

Trade Adjustment Assistance Program

- *US Department of Commerce*
- *Used to reduce the damaging impact of imports*
- *Applies to U.S. manufacturers and producers*
 - *NAICS categories = 11, 21, 31, 32, 33*
 - *Includes agricultural production*

Trade Adjustment Assistance For Firms

Cost Share Grant funding to strengthen U.S. manufacturers competitive abilities in a global economy

Mid-America Trade Adjustment Assistance Center

Serving Missouri, Kansas Nebraska & Iowa

Trade Adjustment Assistance for Firms (TAAF)

- Established by Congress –
Trade Act of 1974
- Funded and administered –
Economic Development Administration (EDA)
- National Network –
11 Trade Adjustment Assistance Centers (TAAC)

www.taacenters.org

TAAF Program

- **Purpose** - to provide cost share grant funding and technical assistance to American manufacturers that have been negatively impacted by foreign trade imports to strengthen their global competitiveness through increased profits, jobs creation and long-term financial stability.
- **Assistance** - designed to identify a firm's weaknesses through interaction with the participating firm's management, as well as, objective observation of a firm's operations, and then to address each operational weakness with proactive projects implemented by private sector consultants at a cost share with the participating firm.
- **Results** - achieved a significant return on investment (ROI) in terms of new jobs created, existing jobs retained, reduced operational costs, improved productivity levels, and increased firm sales.

TAAF Program Objectives

- **Competitiveness Turn Around**
 - Improve impacted firms' ability to compete with import products
- **Firm Stabilization**
 - Stabilize or increase *employment* and increase *profitability*

Funding Opportunities*

\$30,000 Cost Share Grant

- Annual Revenues up to \$5 Million
- 30% or less Debt Ratio
- 25% Company / 75% US Government EDA

\$100,000 Cost Share Grant

- Annual Revenues between \$5 & \$10 Million
- 30% or less Debt Ratio
- 50% Company / 50% US Government - EDA

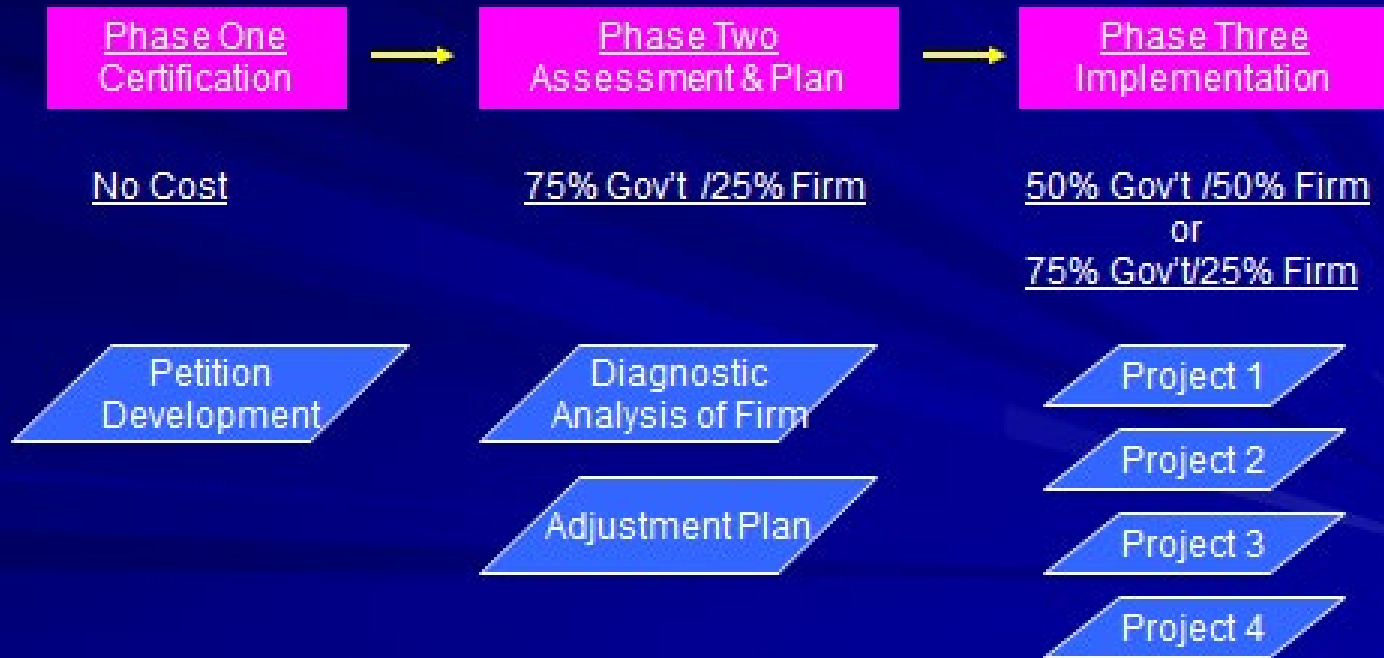
\$150,000 Cost Share Grant

- Annual Revenues \$10 Million and above
- 30% or less Debt Ratio
- 50% Company / 50% US Government - EDA

