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

Applications must be received a minimum of three (3) business days prior to the start date of travel or the start date of an eligible non-travel activity. Applications that do not meet this submission requirement are **not eligible** and will not be processed or approved.

GENERAL INFORMATION

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

- Increase the number of Michigan small businesses that export
- Increase the dollar value of Michigan exports
- Increase the number of Michigan small businesses exploring significant new trade opportunities

FY25 MI-STEP applications will be accepted November 1-September 15.

ELIGIBILITY

Up to \$15,000 in assistance to offset 50% of approved expenses per fiscal year. Michigan companies must meet the following eligibility criteria to qualify for MI-STEP funds:

- 1. Be in accordance with Small Business Administration (SBA) guidelines and size standards: www.sba.gov/content/small-business-size-standards
- 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. Be able to provide, upon request, a copy of a Michigan LARA annual report filing **or** a copy of sole proprietorship or limited partnership filing from the county registrar's office
- 5. Provide an EIN linked to a Michigan address
- 6. Be in good standing with the Michigan Department of Treasury and other regulatory agencies
- 7. Must be an export-ready U.S. company seeking to export goods or services of U.S. origin or have at least 51% U.S. content
- 8. Be able to demonstrate minimum gross annual revenue of \$100,000
- 9. Be a full-time means of employment
- Demonstrate a competitive advantage and capability of entering international markets against local products and services
- 11. Wholesale distributors of imported products are ineligible
- 12. MI-STEP program utilization is not guaranteed and is subject to past performance, program compliance, return on investment (ROI) and a demonstrated export growth need as detailed in the export strategic plan.

ALLOWABLE USES

Program guidelines reflect federal STEP grant guidelines. Funds may be approved for export marketing-related activities including:

- 1. Participation in foreign trade mission
- Participations fees
- Basic economy airfare and Lodging expenses at the nightly federal per diem rate
- 2. Participation in international trade shows
 - Booth space fees, associated booth space expenses i.e. electrical, furniture, carpet
 - Basic economy airfare and
 - Lodging expenses at the nightly federal per diem rate
- 3. Up to three lifetime participations in U.S. based trade shows where at least 20% international attendance can be demonstrated by the company
 - Booth space fees, associated booth space expenses i.e. electrical, furniture, carpet
 - Basic economy airfare and
 - Lodging expenses at the nightly federal per diem rate
- 4. Participation in foreign market sales trips
 - Basic economy airfare
 - Lodging expenses at the nightly federal per diem rate
 - USCS Gold Key services

EXPENSE/REIMBURSEMENT LIMITATIONS

- Meals, entertainment, cell phone charges, gifts, and personal expenses are ineligible
- Passport and visa fees are ineligible
- Immunization and COVID-related testing expenses are ineligible
- Travel reimbursement is limited to two (2) company employees who must be U.S. citizens
- Flights must adhere to Fly America/Open Skies agreements.
 Only economy flights are eligible for reimbursement. Flight eCredits are ineligible.
- Fees for shipping products to be sold in market are ineligible
- Ground transportation including, but not limited to, mileage, taxis, Ubers, trains, and rental cars are ineligible
- Printing materials/services are ineligible
- Give-aways, promotional items, clothing, etc., are ineligible
- Conferences, annual meetings, and symposiums are ineligible
- Annual membership fees and dues are ineligible
- Reimbursements are subject to funding availability on a first-come, first-served basis, regardless of application approval status

To get started, complete the <u>online intake form</u> or contact your regional <u>international trade manager</u>.

