

**Minnesota Department of Employment and Economic Development
Minnesota Trade Office**

REQUEST FOR PROPOSALS

Date of Issuance: July 1, 2015

The Minnesota Trade Office (MTO,) an agency within the Minnesota Department of Employment and Economic Development, is soliciting applications for funding for eligible small businesses to participate in export development activities that will assist the company to begin exporting or increase their exports from Minnesota.

Funds Available

Approximately \$300,000 is available for distribution in this program year, ending on June 30, 2016. Funds will be distributed as eligible applications are approved, so funds may be expended before the end of the program year.

Submission Deadlines and Requirements

Applications will be evaluated on a competitive basis as they are received and proposals must be submitted electronically. Submit electronic copy to Ed Dieter, STEP Program, Minnesota Trade Office. Email: ed.dieter@state.mn.us.

Activities planned through the end of the program year can be submitted for review at any time. However, early applications are encouraged, and applications involving travel should be submitted by a deadline of at least two months before planned activities in order to have sufficient time for review and processing.

Contact Information

For questions regarding the Request for Proposals or eligibility requirements, please contact Ed Dieter, STEP Program, 651-259-7481; e-mail: ed.dieter@state.mn.us.

Background

The Minnesota Trade Office established the STEP Export Assistance for Small Business program after being awarded a State Trade and Export Promotion (STEP) grant by the U.S. Small Business Administration. The goal of the program is to assist eligible small businesses in the state to begin exporting, or to increase the value of their exports.

Program Description

Eligible small businesses may apply for reimbursement of costs for certain training and export development activities. Assistance is available to reimburse successful applicants for the following activities:

- Export training that will result in the development of a strategic plan for export
- Participation in foreign trade missions
- Participation in foreign market sales trips
- Export trade show exhibits
- Services provided by the U.S. Commercial Service such as Gold Key Service
- Design of international marketing products or campaigns*
- Translation of websites into foreign languages*
- Testing and obtaining certification such as CE Marking that is required in order to sell products into markets outside of the U.S.*

Activities must be pre-approved in order to be eligible for reimbursement. Companies **may not apply** for reimbursement for activities that have already taken place.

Proposed projects cannot begin until the applicant has entered into an agreement with the Minnesota Trade Office, **and must be completed by June 30, 2016**. Reimbursement requests and all accompanying documentation must be received by the Minnesota Trade Office no later than July 13, 2016.

*All services must be provided by a U.S.-based service provider in order to qualify.

Eligibility Requirements

Eligible companies must:

- 1) Fit the SBA definition of a small business, based on annual sales or number of employees. Further details on SBA size requirements can be found at: www.sba.gov/content/tablesmall-business-size-standards;
- 2) Have been in operation for at least one year;
- 3) For state program, be generating revenue, based on U.S. operations;
- 4) For SBA federal program, be generating profits, based on U.S. operations.
- 5) Not be debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;
- 6) Have an understanding of the costs associated with exporting;
- 7) Have a strategic plan for exporting (except if applying for reimbursement for export training);
- 8) Have operations in Minnesota that involve the research, design, manufacture, processing, assembly or distribution of products, or provide an exportable service; More than 50% of the value of the product or service being promoted must be produced in Minnesota.
- 9) Have products or services that are appropriate for the target market, and the rights to export to that market;
- 10) Agree to answer surveys and provide information on program outcomes.

Reimbursement Limits and Match Requirements

Export Training: Eligible small businesses with successful applications will be reimbursed up to \$500 per company maximum for the program year, for participation in Export by Design, ExporTech, or other approved training programs that result in the development of a strategic plan for export. No match is required. However, proof of attendance from the organizers and completion of an export plan will be required to receive reimbursement.

Export Development Activities: Eligible small businesses with successful applications will be reimbursed up to **50%** of the qualified expenses included in their program application up to a maximum reimbursement of \$7,500. Applications for activities costing less than \$1000, resulting in reimbursement requests less than \$500 will not be accepted. A company may apply multiple times, but the maximum award amount cannot exceed \$7,500 for export development activities (\$8,000 if training is included) for the program year ending June 30, 2016.

Activities eligible for funding through other federal programs such as the Branded Program administered by Food Export Midwest are not eligible for funding, but activities not covered by other federal programs (such as Market Builder) may be included in your application.

