

2020 State Trade Expansion Program (Year 7) Annual Report to Congress

This report responds to the legislative directive per Section 22(1)(7)(B) of the Small Business Act:

"(i) IN GENERAL-The Associate Administrator shall publish on the website of the Administration an annual report regarding the program, which shall include-

- (I) The number and amount of grants made under the program during the preceding year;
- (II) A list of the States receiving a grant under the program during the preceding year, including the activities being performed with each grant;
- (III) The effect of each grant on the eligible small business concerns in the State receiving the grant;
- (IV) The total return on investment for each State; and
- (V) A description of best practices by States that showed high returns on investment and significant progress in helping more eligible small business concerns."

(I) "The number and amount of grants made under the program during the preceding year"

Through a competitive process,¹ the Small Business Administration (SBA) awarded grants to 47 States² for a total of \$18,000,000. This was 100 percent of the appropriation made in Fiscal Year 2018 (FY2018) for the STEP program.

¹ The STEP grants were awarded through a competitive process initiated by Funding Opportunity Announcement (FOA) OIT-STEP-2018-01.

² The Trade Facilitation and Trade Enforcement Act of 2015 provides that STEP grants may be awarded only to "States," meaning any of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, the Commonwealth of Northern Mariana Islands, and American Samoa. Therefore, only non-Federal entities that met this definition were eligible for an award under the program. For the purposes of the program, an "eligible non-Federal entity" means a State agency or other entity that, prior to the date of application for the program, has been officially designated by the State Governor, or equivalent thereof (e.g., Mayor of the District of Columbia), as the sole applicant and lead entity for conducting the State's trade and export activities.

(II) "A list of the States receiving a grant under the program during the preceding year, including the activities being performed with each grant"

During FY2019, each State Trade Expansion Program (STEP) awardee reported on the progress on their approved milestone goals and supporting export activities in quarterly Performance Progress Reports (PPR).³ Based upon these PPRs, the activities completed by each awardee are summarized below.

Alabama: The State of Alabama STEP program provided funding for 36 activities with eligible small businesses (ESBCs) to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies were able to develop new overseas markets and partnerships that resulted in a return on investment and created and sustained jobs in Alabama. Ten (10) activities with new-to-export (NTE) firms represented a diverse swath of the state's business landscape including life science, IT, energy, software, aerospace, automotive and advanced manufacturing. The ESBCs participated in two overseas trade missions to the United Kingdom/Ireland and the United Arab Emirates and also participated in multiple trade shows, such as Helitech International, Intergeo, Medica, Integrated Systems Europe, Expoconstrucción and expodiseño, Exponor, and Packaged Ice Association of Australasia (PIAA) that took place in the Netherlands, Germany, Colombia, Chile and Australia.

Arkansas: The State of Arkansas STEP program provided funding for 31 activities with ESBCs to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies were able to develop new overseas markets and partnerships that resulted in a return on investment and created and sustained jobs in Arkansas. The state reported 11 activities with new-to-export (NTE) companies.

Arizona: Arizona supported 168 activities with companies enrolled in its STEP program (AZSTEP) through FY2019. Of these, 41 were NTE companies, while another 127 were ME companies. The largest areas of program utilization were: 1) participation at international trade expos/shows; and 2) participation in ExporTech and undertaking go-to-market export initiatives to execute on the export plans developed during ExporTech. Major export markets for the AZSTEP companies during this period have included Australia, Canada, Israel, Mexico, South Africa, Turkey, and the United Kingdom.

California: The State of California STEP program provided funding for 107 activities for ESBCs. Funds were used for a variety of export activities, including participation in international trade shows, trade missions, and export training. Ninety-five (95) activities were for ME firms and 12 were for NTE companies representing multiple industry sectors, including agriculture, mobile technology, and automotive and aerospace manufacturing, received funding. These ESBCs pursued international markets in China, Chile, Malaysia, Thailand, Mexico, Colombia, and France.

Colorado: The State of Colorado STEP program provided funding for 52 activities with ESBCs to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies developed new overseas markets and partnerships that resulted in a return on investment in their facilities and created and sustained jobs in Colorado.

³ This report covers activities and achievements during Fiscal Year 2019 (October 1, 2019 through September 30, 2020). During this period, FY 17 grants completed their second year of their two year grants, and the FY 18 grants were in their first year of their two year grant.

Twenty-two activities were for NTE and 30 activities were for ME companies which consisted of a diverse representation of the state's business sectors which include life science/biotechnology, technology and information, advanced manufacturing, and agricultural products. The ESBCs pursued international markets in Mexico, Spain, Germany, Singapore, China, and England. Activities in these markets included trade shows such as Medica, Mobile World Congress, Specialty Fine Foods and ANTAD.

Connecticut: The State of Connecticut STEP program provided funding for 65 ESBC activities in FY 2019. Funds were used for a variety of export activities, including trade shows, trade missions, U.S. Department of Commerce services, website translation and export training. The companies were able to develop new overseas markets and partnerships that resulted in a return on investment for the program and created and sustained jobs in Connecticut. Eleven (11) activities were for NTE and 54 activities were for ME companies, representing a diverse cross-section of the state's business landscape. The ESBCs pursued international markets in Germany, France, England, Australia and Switzerland. Activities in these markets included trade shows such as Aeromart, IDS, PowerGen Europe, Post Expo, Hannover Messe and Paris Air Show.

CNMI: The Commonwealth of the Northern Mariana Islands STEP program provided funding for 22 ESBC activities to develop new overseas markets and partnerships, resulting in an increase of export sales and new jobs added to the CNMI. The CNMI STEP team conducted outreach programs on the islands of Saipan, Tinian and Rota, coupled with Riddle of the Exporter training, Profit Mastery, and Export 101 with the Hawaii Pacific Export Council to identify ESBCs centered around agriculture value-added products, handicrafts and bakery items. In addition, thirteen (13) activities were for NTE and nine (9) activities for ME companies that represented the islands in pursuing markets in Korea, Palau and Taiwan.

Delaware: The State of Delaware STEP program provided funding for 73 activities for ESBCs. Twenty-three activities were for NTE and 50 for ME companies representing multiple industry sectors received funding, including advanced manufacturing, life science and biotechnology, and safety/security companies. Delaware companies participated in STEP-funded targeted trade missions to Germany, Mexico, South Korea, and Canada to secure distributors and key customers for their products. STEP funds were also used for small businesses to travel to meet with potential customers in the United Kingdom, France, and the United Arab Emirates.

Guam: The Guam Economic Development Authority (GEDA) did not report activities performed by their FY 2018 grant during FY 2019.

Hawaii: The Hawaii State Trade Expansion Program, or HiSTEP, funded 291 activities for ESBCs - 134 for NTE and 157 for ME firms - through export readiness training, participation in trade shows, or receipt of direct financial assistance to support other export activities identified in their export plans. These ESBCs achieved over \$1.3 million in actual export. Companies represented a wide range of products and services, including food and value-added products, natural products, fashion, architecture, engineering, and biotechnology/life sciences. Markets pursued included Japan, South Korea, Taiwan, Australia, and Canada.

