this coming year.