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STATE OF NEW HAMPSHIRE
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT
DIVISION OF ECONOMIC DEVELOPMENT
172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

603-271-2341
FAX: 603-271-6784
www.nheconomy.com

September 4, 2014

The Honorable Mary Jane Wallner, Chairman
Fiscal Committee of the General Court
and
Her Excellency, Governor Margaret Wood Hassan
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1. Pursuant to the provisions of RSA 14:30-a, VI, authorize the Department of Resources and Economic Development (DRED), Division of Economic Development to accept and expend funds from grant #SBAHQ-14-IT-0019 from the US Small Business Administration - State Trade and Export Promotion (STEP) Grant Program in the amount of \$159,725.00 upon Fiscal Committee and Governor and Executive Council approval through June 30, 2015. **100% Federal Funds**

Funding to be budgeted in account titled State Trade and Export Promotion (STEP) Grant, as follow:

03-35-35-351010-08370000 State Trade Export Promotion (STEP) Grant

		2015
		<u>Requested Budget</u>
000-407792	Federal Funds	\$159,725
040-500800	Indirect Costs	\$7,635
041-500801	Audit Fund Set Aside	\$160
102-500731	Contracts for Program Services	<u>\$151,930</u>
	Total:	\$159,725

EXPLANATION

The US Small Business Administration's State Trade Export Promotion (STEP) program, which was created by the Small Business Jobs Act legislation, awards grants to States for the purpose of furthering their efforts of helping small businesses prepare for new international markets, comply with trade regulations, access export financing and participate in international trade shows and trade missions. These grants allow for the creation of specialized programs in which to focus on foreign markets with the



TDD ACCESS: RELAY NH 1-800-735-2964 recycled paper

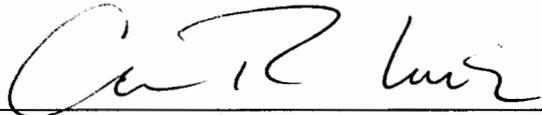
DIVISION OF ECONOMIC DEVELOPMENT 603-271-2341

highest growth potential and industries with the greatest and most immediate ability to compete successfully in the world marketplace.

This grant is the third round of competitive funding. New Hampshire is one of only twenty-four states to receive the STEP grant this year.

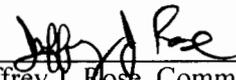
In the event that Federal Funds are no longer available, General Funds will not be requested to continue the support of this project. It is anticipated that the funding will be fully committed and/or expended by June 30, 2015.

Respectfully Submitted,



Carmen Lorentz, Director

Concurred, 



Jeffrey J. Rose, Commissioner



NOTICE OF AWARD

U.S. Small Business Administration

1. AUTHORIZATION (Legislation/Regulation)
 Public Law 111 - 240, Small Business Jobs Act of 2010

2. Grant/Cooperative Agreement No.:
 SBAHQ-14-IT-0019

3. RECIPIENT: (Name, Organizational Unit, Address)
 RESOURCES AND ECONOMIC DEVELOPMENT, NEW HAMPS

 172 PEMBROKE ROAD
 P.O. BOX 1856

 CONCORD NH 033021856

4. PROJECT PERIOD (Mo./Day/Yr.)
 From 09/30/2014 Through 09/29/2015

5. BUDGET PERIOD (Mo./Day/Yr.)
 From 09/30/2014 Through 09/29/2015

6. FEDERAL CATALOG NO. 59.061
7. ADMINISTRATIVE CODES 4506001EZ0019

8. TITLE OF PROJECT/PROGRAM (limit to 53 spaces)
 FY 14 STEP

9. AWARD AMOUNT
 Amount of SBA Financial Assistance \$159,725.00

10. DIRECTOR OF PROJECT (Program or Center Director, Coordinator or Principal Investigator)

 NAME Kasim Tina
 Last First Initial
 ADDRESS Same as above

11. RECOMMENDED FUTURE SUPPORT (Subject to the availability of funds and satisfactory progress of the project)

BUDGET YEAR	TOTAL DIRECT COST	BUDGET YEAR	TOTAL DIRECT COST
a.	\$0.00	b.	\$0.00

12. Approved Budget (Excludes SBA Direct Assistance)
 SBA Funds Only Total project costs including all other financial participation.

