

Montana State Trade Expansion Program Grant

2017-2018 Guidelines



PROGRAM OVERVIEW

The Montana State Trade Expansion Program (STEP) grant offers financial assistance to qualified Montana small businesses for international marketing efforts in beginning exporting or market expansion, including:

1. **International Trade Show Exhibition** for marketing expenses to attend international wholesale exhibitions and trade shows
2. **Foreign Language Translation Services** for marketing and technical materials (including websites)
3. **U.S. Commercial Service Activities** market research and other services provided by the U.S. Commercial Service

This program is based on a percentage reimbursement of pre-approved, eligible, and actual expenses. Funds are not disbursed until actual receipts are submitted after the activity.

**NOTE: Activities must occur between
September 30, 2017 and September 29, 2018.**

**Activities occurring BEFORE an application
is approved are ineligible.**



**Funded in part through a cooperative agreement with
the U.S. Small Business Administration**

ELIGIBLE SMALL BUSINESSES

For purposes of this program, the term "eligible small business" means a Montana small business that:

- has been in business for not less than the 1-year period ending on the date on which assistance is provided;
- meets size definitions used by the SBA (www.sba.gov/content/table-small-business-size-standards);
- has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping;
- has a strategic plan for exporting in effect; and
- agrees to provide the program with export activities/results from the grant activities.

An eligible business may apply for one or all activities and potentially receive the maximum for each category. All expenses must be pre-approved and no expenses will be reimbursed without a proper receipt and acceptance of the Post-Activity Reimbursement Request and Survey Form, due within 45 days of the close of the activity.

ELIGIBLE ACTIVITIES & REIMBURSEMENTS

ACTIVITY 1 — INTERNATIONAL TRADE SHOW EXHIBITION

Provides funds for financing trade show related marketing expenses (booth fees and registration, booth furniture, displays/banners, marketing/promotional materials, shipping/drayage, electricity, etc.). See “ELIGIBLE EXPENSES” for more details.

- 50% reimbursement up to a maximum of \$10,000

Additionally, domestic trade shows that are part of the US Commercial Service’s [International Buyer Program](#) are eligible for the program, given that the applicant registers for the program with the intent of garnering international accounts.

ACTIVITY 2 — FOREIGN LANGUAGE TRANSLATION SERVICES

Eligible costs include fees for services and production related expenses to translate and print/produce marketing and technical materials for products and services. See “ELIGIBLE EXPENSES” for more details.

- 50% reimbursement up to a maximum of \$3,000

ACTIVITY 3 — U.S. COMMERCIAL SERVICE ACTIVITIES

The program provides funds for fees to access customized U.S. Commercial Service programs focused on increasing a company’s exports (fees for general training programs are not eligible). May include, but is not limited to:

- [Initial Market Check](#) - target the best international markets and evaluate potential overseas business partners
- [International Company Profile \(ICP\)](#) - financial reports on companies in over 80 countries
- [International Partner Search \(IPS\)](#) - provide a list of up to five pre-qualified partners
- [Gold Key Matching Service](#) - help to find potential overseas agents, distributors, sales representatives and business partners; and arrange pre-screened appointments with potential partners before traveling overseas

See “ELIGIBLE EXPENSES” for more details. For information about these programs contact Carey Hester, 406-370-0097, carey.hester@trade.gov, Export.Gov/Montana.

- 50% reimbursement up to a maximum of \$5,000

TRAVEL STIPEND

While travel costs are ineligible expenses as part of the reimbursement, one fixed travel stipend for one company staff member is provided for Activities 1 and 3, for travel originating from Montana. (Importers, in-country reps, and distributors are NOT eligible for the stipend.)

- **International**—\$2,000
- **United States**—\$500

All grant activities performed in another country must comply with the [Fly America Act](#) which requires international destination flights on a U.S. Flag Carrier. Contact the Program for more information.



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

ELIGIBLE EXPENSES

If an anticipated cost is not listed below, applicants should contact the program to determine eligibility.

Activity 1—International Trade Show Exhibition

- **Exhibit space fees and registration**
- **Booth rental**
- **Booth production** (cannot exceed \$5,000)
- **Display elements** (graphics, banners, signs, racks, decorations, lighting)
- **Booth furnishings** (table, chairs)
- **Shipping and storage** (drayage, freight, exhibit storage)
- **Show services** (set-up and tear down, utilities, card reader, security)
- **Trade show literature** (brochures, sales sheets, business cards, etc.)

