

Trade Show - Digital Showcase Participation Program Guidelines and Application Instructions

A. Introduction

The U.S. Small Business Administration's (SBA) Office of International Trade (OIT) has awarded a State Trade Expansion Program (STEP) grant to the Idaho Department of Commerce (IDC). The STEP program provides competitive award assistance to participate in a virtual Trade Show Digital Showcase to support export efforts by small businesses in Idaho. These initiatives are aimed at achieving three primary goals:

- 1) increase the number of small businesses that export
- 2) increase the value of exports
- 3) increase the number of small businesses exploring significant new trade opportunities.

B. Eligible Activities

Idaho Commerce will provide the following:

- Coordinate and execute contract and payment with [Kallman Worldwide for the USA Digital Showcase Series](#), including, but not limited to any combination of the following industry showcase options under the program (individual shows the awarded company will participate in will be selected in the application and outlined in the award agreement if awarded):
 - Aerospace & Defense USA Showcase
 - Mining Capabilities USA Showcase
 - Healthcare Capabilities USA Showcase
 - Energy Industry USA Showcase
 - Food & Services USA Showcase
- Provide one (1) Standard \$2,500 12-month Digital Showcase Package
- Organize pre-event meetings/conference call(s)
- Help facilitate follow-up action items with awarded company

Awarded company will provide the following:

- Company has the opportunity to upgrade their package, at their own cost of \$750, payable directly to the event organizer or other designee determined by IDC.
- Participate in full Digital Showcase itinerary times and dates. Designate appropriate level of staffing and allotted time to project. Will be outlined in Participation Agreement for each individual awardee.
- Submit in a timely manner all required elements for virtual booth design to event organizer, i.e. company literature, logos and downloadable brochure.
- Attend all conference calls and meetings that pertain to the event(s)
- Responsible for costs outside of the project including, but not limited to: production of marketing materials (downloadable brochures, promotional videos), and any change/cancellations fees

Project Period

Results from all events occurring during the grant's period of performance of September 30, 2020 – September 29, 2021, will be reported to the SBA pursuant to the Reporting Requirements schedule in Section D. Company must participate in at least one (1) Digital

Showcase event during the performance period, if they do not, application will be deemed ineligible. Company may participate in any events outside of that performance period date range, but those results may be collected separately.

Note: If an applicant has limited English proficiency and needs access to resources for assistance, the IDC maintains service standards to help.

B. Eligible Applicants

The Trade Facilitation and Trade Enforcement Act of 2015, which authorized the State Trade Expansion Program, limits provision of services to 'eligible small business concerns'. For purposes of implementing the STEP Program, the SBA operationally defines the term 'eligible small business concern' as an entity that meets the specifications below and completes the subsequent certification.

Complies with SBA requirements for self-representation as an eligible small business concern:

- Is organized or incorporated in the United States;
- Is operating in the United States;
- Meets
 - The applicable industry-based small business size standard established under section 3 of the Small Business Act; or
 - The alternate size standard applicable to the program under section 7(a) of the Small Business Act and the loan programs under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.);
 - The U.S. Small Business Administration (SBA) size standards are found at 13 C.F.R. Part 121. Use the following sba.gov link for information on size standards for your business (<https://www.sba.gov/category/navigation-structure/contracting/contracting-officials/small-business-size-standards>) Click [HERE](#) to link directly to the complete list of SBA size standards used to define small business concerns based on NAICS codes;
 - **Affiliates:** You must include the employees or receipts of all affiliates when determining the size of a business. Affiliation with another business is based on the power to control, whether exercised or not. The power to control exists when an external party has 50 percent or more ownership. It may also exist with considerably less than 50 percent ownership by contractual arrangement or when one or more parties own a large share compared to other parties. Check the [SBA's compliance guide for size and affiliation](#) for more detailed information.
 - **Annual receipts:** This is the "total income" (or "gross income") plus the "cost of goods sold." These numbers can normally be found on the business's IRS tax return forms. Receipts are averaged over a business's latest three complete fiscal years or (except in the Business Loan and Disaster Loan Programs) five complete fiscal years to determine the average annual receipts. If a business hasn't been in business for five years, multiply its average weekly revenue by 52 to determine its average annual receipts. The SBA calculates annual receipts in accordance with 13 CFR 121.104.