13. Remarks (Other Terms & Conditions Attached) Yes No

	Federal Share	Non-Federal Share
a. Personal Service_____	0.00	0.00
b. Fringe Benefits_____	0.00	0.00
c. Consultants_____	0.00	0.00
d. Travel_____	0.00	0.00
e. Equipment_____	0.00	0.00
f. Supplies_____	0.00	0.00
g. Contractual_____	0.00	0.00
h. Other_____	0.00	0.00
i. TOTAL DIRECT COSTS_____	\$0.00	\$0.00
j. Indirect cost_____	0.00	0.00
(Rate) 0 % of S & W/TADC		
k. OTHER APPL. COSTS_____	0.00	0.00
l. TOTAL APPROVED BUDGET	\$0.00	\$0.00

14. THIS AWARD IS SUBJECT TO THE FOLLOWING COST PRINCIPLES AND OMB UNIFORM ADMINISTRATIVE REQUIREMENTS :

2 CFR Part 220 - Cost Principles for Educational Institutions

2 CFR Part 225 - Cost Principles for State and Local Governments

2 CFR Part 230 - Cost Principles for Non-Profit Organizations

FAR Subpart 31.2 - Principles for Determining Cost Applicable to Awards with For-Profit Organizations

13 C.F.R. Part 143 - Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

2 CFR Part 215 - Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations.

OMB Circular - A - 133 - Audits of States, Local Governments, and other Non-Profit Orgs.

*Must meet all matching or cost participation requirements subject to adjustment in accordance with SBA policy

15. THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE SIDE

16 CRS - EIN 02-6000618		17. COUNTY NAME Merrimack		18. CONGRESSIONAL DISTRICT NO. NH-002	
19a CITY CODE 14200	b. COUNTY CODE 013	c. STATE CODE 33	d. PROGRAM CODE 506001		
20a BUDGET CODE 203604101610001		b. DOCUMENT NO. SBAHQ-14-IT-0019	c. AMT. ACTION FIN. ASST. 159725.00	d. TYPE OF ORGANIZATION State Government	
21. AGENCY OFFICIAL (Signature, Name and Title) Monica Butler			22. DATE ISSUED (Mo./Day/Yr.) 08/27/2014		
23. RECIPIENT OFFICIAL (Signature, Name and Title)			24. DATE (Mo./Day/Yr.)		

THIS AWARD IS SUBJECT TO THE TERMS AND CONDITIONS INCORPORATED EITHER DIRECTLY OR BY REFERENCE IN THE FOLLOWING.

- A. The program legislation and / or regulation cited in block 1.
- B. This award notice including terms and conditions, if any, noted under block 13, Remarks.
- C. SBA Federal Assistance Regulations or Manual issuances in effect at the beginning date of the budget period.
- D. The applicable program announcement, if any.
- E. SBA Policy Guidelines in effect as of the beginning date of the budget period.
- F. SBA Administrative Regulations / Guidelines in effect as of the beginning date of the budget period.

In the event that there are any conflicting or otherwise inconsistent policies applicable to this award, the above order of precedence shall prevail. Acceptance of ALL terms and conditions is acknowledged by the Recipient's Signature in block 23.

U.S. Small Business Administration

NOTICE OF AWARD

ITEM NO (A)	ITEM OR SERVICE (Include Specifications and Special Instructions) (B)	QUANTITY (C)	UNIT (D)	ESTIMATED COST	
				UNIT PRICE (E)	AMOUNT (F)
	DUNS Number: 787504158 Delivery: 08/12/2014 Delivery Location Code: 506001 Small Business Administration Office of International Trade 409 3rd St., S.W. Washington DC 20416 USA Accounting Info: 1414.40400DB.506001.20360.4101.610001.5060001 Period of Performance: 09/30/2014 to 09/29/2015				
0001	2014 STEP GRANT NEW HAMPSHIRE Obligated Amount: \$159,725.00 The total amount of award: \$159,725.00. The obligation for this award is \$159,725.00.				159,725.00

**U.S. Small Business Administration
State Trade and Export Promotion Grant Program
PROGRAM ANNOUNCEMENT
No. OIT-STEP-2014-01**

