

Testimony  
of  
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Presented  
to  
**United States Senate Committee  
Small Business & Entrepreneurship Committee  
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Chairman Cardin and esteemed members of the Small Business and Entrepreneurship Committee, thank you for allowing me to be here today to provide testimony.

My name is Grace Preston. I am the International Sales Manager at Geophysical Survey Systems, Inc (GSSI) in Nashua, New Hampshire. GSSI manufactures Ground Penetrating Radar (GPR) for applications such as underground utility location, concrete inspection, road and bridge inspection, geological assessment, archeology and forensic discovery. Our products are essential in maintaining the health of our infrastructure and for advancing scientific understanding of the natural world. GSSI products can be found in use in over 100 countries and on all 7 continents.

I am here today to speak about the importance of the SBA STEP Grant funding to small businesses like GSSI. Frankly, without the assistance provided to us through the STEP Grant as well as other State and Federal programs, we would not have enjoyed the sustained level of growth necessary to succeed in an increasingly competitive marketplace. In short, the resources available to us through these programs have enabled us to have a presence, be competitive and succeed in worldwide markets.

Like most small companies, GSSI has limited resources dedicated to growing business outside the US. We are too small to have a direct presence in foreign markets and must seek partner companies to promote and distribute our products. A commitment to play in the international space requires an immense undertaking, involving different languages, different cultures, and different business practices. But also, huge potential if one has the patience and the right help to tackle it. For us, an indispensable part of that help has come in the form of the STEP Grant and the programs offered under this Grant.

GSSI first utilized the STEP Grant in 2016 to assist in finding a new partner in Korea. Our feeling was that we were not realizing the full market potential but had no way of tapping into it. The STEP Grant was used to fund a Gold Key Matchmaking Service through the US Department of Commerce's US Commercial Service. We have found the Gold Key service to be the single most effective method for finding a local partner. This service allows us to put forth the ideal profile of a local partner/reseller and detail our goals for the market. Lacking the resources and local "street cred", the US Commercial Service staff based in Korea worked their local contacts and knowledge to provide a short list of companies that they believed to be a match to help us grow our Korean business. From this, we found one company that rose to the top and happily report that we have since grown our sales in Korea by more than 300%. We would have not achieved this immediate, effective growth without the STEP funding and the programs offered under the Grant. One key metric to share that speaks volumes, we sold \$1.1million worth of our products in Korea through this partner in 2020; during the height of COVID. Imagine where our company might have been in 2020 Covid time, without having found such a key partner. All as a result from the STEP Grant, and the dedicated professionals at the US Commercial Service offices in Korea and in our home state of New Hampshire.

Other examples of how the STEP Grant has helped GSSI include funding another Gold Key Matchmaking Service in Mexico through the US Commercial Service as well as an Initial Market Check in Panama. The net result was that we established a partner in Mexico that today generates more than \$100k in annual sales. As for Panama, we were able to determine that this was not the right market for us at this time and allowed us to limit our expenses and resources in a market that would not produce a significant return. Instead, we quickly pivoted resources elsewhere. Could we have accomplished this on our own? Absolutely. However, it would not only cost us exponentially more, but could have taken years to achieve a potentially similar outcome. And as we all know, time is money, and must be used wisely.

Market intelligence is a critical foundation to succeed in any market. When you are not able to physically be in a market more than one week a year, it is difficult to get a full picture of that market – what it has to offer, where the government spending is focused, key players and what the competitive landscape looks like. This year, GSSI was able to fund a market research report via the STEP Grant that provided valuable insight on 3 markets – Spain, Norway and the Philippines. The information we received on the Philippine market has enabled us to “*Trust but verify*” some understanding we already had and positioned us very well in a competitive bid situation. We are confident that this information will help us win the first major project with a Philippine Government Authority. Had we not performed this research, it is doubtful our bid would have been seriously considered. Just another example of how a little help can provide long term success and growth.

The STEP Grant has helped us compete on the worldwide stage against European, Canadian and Chinese companies. With some of these companies supported by their governments, the competition can be tough. The STEP Grant has helped to level the playing field giving us the opportunity to get superior American designed and American made products into the hands of ever-increasing numbers of customers around the world. In recognition of our export success, GSSI was the proud recipient of the President’s E Award for Exports in 2019.

Since the initial use of the Grant, GSSI continues to utilize the programs funded through the Grant to catapult not only our export growth but GSSI’s overall growth. Today, GSSI’s export sales contribute to approximately 50% of our overall company revenue, and we look forward to continued growth in the coming years. This has enabled us to add more jobs – since 2015, we have increased our employee count by 20% and we currently have several open positions in all areas – sales, engineering, manufacturing, and support. Our export driven success also contributes to our greater ecosystem through supporting local, regional supply chain vendors many of which are within 100 miles of our facility, to offering an annual \$10k college scholarship to an employee’s family member. The success beyond our borders helps to contribute to our local community. Bottom line is that more Americans are working in good paying jobs and our local communities are reaping the benefits as a direct and indirect result of this valuable program.

Exports matter. Help in achieving those exports faster and easier is invaluable to GSSI and other small businesses.

Thank you.