

Michigan's State Trade Expansion Program (MI-STEP)

Program eligibility and application guidelines

GENERAL INFORMATION

The MI-STEP program is designed to spur job creation by empowering Michigan small businesses to export their products. The program has three primary objectives:

- Increase export sales by Michigan companies
- Increase number of new-to-export companies
- Increase entry into new markets by companies already exporting

ELIGIBILITY

Up to \$15,000 (\$7,000 for new to export; \$15,000 for market expansion) in assistance to offset 50 percent of pre-approved expenses per fiscal year. Michigan companies must meet the following eligibility criteria to qualify for MI-STEP program funds:

1. Be in accordance with Small Business Administration (SBA) guidelines and size standards: www.sba.gov/content/small-business-size-standards
2. Demonstrate an understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing, and shipping, per SBA guidelines
3. Demonstrate potential for export success and positive impact on the regional economy
4. Provide an EIN number linked to a Michigan address.
5. Be in good standing with the Michigan Department of Treasury and other regulatory agencies
6. Must be an export-ready U.S. company seeking to export goods or services of U.S. origin or have at least 51 percent U.S. content

PROGRAM GUIDELINES

- New companies complete and submit the online intake form at <http://medc.force.com/exportassistance>. Existing clients contact your regional international trade manager
- Funds will be approved for specific and measurable export initiatives
- Applicants agree to provide quarterly MI-STEP progress reports for two years following completion of the funded activity, providing information about facilitated export sales by market. All reporting will be submitted electronically through the online customer portal
- Companies must be registered with State of Michigan vendor system Sigma
- Companies are reimbursed for 50 percent of pre-approved expenses (up to the program year maximum)

- The Michigan Strategic Fund (MSF) retains final authority in the allocation of MI-STEP program funds
- Funds for the MI-STEP program are subject to availability

ALLOWABLE USES OF MI-STEP PROGRAM FUNDS

Program funds may be approved for export marketing-related activities including:

1. Participation in foreign trade missions
2. U.S. Department of Commerce services
3. Website development or upgrade fees (translation to foreign languages, localization to foreign markets, SEO). International website development services cannot exceed \$3,000 reimbursement per award year
4. Design of marketing media (brochures, branded give-aways, social media, advertising, etc.)
5. International trade show participation
6. Foreign sales trip
7. U.S.-based international trade show participation
8. Participation in export training workshops
9. Reverse foreign buyer missions (meeting space/audio visual)

EXPENSE/REIMBURSEMENT LIMITATIONS

- Meals, entertainment, cell phone charges, gifts, and personal expenses are ineligible
- Passport and visa fees are ineligible.
- Immunization expenses are ineligible
- Travel reimbursement is limited to two (2) travelers
- Flights must adhere to Fly America/Open Skies Agreements. Only economy flights are eligible for reimbursement —no upgrades
- Travel expenses for distributors or sales representatives not employed by the Michigan company are ineligible
- Fees for shipping products to be sold in market are ineligible.
- Fees for shipping sample products cannot exceed \$2,000 reimbursement per award year
- Mileage is reimbursable at the federal per diem rate —no gas receipts, unless used with a rental car
- Export compliance testing expenses are ineligible

To get started, complete the online intake form at <http://michiganbusiness.org/export> or contact your regional international trade manager!

Questions may be sent to export@michigan.org.

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