

STATE TRADE AND EXPORT PROGRAM (STEP)



Overview of STEP Program

The Nebraska Department of Economic Development (DED) has received a State Trade and Export (STEP) grant from the U.S. Small Business Administration (SBA) to: 1) increase the number of small businesses in Nebraska that are exporting, and 2) increase the value of exports for those small businesses that are currently exporting.

This funding has allowed DED to offer several new marketing opportunities to Nebraska businesses.

International Market Access Grant Program

The International Market Access Grant (IMAG) program will reimburse select company expenses related to 1) participating in export-focused trade shows in the U.S. or abroad; and/or 2) participating in US Department of Commerce Business Matchmaking Programs available through the US Foreign Commercial Service in Omaha.

Companies can access these funds through an application process for activities to be completed no later than September 30, 2012. Funds will be awarded on a first-come, first-serve basis to the extent funds are available.

1) IMAG Grant Activities

a) Participation in international trade shows and/or domestic trade shows with an international audience;

Category 1: IMAG will provide up to \$2,000 for an eligible business to attend a qualified export focused trade show in the United States;

Category 2: IMAG will provide up to \$5,000 for an eligible business to attend a qualified export focused trade show outside the United States.



b) Participation in US Department of Commerce Business Matchmaking Programs;

DED will reimburse application fees related to the following US Department of Commerce programs: Gold Key, International Partner Search, International Company Profile and Commercial News USA.

2) Company Eligibility

Companies applying for IMAG funding must operate a business in Nebraska to process, manufacture, and/or distribute a product or provide an exportable service. The company does not need to be headquartered in Nebraska but must have operations located here to qualify for an IMAG. They must also meet the following criteria:

- a) Qualify as a small business according to the SBA's definition, which includes less than 500 employees, OR less than \$750,000 in annual revenue earnings. All employees of affiliates, such as parent companies, subsidiaries, etc., must be included in employee totals. For a complete listing of industry- specific small business definitions [www.sba.gov/content/table-small-business-size-standards];
- b) Submit a "Self Representation as an 'Eligible Small Business Concern' Form;" the form can be found on the DED website or be emailed to you by DED upon request;
- c) Submit a completed "Export Assessment Questionnaire" and score 66% or higher (found at <http://export.gov/begin/assessment.asp>);
- d) Submit a copy of the company's strategic plan for exporting or a "Summary of International Trade Activities Form." The form can be found on the DED website or be emailed to you by DED upon request;
- e) Submit a Debarment Certification Form to certify that the applicant is not on the U.S. Excluded Parties List System [<http://www.sba.gov/content/sba-form-1623-10-88-certification-regarding-debarment-suspension-and-other-responsibility-matters-primary-covered-transa>];
- f) Submit an application (available on the DED website) and all supporting documents to DED within 30 days prior to the IMAG activity to ensure ample time for review and approval before the event. **NOTE: Any activity involving international travel must be submitted 60 days prior to the IMAG activity.**



3) Eligible Expenses for IMAG Activities

a) **Domestic & Foreign Trade Show Participation**

a) Travel:

- (1) The actual cost of a coach/economy class ticket (Note: The coach/economy class plane ticket must be on a U.S. Flag Carrier, such as American, United, Delta, etc., pursuant to the Fly America Act);
- (2) Ground transportation to and from a trade event; and
- (3) A minimum of one (and maximum of two) US - based company employees' eligible travel expenses. Importers/distributors and in-market company representatives are not eligible. Federal regulations currently prohibit funding of activities in Cuba, North Korea, Iran, Libya, and Sudan, subject to changing world events.

b) Lodging:

- (1) The actual cost of lodging, plus applicable hotel tax and service charges.
- (2) No more than the federal per diem rates listed at http://aoprals.state.gov/web920/per_diem.asp.

c) Shipping Fees for Equipment and Materials;

d) Brochures and Materials;

e) Translation/Interpreter Services;

f) Trade Show Booth Expenses (Registration Fee, Electricity, Set -up Costs, etc.); and

g) Shipping Fees for Equipment and Materials;

NOTE: Due to federal regulations, foreign travel requires DED/SBA preapproval before incurring travel expenses. **Any activity involving international travel must be submitted 60 days prior to the IMAG activity.**

b) **US Department of Commerce Business Matchmaking Programs**

Through the STEP Program, DED will reimburse you for the cost of the Gold Key Matching Service, the International Partner Search Program, the International Company Profile Program, and/or the cost of a Commercial News USA ad (up to \$1590 per ad). The number of reimbursable programs is limited; subject to DED/USDOC approval and on a first-come first-serve basis.