Submitted by

STATE OF NEW HAMPSHIRE
Department of Resources and Economic Development
Division of Economic Development
Office of International Commerce/International Trade Resource Center
172 Pembroke Road
PO Box 1856
Concord, NH 03301-1856
Tel: (603) 271-8444
Fax: (603) 271-6784
Tina Kasim, International Program Manager
Office of International Commerce/International Trade Resource Center
Email: tina.kasim@dred.nh.gov

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TECHNICAL PROPOSAL

I. ORGANIZATIONAL EXPERIENCE AND CAPACITY:

New Hampshire's export successes earned national attention in 2013: First in the nation in export growth - at 22 percent and \$4.3 billion in exports and first in the nation to develop an industry-specific, export-focused consortium. There were many more achievements last year, largely attributable to the two State Trade Export Promotion (STEP) grants awarded to the state. By leveraging these awards with resources, partnerships and creativity, New Hampshire's Office of International Commerce (NH OIC) saw significant returns from the businesses it assisted. The programs offered under STEP were tailored to the needs of companies, many of which did not have the finances to explore international business development. These grants enabled them to explore both new-to-market opportunities, as well as new markets for companies with some export experience. This grant made it possible for businesses to explore prospects that would otherwise have been lost if not for STEP. The grants awarded to small businesses translated into successes in many cases; success they may not have achieved for years – if ever.

New Hampshire received nearly \$600,000 from the STEP program. Considering the long business cycles many of our companies are facing, this investment to date, has turned into more than \$3 million in export sales, and the training of more than 200 company representatives on a variety of topics. These programs and resulting success stories now brand the state as an emerging aerospace and defense hub at key international trade shows.

The goal of this proposal is to create results-oriented programs to continue direct-to-market opportunity for the state's businesses, through programs that are flexible and timely for high growth industries already exporting, while encouraging others to learn, plan and add exporting to their business plans.

In Years One and Two of the STEP grant, the NH OIC organized over 300 companies in the aerospace and defense sectors to promote the state's fastest growing industries in global markets, including the UK and Canada. This also generated a noticeable increase, and reach, to markets in Southeast Asia, Australia and the Middle East. Collaboration plays an even bigger role in this year's plan. In Year Three of STEP, New Hampshire will build on programs yielding the greatest results for businesses and encouraging them to better leverage resources. NH OIC will also maintain a horizontal approach in working with companies and manufacturers in a variety of sectors to provide counselling,

market research, access to markets, tradeshow participation, etc. By making these opportunities available, NH OIC is confident the grant will provide the extra financial capital to make meaningful changes within companies, such as marketing, technical know-how or finding trading partners in new or expanded markets. All activities will be conducted via the existing partnerships between the New Hampshire's Office of International Commerce, U.S. Commercial Service, local Small Business Administration (SBA) liaisons, the Small Business Development Centers (SBDC), the state's export outreach team known as the NH International Trade Network and educational institutions.

The state trade program is managed by the New Hampshire Department of Resources and Economic Development's Office of International Commerce (OIC), widely known as the New Hampshire International Trade Resource Center (ITRC). Established in 1991 through a SBA grant, the ITRC is branded as a coalition of state, federal, non-profit and academic organizations that provide export resources. This continues to be necessary because the majority of New Hampshire businesses that export, or want to export, is small and requires the full scope of services readily provided. The NH OIC works extremely well with all partners, ensuring there is no duplication of services and that each partner has a particular function and forte. Partners include U.S. Department of Commerce/U.S. Commercial Service; the Granite State District Export Council; Small Business Administration; U.S. Export-Import Bank; Small Business Development Center; Manufacturing Extension Partnership and several of New Hampshire's colleges and universities.

The OIC/ITRC offers export services to new-to-export companies, new-to-market companies and increase-to-market companies, including counseling and strategic market development; market research; marketing; trade missions; trade shows; collateral materials; reverse trade missions; export finance assistance and risk abatement products; seminars and workshops; technical assistance; compliance; logistics; documentation; advocacy; networking and more.

The state's small businesses have strong potential to enter the export marketplace and new markets, and to increase sales in their existing foreign markets. At the height of the recession, many companies diversified their portfolios and added more export markets. They found more opportunities as both the overseas economies and the US dollar began to strengthen. Many New Hampshire companies are in the high tech sector and require even greater customized assistance, due to the complexities of export compliance and growing sales to foreign governments.

