

Trade Adjustment Assistance for Firms Grant

There is a Federal Grant available to manufacturers and service providers that you may not be aware of that could significantly improve your business. The Trade Adjustment Assistance for Firms (TAAF) grant is sponsored by the U.S. Economic Development Administration (EDA) and designed to cost share a portion of consultants or industry-specific experts' expenses for projects designed to improve a firm's competitiveness. Funding up to \$75,000 is available for companies that qualify. Applied Strategies International, Ltd (ASI) is a private not-for-profit corporation which is contracted by the EDA and administers the program in Illinois, Iowa, Minnesota and Wisconsin. ASI acts as a liaison between manufacturers/service firms and the U.S. EDA and remains the company's advocate throughout the program. As a long-standing IMA member, we have worked with several IMA clients in the past. By way of this article, we would like to introduce this program to other IMA members who may not be aware of the program.

First of all, you are probably wondering what types of projects a company can utilize grant funding to cost share. The simple answer is the firm chooses the projects. There are restrictions on what can be funded, but the grant covers projects ranging from product development, certifications, export development, information system upgrades, manufacturing process improvements, website upgrades, employee training, and market research, among several other areas. The four rules the grant must adhere to are:

1. The grant cannot fund hard assets.

2. The projects must be completed by an outside vendor.
3. The grant cannot reimburse for projects or work completed before approval.
4. Funding cannot be used for payroll, advertising space, or other regular costs of doing business.

If the project fits inside of the four rules, it can be cost shared through the grant.

Eligibility is determined by a review of a company's monthly sales and headcount over a certain time frame. The review can be as short as six months over the prior year's six

months or as long as the past three years compared to the most recent twelve months. The next piece required for qualification is to demonstrate that the firm's decline in sales is partially due to foreign competition. This is done by a review of import statistics related to your product and consultation with industry experts. Proving eligibility may sound time-consuming and cumbersome at first glance, but it is not. ASI gathers the information required from the company for eligi-

see **TAAF GRANT** page 26



Jack Dye is a Senior Project Manager with Applied Strategies International, Ltd. He can be reached at 312-368-4600 or jd@appliedstrategiesintl.com. Visit www.appliedstrategiesintl.com or www.taacenters.org for more information.

Constellation — Over 10 years as the IMA's endorsed energy supplier

TAAF GRANT

Cont. from page 23

bility and completes the application (petition) on the firm's behalf at no charge. The petition is then sent to the EDA for review and approval.

Once accepted into the program, ASI works with each company to develop a plan analyzing the business and identifying projects to improve the company's competitive position. Upon approval of the plan, implementation of projects may begin.

Advantages of the program are abundant, and you may be wondering why you have not heard of this grant program previously. ASI maximizes funding to cost sharing projects with firms in the program which leaves little budgeted to advertise the program. Instead, relationships with current firms in the program along with associations such as the IMA are crucial to identifying firms for the program. In the prior grant year, ASI spent over \$1 million on projects with firms and looks to increase the spending this grant year. A recent study completed by the U.S. Government Accountability Office (GAO) found that 73 percent of firms reported that the program helped them with prof-

itability, 71 percent that it helped them retain employees, and 57 percent that it helped them hire new employees. More than 90 percent of the firms reported that they were very or generally satisfied with the services received from the TAAF program.

Other benefits of the grant display further advantages of qualifying for cost sharing through the program. The TAAF program funding does not affect funding you may be receiving or look to receive from any other federal, state, or local source. Once accepted into the grant, you have up to two years to move forward with the development of the adjustment proposal and up to five years to utilize the funding. The grant is not a reimbursement program and it pays the program's cost sharing funds directly to the vendor upon invoicing after the work is completed. This helps with company cash flow and does not have any tax related implications. The program does not limit you to a list of consultants other than that they must be a legitimate contractor able to do business with the government and that the cost must be in line with scope of work. ASI can assist your firm in selecting a consultant to complete the approved implementation project by preparing and coordinating a request for prof-

posal from multiple bidders, evaluating consultants or negotiating contracts. A firm has a single point of contact throughout the entire lifecycle of the grant from eligibility and application, development of the adjustment proposal, to implementation of the projects cost shared through the grant.

TAA for Firms has helped manufacturing and related service companies identify the most critical areas for improvement, design projects and outside services to strengthen these areas and build upon existing strengths. The results of the TAA for Firms program have shown not only survival of import-impacted companies, but the consistent ability to turn that decline around into growth in sales and productivity. The low costs, high success and critical focus of this program provide a strong example of a successful collaboration between a federal initiative and the manufacturing sector.

If you would like to learn more about the TAAF grant or if you would like to see if your company is eligible for the program at this time, feel free to contact Jack Dye, ASI's Senior Project Manager (see bottom of page 23), or visit www.appliedstrategiesintl.com or www.taacenters.org for more information. ■

Reprinted with permission from the Fall, 2012 issue of . . .

THE ILLINOIS Manufacturer

The Illinois Manufacturer is the official publication of the Illinois Manufacturers' Association (IMA)

220 East Adams Street • Springfield, Illinois 62701 • 217-522-1240 • Fax: 217-522-2367

1211 West 22nd Street • Suite 620 • Oak Brook, Illinois 60523 • 630-368-5300 • Fax: 630-218-7467

Visit <http://www.ima-net.org/the-illinois-manufacturer/> for editorial and advertising information

The Illinois Manufacturer is underwritten by Constellation — An Exelon Company