

STEP FY18 STATE TRADE EXPANSION PROGRAM

**JOHN H. CHAFEE CENTER
FOR INTERNATIONAL
BUSINESS**

SEPTEMBER 30, 2018 – SEPTEMBER 29, 2019

The State Trade Expansion Program (STEP) is a national export initiative which makes matching fund awards to states to assist small businesses in entering and expanding into international markets. Administered by the U.S. Small Business Administration's Office of International Trade, the program's objectives are to increase the number of U.S. small businesses that export and to increase the value of exports by small businesses.

The Chafee Center for International Business at Bryant University, in collaboration with the Rhode Island Commerce Corporation, is pleased to announce they have once again been awarded the STEP grant. The Center will work with eligible RI small businesses to enroll them in this valuable program and assist them in receiving STEP funding to support their international growth.

STEP Eligibility Requirements

In order to participate in the RI STEP program, a company must meet the following requirements:

- Is organized and incorporated in the United States
- Is operating in Rhode Island, U.S.A
- Is registered in Rhode Island as a for-profit business
- Meets the SBA definition of a "small business" (see form)
- Has been in business not less than one year
- Has sufficient resources to bear the costs associated with trade, including the costs of packing, shipping, freight forwarding, and custom brokers
- Is engaged in or wishes to be engaged in the delivery abroad of goods and/or services produced in the United States

Eligible small business concerns will be classified as either:

NTE: New To Export = Businesses with either little or no export experience.

ME: Market Expansion = Active exporters focused on expanding into new country markets, into a new region or market segment, or introducing new products in an existing market.

FOR MORE INFORMATION

PLEASE CONTACT:

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Funded in part through a grant with the
U.S. Small Business Administration



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Match-Fund Award Opportunities

Eligible RI companies may apply for financial assistance for specific activities designed to support export growth. All requests for financial assistance **must be pre-approved prior to the start of the activity** and are available on a reimbursement basis, subject to completion of the approved project and submission of all required materials. Requests for Approval are reviewed on a first-come, first served basis while funding is available. All proposed projects and activities must take place between September 30, 2018 and September 29, 2019 to be eligible for funding under this grant.

In order to apply for STEP funding a company must:

- Meet the criteria for participation in the Rhode Island STEP grant.
- Complete the STEP enrollment forms (STEP Self Representation Form & STEP Business Profile).
- Once enrolled, complete a **STEP Request for Approval**.

Requirements for consideration for funding:

- The project or activity must meet the criteria for eligible activities as defined below.
- The company must be able to show how the activity supports the company's export strategy, either through entry into a new country market, entry into a new market or market segment, or introduction of a new product line into an existing market.
- The company must show how this activity will increase in export sales, with a projected ROI.
- The company must be able to demonstrate an ability to effectively execute the project.
- The product or service being exported must be of U.S. origin or have at least 51% U.S. content.
- The company is able to share in the cost of the activity as shown by the total project budget.
- All requests require an estimated budget with quotes or other information to justify expenses.
- Requests must reflect the normal, standard costs for the project or activity.
- Assistance will not be awarded to repeat projects or activities within a 3 year period without clear justification on how this activity is a priority for export expansion with an appropriate ROI.

All **Requests for Approval** will be reviewed by the Selection Committee, taking into consideration the potential to result in increased export sales, the company's ability to execute and the projected ROI. For companies that have received previous STEP support, their past efforts will also be taken into consideration, including their response to the quarterly Data Collection request to provide updated sales results for previous STEP funded activities.

STEP is focused on assisting eligible small companies to become exporters, if they are not already exporting or have limited export experience. Additionally its goal is to help existing exporters expand their international presence through **new market entry** and the **launch of new product lines**. However, it is not the intent of the STEP grant that companies become dependent on receiving federal STEP funds and companies are encouraged to graduate from the STEP program after a reasonable duration.

