MICHIGAN’S INTERNATIONAL TRADE PROGRAM

ALYSSA TRACEY
DIRECTOR, INTERNATIONAL TRADE
WHY EXPORT

- Increase company sales and profits
- Expand job creation
- Diversify client base
- Leverage opportunities through reduced trade barriers
- Strengthen the overall U.S. economy
Michigan is within 500 miles or 800 kilometers of nearly half the U.S. and Canadian populations and commerce centers.

This location provides unparalleled access to market while expediting transport and reducing costs.

Michigan’s expansive transportation infrastructure also includes convenient, multi-modal access to locations around the globe.
PROGRAM OBJECTIVES

• Increase Export Sales by Michigan Companies

• Increase Number of New-To-Export SMEs

• Increase Entry into New Markets by Michigan Companies
PROGRAM ELEMENTS

TRADE COUNSELING
EXPORT EDUCATION
REGIONAL PARTNERS
INTERNATIONAL TRADE CENTERS
TRADE MISSIONS AND SHOWS
STATE TRADE EXPANSION PROGRAM
TARGET COMPANIES

EXPORT-READY
  • New-to-export, Reactive Exporters, Actively Exporting

SMALL BUSINESS
  • Based on SBA Size Standards

ESTABLISHED
  • 2+ Years of Sales, Ready for Growth

NON-AGRICULTURE
  • Food and Ag Companies Assisted by MDARD’s Branded Program
STATEWIDE:

• U.S. DEPARTMENT OF COMMERCE
• U.S. SMALL BUSINESS ADMINISTRATION
• MICHIGAN SMALL BUSINESS DEVELOPMENT CENTER
• EAST & WEST MICHIGAN DISTRICT EXPORT COUNCILS
• MICHIGAN DEPT. OF AGRICULTURE & RURAL DEVELOPMENT

REGIONAL:

• MICHIGAN STATE UNIVERSITY
• NETWORKS NORTHWEST
• AUTOMATION ALLEY
• VAN ANDEL GLOBAL TRADE CENTER
REGIONAL EXPORT NETWORK HOSTS:

1, 2, 3: Networks Northwest
4, 8: Van Andel Global Trade Center
5, 6, 7, 9: MSU International Business Center
10: Automation Alley

INTERNATIONAL TRADE MANAGER REGIONAL TERRITORIES:

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9: Brendan Cherry
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10: David Newhouse
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In FY21, **241 projects** completed for Michigan companies, resulting in **$154.6 million** in export sales facilitated by MEDC’s International Trade Centers.
INTERNATIONAL TRADE CENTERS
SERVING 100+ GLOBAL MARKETS

- Product Review and Company Assessment
- Trade Show and Trade Mission Assistance
- Pricing and Competitive Analysis
- Country Market and Sector Information
- Foreign Company Background Checks
- Market Entry Strategy
- Matchmaking Meetings
- Customized Market Research
- Translation Services
- Regulatory, Customs, Logistics, and Certification Information
- Other Export Counseling Services
ESTABLISHED IN 2011
• Michigan State Trade Expansion Program (MI-STEP) launched to give Michigan companies a competitive edge in the global marketplace.

FEDERALLY FUNDED
• Competitive annual SBA grant with match funds through MSF. Total federal funds received to date is over $11.6 million.

ELIGIBILITY
• Must be in accordance with SBA guidelines and size standards.

PROGRAM ELEMENTS
• Eligible companies apply for grants to receive 75% reimbursement of export-related costs.
• $15,000 max annually is available for approved activities.

BENEFITS
• In FY21, 276 approved grants were disbursed to 191 companies, allocating nearly $1.3 million paid to Michigan businesses.
75% REIMBURSEMENT FOR PRE-APPROVED EXPORT ACTIVITIES CAPPED AT $15,000 TOTAL ANNUAL REIMBURSEMENT PER COMPANY

- Foreign Trade Missions and Sales Trips
- Reverse Trade Missions
- International Website Development
- International Trade Shows
- Export Training
- U.S. Department of Commerce Services
- International Marketing Media
- E-commerce Platform Expenses
- Sample Product Shipping
- Compliance Testing of Existing Products
- International Certifications
- EXIM Export Insurance Premiums
MI-STEP GRANT TIMELINE

