## WHAT IS THE STEP GRANT?

The State Trade Expansion Program (STEP) Grant offers eligible Delaware businesses assistance to help launch or expand export activity. Grant funds can be used to reimburse Delaware businesses for up to 50 percent of all pre-approved, eligible, export marketing expenses, up to a maximum of $7,000 per fiscal year, per company. Delaware companies can receive funding for a maximum of three times, per country market, in a five-year period.

## ELIGIBLE EXPENSES

All submitted expenses must be pre-approved in your funding application by the Delaware Department of State. Delaware reimburses up to 50% of the following pre-approved eligible expenses for **one traveler per company**:

- Airfare (consistent with Fly America Rules[1], must be pre-approved)
- Ground transportation fees
- Baggage fees
- Parking fees
- Lodging (according to federal foreign per diem rates[2], must be pre-approved)
- Registration fees and booth space for trade shows
- Training Workshops (related to export policies, regulations and/or best practices)
- Trade mission fees
- Fees for U.S. Department of Commerce Services such as Gold Key Business Matchmaking Service, Single Company Promotions, International Partner Searches
- Currency exchange fees
- Fees for shipping sample products (capped at $4,000)
- Cost of compliance testing an existing product for entry into an export market (capped at $6,000)
- Export research tool subscription used to assist STEP Clients with market research (capped at $2,000 per award year)
- Website translation into a foreign language, search engine optimization, and localization services (capped at $6,000)
- Design of marketing media related to a trade mission or trade show (capped at $8,000) commensurate with STEP's statutory objectives deemed appropriate and approved in advance by SBA (Examples include trade event publications, online advertising during a trade event, brochures, social media sales campaigns, table banners, event website advertising, billboards, newspapers, banners, and other print media)
- Export conferences, meetings, symposiums, or training programs that pertain to STEP's statutory objectives deemed appropriate and approved in advance by SBA
- Services from a local American Chamber of Commerce (AMCHAM)
- Procurement of a consultancy service (after consultation with the U.S. Department of Commerce)

## WHAT COMPANIES ARE ELIGIBLE?

- Business must have operations in Delaware. Those companies incorporated in Delaware without operations here are not eligible for Delaware STEP Grants.
- Applicant must be a U.S. citizen.
- Product must be made in the USA – there is a 51% U.S. content requirement.
- **Companies must meet SBA size standards for eligibility**, which vary by NAICS code and type of business. **Please verify before completing the application[3]**
- Companies must be in business for no less than a one-year period ending on the date on which assistance is provided under the STEP grant.

- Company must have demonstrated understanding of the costs associated with exporting and doing business with foreign producers, including costs of freight forwarding, customs brokers, packing and shipping.
- Company must have a strategic export plan in effect.
- Accounting, Legal, and Technical Service Firms may be eligible provided they have international clientele, and can prove the intent to expand their business of exporting professional services.

## APPLICATION PROCEDURE

- Please complete the STEP Grant Application and email to the Delaware Department of State.
- All applicants meeting initial criteria will be interviewed by the Department of State.
- Your application will be reviewed and, if approved, you will receive notification via email of your approved status, effective date and award amount within two weeks.

**Please do NOT incur any expenses for which you will be seeking reimbursement prior to Department of State approval as grants cannot be used to reimburse costs retroactively.**

## REIMBURSEMENT PROCEDURE

The following documents must be submitted to the Department of State for reimbursement:

1. Scans of all receipts
2. Itemized Worksheet (template provided by Department of State)
3. Invoice

## EVALUATION AND SALES REPORTS

Companies will be contacted by the Delaware Department of State team to learn of the successes achieved with the help of this grant. According to federal regulations, all companies receiving STEP grants agree to complete a program evaluation form that indicates actual export sales received, projected/estimated future sales as a result of this grant, and Delaware jobs created or retained as a result of the respective trade activities for which funding was granted.

The State of Delaware is required by SBA as a condition of its funding for this program to provide feedback on all activity. This data will be collected three times during the award period – immediately following activity, and in October/March of the program year. A 24-month survey will be conducted the following fiscal year in October/March.