Idaho: The State of Idaho STEP program provided funding for 63 activities for ESBCs. Eighteen (18) activities were for NTE and 45 activities for ME companies that represented a vast array of the state's businesses, including outdoor recreation, aerospace, agriculture, mining and advanced manufacturing. The ESBCs pursued international markets in India, Australia, Taiwan, Sweden, Canada, Germany, and Mexico. Activities in these markets included state-led trade show pavilions at ISPO, Singapore and Farnborough Air Shows, and IWA. Individual ESBCs also

attended trade shows such as Avalon Airshow, Expo Seguridad, and SEMICON. A Commercial Trucking Show, Expo Pack, Lopec and Helitech in booths of their own.

Illinois: The State of Illinois STEP program assisted ESBCs with 147 activities, providing funding towards expenses associated with exporting, such as participation in international trade shows, trade missions, and export promotion workshops. Fifty-five activities were for NTE and 92 activities for ME companies representing a wide range of industries, such as mining and manufacturing, received funding. These ESBCs pursued various international markets, including China, Japan, Germany, Canada, Russia, Spain, India, Malaysia, Mexico, Chile, and South Africa.

Iowa: The State of Iowa STEP program helped ESBCs to exhibit at international trade shows in 10 countries (including Belgium, Scotland, and Japan), obtain ExporTech training, translate brochures/web sites/social media, and obtain compliance testing of an existing product. This assistance focused on increasing the number of ESBCs exporting and increasing the value of exports. To support ESBCs in a new significant trade opportunity, ESBCs were also supported in a trade mission to Sub-Saharan Africa. A total of 43 activities were conducted for ESBCs, four (4) of which were for NTE firms and 39 for ME firms that participated in the various grant opportunities and reported \$9.5 million in sales from the activities.

Kansas: A total of 71 activities were funded for qualified Kansas companies. Fifteen (15) activities were for NTE firms and 56 for ME firms from the aviation, manufacturing, information technology, agriculture, and engineering services industries received STEP funding assistance for export training events, trade shows and missions, and market entry activities. Combined, these companies reported over \$4.7 million in sales. The top markets where these Kansas companies pursued export opportunities include England, France, Germany, Canada, Thailand, and Ukraine. STEP activities among Kansas participants included U.S. Commercial Service's Gold Key Matching service, marketing product translation services, and major industry trade shows.

Kentucky: The State of Kentucky STEP program provided funding for 303 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies developed new overseas markets and partnerships that created and sustained jobs in Kentucky. Eighty-four (84) activities were for NTE firms and 219 for ME companies that represented a diverse swath of the state's business landscape including food and beverage, aerospace, and advanced manufacturing. The ESBCs pursued international markets in the UAE, Mexico, China, Germany, India, and others. Activities in these markets included trade shows such as Arab Health 2019, Residuos Expo 2019, Interzum 2019, Medica 2018, and IndiaWood 2019.

Louisiana: The State of Louisiana STEP program provided funding for 54 activities with ESBCs to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies were able to develop new overseas markets and partnerships and created or sustained jobs in Louisiana. Five (5) activities were for NTE companies and 49 for ME companies, representing industries such as digital media, manufacturing, support services for oil and gas operations, and other professional and scientific services. ESBCs pursued international markets such as Germany, Brazil, Mexico, the United Kingdom, the United Arab Emirates, Egypt, Singapore, Australia, and Canada, among others. Some activities in these markets included trade shows such as ADIPEC, Offshore Europe, Shallow & Deepwater Mexico, Egypt Petroleum Show.

Maine: The State of Maine STEP program provided funding for 380 ESBC activities to offset expenses associated with exporting, including production of online marketing materials and participation in export training workshops, trade shows, and international trade missions. In total, 135 activities were for NTE companies and 245 for ME companies. These ESBCs pursued international markets in France, Germany, China, and Vietnam.

Maryland: The State of Maryland STEP program assisted ESBCs with 59 activities by providing funding towards expenses associated with exporting, stipends, reimbursement of USEAC services, and participation in international trade shows. The development of new overseas markets and partnerships by Maryland companies resulted in increased export sales and created and sustained jobs in Maryland. Thirteen (13) activities were for NTE companies and 46 for ME companies representing several of the state's key industries including life sciences, aerospace & defense, cybersecurity, and advanced manufacturing. The ESBCs pursued international markets in Germany, the United Arab Emirates, Singapore, Mexico, the United Kingdom, Australia and South Africa. Activities in these markets included trade shows such as MEDICA, Arab Health, the Singapore Air Show, ExpoSeguridad, InfoSecurity Europe, and Africa Aerospace and Defense.

Massachusetts: The State of Massachusetts STEP program provided funding for 129 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. Fourteen (14) activities were for NTE companies and 115 for ME companies who developed new overseas markets and partnerships and created and sustained jobs in Massachusetts. These 129 activities were for companies that represented a diverse swath of the state's business landscape, including marine/ocean technology, defense/military, automotive, robotics manufacturing and biomedical. ESBCs pursued international markets in Germany, Thailand, the United Arab Emirates, Switzerland, Chile, Denmark, Canada, Australia, New Zealand, Kuwait, Lebanon, Egypt, Haiti, Jamaica, and Belize.

Michigan: The State of Michigan STEP program provided funding for 261 ESBC activities to offset expenses associated with exporting, including participation in international trade shows, trade missions, international sales trips, and legal export trainings. The companies developed new export sales of \$402 million. The 34 activities for NTE and 227 for ME companies represented the state's wide range of industries, including machinery, advanced manufacturing, automotive, electronics, and wood products. The ESBCs pursued international markets in Mexico, Canada, China, the United Kingdom, Germany, Australia, and Israel, and others. Other STEP-funded activities included Michigan trade missions and shows, such as Queretaro Automotive Meetings, Farnborough Air Show, and Hannover Messe.

Minnesota: The Minnesota Trade Office (MTO) a division of the Minnesota Department of Employment and Economic Development (DEED), provided funding for nine ESBC activities, two with NTE firms and seven with ME companies

Mississippi: The State of Mississippi STEP grant program provided funding for 58 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies developed new overseas markets and partnerships and created and sustained jobs in Mississippi. Seventeen (17) activities were for NTE firms and 41 for ME firms that represented a diverse collection of the state's business landscape, including apparel manufacturing, environmental and engineering services, logistics, defense, software, advanced manufacturing, medical equipment and lumber. The ESBCs

pursued international markets in Canada, Panama, the UK, and Ireland, Australia, Morocco, Japan, and Israel. Activities in these markets included trade shows such as Expomin in Chile, Produce Marketing Association Show in Orlando, Florida, and SEUS-CP Canada.

