

The New Hampshire State Trade Expansion Program (NH-STEP)

September 2024

Alan J. Dillingham
STEP Project Director
International Trade Officer

What is NH-STEP?

- NH-STEP provides Financial Assistance Award (FAA) grants to small businesses to promote export related activities.
- NH-STEP is funded mostly by a grant from the US Small Business Administration (SBA) and managed by the NH Department of Business and Economic Affairs – Office of International Commerce, with support from the Granite State District Export Council.
- FAA grants provide small businesses up to 80% reimbursement for a project's total activity cost, capped at \$7,500 per award for STEP 11 and \$8,000 for STEP 12.
- All STEP 11 grant activities must be completed by September 29, 2025.
- All STEP 12 grant activities must be completed by September 29, 2026.
 - STEP 12 grant period begins September 30, 2024.

Availability of STEP FAA Funds

- Individual companies may receive up to two grants for STEP 11 and up to two grants for STEP 12, contingent on the availability of program funds.
- OIC will prioritize allocating remaining STEP 11 funds before making STEP 12 grant awards.
- Companies that have already been reimbursed for two STEP 11 grants will be allowed to apply early for STEP 12 funding, even if there are STEP 11 funds that remain to be allocated.
- However, approved STEP 12 projects will not be reimbursed until all STEP 11 funds have been allocated.

Qualifications for a FAA grant from NH-STEP

- To qualify for a grant, your company must:
 - Be doing business in New Hampshire.
 - Qualify as an *eligible small business concern* per: [Table of size standards \(sba.gov\)](#)
 - Have been in business for at least one year.
 - Have profitable US operations.
 - Have at least 51% US content for your export product or service.
 - Be in good standing with the New Hampshire Department of Revenue and the IRS.
 - Agree to a limited media release.
 - Not have unused funds or unfiled reports from a previous FAA grant from NH-STEP.

How do I apply for a FAA grant?

- Fill out, **sign** and date a [Financial Assistance Award application](#) providing information on:
 - Your company
 - Product or service to export
 - Export project or plan, including
 - Proposed international market activities you intend to fund
 - Anticipated results in terms of export sales and jobs created and retained
 - Project budget
- **Sign** a Letter of Commitment outlining your company's obligations if you receive a grant.
- **Sign** a limited media release form.
- **Sign** SBA Eligible Small Business Concern Self-Certification Form.
- **Sign** SBA Form 1624, Certification Regarding Debarment.

How do I win a FAA Grant?

- Your application must convince a three-person review committee that you have a viable **project** or **plan** to promote export growth with the activity you propose.
- Your application must provide specific answers to the following questions:
 - What does your company do?
 - What export product or service do you wish to promote to which market(s) with this grant?
 - What international market activities do you propose to fund with this grant?
 - How do you anticipate these activities will support the export growth strategy you wish to promote?
 - What results do you anticipate from these activities in terms of projected sales and job creation in New Hampshire?
- ***The most important part of your application is your company statement.*** An example is given on the next page, and on the application, to help you prepare a statement that answers the above questions and maximizes your chances for success.

Sample Company Statement

ZEDTECH is a flexible packaging manufacturer focusing on sustainability with a specialization in liquid packaging. Our primary customers are in the personal and home care supplies sector. Our signature product is ZED pouch, a paper-based pouch for liquids that is more eco-friendly than traditional plastic pouches. ZEDTECH wants to increase its ZED Pouch exports into the Latin American market by exhibiting at the Latin Pack Chile 2025 trade show in Santiago de Chile on April 16 – 18, 2025. We anticipate the show will help us grow our relationship with existing customers and form new relationships with new customers or distributors with the goals of increasing sales and reinforcing our position as an industry leader. We conservatively estimate an increase of sales worth \$150,000 from new partners in Chile and Latin America gained from this show. This will allow us to create and fill two new manufacturing positions at our facility in Berlin, New Hampshire.

Evaluation Process

- A three-person review team will score all applications using the following criteria:
 - Company Description (5 points)
 - Project Description (35 points)
 - Economic Impact (50 points)
 - Project Budget (10 points)
- Only eligible applications that receive an average score of 70 or higher (out of a possible 100 points) from the review team will be approved for an award, subject to the availability of funds.