Recipients of SBA grants acknowledge that their cooperation in this regard is a contingency of such funding. The State of Delaware appreciates your cooperation, and it is essential to our ongoing success in winning and administering SBA grants on behalf of Delaware businesses.

[1]Fly America Rules: http://www.gsa.gov/portal/content/103191
[2]Federal foreign per diem rates: https://aoprals.state.gov/web920/per_diem.asp
[3] SBA size standards for eligibility https://www.sba.gov/managing-business/running-business/size-standards

***Download the application and save it on your computer before completing and remember to save your work periodically as you complete the form.***

**ELIGIBILITY**

**I certify that the goods or services my organization will promote on this STEP funded initiative are of U.S. origin OR have at least 51% U.S. content.** ☐ **Yes**

**I certify that my company meets the SBA size standard**
*See: https://www.sba.gov/managing-business/running-business/size-standards* ☐ **Yes**

**I certify that my company operates in the State of Delaware with physical operations and employees in the State.** ☐ **Yes**

**CONTACT INFORMATION**

***Please include primary and secondary (if applicable) contact information here.***

Company Name _____ Trade Name/DBA _____

Address Line 1 _____

Address Line 2 _____

City _____ State _____ Zip Code _____

Website _____

**Primary Contact**

Mrs. First Name _____ Last Name _____

Job Title _____

Direct Phone _____ Ext. _____ Cell Phone _____

Email _____

**Secondary Contact**

Mrs. First Name _____ Last Name _____

Job Title _____

Direct Phone _____ Ext. _____ Email _____

**COMPANY INFORMATION**

For reporting purposes, please advise if company ownership identifies with any of the following groups. Ownership is defined as an individual who owns not less than 51% of the firm.

- ☐ Black American
- ☐ Hispanic American
- ☐ Native American
- ☐ Asian Pacific Americans
- ☐ Subcontinent Asian Americans
- ☐ Other minority group as defined by the federal government; please describe:
- ☐ Rural
- ☐ Service-disabled veteran
- ☐ Veteran
- ☐ Woman

Are you:

☐ New to Export? *(No export experience at all; only "accidental" or "novice" exporting experience; or no export experience within 24 months.)*

☐ Market Expansion? *(Currently exporting to one or more markets and seeking to expand into new country market(s); or expand into a new region or new segment or new product line within an existing market.)*

NAICS code: HS Codes:

How long have you been in business?

Describe the product/services you intend to export and their positioning (i.e. price vs. quality vs. value).

How are you currently selling these products to customers in the U.S.? (e.g. in-house sales force, commission agents, distributor/wholesaler/retailer channels, direct to end-users, internet/online sales, specialty/other).

Describe your target export markets/customers and your "unique selling proposition" for each.



*All STEP activities are funded in part through a Cooperative Agreement with the U.S. Small Business Administration.*

Total number of employees

Total number in Delaware

Annual Sales

Currently Export ☐ Yes ☐ No

Current Export Sales

Export Sales Goal for Next Year

% of Total Sales from Export

Years of Export Experience

From which countries have you had inquiries about potential international sales?

Do you currently have an export plan? ☐ Yes ☐ No

To which countries do you currently export?

Do you have a country or region of interest for growth or expansion?

What are your company's three top export challenges, in order of priority? (i.e. #1, #2, #3)



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**Are you interested in participating in a business trip with the State of Delaware?** If so, please indicate the initiative for which you are interested in applying for funds.

*Please check all that apply and indicate the type(s) of contacts you would like for each (i.e. Representative; Licensee/Franchisee; Wholesaler; Distributor; Retailer; Joint Venture Partner; Direct Sales; Other/not sure, please specify).*

- ☐ **Independent Export Initiative**
- ☐ Sweden/Denmark
- ☐ France
- ☐ UAE/Israel
- ☐ Virtual Trade Mission (please list countries):
- ☐ Export Sales Training
- ☐ ExporTech
- ☐ Global Supplier Diversity Training
- ☐ Website Internationalization

*Please attach a separate note if you have any additional information for any of your target markets, such as direct competitors you know of in that market, complimentary products offered by target customers, companies you'd like to be put in contact with (or NOT to be contacted) and why, and any clarifying information about your ideal contact (e.g. you believe that warehousing or service capabilities are key).*

If you are applying for an Independent Export Initiative **(a trade show, business trip or website globalization)** that you wish to conduct on your own, please describe below.