Following deep cuts to the OIC in 2010, Governor Hassan is committed to restoring funding to the program, and restored some funding in the 2014/15 biennial budget. While the increase provided support for a jump in exports in 2013, additional support through STEP is vital to launch new programs and projects, aimed at bolstering the growth of New Hampshire's small businesses in new and competitive markets. This work is increasingly complex and labor intensive, due to the high-tech nature of the NH OIC clients and the faster growing market opportunities.

II. PROJECT DESIGN

The design of New Hampshire's STEP project builds on the successes of the past two years, while incorporating new activities designed to cater to the needs of New Hampshire businesses, allowing for flexibility to customize solutions for an eligible and qualified business. These are opportunities that not only support business growth, but offer a creative use of STEP funds with positive return on investment. The State's total awards over two years of nearly \$600,000 has resulted in more than \$3 million in export sales – which to date is a 5:1 return and is on track to exceed that ratio.

Following are the actual activities proposed under this grant request. Each activity includes a narrative, activity details, budget, and timeline/milestones.

i. New Hampshire Aerospace and Defense Export Consortium (NHADEC)

In the first two years of STEP, NH OIC focused on developing a consortium specific to the state's fast growing aerospace and defense sectors. This sector is identified as one with significant growth opportunities for precision manufacturers and companies that fall into various points in the supply chain. The NH OIC intends to support two activities that complement the previous two years of achievements.

Activity 1: Dubai Air Show

Using the successful Best of New England model of joint booth space and logistics, NH OIC and NHADEC seek to provide a platform for small businesses in a key international trade show. This approach and model has allowed Granite State businesses to graduate from a joint pavilion-style group to exhibiting on their own at major trade shows. To provide the necessary market assessment of the Middle East and UAE, NH OIC and the U.S. Commercial Service invited the Aerospace and Defense Trade Officer from the UAE to meet with members of NHADEC in May 2014. This activity, we anticipate, will provide targeted recruitment for the Dubai Air Show. NH OIC and US Commercial Service employed a similar activity in 2013 with the trade officer from Singapore- the officer's visit resulted in direct

recruitment and registrations of NHADEC members at the Singapore Air Show in February 2014. Companies at the air show gathered numerous business leads and expect export sales into the region to take hold in the next 12-18 months.

The benefits of this pavilion-style booth include, but are not limited to:

- Ability to secure a substantial booth in a more visible location;
- Greater access to potential clients for each small business;
- Using funds more effectively by participating companies for marketing materials and business matchmaking assistance;
- Creating a setting for a successful networking event between potential clients and the businesses;
- Fortifying New Hampshire's brand as a hub for innovative aerospace and defense solutions and manufacturing; and
- Demonstrating the complimentary business resources within New Hampshire.

In the short-term, the participating New Hampshire businesses anticipate increased sales and contracts at the Dubai Air Show, under the banner of NHADEC. The larger, more polished and professional exhibitor setting will attract serious and potential customers. Using the state international trade office staff and U.S. Department of Commerce resources on-site will ensure a high impact, value-added experience for businesses and will demonstrate New Hampshire's cooperative spirit. This model also ensures success for participants by arranging matchmaking opportunities with qualified buyers, distributors and partners; promoting their products in the booth settings and meetings with sales prospects. Attendees can also walk the floor and attend meetings elsewhere at the show with confidence, knowing their booth will be staffed and their interests well-represented. A long-term goal is to help NHADEC promote its brand and be recognized within the international aviation, aerospace and defense industries, highlighting the State's strong and skilled workforce and productive businesses able to serve clients efficiently. This sustainable recognition can be used in other joint initiatives and business building opportunities featuring the Granite State.

