



# STATE TRADE EXPANSION PROGRAM (STEP)

ASSISTING TEXAS SMALL BUSINESSES CREATE AND EXPAND EXPORT CAPACITY



Through a partnership with the Texas Department of Agriculture (TDA), the Texas Governor's Office of Economic Development and Tourism (OOG) and the U.S. Department of Commerce, the State Trade Expansion Program (STEP) grant aims to increase the number of Texas small businesses exporting to foreign markets and to boost the value of exported goods and services. The STEP program is funded through a grant from the U.S. Small Business Administration.

## OPTION #1: STATE-LED TRADE SHOW/MISSION

In addition to their regular export assistance activities, OOG will coordinate the participation of Texas small businesses in two foreign trade missions. Eligible small businesses will receive free, turnkey, shared booth space and on-site assistance at the trade show and free B2B matchmaking opportunities, preset meeting program and ground transportation at the trade mission:

### **Hannover Messe | Hannover, Germany**

**Dates:** April 1-5, 2019

**Cluster:** Industrial Technology

Hannover Messe is the world's largest and most influential trade fair for industrial technology. From individual components to the complete intelligent factory, as well as topical trends such as energy efficiency, lightweight construction and additive manufacturing. Hannover Messe features a complete picture of the industrial value-adding chain under one roof.

### **Trade Mission to Israel | Tel Aviv/Haifa, Israel**

**Date:** Q4 2019

**Cluster(s):** Oil and Gas, Energy, Petrochemicals

Israel's energy sector is going through momentous changes due to the development of its vast offshore natural gas reserve. The country's first offshore gas field in the Mediterranean Sea, Yam Thetis, came on-line in 2004, followed by the much larger Tamar field in 2013. Another significant gas discovery, Leviathan, began development in 2017. Israel's nascent gas industry is a great opportunity for Texas oil and gas field technology and service providers.

## OPTION #2: EXPORT STIPEND PROGRAM

To encourage companies to enter new international markets, the STEP Program will provide Export Stipends of up to \$10,000 to eligible businesses for approved export activities which can include, but not limited to the following:

- Customized U.S. Commercial services (i.e. Discover Global Markets Conferences, Initial Market Check/GoldKey Matchmaking Services, and International Partner Search)
- Foreign trade show exhibitions (registration fees and booth rental)
- Expert financial counseling and training programs
- Compliance testing of product in a new foreign market
- Subscription to export research tools to assist with market research
- Fees for website translation, search engine optimization, localization services

- Fees for shipping sample products
- Foreign language translations
- Foreign market sales trips
- Travel expense for participation in foreign trade missions and trade shows

The Export Stipend program reimburses Eligible Small Business Concerns (ESBC) for specific export-related expenses. ESBCs are required to provide a 25% company cash match (\$2,500) in conjunction with the stipend. Stipend awards are based on funds availability, the number of applications submitted, and the strength and completeness of the applications; late, weak or incomplete applications are ineligible for reimbursement. The Stipend will vary based on the amount of assistance received. If a company participates in option #1, their stipend may be reduced.

## ELIGIBILITY

- Be organized or incorporated in the U.S.;
- Be operating in the U.S.;
- Meet
  - 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 program, 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 based on your NAICS code:  
[https://www.sba.gov/sites/default/files/files/Size\\_Standards\\_Table.pdf](https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf)
- Have been in business for not less than the 1-year period at the time of application;
- Demonstrate understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping; have in effect a strategic plan for exporting; and, demonstrate export readiness.

Eligible small business must meet the following additional criteria to be considered for this program:

- Be in good standing with the Texas Comptroller of Public Accounts.
- Have a Federal Identification Number tied to a Texas address.
- Has a product/service manufactured, produced, processed or value-added in Texas

For details on deadlines and information on how to apply, navigate to: <http://www.texasagriculture.gov/GrantsServices/GrantsandServices/StateTradeExpansionProgram.aspx>

For additional details contact TDA's grants office at [Grants@TexasAgriculture.gov](mailto:Grants@TexasAgriculture.gov)



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