

Global NY State Trade Expansion Program (STEP)

STEP 9 – Guidelines (Version 1)

Program Overview

Empire State Development (ESD) is working in partnership with the U.S. Small Business Administration (SBA) to increase the number of small businesses that begin to export; increase the value of exports for small businesses that currently export; and increase the number of small businesses exploring significant new trade opportunities.

Allowable Uses of Program Funds

1. Participation in programmed foreign trade missions

A foreign trade mission is defined as travel, organized by ESD, to a foreign country that will enable a company to explore or expand international business opportunities.

2. Subscription to services provided by the Department of Commerce

The services available from the U.S. Commercial Service can assist a company with entering or expanding their markets; such as, choosing the best market for their products or services; evaluating prospective foreign business partners; increasing market potential; and gold key matchmaking services.

3. Trade show exhibition (international and qualified domestic trade shows)

A trade show is defined as an exhibition for a company to showcase and demonstrate their products and services. This includes foreign trade shows appropriate for their export development, and domestic trade shows, which have a significant international presence.

4. Participation in export training workshops

Training workshops and education courses must have a direct benefit to, and assist, a company with gaining credible knowledge of export policies, regulations, and/or best practices.

5. Qualified foreign market sales trips

A qualified foreign market sales trip will allow a company to travel within the United States or abroad, with the sole purpose of exploring or expanding significant new trade opportunities. A trip must be organized by a professional trade organization, U.S. Commercial Service, or through ESD's foreign offices after use of the Export Marketing Assistance Service (EMAS Plus).

6. Website Content/Foreign Language Translation

This activity pertains to translation of websites, marketing material, audio or video into foreign languages; design and development of a website with an international focus; oversight, maintenance and monitoring fees for search engine optimization; online market listing fees; e-commerce platform fees (hosting or maintenance fees); expenses to set up websites to accept international payments; search engine optimization; localization services.

7. Development of International Marketing Campaign(s)

Development of marketing media is the ability to promote a product or service to strengthen export sales using any of the following: brochures, social media, websites, billboards, newspapers, posters, international magazines and translation of marketing media, including audio and video.

8. Virtual Services

Virtual business matchmaking and supportive services include participation in a virtual trade mission, that must have a direct relation to an international market.

9. Compliance Testing

Cost of compliance testing an existing product for entry into an export market.

*Speaking engagements at a conference is an ineligible activity

Eligibility Qualifications

- Business that operates in New York State to manufacture, assemble and/or distribute a product, or provide an exportable service.
- In business for at least one year.
- Qualify as an “eligible small business concern” and meet [SBA size standards](#).
- Have access to sufficient resources to bear the costs associated with trade
- Have a product or service for export that contains at least 51% United States content**.
- Not presently debarred, suspended, proposed for disbarment, declared ineligible and/or voluntarily excluded from participation by any federal department or agency.
- Site visits and/or telephone interviews may be conducted to further determine a company’s eligibility.

Ineligible Companies

Businesses acting as intermediaries for other companies, law firms, non-profit organizations, educational institutions, retail and companies that are recruiting foreign investment are ineligible.

****How to Determine United States Content for Manufactured Goods**

U.S. content or manufactured goods = (factory price of a good) minus (aggregate value contributed by non-U.S. or foreign sources (e.g., costs or payments to foreign suppliers/providers/employees not resident in the United States)).

Factory Price of Good		\$100
- aggregate value contributed by non-U.S. or foreign sources	Manufacturing costs (payment to foreign contract manufacturer)	-\$25
	Value of all foreign-supplied parts/inputs/materials	-\$20
	Foreign administrative costs	-\$2
	Foreign transportation and logistics costs (up to a factory door)	-\$2
	Licenses, royalties, and fees paid for foreign intellectual property	-\$0
= U.S. Content		\$51

****How to Determine United States Content for Services**

U.S. content for services = (contract value of the service, whether delivered in the U.S. or overseas) minus (aggregate value contributed by non-U.S. or foreign sources (e.g., costs or payments to foreign suppliers/providers/employees not resident in the United States)).

Contract value of the service		\$100
- aggregate value contributed by non-U.S. or foreign sources	Staffing costs of foreign subcontractor	-\$25
	Value of foreign inputs/materials used to execute contract	-\$15
	Foreign based legal and administrative costs	-\$9
= U.S. Content		\$51

Activity Selection Guidelines

The funding period will begin on September 30, 2020 and conclude on September 29, 2021. **Each company may apply for a maximum of three unique STEP awards for this funding period, and the combined award total will be capped at \$14,000 per client.** STEP awards are issued on a first-come, first-served basis until the program funds are expended. Effective October 2018, companies will not be permitted to attend the same trade show, virtually or physically, more than four times through the life of the STEP program.