Project Details

The NH OIC seeks to implement strategies and activities developed with the NHADEC to brand, train, promote and market the companies in the cluster to the world marketplace. Details are:

Project Name: New Hampshire Aerospace and Defense Export Consortium

Lead Entity: New Hampshire Office of International Commerce

Res. Partners: U.S. Commercial Service, New Hampshire Congressional delegation, Small Business Administration, New Hampshire Small Business Development Center, New Hampshire Manufacturing Extension Partnership, New Hampshire High Technology Council, New Hampshire Procurement Technical Assistance Center

Dates: Designated period of grant year

Goal: To grow, beyond the grant period, an aerospace and defense cluster focused on developing exports worldwide

Objective(s):

Implement strategies developed in year three grant period and update inventory assets of companies in the aerospace and defense sector

Participate in the Dubai air show to promote New Hampshire companies internationally

Services:

Dubai Air show

The lead organizer for the trade mission to Dubai is the NH Office of International Commerce (NH OIC). NH OIC will work in partnership with the New Hampshire Aerospace and Defense Export Consortium (NHADEC) and the U.S. Commercial Service (USCS) in New Hampshire and in its post in the United Arab Emirates (UAE). The NH OIC and the New Hampshire-based USCS will recruit and counsel participating companies prior to the air show. A briefing and preparatory meeting will be organized to review all aspects of the show and provide market specific intelligence; political, economic and business negotiations, finance resources, cross-cultural and other specifics. All logistics for booth space and company registration will be organized by NH OIC. NH OIC will work with SBA, the Procurement Technical Assistance Program (PTAP), New Hampshire High Technology Council, SBDC and other local networks to recruit for this activity. After the trade show, the NH OIC and the local USCS will provide follow-up assistance required by NHADEC. This includes, but is not limited to, counseling, finance assistance, pricing and contractual review. NH OIC will work with the state SBA to provide export finance assistance. The post-show follow-up will include individual and group mission debriefings.

Budget

The Dubai Air Show budget is based on the initial participation of five companies.

Activity	Cost	Description
Travel - International	\$10,000	Airfare, M&IE, Hotel, Misc. for Dubai Air show for 2 NH OIC staff
Dubai Air show	\$50,000	Booth + VAT, registration, directory
Branding and Marketing	\$3,000	Promotion and collateral materials for promotion and marketing,
Printing	\$ 2,000	Promotional and Marketing materials
TOTAL	\$65,000	

Timeline/Milestones

Completion Date Description

September 15, 2014	Begin coordination with NHADEC and USCS. Recruit potential companies for Dubai Air show
October 1, 2014	Recruit potential companies for Dubai Air show
May 15, 2015	Export Compliance Training (as part of the training component of this proposal)
November 8-12, 2015	Participation in Dubai air show

Activity 2: Consortium Manager

While the achievements and activities of NHADEC over the past year are significant for a fledgling organization, a need continues for leadership and continuity to propel the development and implementation of the consortium's plans. NHADEC was successful this past year due in large part to the commitment of its consortium manager, a position supported in part by STEP funds. To continue establishing itself as the premier resource for aerospace and defense companies, it is crucial to maintain the momentum generated by continued support for the manager position. The current manager has developed a plan for sustainability through strategic planning and revenue generation; however NHADEC needs financial assistance to become a stand-alone entity. Programs and organizations built from scratch typically require three years to become functional and sustainable. Through STEP III funding, NH OIC strongly recommends maintaining the momentum and support the development of NHADEC by investing in the consortium manager.

Monitoring and evaluation of the manager’s performance will be tied in with NHADEC’s strategic plan for the year, with specific deliverables relevant to the STEP grant including, but not limited to, identifying and developing new business opportunities for NHADEC members, both new to export and seasoned exporters.

Budget

Salary for Consortium Manager

Activity	Cost	Description
Consortium Manager	\$23,430	12 month part-time position
TOTAL	\$23,430	

Timeline/Milestones

Completion Date	Description
September 1, 2014	Enter into agreement with current consortium manager
Quarterly	Quarterly reports and evaluations
September 29, 2015	Final report on the year’s accomplishments and deliverables

ii. New Hampshire Export Expansion Fund

Encouraging companies to incorporate exporting in their business plan requires considerable effort and should be done in addition to assessing a company’s capacity to meet the demands of exporting. Determining a company’s capability is best realized from the market research available to company employees and decision makers. In New Hampshire’s first STEP grant, the NH OIC and U.S. Department of Commerce designed a more effective use of New Hampshire’s funds by subscribing to U.S. Department of Commerce, Commercial Services products. As a result, more than 30 New Hampshire businesses accessed individualized market research to more than 20 markets they otherwise would have not explored due to budget and resource constraints. As the funds dwindled, two additional partners stepped in to fund a similar program during the gap period between STEP II and III. To form this public-private- partnership, NH OIC and USDOC approached the Granite State District Export Council (GSDEC) and UPS to help expand the activity now known as the New Hampshire Export Expansion Fund (NH EEF). Announced in December 2013, the parties pooled a modest amount of funds to assist 10 companies (to date), with customized USDOC market research, including Gold