If you are applying for Website Globalization, please provide a cost estimate:

Please provide an estimate of the funds you need to support this trip in the itemized format below. **This information is required and determines how much you will be awarded.** You will be awarded no more than 50% of your eligible expenses.

| | **DESTINATION AND DATES** (Please list each city. If applying for a trade show, include the name of the show.) | **MISC EXPENSES** (airport parking, baggage fees, in-country transport) | **HOTEL** | **FLIGHT** (coach class) | **OTHER** (exhibitor booth) |
|---|---|---|---|---|---|
| **TRIP 1** | | | | | |
| **TRIP 2** | | | | | |
| **TRIP 3** | | | | | |
| **TRIP 4** | | | | | |
| **TRIP 5** | | | | | |

Companies will be contacted by the Delaware Department of State team to learn of the successes achieved with the help of this grant. According to federal regulations, all companies receiving STEP grants agree to complete a program evaluation form that indicates actual export sales received, projected/estimated future sales as a result of this grant, and Delaware jobs created or retained as a result of the respective trade activities for which funding was granted.

Any Delaware company accepted to participate in a trade mission with the State of Delaware shall reimburse the State for all costs incurred on the company's behalf in the event the company fails to participate in the trade mission.

I hereby certify that all information provided in this document, as well as any accompanying documents, are true and complete.

My signature below confirms that my company complies with Buy American laws and Hire American requirements of Executive Order 13788.

| | |
|---|---|
| Signature | |
| Full Name | |
| Job Title | |
| Date | |

The US Small Business Administration (SBA) would like to give eligible small business concerns the opportunity to expand your knowledge and resources of other export programs that are offered by the agency and other federal agencies. Please check the appropriate box if you would like your company's name and contact information to be shared with other relevant agencies to learn more about federal export programs. Your choice to participate or not will not change the status of your participation with STEP. SBA's aim is strictly to share information about other opportunities with you.

☐ Yes ☐ No

U.S. Small Business Administration

# SELF-REPRESENTATION AS AN "ELIGIBLE SMALL BUSINESS CONCERN"

The undersigned seeks services from a State grant recipient under the Trade Facilitation and Trade Enforcement Act of 2015 (HR 644) which authorized the State Trade Expansion Program (STEP).

Section 503 of the Trade Facilitation and Trade Enforcement Act of 2015 defines the term 'eligible small business concern,' as a business concern that:

1. Is organized or incorporated in the United States;
2. Is operating in the United States,
3. Meets
   a. The applicable industry-based small business size standard established under section 3 of the Small Business Act; or
   b. The alternate size standard applicable to the program under section 7(a) of the Small Business Act and the loan programs under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.);

   The U.S. Small Business Administration (SBA) size standards are found at 13 C.F.R. Part 121. Use the following sba.gov link for information on size standards for your business (https://www.sba.gov/federal-contracting/contracting-guide/size-standards)

4. Has been in business for not less than 1 year, as of the date on which assistance using a grant under this subsection commences; and
5. Has access to sufficient resources to bear the costs associated with trade, including the costs of packing, shipping, freight forwarding, and customs brokers.

The undersigned certifies that this is an export ready U.S. company seeking to export goods or services of U.S. origin or have at least 51% U.S. content.

Submitting false information in order to obtain services from a STEP grant recipient is a violation of Federal law. If you submit false information the Government may seek criminal, civil, and/or administrative remedies against you, pursuant to 18 U.S.C. §§ 1001, 1040; and 31 U.S.C. §§ 3729-3733. The Government may elect to exclude you from further participation in certain Federal programs and contracts if you submit false information in connection with receiving services from a STEP grant recipient.

**I hereby certify that the business I represent is seeking services from a STEP grant recipient and is an eligible small business concern,* pursuant to the above definition.**

| | |
|---|---|
| SIGNATURE | DATE |
| TITLE | COMPANY NAME |

*All SBA programs and services are extended to the public on a nondiscriminatory basis.*