Application Deadline

- Application materials are available online on the Granite State District Export Council's website <https://nhexportassistance.com/export-promotion-grants/step-program-overview/step-faa-application>
- Submit completed application materials to Alan.J.Dillingham@livefree.nh.gov with the Office of International Commerce (OIC), by **3:00 pm on Friday, November 1, 2024**.
- Applications received after this deadline will be reviewed on a rolling basis.

Reporting Requirements

- All grant activities and reporting must be completed by September 29, 2025 for STEP 11 grants and by September 29, 2026 for STEP 12 grants.
- Successful applicants must provide quarterly progress reports during the entire grant period, **even after they have been reimbursed.**
 - The STEP 11 grant period runs from September 30, 2023 to September 29, 2025.
 - The STEP 12 grant period runs from September 30, 2024 to September 29, 2026.
- Quarterly progress reports must provide details regarding export successes such as joint ventures, actual sales, contract agreements, and/or partnerships with distributors/agents.
- *Companies failing to meet this quarterly reporting requirement may not be eligible for future FAA grants!!*

Qualified Expenses

- Export related enhancements to websites, apps or e-commerce platforms, including translation.
- Department of Commerce subscription services.
- Export-related training and education courses.
- Design of international marketing materials, including digital materials and ad placement.
- Costs relating to foreign product certifications/compliance testing.
- Costs associated with international intellectual property protection.
- Fees for shipping sample products.

Qualified Expenses (continued)

- Virtual or in person international trade shows, foreign trade missions or foreign market sales trips
- Airfare (limited to one person, economy class on a US air carrier, or in compliance with Airline Open Skies Agreements (Fly America Act) provisions)
- Hotel (limited to one person subject to US State Department Foreign Federal Hotel Per Diem Rates found here. For reimbursement of hotel accommodations submit invoices containing only room rates, taxes and/or hotel fees; *meals and other amenities are not eligible for reimbursement.*)
- Premiums on trade insurance (i.e. Ex-Im Bank premiums)
- Any other eligible expenses, subject to review

Non-qualified Expenses

- Activities that occur outside the respective grant periods for STEP 11 and STEP 12.
- Compensation, wages, or salary of any employee of the grant recipient.
- Alcoholic beverages, meals and incidentals.
- Phone and internet usage.
- Passport or visa fees; immunizations (including Covid vaccinations and tests).
- New product development or alteration of existing products.

Non-qualified Expenses (continuing)

- Printing of international marketing materials (brochures, flyers, posters, etc.).
- Television and radio production costs.
- Capital goods, product samples, giveaways, and supplies.

Reimbursements

- Awardees will recover authorized funds only after their activity is completed and **all** documentation and receipts are submitted in a **single** package to the Office of International Commerce.
 - *No partial reimbursements will be made.*
- The FAA Reimbursement Form and Instructions for completing the Form are available at [STEP FAA Reimbursement | Granite State District Council \(nhexportassistance.com\)](#).
- Only itemized receipts, or invoices with eligible expenses and proof of payment, will be reimbursed.
- If an award activity is not executed for any reason, the applicant is responsible for all activity costs; no pre-paid activity costs for non-executed activities will be reimbursed.
- Reimbursement payments will normally be issued within a month of submission.

Further Questions?

Contact

Alan Dillingham
STEP Project Director
International Trade Officer

Office of International Commerce
Division of Economic Development
Department of Business and Economic Affairs
State of New Hampshire
100 North Main Street, Suite 100
Concord, NH 03301

T: +1-603-271-0323

E: Alan.J.Dillingham@livefree.nh.gov

Coming Soon!

OIC Webinar:

Exporting to Poland & Eastern Europe Amid the Ukraine Crisis

October 22, 2024, 10:00 a.m.

*To register, contact Alan Dillingham
of the NH Office of International Commerce at
Alan.J.Dillingham@livefree.nh.gov*



Cedric Fromont

**Managing Director
Valians International**

BEA

New Hampshire Department of
BUSINESS AND
ECONOMIC AFFAIRS