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Finance on board for boat builder

Mark Fenton-Jones

The company that makes the boarding boats that feature regularly in the anti-terrorist exercises of law enforcement agencies has secured additional funding to complete its first major contract with the US military and its first in the Middle East.

Britton Marine (Australia), which is Based at Taren Point in Sydney's south and specialises in the supply of tactical response vessels to military and law enforcement agencies, has received a working capital guarantee from export credit agency Export Finance and Insurance Corp, so that its bank, Westpac Banking Corp, will lend it additional working capital funds.

Westpac is one of nine major banks that have signed up to use EFIC's Headway guarantee, which provides additional funding when exporters have reached the limit of their usual capital funding facilities.

The Headway product is aimed at small to medium-sized exporters and provides guarantees of \$200,000 to \$1 million, although in some circumstances this amount can reach \$1.5 million.

In the case of defence-related exports, EFIC provides the guarantee only if all Australian government requirements for the proposed exports are met.

The additional funding will allow the 22-year-old Britton Marine to complete a US army contract to supply and install eight diesel engines and stern-drive systems on four logistics support boats of Iraq's Coastal Border Guard on site in Basra, in southern Iraq.

"This is our first major contract with the US military and our first in the Middle East," managing director Steve Britton said.

"Our engine supplier required payment prior to shipment to Iraq, placing pressure on our cash flow. EFIC's capital guarantee helped us secure the additional working capital we needed to deliver the contract on time."

Before this, most of its contracts have been in New Zealand, Singapore, Indonesia and the Solomon Islands.