Missouri: The State of Missouri STEP program provided funding for 121 ESBC activities to offset expenses associated with exporting, including website translation services, design of international marketing materials, and participation in international trade shows and trade missions. The ESBCs developed new overseas markets and partnerships that resulted in \$11.7 million in export sales. These 42 activities for NTEs and 79 for ME companies benefited a diverse sample of the state's business landscape, including the automotive and aerospace industries. The ESBCs pursued international opportunities in markets such as Turkey, Singapore, and the UAE and participated in various trade shows, including Arab Health 2019, Automechanika 2019, and Singapore Air Show 2019.

Montana: The State of Montana STEP program provided funding to 272 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies were able to develop new overseas markets and partnerships that created and retained nearly 40 jobs in Montana. These 133 NTE activities and 139 ME activities benefited companies that represent a diverse cross-section of the state's business landscape including outdoor goods, photonics, renewable energy, medical equipment, and advanced manufacturing. The ESBCs pursued international markets in Germany, Japan, Canada, Korea, Australia, and the United Kingdom. Activities in these markets included trade shows such as BuildEx Calgary, IWA Outdoor, Medica, Cerveza Mexico and Pet Fair Asia

Nebraska: The State of Nebraska funded 85 ESBC activities to help defray the cost of international marketing. Activities included 15 for NTEs and 70 for ME companies that included trade shows, international sales trips, translation services, third party product testing, U.S. Department of Commerce match marketing programs and individualized market research reports. Among the products exported were farm machinery, motor vehicle parts, construction equipment, processed foods, medical/surgical equipment, laboratory equipment, and various consumer goods. ESBCs pursued markets in 62 countries, such as Mexico, Canada, China, the United Kingdom, Brazil, and Chile. Trade shows and international trade trips generated the majority of the \$9 million in export sales.

Nevada: The State of Nevada STEP program provided funding for 11 ESBC activities to offset expenses associated with exporting, including participation in international trade shows, foreign market sales trips, and trade missions. The participating ESBCs benefitted from one (1) NTE activity and (10) ME activity. Companies represented a wide variety of products, such as beauty products, innovative writing instruments, home furnishings, footwear reworking, professional saw blades and cutting equipment, logistics, and management consulting services. The ESBCs pursued international markets in China, Australia, Germany, England, Africa, Mexico, Hong Kong, Singapore, and Canada. Activities included trade shows such as Cosmoprof, MJBizCon, World of Concrete, Paperworld Fair, World Dog Show, Arab Lab Dubai, ASD Market Week, Global Footwear Exhibition, HITEC Europe Palma, International Builders Show, International Esthetics, Cosmetics & Spa, Mineral Exploration, and Interzoo, as well as participation in the Nevada Governor's Trade Mission to Ghana and South Africa. STEP is unique and incredible instrument which assisted Nevada ESBCs in defraying expenses for trade shows, international travel, product testing, shipping of materials/ products to locations, website/media upgrades, and Department of Commerce services.

New Hampshire: The State of New Hampshire STEP program provided funding for 46 ESBC activities to offset expenses associated with exporting, including participation in the Financial

Assistance Award program, an Export Training Workshop series and at the MSPO International Defence Industry Exhibition in Kielce, Poland. The companies developed new overseas markets and partnerships and created and sustained jobs in New Hampshire. Twenty-one (21) NTE activities and 25 ME activities benefitted companies that represented a diverse swath of the state's business landscape including aerospace, defense, life science/biotechnology, tourism and advanced manufacturing. The ESBCs pursued international markets in Germany, Australia, the United Kingdom, Canada and Spain. Activities in these markets included participation in international trade shows, sales missions, U.S. Commercial Service subscription programs, and website customization projects

New Jersey: The State of New Jersey STEP program provided funding for 2,034 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies were able to develop new overseas markets and partnerships that resulted in \$81.1 million in export sales. These 1,447 NTE activities and 587 ME activities benefitted companies that represent a diverse sample of the state's business landscape including Aerospace, Life science/Biotechnology, Advanced Manufacturing, and Processed Foods. The ESBCs pursued international opportunities in markets, such as Australia, Germany, Saudi Arabia, South Korea, Canada, China, and all of Central and South America. Activities in these markets included various trade shows, such as VIV Asia, Paris Air Show, MEDICA, Offshore Technology, Arab Health, and Defense & Security Equipment International (DESI) Show.

New Mexico: The State of New Mexico STEP program provided funding for 22 ESBC activities to offset expenses associated with exporting, including U.S. Department of Commerce services and participation in international trade shows and trade missions. These 13 NTE activities and 9 ME activities benefitted companies that represented a wide range of the state's industries, such as agriculture, food services, manufacturing, and information technology. The ESBCs pursued international markets in Bahrain, Japan, China, France, Germany, the United Kingdom, South Africa, and Austria. Companies attended various trade shows, such as the Tokyo Home and Building Show, Cosmoprof Asia, the IWA Outdoor Show, I/ITEC, and the Mideast Refining Tech Conference.

New York: The State of New York STEP program provided funding for 156 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies developed new overseas markets and partnerships and created and sustained jobs in New York. Thirty-four (34) NTE activities and 122 ME activities benefitted companies that represented a diverse swath of the state's business industries including photonics, food & beverage, healthcare and manufacturing. The ESBCs pursued international markets in Germany, Switzerland, China, Canada, Spain and Mexico. Activities in these markets included trade shows such as Vitafoods, Interphex, Medica, Cosomoprof Worldwide and Laser Munich.

North Carolina: The State of North Carolina STEP program provided funding for 274 ESBC activities to offset expenses associated with exporting, including translation of websites and marketing materials, participation in international trade shows and trade missions and export education seminars. The companies developed new overseas markets and partnerships and created and sustained jobs in North Carolina. These 67 NTE activities and 207 ME activities benefitted companies that represent a diverse swath of the state's business landscape including life science/biotechnology, textiles, aerospace, furniture, defense and security, and information technology. The ESBCs pursued international markets in Australia, France, Japan, Mexico, China, Russia and Singapore. Activities in these markets included trade shows such as Semicon

China (Shanghai), Smart Grid (Tokyo), Inglemash (Moscow), Sanctuary Cove International Boat Show (Gold Coast), Eurosatory (Paris), and Medical Fair Asia (Singapore).

North Dakota: The State of North Dakota STEP program provided funding for 124 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies developed new overseas markets and partnerships and created and sustained jobs in North Dakota. Thirty-six NTE activities and 88 ME activities benefitted companies that represented a diverse sample of the state's business landscape including value added agriculture, advanced manufacturing, aerospace, software developers and UAV companies. The ESBCs pursued international markets in 20 different countries including key markets in Asia, South America and Eastern Europe. Activities in these markets included trade shows, formal industry trade missions, and meetings between individual ESBCs and potential buyers.

Ohio: The State of Ohio STEP program provided funding for 140 ESBC activities to offset expenses associated with exporting, including export training, website development and translation services, and participation in trade missions and international trade shows. In total, 18 NTE activities and 122 ME activities benefitted OH companies received funding. These ESBCs pursued international markets in Canada, Mexico, the United Kingdom, Japan, Brazil, Germany, and France.