Submit Application via Portal at least 3 days prior to Activity Start Date

Complete Quarterly Progress Reports for 2 years following Activity

Request Reimbursement within 45 days of Activity End Date via Portal
FOSTER SWIFT – LEGAL EXPORT ESSENTIALS TRAINING
• Cybersecurity and Data Breach Risk Mitigation
• International Data Privacy Compliance
• International Intellectual Property Protection Analysis

MSU INTERNATIONAL CENTER – MARKET RESEARCH + TRAINING
• Michigan Export Growth Program
• ExporTech Training

VAN ANDEL GLOBAL TRADE CENTER – EXPORT SERVICES
• Export Compliance Assistance
• On-site Training of Export Topics
• Worldwide Credit Reports

IBT ONLINE – WEBSITE LOCALIZATION + MARKETING SUPPORT
• Microsites built for up to two countries in up to two languages
• International Online Marketing
• eCommerce

SMALL BUSINESS DEVELOPMENT CENTERS – EXPORT READINESS
• International Search Engine Optimization
• Early-Stage Export Assistance
Facilitated export sales are a key indicator for international trade success and, in FY21, companies reported $558 million. Since the program was established in 2011, it has facilitated $4.3B in export sales.
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<th>REGION</th>
<th>EXPORT SALES</th>
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<td>TOTAL</td>
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REGIONAL TRENDS
FY17-21 EXPORT SALES BY GLOBAL REGION

FY21 CARIBBEAN EXPORTS WERE $830,503.75
TOP FY21 MARKETS FOR EXPORT SALES
(IN MILLIONS OF DOLLARS)

- CANADA: $126.19
- MEXICO: $116.57
- CHINA: $67.24
- TURKEY: $30.07
- GERMANY: $25.13
- UK: $21.76
- AUSTRALIA: $14.13
- CHILE: $12.42
- JAPAN: $9.69
- FRANCE: $9.68
- S. KOREA: $9.15
- COSTA RICA: $8.40
- SWEDEN: $8.12
- THAILAND: $7.65
- KENYA: $7.09
- BELGIUM: $7.08
- NETHERLANDS: $6.15
- POLAND: $5.71
- BRAZIL: $4.82
- INDIA: $4.17
- OTHER: $57.30

$558 MILLION IN SALES TO 117 COUNTRIES IN FY21

OVER 55% OF CLIENT SALES ARE REPORTED TO CANADA, MEXICO, AND CHINA ALONE
WINNER OF THE PRESIDENT’S “E” AWARD FOR EXPORT SERVICE

The “E" and “E Star" awards are the highest recognition a U.S. entity may receive for supporting export activity.

NATION’S LARGEST AWARD FOR FIFTH STRAIGHT YEAR

For FY22, the Michigan International Trade Program received the largest federal STEP award in the U.S. of $2M to assist Michigan small businesses.
COMMUNICATIONS

MONTHLY E-NEWSLETTERS
• Program Updates
• Market Overviews
• Michigan Trade News
• Export Resources
• Partner Events

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SUCCESS STORY

CHARLEVOIX-BASED REDI-ROCK MOVES FROM ZERO EXPORT SALES TO GLOBAL MARKET LEADER

• Trade centers in six countries vetted prospects to find partners
• Service providers delivered custom market assessments, export trainings, and translation services
• MI-STEP funding reimbursed marketing in targeted export markets

“MEDC paved a quicker path for us than we could have done on our own,” Redi-Rock sales director, Kevin Loe. “Working with MEDC the last four years, we now have 120 manufacturers in 16 countries on five continents.”
SUCCESS STORY

FARMINGTON HILLS-BASED PROLIM SUCCESSFULLY EXPANDS INTO A NEW MARKET

• PROLIM lacked business connections in India and an understanding of the auto market

• The company leveraged MI-STEP funds to join a trade mission to India and engaged in 1:1 meetings with potential customers

• PROLIM met with 10+ companies in one week to evaluate opportunities

“We opened a sales and service office in New Delhi, India and expanded our Michigan operations within three months of attending MEDC’s trade mission,” PROLIM president and CEO, Prabhu Patil.
THANK YOU

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