The U. S. Small Business Administration offers financing through its SBA Export Express program that may be used for marketing expenses such as foreign trade shows, translation of product literature, etc., as well as to finance specific export orders, expansions, inventory, etc. Financing through the SBA Export Express program may be used to pay upfront costs for STEP activities, as well to fund the required match. For further information on SBA Export Express, please contact your lender, the SBA Minnesota District Office at 612-370-2324, or see:

<http://www.sba.gov/content/sba-export-express-fact-sheet-small-businesses>.

Travel Requirements

If your planned activities involve out-of-state or international travel, travel approval must be obtained in advance before making travel arrangements. Please apply to an application round with a deadline at least two months before your planned travel to allow sufficient time for this.

Travel costs included in the budget proposal must follow the guidelines below:

- Can include costs for up to 2 employees of the company to travel for a particular activity; Travel costs for contractors, consultants, and family members cannot be included.
- Flight costs must be based on coach airfare, and Fly America Act guidelines must be followed in order for flights to be reimbursed. (In general, all flights must be ticketed on U.S. carriers in order to qualify.)
- Hotel and per diem rates (for meals and incidentals) must not exceed the U.S. State Department rates for your travel dates and the city/cities where you are traveling, found at:
 - Domestic: <http://www.gsa.gov/portal/category/21287>
 - International: http://aoprals.state.gov/content.asp?content_id=184&menu_id=78
- If you are traveling on a trade mission, hotel and per diem costs can be included for the days of the mission. If you are traveling for a trade show, costs for up to 2 days before and 1 day after the show can be included. If you are traveling on an individual sales trip, a detailed itinerary or justification for the number of days included in the budget estimate should be provided. The Minnesota Trade Office reserves the right to limit the number of days it allows for reimbursement, regardless of the amount requested by the applicant.
- Costs for hotel, meals, etc. for local travel are not permitted.
- Costs for hosting and entertaining may not be included.
- Costs for product samples or trade show giveaways may not be included.

Selection Criteria

Only applications from “eligible small businesses” will be reviewed. Applications will be reviewed based on the following criteria. Please note that the following list is offered as a guide and is not all-inclusive or in priority order.

- * Project Design (15 points) - How clearly is the project explained? Is information provided on the market size and potential for your company’s products? Does the information provided on the market justify the planned activity/activities?
- * Export Potential (25 points) - How likely is the activity to result in immediate, short-term, or long-term export sales? Will it result in distributor agreements for new markets? Will jobs be added or retained as a result of this activity?
- * Company History and Commitment to Exporting (25 points) – Does the applicant have sufficient support from company management to perform the planned activity/activities and conduct follow-up necessary to realize export success? Does the company have capacity to take on increased manufacturing/service and support in new markets?
- * Budget (15 points) – Is the budget justified for the planned activity/activities? Are estimates complete and based on allowable costs?
- * New Market Preference (10 points) –Is the proposed activity for a market in which the company has not been active before? For trade shows: Has the company exhibited at this show in the past? For trade missions and international sales trips: Has the company traveled to this market before? How many times? Is this to establish distribution in a new industry, or for a new product line?
- * New Exporter Preference (5 points) – Is the company a new exporter?
- * Traditionally Underserved Businesses (5 points) – Is the company located in a rural area? Is the company minority-owned, woman-owned, or veteran-owned?

Review and Award Process

Applications are reviewed and evaluated by the STEP Program Director and MTO staff. Applicants will receive a decision regarding their project within two weeks after application submission. Successful applicants will receive an award letter or email with instructions and requirements for completing a legal agreement to carry out planned activities.

The company will have two weeks from the time the grant contract is provided to them to sign and return the contract. If the contract is not signed and returned within two weeks, the contract offer will be rescinded and the funding will be returned to the pool.

Once the contract is accepted, the company must make continual progress towards completing the planned activities. If at any point it is determined by the Minnesota Trade Office that adequate progress is not being made, and all or part of the committed funds are unlikely to be used, we reserve the right to reduce or cancel the contract to make the funds available to other applicants.

Reporting Requirements

Successful applicants will be required to share information on outcomes after completing the proposed activity, including number of leads generated, number of new distributors signed, and export sales generated as a result of the activity. This information is required in order to be reimbursed. Successful applicants also agree to complete follow-up evaluations for up to one year after the funded activity has been completed.