Oregon: The State of Oregon's STEP program provided funding for 60 ESBC activities to assist in attendance at trade shows and missions around the globe. These events included Singapore Air Show, Automechanika, Learning Technologies UK, Capsule, AERO, Oregon's Sustainable Mission to Thailand, Secutech India, Outdoor ISPO, and a trade mission to Japan led by Oregon's Global Trade Team with Governor Kate Brown. The ESBCs represented a wide array of industries from acoustic guitar manufacturing, wines/spirits, outdoor gear and apparel, biomedical, aerospace, sauces/condiments, stationary, and a myriad of food and beverage suppliers. Fifty-four (54) activities were for market expansion purposes, including a few past program participants. Six (6) of the activities were for NTE companies. Oregon's participating ESBCs showcased their products and services in the United Arab Emirates, the United Kingdom, Singapore, Brazil, Mexico, Canada, Italy, China, Japan, Germany, Thailand, Denmark, and The Netherlands.

Pennsylvania: The State of Pennsylvania STEP program provided funding for 156 activities to offset expenses associated with exporting, including participation in international and targeted domestic trade shows, trade missions, foreign market sales trips, and export workshops and trainings. Nineteen (19) activities were for new exporters and 137 for market expansion. Companies represented a diverse group of the state's businesses and industries, which pursued international markets in in Australia, Canada, China, Germany, India, Japan, Mexico, Nigeria, South Africa, Thailand, United Arab Emirates, United Kingdom and Vietnam, among other countries.

Puerto Rico: The Puerto Rico STEP program provided funding for 187 ESBC activities to offset expenses associated with exporting, including participation in an international trade show and multiple trade missions. The companies developed new overseas markets and partnerships and created and sustained jobs in Puerto Rico. Fifty-eight (58) NTE activities and 129 ME activities benefitted companies that represented a diverse swath of the Puerto Rican business landscape including food and beverage, food service management, construction products, architecture, engineering, lighting controls, advertising and digital marketing, graphic design, web design and e-commerce, IT, computer products and services, systems and software development, calibration systems, music, fashion, cosmetic products, pharmaceutical engineering, consulting, educational and validation services, staffing, recruiting and outsourcing solutions, cleaning and janitorial commercial services, solar energy solutions and systems, and health care products. The ESBCs

pursued international markets in Austria, Brazil, Canada, Dominican Republic, Ecuador, Holland, Jamaica, Mexico, New Zealand, Panama, Spain, and Trinidad and Tobago. Activities in these markets included individual foreign trade missions and events participation, a reverse trade mission (inbound trade mission), a virtual trade mission, and export incentives.

Rhode Island: The State of Rhode Island STEP program provided funding for 136 ESBC activities to offset expenses associated with exporting, including export training, design of international marketing media, usage of U.S. Department of Commerce services, and participation in international trade shows and trade missions. Thirty-five (35) NTE activities and 101 ME activities benefitted companies that represented a wide range of the state's industries, including energy, defense, advanced manufacturing, electronics, medical supplies, textile and apparel and other manufacturing industries. These ESBCs pursued international markets in China, the United Kingdom, Germany, Mexico, Canada, Australia, Colombia, and France. ESBCs participated in two state-led trade missions to Canada and Colombia and participated in a Rhode Island booth at DSEI in the UK. Additionally, ESBCs attended numerous trade shows, including Data World, JEC World Paris, FESPA, ICFF, MEDICA, Electronica and Chinaplas.

South Carolina: The State of South Carolina's STEP program funded 30 ESBC activities to offset expenses associated with exporting, including exhibition at international trade shows and trade missions as well as translating marketing materials and websites. As a result, these companies developed overseas markets, created new partnerships, and diversified their customer base, which lead to the creation of new jobs. Fifteen (15) NTE activities and 15 ME activities benefitted companies that represented many of the state's economic sectors including: advanced materials, aerospace, marine, medical, recycled materials, software and textiles. These ESBCs entered markets including Bangladesh, Canada, France, India, Netherlands, Panama, and the UAE among others. Activities supported included major international trade shows such as the Paris Air Show, Arab Health, and the Marine Equipment Trade Show in addition to the US Commercial Service supported Tradewinds.

Tennessee: The State of Tennessee did not report activities performed by their FY 2018 grant during FY 2019.

Texas: The State of Texas STEP program provided funding for 88 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies developed new overseas markets and partnerships and created and sustained jobs in Texas. Sixteen (16) NTE activities and 72 ME activities benefitted companies that represented a diverse swath of the state's business landscape including life aerospace, automotive, agriculture and electronics and various other industries. The ESBCs pursued international markets in Mexico, Australia, China, Argentina, England, Germany, and Italy. Activities in these markets included trade shows, trade missions, U.S. Commercial Service products and export training.

Utah: The State of Utah STEP Grant provided funding for 134 ESBC activities to offset expenses associated with exporting, including participation in State-led international trade shows, Governor-led trade missions, financial assistance awards and training. The companies developed new overseas markets and partnerships and created and sustained jobs in Utah. Forty (40) NTE activities and 94 ME activities benefitted companies that represented a diverse group of the state's business landscape including life sciences, outdoor and recreation, aerospace and defense, and advanced manufacturing. Many of these companies were women-owned, veteran-owned, and located in rural Utah. The ESBCs pursued international markets in Germany, Australia, France, China, Canada, London, South Korea, Ireland, Japan and Singapore.

Vermont: The State of Vermont STEP program provided funding to 87 ESBC activities to offset expenses associated with exporting, including export training participation in international trade shows and missions. These 37 NTE activities and 50 ME activities benefitted companies that represented a wide range of business sectors, including the aerospace, medical, and manufacturing industries. ESBCs pursued international markets in various countries, such as Germany, Mexico, and Canada, and attended numerous trade shows, including MEDICA and Aeromart.

Virginia: The Commonwealth of Virginia STEP program provided funding for 96 ESBC activities to offset expenses associated with exporting. This included companies' expenses related to travel to trade shows, trade missions and foreign market expansion visits. Through international business travel, companies developed partnerships and networks in overseas markets. Fifty-eight (58) NTE activities and 38 ME activities benefitted companies that represented a variety of business sectors in Virginia, including telecommunications manufacturing, IT software publishing, breweries, transportation equipment manufacturing, security systems services, furniture manufacturing, and medical instrument manufacturing. The ESBCs traveled to the UK, India, the UAE, Singapore, Mexico, China, and Vietnam to participate in trade shows, such as Arab Health, IndiaSoft, Craft Beer Rising, Singapore Air Show, Gulfood, VIVMEA, Whisky Live, and ILDEX Vietnam. Some of the companies also participated in trade missions or foreign market expansion trips to the UK, Republic of Ireland, Mexico, the UAE and Saudi Arabia.

Virgin Islands: The U.S. Virgin Islands provided funding for 32 ESBC activities to offset expenses associated with exporting, including participation in international and targeted domestic trade shows. Fourteen (14) NTE activities and 18 ME activities benefitted companies that represented a diverse group of the territory's businesses and industries, including the food and beauty supply industries.