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Eligible Activities

Eligibility period: Activities must take place between September 30, 2018 and September 29, 2019

Rhode Island Sponsored International Trade Events

Rhode Island led Trade Missions and sponsored trade shows

Up to 100% Reimbursement for specific activities related to each event

STEP funding may also be used to cover participation in certain state-led activities at no, or reduced, cost

U.S. Department of Commerce Programs

U.S. Commercial Service Programs: Gold Key, IPS, Single Company Promotion, etc.

Up to 75% reimbursement. Maximum Reimbursement: \$1,200 per project

Websites: Translation, Search Engine Optimization and Foreign Market Localization

Up to 75% reimbursement. Maximum Reimbursement \$3,000 per company per grant period

Design of International Marketing Media

Design of marketing media to promote eligible products and services to strengthen export sales potential and the ability to reach target audiences, and /or expand export market opportunities using any of the following:

Brochures • Websites • Newspapers • Posters • Social Media Platforms • Billboards

Branding and Advertising • Advertisements in international magazines

Up to 75% reimbursement. Maximum Reimbursement \$3000 per company per grant period

International Trade Show Exhibits (Foreign)

Standard booth registration fees, booth furnishings, signage, electricity, etc.

(Shipping of samples is allowed, with a maximum annual reimbursement at 75% of \$2,000 per company.)

Up to 75% Reimbursement. Maximum Reimbursement: \$7500 per event

International Trade Show Exhibits (Domestic)

Funding for exhibiting at an international trade event held in the USA is allowed providing the following conditions are met:

- Company gives first consideration to U.S. Department of Commerce International Buyers Program (IBP) shows (<https://2016.export.gov/ibp/index.asp>)
- Company provides an international strategy for exhibiting at a specific domestic trade show
- Company provides justification that the event will help support new export business opportunities, to include number of foreign buyers present, presence of a foreign buying delegation, number of foreign countries typically represented, and the international status of the event
- Company agrees to provide a list of matchmaking activities completed and international leads obtained at the event as part of the requirement for reimbursement

Up to 75% reimbursement. Maximum Reimbursement: For Domestic Shows: \$5000 per event

LIMIT ONE DOMESTIC SHOW PER COMPANY PER GRANT PERIOD

International Training Programs

(Workshop, seminar or similar activity that delivers a structured program to provide knowledge on export policies, regulations and/or best practices.)

Customized in-house training/Third Party Events: Up to 75% Reimbursement. Maximum reimbursement \$1500.

Chafee Center sponsored seminars: Stipends up to \$500 per company per grant period

Scholarships available for attending World Trade Day 2018

All training events limited to maximum two employees per company

Procurement of Consultancy Service

In-country assistance with market entry and facilitation through professional agencies or consultants.

Only allowed after consultation with the local U.S. Commercial Service to avoid duplication of services.

Up to 75% Reimbursement, Maximum Reimbursement \$3750 per project

Other Export Initiatives

For other export activities that do not fall into the above categories but meet the guidelines for STEP assistance.

(Examples: Use of translators/interpreters; product testing; shipment of samples)

Up to 75% reimbursement, Maximum Reimbursement \$1000 per project.

*Travel expenses, including airfare, hotels and meals are not eligible for STEP reimbursement. Maximum awards per company: Up to \$20,000 and/or 10 awards TOTAL

MAXIMUM AWARDS PER GRANT PERIOD ENDING SEPTEMBER 20, 2019:

- Total Maximum Dollar Award per Company: \$20,000
- Total Maximum Number of Awards/Activities per Company: 10 Awards TOTAL

To receive STEP funding:

- Step 1: Complete a **Request for Approval**.
- Step 2: If approved, a **Letter of Approval** will be issued confirming the approved level of funding.
- Step 3: Submit a Request for Reimbursement. Once the project is completed, the company must submit a Request for Reimbursement within **45 days of completion**, providing all required documentation, in order to receive the approved funding.
- Step 4: Response to the quarterly Data Collection form with updated information on actual export activity that occurred as a result of a STEP supported activity.

NOTE: Failure to submit the appropriate requests and documentations within 45 days without justification could jeopardize reimbursement of approved funds.

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