Grants For Promoting Exports

In last week’s column I said that “the federal government does NOT provide grants for starting and expanding a business” and a sharp reader called me and said “I heard that the SBA has just announced some kind of grants for small businesses”. Great observation!

Grants from the federal government generally are only available to non-commercial organizations, such as non-profits and educational institutions in areas such as, medicine, education, scientific research and technology development. But, the federal government also provides grants to state and local governments to assist them with economic development. Here is a good example.

The U.S. Small Business Administration announced last week that it is providing $30 million in grants to states, to help increase exporting by small businesses during the next 12 months. The grants were authorized by the Small Business Jobs Act of 2010, under the State Trade and Export Promotion Program (STEP).

The STEP program, launched in March, aligns with President Obama’s National Export Initiative. The President’s initiative calls for doubling U.S. exports in five years – and in so doing, supporting two million jobs. The program provides federal government funding for 65 to 75 percent of program costs, with states supplying the remainder.

SBA District Director for Minnesota, Nancy Libersky emphasized that “Strengthening the nation’s economy through a substantial increase of U.S. exports is a top priority for the Administration and the agency” and she said that the STEP program is “a unique partnership between the federal government and the states. Sharing responsibilities and resources will help new small exporters across the country and here in Minnesota enter and succeed in the global market.”

The funding will support participation in foreign trade missions, foreign market sales trips, subscriptions to services provided by the Department of Commerce, website translations fees, design of international marketing media, trade show exhibitions, participation in training workshops, and other critical export initiatives.

Minnesota will receive $454,000. Small businesses that want to receive assistance under the STEP program should contact the Minnesota Trade Office, 1st National Bank, 332 Minnesota Street, Suite E200, Saint Paul, MN 55101.

My understanding is that the SBA anticipates it will conduct a new competition for STEP program grants during the winter of 2011. Awards will be made in September 2012 for export support services by states over the following 12 months.

If you need help with your business, contact America’s free and confidential source of small business mentoring and coaching, SCORE, on our website: http://semnnesota.score.org/. SCORE also has a
variety of small business workshops offered each week for area small business owners.

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