Washington: The State of Washington's STEP program provided funding for a total of 280 ESBC activities to offset expenses associated with exporting, including participation in international trade shows and trade missions. The companies developed new overseas markets and partnerships and created and sustained jobs in the State of Washington. One hundred and nineteen (119) NTE activities and 161 ME activities benefitted companies that represent the state's diverse business landscape including aerospace, life sciences/global health, information and communications technology, maritime and clean technology. The ESBCs pursued international markets in several countries, including Canada, Germany, Japan, Spain, France, the Netherlands, and Australia. Some of the activities in these markets included trade trade shows such as MEDICA, the Japan International Aerospace Exhibition, Mobile World Congress, Hannover Messe, the Paris Air Show, the Marine Equipment Trade Show (METS), and JEC Europe, as well as a Washington State Technology Mission to Tokyo.

West Virginia: The State of West Virginia STEP program provided funding for 34 ESBC activities during STEP FY2019. Of these 34 activities, two (2) were for NTE activity and 32 were for ME activities. Companies utilized the funds to support international business development activities, such as trade shows, independently scheduled business trips, participation in state- and federally-led trade missions, website development, and compliance testing. The ESBCs represented a variety of industries within the state, including mining equipment, building products, automotive parts, plastics, and consumer goods. Targeted markets for growth included India and South America. Activities in these markets included visits to the International Mining & Machinery Exhibition 2018 in India and the U.S. Department of Commerce's 2019 Southern Cone Trade Mission and Trade Winds India.

Wisconsin: The State of Wisconsin STEP program provided funding for 17 ESBC activities to offset expenses associated with exporting, including export training and participation in international trade shows and trade missions. These 8 NTE activities and 9 ME activities benefitted companies that represented a wide range of business sectors, including the lumber, aerospace, mining, medical device, and food industries. ESBCs pursued international markets in Japan, France, Germany, the UAE, China, Mexico, and Canada.

Wyoming: The State of Wyoming STEP program provided funding for 38 ESBC activities to offset expenses associated with exporting, including export training and participation in international trade shows and trade missions. These 33 NTE activities and 5 ME activities benefitted companies that represented a wide range of business sectors, including the outdoor recreation, agriculture, energy, and manufacturing industries. ESBCs pursued international markets in Germany and Taiwan and participated in various trade shows, such as Expo West, SHOT Show, IWA, and NPEW.

(III) "The effect of each grant on the eligible small business concerns in the State receiving the grant"

We measure the effect of the grant with self-reported actual sales by ESBCs in the state receiving the grant. See Table 1 below.⁴

Table 1: Sales by State, FY2019

Sales by State, FY 2019		
State	STEP6, Q5-Q8	STEP7, Q1-Q4
AL	\$12,111,661	\$33,047,889
AR	NA	\$5,401,152
AZ	\$11,186,333	\$ 4,995,553
CA	\$24,144,574	\$306,865
CNMI	\$0	\$0
CO	\$0	\$7,957,140
CT	\$572,195	\$292,887
DE	\$1,499,089	\$597,867
GU	NA	\$0
HI	\$258,181	\$1,124,386
IA	\$9,019,874	\$452,566
ID	\$17,819,241	\$983,932
IL	\$28,313,090	\$631,490
KS	\$4,318,690	\$375,500
KY	\$20,426,802	\$6,149,153
LA	\$17,771,891	\$3,899,741
MA	\$0	\$27,622,095
MD	\$53,500	\$532,054
ME	\$0	\$2,624,132
MI	\$262,368,957	\$139,668,720
MN	NA	\$0
MO	\$0	\$11,661,240
MS	\$5,833,357	\$1,087,000
MT	\$9,036,284	\$1,294,838
NC	\$22,395,715	\$6,396,720
ND	\$14,366,241	\$1,502,000
NE	\$3,955,160	\$5,144,398
NH	\$1,900,012	\$1,155,476
RNJ	\$38,689,100	\$42,387,674
NM	\$4,855,000	\$40,000
NV	\$1,254,447	\$1,553,497
NY	\$7,570,517	\$441,360
OH	\$12,630,293	\$4,277,844
OR	\$200,000	\$3,165,852

⁴ "NA" denotes that this entity did not receive a grant during this period.

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PA	\$39,452,318	\$0
PR	\$1,212,569	\$148,200
RI	\$4,459,848	\$2,698,861
SC	\$1,832,005	\$112,234
TN	NA	\$0
TX	\$13,631,384	\$25,000
UT	\$650,840	\$2,768,360
VA	\$1,218,000	\$474,662
VI	\$46,588	\$0
VT	\$70,000	\$155,389
WA	\$21,673,745	\$15,475,078
WI	\$12,385,586	\$0
WV	\$5,165,800	\$180,200
WY	\$1,076,691	\$0
Totals	\$635,425,578	\$338,809,005

(IV) "The total return on investment for each State."

Return on investment (ROI) for STEP in FY 2019 was 54:1 meaning that for every \$1.00 of STEP funds awarded, STEP grantees reported \$54 in sales (See Sales Totals in Table1). The \$18 million in grants awarded resulted in a total of \$974,234,583 in export sales in FY 2019.

The ROI for *each* state is calculated by dividing the state's self-reported actual export sales by total award funds expended for the most recently completed grant, STEP 6.⁵ See Table 2 below.

Table 2: ROI by State, STEP 6, Q1 – Q8

ROI by State, STEP 6, Q1-Q8			
State	Award Amount	Sales	ROI
AL	\$147,890	\$14,888,385	\$104
AR	NA	NA	NA
AZ	\$300,345	\$18,026,486	\$60
CA	\$500,000	\$26,146,514	\$56
CNMI	\$142,000	\$0	\$0
CO	\$256,059	\$4,831,500	\$19
CT	\$290,000	\$2,454,495	\$9
DE	\$221,713	\$3,278,041	\$15
GU	NA	NA	NA
HI	\$400,000	\$3,161,462	\$8
IA	\$265,000	\$10,725,458	\$40
ID	\$343,240	\$19,599,105	\$57
IL	\$890,000	\$29,063,498	\$33
KS	\$380,000	\$10,211,812	\$39
KY	\$530,000	\$27,919,231	\$53
LA	\$183,333	\$20,546,867	\$122
MA	\$500,000	\$43,204,354	\$129
MD	\$600,000	\$16,743,138	\$30
ME	\$195,000	\$3,045,614	\$17
MI	\$900,000	\$468,939,861	\$521
MN	NA	NA	NA
MO	\$400,000	\$78,547,000	\$196
MS	\$556,810	\$7,548,112	\$14
MT	\$401,818	\$10,077,121	\$25
NC	\$749,225	\$41,857,534	\$56
ND	\$228,225	\$36,009,241	\$158
NE	\$263,720	\$19,080,881	\$72
NH	\$267,866	\$6,812,985	\$26
NJ	\$606,151	\$69,917,784	\$115