Keys Services, International Partner Searches, International Company Profiles, Business Facilitation Services and other programs. Businesses using these funds offer extremely positive feedback, demonstrating that the partnership has encouraged some new to export companies to consider incorporating international business development into their strategic plans.

The outreach conducted in the first iteration of NH EEF included an announcement by Governor Hassan, a news release issued by NH OIC, speaking opportunities for the partners at various NH OIC events, social media and leveraging colleagues within the Division of Economic Development. A similar model would be used for the next cycle of NH EEF.

One gap in STEP's eligibility criteria concerns educational institutions. In this collaborative effort, funds from UPS and the GSDEC can be dedicated to assist colleges and universities, providing the state with even more opportunities for export growth and success.

Activity 1: A year-long subscription to USDOC services.

The New Hampshire Export Expansion Fund (NHEEF) represents a collaborative effort between the U.S. Department of Commerce, the NH OIC, the Granite State District Export Council (GSDEC) and UPS.

The funds, via indirect grants, would be made available to all New Hampshire businesses, with a concentration on manufacturing companies with 1,500 employees or less in their New Hampshire locations. Service companies, including educational institutions, travel and tourism, engineering and other service companies, may also qualify for the NHEEF. These funds can be used to offset the costs of U.S. Department of Commerce, U.S. Commercial Service programs around the globe, with the goal of enhancing and supporting international market expansion. Services could include the Gold Key program, International Partner Searches, International Company Profiles and Business Facilitation Services and other programs.

Project Details

The New Hampshire Office of International Commerce seeks to implement a collaborative program targeting new-to-export businesses and new-to-market and increase-to-market businesses and provide customized market research.

Project Name: NH Export Expansion Fund

Lead Entity: New Hampshire Office of International Commerce

Res. Partners: U.S. Commercial Service, Granite State District Export Council, UPS.

Dates: Designated period of grant year

Goal: To provide customized market research to New Hampshire businesses seeking to export and to those who currently export through the indirect grants of the Export Expansion Fund.

Objective(s):

- Provide relevant and timely individualized market research affecting New Hampshire businesses
- Create a more knowledgeable pool of New Hampshire businesses regarding export opportunities
- Assist at least 25 businesses with identifying new market opportunities

Services:

The lead organizing entity is the NH Office of International Commerce (NH OIC). NH OIC and USCS will coordinate and manage the marketing and promotion of the abovementioned activities including company visits, conference calls, logistics and follow up. Outreach efforts will be shared between the partners.

Budget

The primary training budget is based on the estimated participation of 20 companies per training session.

Activity	Cost	Description
NH Export Expansion Fund	\$25,000	Subscription to USCS services
TOTAL	\$25,000	

Timeline/Milestones

Completion Date	Description
September 15, 2014	Announcement of new funding opportunities
September 29, 2015	NH OIC evaluation of NH EEF results

iii. Regional Cooperation Export Initiative

A key element to the success of small businesses in the global marketplace is recognizing that industry clusters cross state lines. This is especially true in the Northeast where regional cooperation among states has been very helpful in

the past, as New Hampshire seeks, and shares, information on best practices in trade office operations and participated in joint trade promotion initiatives.

Activity 1: Arab Health 2015

Over the past several years, the New England states have built a regional cooperative brand known as the “Best of New England.” This collaboration enables the states to secure joint booth space and jointly coordinate logistics at several shows, most notably MEDICA in Germany; Farnborough Air Show in the UK and Paris International Air Show in France. As noted earlier in this proposal, and considering results and feedback received from participating New England companies, this model acts as a launching pad for many small businesses seeking to establish a global presence. The Best of New England has had a presence at MEDICA for the past 15 years and is eager to develop new markets, beginning with the Middle East.