- **Employee calculation:** This is the average number of people employed for each pay period over the business's latest 12 calendar months. Any person on the payroll must be included as one employee regardless of hours worked or temporary status. The number of employees of a concern in business less than 12 months is the average for each pay period that it has been in business. The SBA calculates number of employees in accordance with 13 CFR 121.106.
- Has been in business for not less than 1 year, as of the date on which assistance using a grant under this subsection commences; and
- Has access to sufficient resources to bear the costs associated with trade, including the costs of packing, shipping, freight forwarding, and customs brokers
- Is an export ready U.S. company seeking to export goods or services of U.S. origin or have at least 51% content, click [HERE](#) for information.

Eligible small business must meet the following additional criteria to be considered for this program:

- Operates a business in Idaho to process, assemble, and/or distribute a product or provide an exportable service. The company does not need to be headquartered in Idaho, but must have operations located within the state to qualify.
- Must not be debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency
- Company is for-profit
- Recipients must adhere to the Civil Rights Act of 1964, click [HERE](#) for information

The following small businesses are not eligible for STEP funding:

- Consulting agencies
- Companies, organizations or individuals recruiting foreign direct investment and/or expenses for the purpose of attracting foreign direct investment
- Companies engaged in any activity that is illegal under Federal or state law
- Derives more than one-third of its gross annual revenue from legal gambling activities
- Distributors representing clients
- Educational institutions or for-profit schools recruiting students
- Foreign based companies or more than 49% foreign owned
- Hospitality or tourism operators
- Law Firms
- Multi-level marketing (MLM), direct sales or network marketing companies
- Non-Profit organizations, unless a significant portion of activities are to assist entrepreneurs
- Presents live performances of a sexual nature or derives more than a minor amount of revenue from the sale of products or services of a sexual nature
- Real estate developers
- Retail businesses
- The IDC reserves the right to limit or exclude previous recipients of STEP funds that have been assessed risk rating

C. Application Process

Submission Procedures

All applications are accepted online at [Idaho Commerce's Grant Portal](#). To register for a portal account and apply for a STEP supported trade show pavilion, contact Tina Salisbury at 208-287-3164 or by email: tina.salisbury@commerce.idaho.gov. Logins must be requested at least 48 hours prior to application due date. Access can only be granted during regular business hours, Monday – Friday, 8:00 a.m. – 4:00 p.m. MT. Once registered you will receive instructions via email for using the portal. Only one login is given per company.

There will be a single round for applications for this Trade Show - Digital Showcase opportunity and will remain open until all available awards have been allocated. The industry showcase(s) IDC chooses to participate in will be announced individually by the project manager of the event via email solicitation(s) and posting to agency webpage(s). Companies will submit competitive applications to be selected for participation. Applications will be reviewed and evaluated and will be awarded no later than 6-weeks after application.

Selection and Scoring Criteria

Applications will be scored by a team of subject matter experts and will be considered in the final funding determination. Applications for funding will be evaluated on applicant's export capabilities, product/service potential, commitment and resources, proposal completeness, and potential impact on the Idaho company and the greater state economy. Subject to the demand for program funds the IDC will determine a competitive range for applications and set a threshold score. Application that fall below the threshold may not be awarded.

Scoring Trade Show Digital Showcase				
What we will measure	Application Question	Scoring Criteria for Traditional FAA	Scoring Levels	Weight
a. Applicant Overview and Information	Application Title	How clear is the purpose of the activity?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4,	5%
	Entire Applicant Information Section	How complete/accurate is the company overview info?		
b. Product & Export Activity	Provide a description of your company and the products and or services offered.	Clear description of company's products?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4, Very Good = 5	40%
	Describe current overall trade and export activity.	Clear description of export activities?		
	If you are new to export summarize your current domestic activities and distribution. If you are not new to export, indicate "market expansion" in the answer field.	Describes domestic activity if NTE?		
c. Project: Kallman Worldwide Showcase	Provide details on your international sales channels. Who are your customers?	Exhibits understanding of sales methods and customer demographics?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4, Very Good = 5	40%
	Why will this Kallman Showcase assist you in reaching your customers and generating new international customers?	How does this activity support the company's overall growth and export strategies?		
	Check all trade shows you plan to actively participate in with this virtual showcase opportunity.	Select from list.		
	Describe the company's commitment for this year-long showcase opportunity and willingness to commit the manpower to oversee this project to completion for the shows you selected in the previous question.	How well situated is the company to devote the staff and time needed for this project?		
d. Performance Indicators	New sales in 30 days & 12-18 months.	How reasonable and achievable are the anticipated outcomes?	Very Poor = 1, Poor = 2, Fair = 3, Good = 4, Very Good = 5	15%
	Estimated number of new distributors/partners established after this project.			