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NM	\$200,000	\$6,135,000	\$32
NV	\$125,000	\$1,807,366	\$15
NY	\$754,700	\$8,747,395	\$12
OH	\$700,000	\$16,581,075	\$24
OR	\$562,500	\$20,276,697	\$36
PA	\$585,000	\$39,452,318	\$70
PR	\$250,000	\$1,221,488	\$5
RI	\$434,914	\$8,409,845	\$19
SC	\$340,600	\$6,278,421	\$18
TN	NA	NA	NA
TX	\$743,260	\$13,787,399	\$23
UT	\$390,000	\$9,419,040	\$24
VA	\$255,000	\$1,941,990	\$8
VI	\$125,000	\$46,588	\$0
VT	\$244,200	\$1,695,000	\$7
WA	\$900,000	\$43,869,676	\$49
WI	\$450,000	\$12,779,584	\$30
WV	\$200,000	\$6,008,332	\$30
WY	\$221,431	\$1,155,242	\$9
Totals	\$18,000,000	\$1,192,248,935	\$69

⁴ We note that export sales are an extended process; therefore, many sales made as a consequence of activities funded by STEP during this period were completed after the reporting period and are not included in these tables.

⁵ This table reports on the most recently completed two year grant, STEP 6 and divides self-reported actual export sales by the total award amount.

In addition to ROI, a second measure of performance is the average funds per activity funded for ESBCs. This is calculated by dividing the State's Award Funds Expended by the number of ESBC activities funded by STEP. See Tables 3A & 3B below.⁵

Table 3A: Average Funds Per ESBC Activity by State, STEP 6, Q5 – Q8

Average Funds Per ESBC Activity by State, STEP Year 6, Q5-Q8				
State	Award Amount	Award Funds Expended	Number of ESBC Activities	Average Funds Expended Per ESBC Activity
AL	\$147,890	\$0	0	NA
AZ	\$300,345	\$55,812	41	\$1,361
CA	\$500,000	\$292,959	44	\$6,658
CNMI	\$142,000	\$122,284	15	\$8,152
CO	\$256,059	\$24,631	1	\$24,631
CT	\$290,000	\$83,151	22	\$3,780
DE	\$221,713	\$47,553	42	\$1,132
HI	\$400,000	\$52,970	39	\$1,358
IA	\$265,000	\$93,080	25	\$3,723
ID	\$343,240	\$32,264	9	\$3,585
IL	\$890,000	\$105,166	16	\$6,573
KS	\$380,000	\$110,359	55	\$2,007
KY	\$530,000	\$350,784	194	\$1,808
LA	\$183,333	\$82,594	27	\$3,059
MA	\$500,000	\$88,128	16	\$5,508
MD	\$600,000	\$0	0	NA
ME	\$195,000	\$0	4	NA
MI	\$900,000	\$0	8	NA
MO	\$400,000	\$0	0	NA
MS	\$556,810	\$91,467	9	\$10,163
MT	\$401,818	\$68,450	11	\$6,223
NC	\$749,225	\$66,478	3	\$22,159
ND	\$228,225	\$48,532	11	\$4,412
NE	\$263,720	\$60,179	15	\$4,012
NH	\$267,866	\$88,289	1	\$88,289
NJ ⁶	\$606,151	\$0	625	NA
NM	\$200,000	\$65,879	11	\$5,989
NV	\$125,000	\$46,483	2	\$23,242
NY	\$754,700	\$307,183	82	\$3,746
OH	\$700,000	\$342,753	92	\$3,726
OR	\$562,500	\$26,237	9	\$2,915
PA	\$585,000	\$241,795	50	\$4,836
PR	\$250,000	\$90,595	105	\$863
RI	\$434,914	\$5,159	1	\$5,159

⁵ For States that received awards but reported no results in Qs 5-8, this is because they did not conduct STEP 6 activities during this period, using their STEP 7 grants instead as noted in Table 3B.

⁶ No funds were expended in Qs 5-8 but ESBC activities were held by STEP NJ staff.

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SC	\$340,600	\$149,701	17	\$8,806
TX	\$743,260	\$306,050	47	\$6,512
UT	\$390,000	\$0	0	NA
VA	\$255,000	\$149,170	69	\$2,162
VI	\$125,000	\$53,537	26	\$2,059
VT	\$244,200	\$24,004	33	\$727
WA	\$900,000	\$0	0	NA
WI	\$450,000	\$203,529	12	\$16,961
WV	\$200,000	\$18,261	0	NA
WY	\$221,431	\$96,376	38	\$2,536
Totals	\$18,000,000	\$4,091,842	1,827	\$2,239

Table 3B: Average Funds Per ESBC Activity by State, STEP 7, Q1 – Q4

Average Funds Per ESBC Activity by State, STEP Year 7, Q1-Q4				
State	Award Amount	Award Funds Expended	Number of ESBC Activities	Average Funds Expended Per ESBC Activity
AL	\$151,857	\$151,857	36	\$4,218
AR	\$150,000	\$71,943	31	\$2,321
AZ	\$300,057	\$244,249	127	\$1,923
CA	\$650,000	\$109,585	63	\$1,739
CNMI	\$150,000	\$17,171	7	\$2,453
CO	\$324,804	\$294,251	51	\$5,770
CT	\$300,000	\$196,127	43	\$4,561
DE	\$268,096	\$124,569	31	\$4,018
GU	\$150,000	\$0	0	\$ -
HI	\$450,000	\$378,702	252	\$1,503
IA	\$200,000	\$66,374	18	\$3,687
ID	\$600,000	\$271,357	54	\$5,025
IL	\$700,000	\$549,788	131	\$4,197
KS	\$200,000	\$50,862	16	\$3,179
KY	\$400,000	\$227,968	109	\$2,091
LA	\$200,000	\$78,506	27	\$2,908
MA	\$500,000	\$220,286	113	\$1,949
MD	\$550,000	\$486,475	59	\$8,245
ME	\$344,500	\$182,448	376	\$ 485
MI	\$800,000	\$80,000	253	\$ 316
MN	\$144,750	\$95,312	9	\$10,590
MO	\$350,000	\$350,000	121	\$2,893
MS	\$540,000	\$320,962	49	\$6,550
MT	\$325,000	\$289,064	261	\$1,108
NC	\$700,000	\$582,756	271	\$2,150
ND	\$247,614	\$158,281	113	\$1,401
NE	\$500,000	\$228,245	70	\$3,261
NH	\$250,000	\$170,949	45	\$3,799

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NJ	\$700,000	\$520,550	1,409	\$ 369
NM	\$200,000	\$47,059	11	\$4,278
NV	\$150,000	\$27,457	9	\$3,051
NY	\$700,000	\$361,539	74	\$4,886
OH	\$700,000	\$244,396	48	\$5,092
OR	\$562,500	\$308,770	51	\$6,054
PA	\$500,000	\$255,116	106	\$2,407
PR	\$300,000	\$83,777	82	\$1,022
RI	\$374,002	\$298,367	135	\$2,210
SC	\$360,400	\$94,473	13	\$7,267
TN	\$150,000	NA	NA	NA
TX	\$600,000	\$182,035	41	\$4,440
UT	\$300,000	\$300,000	134	\$2,239
VA	\$200,000	\$56,844	27	\$2,105
VI	\$150,000	\$0	6	\$ -
VT	\$306,420	\$233,089	54	\$4,316
WA	\$750,000	\$750,000	280	\$2,679
WI	\$300,000		5	\$ -
WV	\$250,000	106,742	34	\$3,139
Totals	\$18,000,000	\$9,868,301	5,255	\$1,878

A third measure of performance is the number of activities benefitting eligible small business concerns to explore significant new trade opportunities. We define this as the total number of ESBC activities funded by STEP. This is the number of activities for New-To-Export firms plus the number of activities for Market Expansion firms. See Table 4.