Activity 2—Foreign Language Translation Services

- **Hiring a translator**
- **Websites**
- **Promotional and sales materials** (brochures, catalogs)
- **Technical specifications, data sheets**
- **Layout, design, and printing**

Activity 3—U.S. Commercial Service Activities

- **Direct program fees** for international trade related activities provided by the U.S. Commercial Services (ex./ Gold or Platinum Key fees)

Travel Stipend

- Depending upon destination, reimbursement of fees related to **airfare** on US Carriers and **international hotel accommodations**.

INELIGIBLE EXPENSES

All costs associated with the following:

- **Travel** (transportation, accommodations, meals, etc.) other than the travel stipend as part of Activity 1 or Activity 3
- Creation of or supplementing a **reserve or contingency fund** or account
- **Match or support** for any other Federal projects
- **Entertainment costs**, including meals, alcohol, parties, receptions, mixers, or other social activities, or tickets to shows or sporting events
- **Souvenirs, models, imprinted clothing, buttons, gifts, prizes, promotional items, mementoes, scholarships, contributions, donations, or similar gratuitous transfers** (whether in the form of cash, property, or services)
- **Memberships fees or dues** in any business, technical, trade, professional, civic, community, country club, social or dining organization (whether in the name of the recipient organization or an individual)
- **Fund-raising** (including, but not limited to, soliciting funding or contributions or raising investment capital)
- **Lobbying or “grassroots” advocacy activities** (including the endorsement or opposition of political parties, candidates, initiatives, referenda, petitions, or the cost of protests or demonstrations)
- **Employee or owner salaries or compensation**
- **Indirect costs or depreciation; bid and proposal costs; legal expenses; fines, penalties and mischarging costs**
- **Any costs not directly related to international trade development and preapproved by this program.**

REPORTING REQUIREMENTS & PERFORMANCE INDICATORS

To receive reimbursement for activity expenditures, the assisted businesses will be required to complete the following:

Post Activity Reimbursement and Survey Form – due within 45 days after the activity concludes

Applicant will submit eligible receipts and report the activities conducted, summarize costs being reimbursed, and describe any results (orders placed, leads gathered, distributors, signed, etc.) at that time.

Mid-year Follow-up Survey Form – due April 1 & End of year Follow-up Survey Form – due October 1

The business will provide information regarding any additional results from the activity (increase in export activity, new orders, leads followed, etc.)—must be quantifiable and documentable if requested. For tourism activity awards, applicants will be required to report numbers of international visitors tied to their activity.

The Department may request additional report updates if needed to monitor the activity and satisfy SBA reporting requirements.

APPLICATION DEADLINES AND SELECTION PROCEDURES

Applications will be accepted at any time from September 30, 2017 to September 1, 2018, or until funds are exhausted. All proposed activities must be completed by September 29, 2017.

- **Activity 1—International Trade Show Exhibition:** Due 14 days before the proposed activity
- **Activity 2—Foreign Language Translation Services:** Due 14 days before the proposed activity
- **Activity 3—U.S. Commercial Service Activities:** Due 14 days before the proposed activity

Potential applicants may want to contact the Program before submitting an application for current funding availability and guidance. The Program may request additional information, including financial statements, at the time of application. The Program makes the final decision, at its sole discretion, whether to fund an application, request additional information, request SBA review comments, or to not approve an incomplete or otherwise unacceptable application.

A review panel, consisting of Department of Commerce staff will evaluate applications. To be eligible for reimbursement, written or electronic approval from the Montana Department of Commerce **MUST BE** received before starting an activity (an exception may be made for exhibit space rental). **No applications will be considered after an activity has occurred.**

Upon award, an agreement letter will be prepared by the Department which will outline processes and procedures.

There is no limit on the number of activities a company may participate in per year. However, to be considered for additional awards the company must have met the program requirements for any previous awards.

For applications and/or questions about the grant contact:

Angelyn DeYoung

Montana International Trade Manager & STEP Grant Manager

adeyoung@mt.gov

406-841-2783

ExportMontana

Montana Department of Commerce

PO Box 200505

301 South Park Avenue

Helena, MT 59620-0505

Fax: 406-841-2871 TDD: 406-841-2702

ExportMontana.com



Reasonable accommodations for persons with disabilities will be made if requested at least two weeks in advance by contacting Angelyn DeYoung at 406-841-2783.