Evaluation Process & Funding

ESD staff will review all applications and make a determination regarding the applicant's eligibility within 30 business days of receipt of the application. Incomplete applications will not be reviewed. **All questions must be completed, and signatures must be provided where applicable.**

The grant is awarded in the form of a reimbursement. Exceptions may be made for certain programmed trade missions or trade shows that necessitate an advance payment by ESD to the event organizer, as a direct benefit to the applicant. Reimbursement for expenses is limited to one company representative and is based on 70% of the total eligible costs. This program does not allow for reimbursement of retroactive trade activities that have already been completed. If changes occur to a company's planned arrangements, failure to provide adequate notice to ESD officials of the changes may void any awarded funds.

Eligible Costs (will vary based on activity):

- Airfare consistent with [Fly America Act guidelines](#). Travelers may only be reimbursed for the cost of one full-fare, economy (coach) class ticket for one company representative
- Lodging for one company representative two days before and one day after an event, set at per diem rates (click on the following links for [domestic rates](#) and [international rates](#))
- Meals and Incidental Expenses set at per diem rates (click on the following links for [domestic rates](#) and [international rates](#))
- Registration fees for one company representative
- Exhibit space fees
- Trade mission fees for one company representative
- Fees for shipping sample products
- US Department of Commerce fees
- Baggage fees for one company representative

- Development of marketing media
- Compliance testing
- Foreign language translation
- Website fees

Ineligible Costs:

- Immunizations
- Visa and passport fees
- New product development or alteration of existing products
- Cellphones and cellphone charges
- Television and radio production
- Efforts to create or augment marketing and advertising campaigns to draw international visitors to New York State
- Printing fees
- Ground transportation (taxi, bus, train, personal car, rental car, parking fees, etc.)
- Currency exchange fees
- Invoices issued from the Empire State Development or Department of Economic Development
- Activities that are being funded or subsidized by other organizations

Export Readiness

Companies should assess their export readiness before entering their first markets, expanding into additional markets, or taking on more challenging, high-growth export markets. The applicant should review the [Exporter Assessment](#) information provided by [export.gov](#). The tools and resources provided will help applicants assess their export readiness, as well as identify areas where they may strengthen and improve their business export activities. Additional export education can be found at SBA's [Export Business Planner](#) and [USA.gov](#).

Reimbursement and Required Reporting

Upon completion of an activity, a company will be required to submit all eligible expense receipts and proof of payment electronically. After review of the expenses, reimbursement will typically take 6 weeks to process. A company must also complete a Project Impact Report for data collection purposes. A follow-up Project Impact Report is also required to be submitted to ensure Global NY is aware of each company's latest statistics.

If you have additional questions, please contact the Global NY representative in your region below. General questions can also be directed to globalny@esd.ny.gov or 212-803-2300.

Region	Counties	International Trade Manager
Capital District	Albany, Columbia, Greene, Rensselaer, Saratoga, Schenectady, Warren and Washington	Kathryn Bamberger Kathryn.Bamberger@esd.ny.gov 518-270-1133
Central New York	Cayuga, Cortland, Madison, Onondaga and Oswego	Omar Sanders Omar.Sanders@esd.ny.gov 607-721-8610
Finger Lakes	Genesee, Livingston, Monroe, Ontario, Orleans, Seneca, Wayne, Wyoming and Yates	Carolyn Baker-Scott Carolyn.Baker-Scott@esd.ny.gov 585-399-7060
Long Island	Nassau and Suffolk	Brian Teubner Brian.Teubner@esd.ny.gov 212-803-2346
Mid-Hudson	Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester	Kathryn Bamberger Kathryn.Bamberger@esd.ny.gov 518-270-1133
Mohawk Valley	Fulton, Herkimer, Montgomery, Oneida, Otsego and Schoharie	Kathryn Bamberger Kathryn.Bamberger@esd.ny.gov 518-270-1133
New York City	Bronx, Kings, New York, Queens and Richmond	Lennox Ruiz Lennox.Ruiz@esd.ny.gov 212-803-2344
North Country	Clinton, Essex, Hamilton, Jefferson, Lewis, Franklin and Saint Lawrence	Kathryn Bamberger Kathryn.Bamberger@esd.ny.gov 518-270-1133
Southern Tier	Broome, Chemung, Chenango, Delaware, Schuyler, Steuben, Tioga and Tompkins	Omar Sanders Omar.Sanders@esd.ny.gov 607-721-8610
Western NY	Allegany, Cattaraugus, Chautauqua, Erie and Niagara	Richard Ball Richard.Ball@esd.ny.gov 716-846-8248