Table 4: Number of ESBC Activities, FY 2019

Number of ESBC Activities, FY 2019							
State	STEP6, Q5-Q8			STEP7, Q1-Q4			FY19 Total ESBC Activities
	New-to Export Firms Activities	Market Expansion Firms Activities	Number of ESCB Activities Exploring Significant New Trade Opportunities	New-to Export Firms Activities	Market Expansion Firms Activities	Number of ESCB Activities Exploring Significant New Trade Opportunities	
AL	0	0	0	10	26	36	36
AR	NA	NA	NA	11	20	31	31
AZ	10	31	41	51	76	127	168
CA	5	39	44	7	56	63	107
CNMI	11	4	15	2	5	7	22
CO	1	0	1	21	30	51	52
CT	0	22	22	11	32	43	65
DE	11	31	42	12	19	31	73
HI	12	27	39	122	130	252	291
IA	3	22	25	1	17	18	43
ID	2	7	9	16	38	54	63
IL	5	11	16	50	81	131	147
KS	2	53	55	13	3	16	71
KY	47	147	194	37	72	109	303
LA	2	25	27	3	24	27	54
MA	0	16	16	14	99	113	129
MD	0	0	0	13	46	59	59
ME	4	0	4	131	245	376	380
MI	0	8	8	34	219	253	261
MN	NA	NA	NA	2	7	9	9
MO	0	0	0	42	79	121	121
MS	5	4	9	12	37	49	58
MT	4	7	11	129	132	261	272
NC	0	3	3	67	204	271	274
ND	2	9	11	34	79	113	124
NE	1	14	15	14	56	70	85
NH	0	1	1	21	24	45	46
NJ	450	175	625	997	412	1,409	2034

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NM	5	6	11	8	3	11	22
NV	0	2	2	1	8	9	11
NY	23	59	82	11	63	74	156
OH	12	80	92	6	42	48	140
OR	4	5	9	2	49	51	60
PA	6	44	50	13	93	106	156
PR	46	59	105	12	70	82	187
RI	0	1	1	35	100	135	136
SC	5	12	17	10	3	13	30
TX	7	40	47	9	32	41	88
UT	0	0	0	40	94	134	134
VA	38	31	69	20	7	27	96
VI	14	12	26	0	6	6	32
VT	18	15	33	19	35	54	87
WA	0	0	0	119	161	280	280
WI	6	6	12	2	3	5	17
WV	0	0	0	2	32	34	34
WY	33	5	38	0	0	0	38
Totals	794	1033	1827	2186	3069	5255	7082

(V) "A description of best practices by States that showed high returns on investment and significant progress in helping more eligible small business concerns."

For the most recently completed grant as of FY 2019, STEP 6, the top 5 state performers for ROI were Michigan, Missouri, North Dakota, Massachusetts, and Louisiana (see Table 5).

Table 5: Top Five States, by ROI and by State, STEP 6 Q1 – Q8

Top Five States, by ROI and by State, STEP 6 Q1-Q8			
State	Award Amount	Sales	ROI
MI	\$900,000	\$468,939,861	\$521
MO	\$400,000	\$78,547,000	\$196
ND	\$228,225	\$36,009,241	\$158
MA	\$500,000	\$43,204,354	\$129
LA	\$183,333	\$20,546,867	\$122

For ESBC activities completed in FY 2019, the top 5 state performers were New Jersey, Maine, Kentucky, Hawaii, and Washington (see Table 6). And New Jersey also assisted the highest number of NTE firms (see Table 7).

Table 6: Top Five States, by Number of Activities for ESBCs Exploring Significant New Trade Opportunities, FY 2019

Top Five States, by Number of Activities for ESBC's Exploring Significant New Trade Opportunities, FY 2019			
State	STEP6, Q5-Q8 Number of ESCB Activities for Exploring Significant New Trade Opportunities	STEP7, Q1-Q4 Number of ESCB Activities for Exploring Significant New Trade Opportunities	FY19 Total ESBC Activities
NJ	625	1,409	2034
ME	4	376	380
KY	194	109	303
HI	39	252	291
WA	0	280	280

Table 7: Top Five States, by Number of NTE Activities, FY 2019

Top Five States by Number of NTE Activities, FY 2019			
State	STEP6, Q5-Q8 Number of NTE Activities	STEP7, Q1-Q4 Number of NTE Activities	FY19 Number of NTE Activities
NJ	450	997	1,447
ME	4	131	135
HI	12	122	134
MT	4	129	133
WA	0	119	119

To share the best practices of this year's top performing states, rather than report on the same best practices by the same top performers as in the Year 6 Annual Report, this year STEP focused on the businesses that were supported by STEP top performers and the best practices that they illustrate. Interviews were conducted with senior managers or owners of companies from the top performing six states. Interviews focused on best practices that set them apart.

Michigan
Redi-Rock International LLC, Charlevoix, MI
(Best Practice: Relationship Building)

Michigan ranks number one of the top five states in terms of STEP ROI and Redi-Rock International exemplifies how Michigan STEP helps businesses build relationships leading to export sales.



Redi-Rock International offers an engineered retaining wall solution used to create usable land in communities around the world. Founded in 2000, Redi-Rock has been an active STEP grant recipient since 2015. During this time, they have received the maximum STEP reimbursement for each of the five years. As a result of their focus on expanding their international business, they have grown internally from 14 people to 57 full-time employees. Their global sales now represent approximately 18% of their revenue. Their export sales continue to grow in high double digits. This success has been made possible with the assistance of Michigan Economic Development Corporation and STEP Grant.

With STEP's help, Redi-Rock International has realized sales in Norway, Germany, Austria, and Italy. They stated that STEP grants allowed them to compete with much larger companies.

Redi-Rock believes that building strong relationships with strategic partners, clients, and employees allowed them to expand into new markets. They view their connection with STEP as a strategic partner or an extension of their staff. Redi Rock took advantage of the consulting services, market research, experienced team, sales trips, and foreign trade missions provided through STEP. They feel strong relationships turn into strong sales.

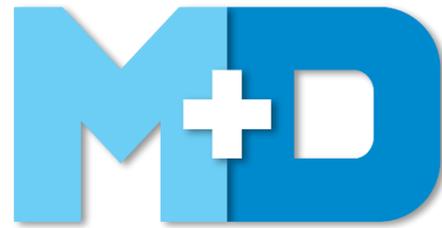
According to Andrew Nickodemus, Global Account Developer, "Redi-Rock is successful because of programs like STEP; without them, we would not have expanded our global footprint at the pace we have experienced."