Application Instructions and Forms

Step 1:

Confirm your eligibility for the program by carefully reviewing the Eligibility Requirements above, and the SBA size standards and guidance on affiliation at:

http://ecfr.gpoaccess.gov/cgi/t/text/textidx?c=ecfr&tpl=/ecfrbrowse/Title13/13cfr121_main_02.tpl.

Only applications from eligible small businesses will be reviewed.

Step 2:

Register as a Vendor for the State of Minnesota if you are not already, at:

https://supplier.swift.state.mn.us/psp/fmssupap_1/SUPPLIER/ERP/c/PORTAL_COMPONENTS_AU.AUC_LOGIN.GBL. Your company's Vendor ID number is required for the application.

Step 3:

Decide on planned activities and fill out the required application forms:

- 1) STEP Self Representation as a Small Business Form
- 2) STEP Debarment Certification Form
- 3) STEP Export Assistance for Small Business Application
- 4) Exhibit A: Export Development Activity Plan (not required if only applying for export training reimbursement)
- 5) Exhibit B: Planned Budget (not required if only applying for export training reimbursement)
- 6) Travel Plan (required if your planned activities involve domestic or international travel)

All parts of the application must be complete and received in order for the application to be reviewed.

Step 4:

Print and sign all documents needing signature. Scan and submit all application forms in one email to the Minnesota Trade Office.

You may attach additional information or additional narrative on a corresponding word document. (Not to exceed four pages)



**U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416**

**SELF REPRESENTATION AS
AN 'ELIGIBLE SMALL BUSINESS CONCERN'**

The undersigned seeks services from a State grant recipient under Public Law 111-240 § 1207, Small Business Jobs Act, which authorized the State Trade and Export Promotion Program.

A. Section 1207 of P.L. 111-240 defines the term 'eligible small business concern,' as:

"...a small business concern that--(A) has been in business for not less than the 1-year period ending on the date on which assistance is provided using a grant under this section; (B) is operating profitably, based on operations in the United States; (C) has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping, as determined by the Associate Administrator; and (D) has in effect a strategic plan for exporting;"

B. For purposes of implementing the STEP Program, the U.S. Small Business Administration (SBA) operationally defines the term 'eligible small business concern,' as an entity that:

1. *Complies with SBA size standards found at 13 C.F.R. Part 121 (http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title13/13cfr121_main_02.tpl);*
2. *Has been in business for not less than the 1-year period ending on the date on which assistance is provided under a STEP grant;*
3. *Is operating profitably, based on operations in the United States;*
4. *Has demonstrated understanding of the costs associated with exporting and doing business with foreign purchasers, including the costs of freight forwarding, customs brokers, packing and shipping; and,*
5. *Has in effect a strategic plan for exporting.*

Submitting false information in order to obtain services from a STEP grant recipient is a violation of Federal law. If you submit false information the Government may seek criminal, civil, and/or administrative remedies against you, pursuant to 18 U.S.C. §§ 1001, 1040; and 31 U.S.C. §§ 3729-3733. The Government may elect to exclude you from further participation in certain Federal programs and contracts if you submit false information in connection with receiving services from a STEP grant recipient.

I hereby certify that the business that I represent is seeking services from a state recipient under the STEP Program, and is an 'eligible small business concern,' pursuant to Paragraph B., above.

Signature

Date

Name/Title

Company



**Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 26, 1988 *Federal Register* (pages 19160-19211). Copies of the regulations may be obtained by contacting the person to which this proposal is submitted.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Business Name _____

Date _____

By _____
Name and Title of Authorized Representative

Signature of Authorized Representative

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations (13CFR Part 145).
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Minnesota Trade Office

STEP Export Assistance for Small Business Application

Company Name			
Address			
City	Zip	County	
Website			
Contact Person		Contact Phone:	
Title		Contact Email:	
Year Established:	Primary Industry	NAICS:	
# of Employees in MN	# of Employees Worldwide	MN Tax ID	State Vendor ID
Ownership Status (Mark any that apply) <div style="display: flex; justify-content: space-around; margin-top: 5px;"> Minority-owned business Veteran-owned business Woman-owned business </div> Is this business owned by or affiliated with another company? Yes No (If yes, contact Ed Dieter at 651-259-7481 or ed.dieter@state.mn.us to confirm eligibility for the program.)			
Briefly describe your company and the product or service you export/are interested in exporting:			
Has your company exported on a regular basis to one or more countries? Yes No If yes, # of countries: Company Annual Sales Total Export Sales			
Has your company received a STEP award in the past? Yes No Did you complete all of the planned activities for that award? Yes No			
I am <u>only</u> applying for export training reimbursement at this time. Yes No			

DATA PRIVACY ACKNOWLEDGEMENT:

Per MN Statute 13.591, Subdivision 2, data submitted to a government entity under MN Statute 13.591, Subdivision 1 become public when public financial assistance is provided or the business receives a benefit from the government entity, except the following data remain private or non-public: business plans; income and expense projections not related to the financial assistance provided; customer lists; income tax returns; and design, market, and feasibility studies not paid for with public funds.