- a) Gold Key Matching Service Program: To help businesses save time, money, and get the most out of overseas business trips, the US Commercial Service helps US small- and medium-sized businesses find the right business partners in their targeted export markets. The USDOC will arrange one-on-one appointments with pre-screened agents, buyers, distributors, sales representatives, association and government contacts, licensing or joint venture partners, and other key players.



By working with USDOC in-country trade specialists, you will get customized market and industry briefings and research; appointments with prospective trade partners in key industry sectors; guidance on appropriate follow-up strategies; travel assistance; interpreter services; and logistical support.

- b) International Partner Search Program: Secure the best international partners to grow your sales. U.S. small- and medium-sized businesses can save time and money by leveraging the U.S. Commercial Services International Partner Search (IPS) to find pre-qualified global partners that are interested in your products and services.

Through IPS, you can obtain a report of up to five qualified overseas agents, distributors, manufacturers, representatives, joint venture partners, licensees, franchises, or strategic partners. You will get high-quality market information on the sales potential of your products and services; complete contact information on key officers; intelligence on company size, sales, years in business and number of employees; and a statement from each potential partner on the marketability of your products or services.

- c) International Company Profile Program: Enlist the US Commercial Service to generate a customized International Company Profile (ICP) on your potential business partners. Researched and prepared by the USDOC's international trade specialists and commercial officers, ICPs enable US small- and medium-sized businesses to more effectively evaluate overseas companies.

Through the ICP, you will get detailed answers to your questions about the specific overseas competitor companies in which you are interested, credit ratings, profit and loss numbers, key officers, and our opinion of the overall viability of the firms in a particular market.

- d) Commercial News USA: Commercial News USA is the official United States Department of Commerce showcase for American-made products and services.

The catalog-style magazine is designed to help American companies promote products and services to buyers in more than 178 countries--at a fraction of the cost of other advertising options. Each issue reaches an estimated 250,000 readers worldwide in print and 23,000 per month online.

Commercial News USA is distributed bi-monthly to readers outside the United States. The magazine, which is free, is mailed directly to qualified recipients and distributed by US and Foreign Commercial Service personnel at US embassies and consulates worldwide.

Whether you seek representation, distribution, direct sales, licensing or joint-venture partners, Commercial News USA will deliver your message directly to potential customers in export markets worldwide. Just one listing can produce a substantial return on your investment.



4) Ineligible Expenses

Under Nebraska law, the following expense categories are ineligible for public funding (others also may apply):

- a) Compensation, wages or salary of an employee of the Nebraska company;
- b) Meals, beverages and tips;
- c) Capital goods, product samples, and supplies;
- d) Product research and development costs;
- e) Alcoholic beverages; and
- f) Any expenses incurred prior to approval of grant.

5) Distribution of Funds

The IMAG program operates on a **reimbursable basis**. Therefore, successful applicants will recover authorized funds when their projects have been completed and all documentation has been received. **Expenses incurred BEFORE the grant award date are not reimbursable.**

- a) Reimbursement requests must be submitted within 30 days of completion of the IMAG activity.
- b) Reimbursement requests must include disbursement receipts for expenses incurred.

6) Submission Procedures:

- a) Submit an application and all supporting documents to DED within 30 days prior to the IMAG activity to ensure ample time for review and approval before the event. **NOTE: Any activity involving international travel must be submitted 60 days prior to the IMAG activity.**
- b) Successful applicants will be funded on a first-come, first-serve basis to the extent funds are available.
- c) Please submit documents electronically (Microsoft Word, Excel or PDF) to: Michael Kuzma at mike.kuzma@nebraska.gov.

If you have additional questions, contact:

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