

# 2019 California State Trade Expansion Program

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## Request for Proposals

CATALOG OF FEDERAL DOMESTIC ASSISTANCE 59.041

Released:  
April 12, 2019

Proposals Due:  
5:00 pm PDT on May 3, 2019  
No late submissions accepted.



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# About the Program

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## Purpose

The California Department of Food and Agriculture (CDFA), in partnership with the Governor's Office of Business and Economic Development (GO-Biz), is accepting proposals for the 2019 California State Trade Expansion Program (STEP). STEP funds must support projects that *help small businesses enter exporting or expand their exporting activities to additional markets.*

## Funding and Duration

CDFA anticipates that up to \$900,000 will be awarded to California through a competitive federal grant award from the U.S. Small Business Administration (SBA), Office of International Trade (OIT) to support STEP activities. Sub-grant amounts are available to eligible organizations in California for up to \$50,000 per activity. The maximum grant duration is two (2) years, and grant funds cannot be expended before September 30, 2019, or after September 29, 2021.

CDFA reserves the right to offer an award amount less than the amount requested or otherwise modify the proposal in funding or scope.

## Eligibility and Exclusions

Non-profit and local and state government entities, including tribal governments; and public or private colleges and universities are eligible to apply. Individuals are not eligible to apply. There is no limit on the number of concept proposals applicants may submit; however, each concept proposal should be for a wholly unique project. Applicants should not submit multiple concept proposals for a single project.

STEP funds cannot duplicate activities funded by other state or federal grant programs.

Grant funds will not be awarded for projects that directly benefit or provide a profit to a single organization, institution, or individual.

Due to the unique nature of the STEP program goals and objectives, the following additional eligibility requirements apply:

- Must be able to demonstrate prior experience in providing export assistance to small companies (according to SBA small business size standards), including but not limited to the execution of international trade events that involve connecting California small businesses directly to potential international buyers and/or strategic partners.
- Must have working knowledge of U.S. Department of Commerce, International Trade Administration export support programs and/or U.S. Department of Agriculture, Foreign Agricultural Service export promotion programs.
- Must have a staff member or members who are knowledgeable and experienced in providing export assistance to small businesses.
- Must have prior experience in managing and complying with federal contracts, grants or other cooperative agreements, and federal cost accounting principles.

- Must have sufficient financial resources to execute the proposed activity and await reimbursements which can range from 60 to 120 days.

## **Cost Share**

The STEP program includes mandatory cost share equal to 35 percent of the total project. Cost share must be comprised of not less than 50 percent cash match and not more than 50 percent of in-kind contributions. Pursuant to the Code of Federal Regulations [§200.306\(b\)\(5\)](#) funds from other Federal awards cannot be used as cost share for this program.

## **Stakeholder Input**

CDFFA and GO-Biz seek comments about this Request for Proposals (RFP). Comments received will be considered when developing future STEP RFPs. Written comments should be submitted via email to: [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov) by May 3, 2019. Include “STEP stakeholder comments” in the subject line of your email.

# Application, Review and Notification

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## Concept Proposal Application

Applicants are required to complete and submit their proposal online using the California STEP website: <https://californiaexport.org/californiastepconcepts-2019-2021/>. Application questions on the California STEP website will be answered either through a text box or document attachment. The application includes information about the applicant organization and the qualifications of the proposal personnel, proposed project activities, and a detailed budget, including a breakdown of mandatory cost share.

## Review Criteria

CDFA and GO-Biz seek to fund concepts that provide a cost effective, integrated set of actionable export promotion activities, implemented by entities that have demonstrated experience in generating export promotion outcomes associated with this project.

## Review Process

CDFA will conduct an internal administrative review to ensure applications received are complete and applicant organizations are eligible to receive STEP funds if selected. A STEP Concept Proposal Review Committee will evaluate the merit of each proposal based on the criteria above.

## Notification and Feedback

Applicants selected for funding will be notified when the U.S. Small Business Administration announces 2019 STEP awards in Fall 2019. Feedback is not available for this program.

## Timeline

Proposal	
Release Request for Concept Proposals	April 12, 2019
Proposals Due	May 3, 2019
State Application Due to SBA	May 2019
Award	
Announce and Award Funding	Fall 2019

# Funding Areas

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CDFA has developed two funding areas consistent with the STEP Program qualified export activities. Examples of each funding priority provided are intended to clearly define the 2019 STEP priorities and help prospective applicants to develop their projects.

In addition to the funding areas listed below, the State of California will implement an Individual Company Export Promotion (ICEP) Program. This program will provide funding directly to small businesses to participate in foreign sales trips, foreign trade exhibition, design of international marketing campaigns, website or digital marketing campaigns, or to subscribe to U.S. Department of Commerce export assistance services. The ICEP program will represent 50 percent or more of awarded federal funds.

## **Funding Area I: Foreign Trade Mission**

Foreign trade missions organize a group of companies to participate in a series of marketing events in specific international locations for the purpose of engaging directly (face-to-face) with potential buyers and strategic partners.

In this funding area, CDFA and GO-Biz will consider projects that are well defined along an industry cluster or set of related clusters, in a particular geographic region (national, sub-national or continental), that propose a set of activities that have the potential for near term and longer-term export outcomes (export sales, distribution agreements, and purchase agreements). It is expected that the applicant organization can demonstrate it has market reach to the industry cluster or clusters. Ninety percent (90%) or more of proposed project funds shall directly benefit the participating small businesses.

Typical Elements of a Trade Mission May Include:

- Pre-arranged matchmaking meetings for participating companies in each destination, including utilization of the U.S. Department of Commerce, Gold Key or Platinum Key Service, and/or U.S. Department of Agriculture, Foreign Ag Service business matching, or business matching provided by qualified in-country partners.
- Marketing promotion events, including presentations to the trade; displays and product evaluation and sampling events, and media interviews.
- Informational sessions on market access, product registration and/or marketing intelligence
- Networking and promotional events targeting private sector buyers and governmental influence.

## **Funding Area II: Organizing Participation in International Trade Show Exhibits**

Organizing a group of companies to participate in an industry trade show exhibition outside of the United States, including recruitment, exhibition contracting and design, and on-site support during the event.

In this funding area, CDFA and GO-Biz will consider projects that integrate multiple marketing promotional activities (examples provided below) that propose a set of activities that have the potential for

near term and longer-term export outcomes (export sales, distribution agreements, and purchase agreements). It is expected that the applicant organization can demonstrate it has market reach to the industry cluster or clusters. Consideration will also be given to those trade show exhibitions that have been approved by the US Department of Commerce. Ninety percent (90%) or more of proposed project funds shall directly benefit the participating small businesses.

Typical Elements of a Trade Show Exhibition Include (but not limited to):

- Contracting for exhibition space.
- Recruitment of qualified small businesses to participate, including design of marketing collateral, coordination with trade show organizer, U.S. Department of Commerce and other organizations.
- Design and build out of exhibition space.
- Provision of accessories, and display elements to facilitate the proper display and merchandising of products and services.
- Facilitation of on-site (within the trade exhibition) matchmaking and/or offsite matchmaking services.
- Market briefings on regulations, market access and business development.
- Follow up and reporting of results.

# Assistance and Questions

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For assistance and question related to the 2019 STEP process, please email [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov). by the deadline of April 19, 2019.

Questions received by April 19, 2019, will be posted and responded to by April 24, 2019.

In order to maintain the integrity of the competitive grant process, CDFa is unable to advise and/or provide individuals with any information regarding specific proposals during the solicitation process.