The benefits of a joint New England booth include:

- Ability to secure a sizable booth in a more visible location;
- Greater access for each state’s respective small businesses to potential clients;
- Allow funds to be used more effectively by participating companies for marketing materials and business matchmaking assistance;
- Leverage the opportunity to introduce New England to the Middle East;
- Create a setting for successful networking between potential clients and the businesses;
- Demonstrate an environment of shared business resources between the states.

The New England states anticipate new and increased sales and contracts for their participating businesses at Arab Health 2015 under the Best of New England banner. The larger exhibitor setting provided by this regional cooperation will attract serious and potential customers for the New England group, which has had little exposure to this market. Coordination and value-add activities developed by the state international trade office staffs onsite will ensure higher visibility for exhibiting businesses and will effectively introduce the region and cooperative spirit embodied in New England. In the long-term, the New England states will continue to promote the brand and recognition within the

international medical industry, noting that the region boasts strong, skilled and productive businesses able to serve clients efficiently.

Project Details

The NH OIC seeks to more effectively provide New Hampshire and New England businesses with a meaningful introduction to the Middle East for branding, training, promoting and marketing the companies to the world marketplace. Details are as follows:

- Project Name:** Arab Health 2015
- Lead Entity:** New Hampshire Office of International Commerce
- Res. Partners:** U.S. Commercial Service, Small Business Administration, New Hampshire Small Business Development Center, New Hampshire Manufacturing Extension Partnership, New Hampshire High Technology Council, New Hampshire Procurement Technical Assistance Center
- Dates:** Designated period of Grant Year
- Goal:** To grow, beyond the grant period, a regionally branded cooperative cluster focused on developing exports worldwide.

Objective(s):

- Implement strategies developed in the Year One grant period and update inventory assets of companies in the medical sector;
- Participate in the Arab Health show to promote New Hampshire companies internationally.

Services:

NH OIC and USCS will coordinate and manage the marketing and promotion of the abovementioned activities including company visits, conference calls, logistics and follow up. Each state trade office will be responsible for recruiting companies from their respective state and manage outreach efforts.

Budget

The budget for Arab Health 2015 is based on the initial participation of 3-5 New Hampshire companies.

Activity	Cost	Description
Travel - International	\$10,000	Airfare, M&IE, Hotel, Misc. for Arab Health show for 2 NH OIC staff

Arab Health Show	\$14,000	Booth + VAT, registration, directory, matchmaking services
Branding and Marketing	\$2,000	Promotion and collateral materials for promotion and marketing.
Printing	\$ 2,000	Promotional and Marketing materials
TOTAL	\$28,000	

Timeline/Milestones

Completion Date Description

Early September, 2014	Begin coordination with New England states. Recruit potential companies for Arab Health show
Early October, 2014	Recruit potential companies for Arab Health 2015;
Early November, 2014	Market briefing and export compliance training (as part of the training component of this proposal)
January 26-29, 2015	Participation in Arab Health 2015

Activity 2: Eastern Trade Council

Fostering cooperation and increased interaction with the State International Directors’ Organization (SIDO) and the Eastern Trade Council (ETC) augments New Hampshire’s success with many of the programs outlined in this proposal, as well as provide a platform to share best practices and build a common voice among states when working with the federal government, national and international organizations.

The ETC is an effort among the 10 northeastern states, to build consensus and cooperation among trade promotion providers. New Hampshire is a 15-year member of the ETC. In addition to quarterly meetings to discuss policy and operational issues, ETC states have launched ETC trade missions and joint trade show participation. NH OIC established an informal exchange to allow clients from one ETC member state to join trade delegations sponsored by another member state, which reduced the states' costs and risks of organizing trade delegations by expanding the pool of potential participants. NH OIC seeks to strengthen this and other practices through financial support to the ETC and attend regular quarterly ETC meetings.