Missouri
Mobility Designed, Kansas City, MO
(Best Practice: Innovation)

Missouri ranks second in the top five states in terms of STEP ROI, and Mobility Designed is an example of how STEP Missouri helps businesses grow internationally through innovation.

Mobility Designed is a disruptor in the \$6B categories of crutches and canes, which has seen limited innovation since the Civil War. M+D is currently launching its second product and has a 3rd product in the offing for the second half of 2021.

What began as a personal mission to develop a more comfortable crutch for a parent has evolved into a successful company with ever-increasing aspirations.



STEP grants allowed Mobility Designed to be more aggressive with marketing outreach that ultimately expanded sales. They are currently doing business in over 20 countries, including the United Kingdom, Australia, Germany, Japan, and Kuwait.

According to Dan Alcazar, CEO, “The STEPS funds were incredibly helpful in facilitating our participation at highly visible tradeshows. The results included opening a new market, and the business generated equated to 25 percent of our annual international revenue generation in 2020. The program is a powerful tool, providing credibility and visibility globally.”

**North Dakota
SB&B Foods, Inc, Casselton, ND
(Best Practice: Communications)**

North Dakota ranks number three of the top five states in terms of STEP ROI and SB&B Foods illustrates how North Dakota STEP helps businesses achieve export sales through strong communications.



SB&B Foods, Inc. started in 1906, a 5th generation family-owned business and a leader in producing, processing, and reliable food-grade crops, sold worldwide. They note their commitment to providing consistent, safe, and reliable products to markets worldwide.

Building strong relationships and expanding to new markets has been their goals as they have visited eight countries through their STEP grants. In 1989, they entered the international market. STEP was established in 2010. SB&B Foods, Inc. was one of the first companies to get a grant. Since 2012 the company has received 19 STEP grants, utilizing many programs, including market sales trips, foreign trade missions, and website design.

SB&B Foods, Inc. attributes much of its success to being a customer and employee-centric company. This manifests itself in how, when, and the frequency of communications. All forms are utilized, including email, social media, LinkedIn, and, before COVID-19, one-on-one meetings. They rely on an experienced and knowledgeable workforce. Employees are trained in new technology and consistently recognized and rewarded for their contributions to the company.

SB&B Foods, Inc. cites STEP grants benefits in enabling them to provide a lower price to customers, making them more competitive in international markets. Since one-on-one marketing is critical, the ability to use STEP funds to attend trade shows and mission trips contributed significantly to their success.

According to Robert Sinner, President, “The STEP program has allowed us to attract more business and grow our company. The process is effective and efficient.”

Massachusetts
Rocheleau Tool & Die Company, Inc, Fitchburg, MA
(Best Practice: Customer-Centric)

Massachusetts ranks number four of the top five states in terms of STEP ROI and Rocheleau Tool & Die Company shows how Massachusetts STEP helps companies build export sales with customer-centric business strategies.

Rocheleau Tool & Die Company was created in 1938 and is a manufacturer of extrusion blow molding machinery, molds, related automation equipment, and blow-molded products. Rocheleau believes that its mission is to provide the best product for the customer/prospect, rather than sell products. They gain an understanding of the needs of the client and support them as partners. The machinery's integrity is critical to them. Additionally, they pride themselves on excellent customer service to clients and representatives, allowing them to create long term relationships.



Rocheleau Tool & Die Company received four STEP grants over multiple years and primarily used funds to participate in trade shows. Participating in trade shows allowed them to maintain existing relations with clients, representatives, and prospects. Through their efforts and help from STEP, their total export sales increased 25 percent from 2018 to 2019.

Rocheleau has customers in over 40 countries, including Mexico, Honduras, Guatemala, Dominican Republic, Panama, and Ecuador. These sales are supported, for example, by exhibiting at Plastimagen in Mexico City, Mexico. Customers are developed in part by participating in international trade shows in the US, Asia and Latin America.

Rocheleau has 60+ employees, who in turn support their respective families, and recognizes the importance of enabling people to work and to contribute to the economy.

According to Cathy Rocheleau, Co-Owner/Director, "We are grateful to the SBA for the support they provide to companies like Rocheleau who do businesses internationally. Their assistance can contribute to successfully selling product in the international market and encourages global trade."

Louisiana
AeroWest International, Baton Rouge, LA
(Best Practice: Integrity of Product)

Louisiana ranks number five of the top five states in terms of STEP ROI and AeroWest International shows how Louisiana STEP helps companies build export sales with a focus on product integrity.

AeroWest International was founded in 1883 and received their first patent in 1905. Over the last century, they have developed, manufactured, and provided services related to its proprietary odor control, odor neutralization, air freshener, and air ambiance products.



With the STEP program for three years, AeroWest estimates sales have increased by about 30 percent. Exporting has become its most profitable division. AeroWest primarily used STEP grants to attend trade

shows, with grants allowing them to enter a range of markets, including Canada, Brazil, Mexico, India, Chile, UAE, Korea, and Japan.

AeroWest has two strategic practices they follow -- being a disruptor in the market and offering innovative payment terms to clients. They note that they provide premium products at premium prices. Being the lowest-cost provider is not part of their business model. They believe that it is easier and less stressful for buyers to first introduce one product in a market, and then introduce additional products. They recently moved their manufacturing from China to Louisiana to provide more control over the costs and delivery of the product.

According to Ben Elder, President, "While fighting COVID and trying to keep our people on the payroll, it's easy to overlook that our export customers have all had their revenues reduced for the same reasons we have. We haven't lost their business. It has just been reduced. Now is the opportune time to develop additional countries because everyone is searching for new income streams. Our STEP grant makes that possible."

New Jersey
International Products (IPC) Corporation, Burlington, N.J.
(Best Practice: Operations/Systems)

New Jersey ranks number one of the top five states in ESBCs, and International Products Corporation (IPC) shows how New Jersey STEP helps companies build export sales.

International Products Corporation (IPC) is a family-owned business that was purchased in 1981. IPC, a chemical manufacturing company, is committed to manufacturing products that are water-based and designed to replace solvent and petroleum-based cleaners and lubricants. All products are manufactured in the USA.



They began their export attempts in the early 1980s and opened their first non-US office (in London) in 1984. IPC started participating in the Step Grant program around 2014. With the help of STEP grants, 30% of IPC's sales are now outside of the United States.

STEP funds are used to identify new markets, translate the website, translate technical and marketing materials, and attend trade shows. They have customers worldwide and distributors in Europe (their London operation), China, India, Japan, and Korea. They work with the State of NJ's International Business Protocol office, and their local DOC representative.

IPC prides itself on high-quality products and sophisticated processes and systems.

According to Kathy Wyrofsky, President, "Success in exporting requires doing marketing research, creating an effective strategy, and finding the right distribution partners."