Socially and Economically Disadvantaged Applicants

Up to 12 points will be given to companies that are socially and economically disadvantaged per the SBA guidelines: Woman Owned; Veteran or Service-Disabled Veteran Owned; Rural Classification; and/or New to STEP. See chart below for definitions of eligibility.

Bonus Criteria		
What we will measure: Small Business Communities	Definitions: For the Purpose of the STEP program	Weight - up to 14 Bonus Points (Cumulative)
a. Owned and Controlled by Socially and Economically Disadvantaged Individuals	(Set forth in 13 C.F.R 124.103 and 104) Individuals who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identities as members of groups and without regard to their individual qualities; whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged. The socially and economically disadvantaged individual must own not less than 51% of the firm. These include: Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Subcontinent Asian Americans	2 Bonus Points
b. Owned and Controlled by Women	Not less than 51% unconditionally and directly owned and controlled by one or more women who are United States citizens	2 Bonus Points
c. Owned and Controlled by Veterans or Service-Connected Disabled Veterans	A person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable, which is demonstrated on the DD Form 214 and who is not less than 51% unconditionally and directly owned and controlled by one or more veterans who are U.S. citizens.	2 Bonus Points
d. Rural Classification	Located in a rural area, as defined at 26 USC 1393(2), Rural area. This includes any area that is outside of a metropolitan statistical area (MSA). MSAs have at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration as measured by commuting ties. See OMB Bulletin No. 15-01 for a complete list of MSAs.	2 Bonus Points
e. Located in an Opportunity Zone	An opportunity zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as opportunity zones if they have been nominated for that designation by the state and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service. Use this link for a list of designated Qualified Opportunity Zones at http://www.statsamerica.org/opportunity/map.aspx . Be sure to zoom down to the street level to officially determine if located in the zone.	2 Bonus Points
f. New to STEP	"New" defined as any of the following: <ul style="list-style-type: none"> - Never been awarded a STEP International Market Access Grant or STEP Financial Assistance Award to conduct your own project. - Never participated in a STEP funded trade show organized by Idaho Department of Commerce and/or Idaho State Department of Agriculture. - Never participated in a STEP funded trade mission organized by Idaho Department of Commerce and/or Idaho State Department of Agriculture 	4 Bonus Points

Risk Assessment

A Risk Assessment Rating of up to negative fifteen (-15) points may apply to previous award recipients that have not performed adequately per the award guidelines.

III. Risk Rating - Only for previous award recipients evaluated on a per-award basis					
What we will measure		Rating Criteria	Rating Levels	Rating	Weight - 15 Points Deducted (Cumulative)
					Meets Standards (in good standing): -0 Slightly under Standards: -1 to -5 Significantly under Standards: -6 to -10 Severely under Standards: -11 to -15
a.	REQUEST FOR FUNDS	Post Project Fiscal Request for Reimbursement	Late and/or incomplete submittal:	-1	Up to 5 Points Deducted
			Insufficient proof/documentation:	-1	
			Inadequate communication (max):	-3	
b.	REPORTING	Progress Performance Reporting	Late submittal (per reporting period):	-1	Up to 5 Points Deducted
			Incomplete submittal:	-1	
c.	RETURNED FUNDS	Award Agreement Never Executed at Notice of Award	If execution or coorespondence is not received in allotted time period, award will be deemed void and funds returned to the program:	-5	Up to 5 Points Deducted
		Project Cancellation	Project is cancelled after executing the award agreement:	-5	
		Project Executed, but awardee returned unspent funds to the program, sliding scale starting at return of more than 10% of award	11-20% unspent:	-1	
			21-30% unspent:	-2	
			31-40% unspent:	-3	
			41-50% unspent:	-4	
51-100% unspent:	-5				

D. Reporting Requirements

Companies will be required to complete Progress Performance Reports (PPR) indicating projected and actual sales, activities performed, including success stories and/or trade barriers. A reminder email will be sent to recipients with instructions and reporting template as deadlines approach. As a participant in the STEP Grant program you may be required to report up to 5 times post event, dependent upon when the project occurred.

Reporting Schedule:

- **1st Report:** during the first month of the following quarter from when event(s) ended
- **2nd through Final Report:** quarterly during the 1st month of the following quarter(s) until December 31, 2021
 - January 2021
 - April 2021
 - July 2021
 - September 2021
 - December 2021 (optional-for additional activity that needs to be reported)

E. Contact

Tina Salisbury, Idaho Department of Commerce

Phone: (208) 287-3164

Email: tina.salisbury@commerce.idaho.gov

Funded in part through a grant with the U.S. Small Business Administration