I have read the above statement and I understand that some or all of the information I provide may be made public. I certify that all information provided herein is true and accurate and that the official signing this form has authorization to do so.

Name and Title of Authorized Representative

Signature

Date

Exhibit A: Export Development Activity Plan

What activity/activities would your company like to pursue to increase exports from Minnesota?	
Proposed Start Date (Month, Year)	Proposed End Date (Month, Year)
Target market/markets:	
Please explain your current involvement in the target market(s), and describe how each proposed activity will increase exports for your company:	
How have you determined the market potential for your product/service there?	
Who will be responsible for carrying out these activities? How will increased sales, production, service, etc., be managed within the company?	

Please provide information on the outcomes you expect from participating in this activity:

Number of potential customers met?	Number of potential distributors signed?
Estimated immediate sales?	Estimated short-term sales?
Estimated long-term sales?	By when? (Month, Year)
Other measurable outcomes you expect (Please describe in detail):	

Exhibit B: Planned Budget

Please estimate your expenses for all activities. If not applicable or no cost, please enter "0".

Only allowable expenses covered in your Export Development Activity Plan should be included.

Carefully review the RFP for rules and restrictions on travel and allowable expenses.

Air travel must follow Fly America Act guidelines in order to be reimbursed.

Rates for Hotel and Per Diem should be based on State Department and GSA rates for the cities you plan to visit. Per Diem is calculated at 75% for the first and last days of travel.

Domestic Travel Rates: <http://www.gsa.gov/portal/category/21287>

International Travel Rates: http://aoprals.state.gov/content.asp?content_id=184&menu_id=78

Trip 1 Expenses

Airfare Traveler 1	Hotel Traveler 1	Per Diem Traveler 1	Airfare Traveler 2	Hotel Traveler 2	Per Diem Traveler 2
Ground Transport	Mission Fee	Gold Key Svc	Interpreter		
Exhibit Booth	Furnishings	Shipping			

Trip 2 Expenses

Airfare Traveler 1	Hotel Traveler 1	Per Diem Traveler 1	Airfare Traveler 2	Hotel Traveler 2	Per Diem Traveler 2
Ground Transport	Mission Fee	Gold Key Svc	Interpreter		
Exhibit Booth	Furnishings	Shipping			

Other Expenses (Please describe)

Expense A	Amount
Expense B	Amount
Expense C	Amount
Expense D	Amount
Expense E	Amount

Total of all expenses

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Reimbursement Request (50% of estimated expenses to a maximum of \$7,500)

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Travel Plans

If your proposed activity/activities involve travel, please provide the following information for each trip planned.

(Add additional sheets if necessary). For trade mission or focused sales trip, please also attach detailed itinerary.

Trip 1

Date Travel to Begin	Date Travel to End	Destination Country	Destination City
Traveler 1 Name & Title		Traveler 2 Name & Title	
Has a representative from the company visited this market before?		Yes	No
If yes, how many times?	In which years?	Will you use U.S. Commercial Service's Gold Key Service?	
		Yes	No

For Trade Show Exhibition:

Name of Show		Dates of show
Have you exhibited at this trade show in the past?		Yes No
If yes, how many times?	In which years?	Show Website

For Trade Mission:

Mission Organizer	Website
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Trip 2

Date Travel to Begin	Date Travel to End	Destination Country	Destination City
Traveler 1 Name & Title		Traveler 2 Name & Title	
Has a representative from the company visited this market before?		Yes	No
If yes, how many times?	In which years?	Will you use U.S. Commercial Service's Gold Key Service?	
		Yes	No

For Trade Show Exhibition:

Name of Show		Dates of show
Have you exhibited at this trade show in the past?		Yes No
If yes, how many times?	In which years?	Show Website

For Trade Mission:

Mission Organizer	Website
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