*Varies based on Federal Funding and current client load

Three Phase Process

Trade Adjustment Assistance Three Phase Process



Phase 1- Certification Eligibility Criteria

PETITION DEVELOPMENT

- Firms must have experienced the following:
 - Sales decrease of 5% or more*
 - Employment decrease of 5% or more*
- Increasing Imports for company product line(s)
(research provided by TAAC)

**Rolling timeframe (1-3 year review)*

Phase 2 - Assessment

ADJUSTMENT PROPOSAL DEVELOPMENT

- **Comprehensive objective company assessment, including financial analysis benchmarked against industry standards**
- **TAAC works collaboratively with company to identify opportunities for improvement (SWOT Analysis)**
- **Development of Recovery Strategy including projects, budget and timeline for implementation**

Phase 3 - Implementation

ADJUSTMENT PROPOSAL IMPLEMENTATION

- **Funds Usage- Companies have 5 years to utilize cost share grant funds to implement projects identified in Phase 2 to improve their competitive abilities.**
 - 3-Party Contract between client, consultant and TAAC

Eligible Funded Projects

MANUFACTURING, ENGINEERING & PRODUCTION

- Inventory Management
- ISO Preparation & Registration
- Operation Analysis
- Process Engineering
- Product Development, Designing, Prototyping, Testing & Certification
- Productivity Improvement (LEAN, Six Sigma)
- Quality Improvements
- Facility and Equipment Review
- CAD/CAM Selection and Implementation

Eligible Funded Projects

MARKETING & SALES

- Advertising and Sales Promotion Development
- Distribution Analysis and Development
- eCommerce
- Export & International Trade Assistance
- Market Research and Planning
- Sales Force Management Programs
- Social Media
- Trade Shows
- Website Development, Updating, and Smart Phone Compatibility
- Product Line Evaluation
- Analysis of Competition

Eligible Funded Projects

FINANCIAL & GENERAL MANAGEMENT

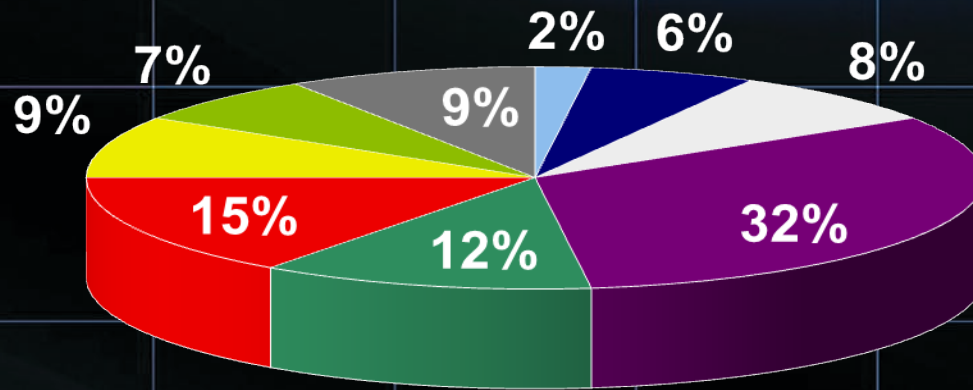
- Compensation and Incentive Programs
- Profit Planning, Cash Management and Budgeting
- Cost Management, Debt Restructuring, and Profit Planning
- Organizational Analysis
- Expansion and Diversification
- Succession Planning
- Workforce Development & Training

Eligible Funded Projects

IT SUPPORT SYSTEMS

- Custom Programming
- Employee Training
- Integrated Manufacturing Systems
- Hardware and Software Evaluation
- Software Upgrades
- System Conversion and Enhancements
- E-Commerce

Industries Served Mid-America Region



■ Food & Kindred
■ Lumber & Wood
■ Chemicals
■ Mach & Fab
■ Misc.

■ Textile & Apparel
■ Furniture
■ Stone/Clay & Concrete
■ Elec & Equip

TAAF Program Results

- EDA's FY 2017 Annual Report to Congress found firms reported from time of Petition Certification to two years after completing the program (maximum of 7 years), had a 6% increase in sales and an 4% increase in employment.
- Mid-America TAAC's clients experienced a 14% sales increase and an 12% employment increase during this same period.
- Most common types of assistance provided to participating firms in FY 2018 were marketing/sales improvement and support systems/enterprise resource planning projects.
- FY 2017 (Oct 17 – Sept 18), Mid-America TAAC managed contracts totaling \$1,729,165.66 and implemented 128 projects to 41 companies.

TAAF Program Benefits

- *Improved Cash Flow/Leverage*
- *Improved Competitive Abilities*
- *Increased Sales and Production*
- *Job Growth and Retention*

Mid-America Trade Adjustment Assistance Center

Becky Nace, Assistant Director/Project Manager
Mid-America TAAC
4200 Little Blue Parkway, Suite 590
Independence, MO 64057

(P) 816.666.9411

(F) 816.666.9411

nacer@taacenter.org

www.taacenter.org

Thank You

Questions?