

Case study: Connexionz

NZEC solution: Secure Export Sales

NZEC product: Surety Bond Guarantee

Sector: ICT & Services



NZEC bond guarantee supports Christchurch company Connexionz in the US

Christchurch-based bus passenger information company Connexionz Limited has secured a USD \$2.9m contract in the United States with support from the New Zealand Export Credit (NZEC).

A USD \$2.2m performance bond, underwritten by NZEC, enabled Connexionz to secure a contract to supply their "Real Time Passenger Information" system for the City of Santa Clarita, California.

In the United States, city municipalities often require the contractors to provide performance bonds to the value of up to 100% of the value of the contracted works, via a licensed US surety bond provided. This bond was issued under an ongoing arrangement between Liberty Mutual Insurance Company, one of the largest surety bond providers in the United States, and the NZEC. This relationship makes it easier for New Zealand companies who face 100% surety bonds to bid for and perform US federal, state or city municipal projects.

"Connexionz was unable to directly obtain a performance bond from the US surety bond market. After a detailed assessment of Connexionz's technical, management and financial capabilities to perform this project, the NZEC was pleased to issue their first US surety bond guarantee," said Paul Hendry, Principal Advisor at NZEC.

When complete, Connexionz's new system will track 87 vehicles and provide up-to-the-minute arrival times to 23 bus stops and terminals across the City of Santa Clarita.

"We are extremely pleased to have achieved this sale as it will become an important reference site for future prospects on the United States' West Coast where there are high levels of interest in real-time passenger information systems" said Craig Boyce, Chairman of Connexionz.

"This contract will help us to continue to build momentum in the US market."

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This document is available at <https://exportcredit.treasury.govt.nz/>