Budget

Activity	Cost	Description
Eastern Trade Council	\$5,000	Membership dues include SIDO membership, travel to annual SIDO meeting, ETC membership, travel to quarterly ETC meetings. Also includes contribution to joint trade promotion projects and programs

iv. China Market Development - Doing Business in China

China is currently New Hampshire's third largest trading partner, out of approximately 168 partners worldwide. In 2013, New Hampshire exported \$265,960,800 in goods to China and growth in sales has been steady. However, this is a market that is challenging and out of reach for many small businesses without the benefit of significant assistance and commitment. To answer this need, NH OIC will dedicate a portion of STEP funds to support businesses attending the U.S. Commercial Service Discover Global Markets- Greater China Forum in New York in October 2014. The Greater China Business Forum is a two-day conference that will provide numerous opportunities for participating companies to learn from experts with real-world experience in greater China markets. Hosted by the U.S. Department of Commerce on October 7-8, 2014 in New York City, the forum offers a unique opportunity to gain insights and contacts to access export opportunities in Greater China.

The program includes:

- One-on-one with U.S. Commercial Service diplomats.
- Practical and actionable market intelligence on the world's fastest-growing major economy.
- Access to the resources necessary to succeed in the challenging, but rewarding markets of Greater China.

Additionally, NH OIC will dedicate one of its country-specific webinars to doing business in China and identifying market opportunities. NH OIC will recruit speakers with expertise to address the best means of doing business in China, cultural and custom exchanges and the status of trade relations with the country. The webinar will also be comprised of USCS staff in New Hampshire and post staff to present the various services available to New Hampshire companies. This webinar will be part of NH OIC's training program for the year.

Budget

Discover Global Markets: Greater China

Activity	Cost	Description
Discover Global Markets: Greater China	Up to \$700/company – 5 companies	Event registration and transportation to event.
Travel	\$2000	1 NH OIC staff travel expenses, air, hotel and event registration
TOTAL	\$5,500	

III. PROJECT MANAGEMENT

The management team in NH OIC consists of three full time staff members dedicated to implement the STEP program, with additional support provided, as needed by the chief accountant for financial reporting.

Roles of each are:

Project Director: Management, structure, vision, outreach, recruitment, organizational, activity task management

International Trade Officer: Project management, support

International Trade Officer: Outreach, support, reporting

Chief Accountant: Full time staff member of the business office of the Department of Resources and Economic Development, responsible for financial record keeping and reporting for the agency.

IV. COLLABORATION AND LEVERAGING RESOURCES

As an office with a lean staff, the NH OIC prides itself on collaboration and leveraging resources to assist Granite State businesses. In fact, the International Trade Resource Center is the perfect example and testament to the effectiveness of creativity in doing a lot with a little. For the third round of funding, NH OIC will pool resources from existing and new partners at the state, regional and federal levels. NH OIC partners include, but are not limited to: U.S. Department of Commerce, the Granite State District Export Council, UPS, Best of New England, Eastern Trade Council, New Hampshire Aerospace and Defense Export Consortium.

The most notable collaborations in this proposal include the NH Export Expansion Fund and New Hampshire Aerospace and Defense Export Consortium, two initiatives experiencing positive results, with even greater potential in the coming year, especially as they have been requested by New Hampshire businesses, the direct beneficiaries. Please see attachments confirming collaborative agreements.

V. MEASUREMENTS OF OUTPUTS, OUTCOMES AND DATA INTEGRITY

Measuring the success of each project is straightforward. The primary performance indicators are export sales and export contracts established to propagate sales. The outcome will be categorized by:

- Value of export sales
- New to export sales
- New to market sales
- Increase to market sales
- Number of new to export companies
- Number of finalized contracts that will result in future export sales
- Agent, distributor, joint venture, strategic alliance, subsidiary

It is important to quantify any company-defined outcome that will establish or increase exports. New Hampshire's methodology, which has been determined to be most authentic and verifiable, collects the data directly from the participating businesses, through surveys containing a series of preset questions. The data needs to be collected through direct dialog so that sufficient effort and explanation is put forward. It will be collected and routinely updated at specified intervals for the period of the grant and for a minimum of two years beyond the conclusion of the grant year. This will be a requirement of each business participating in any of the activities and a method NH OIC has routinely followed. To ensure quality control, two team members will be present at intake and the provider of the data will sign the survey form. The survey, the data collected and all notations will be entered into the New Hampshire Department of Resources and Economic Development/Division of Economic Development official Customer Relations Management (CRM) system, which is secure and accessible by personnel assigned to this program.