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Good morning, Chair Shaheen, and thank you for this opportunity to speak on the efforts of the State of New Hampshire to assist our state's small businesses in accessing resources to expand international sales.

For context, the importance of international trade to the New Hampshire economy cannot be overstated and the Department of Business and Economic Affairs (BEA) is committed to ensuring our companies have the support and assistance they need to compete in the global marketplace. The State's post-COVID-19 Economic Recovery and Expansion Strategy (ERES) includes focusing on opportunities available for companies expanding their reach in an international marketplace where we like to say, time and again, some 95% of the global consumers live.

The increasing value of New Hampshire exports demonstrates this commitment. Over the past three years, exports have reached, and surpassed, \$7 billion, indicating the need for products, equipment, and components made by New Hampshire companies is in great demand around the world. These record setting numbers demonstrate that the businesses of New Hampshire can identify and take advantage of opportunities abroad, but it may be more difficult for some to access international markets, establish a presence with key trade partners, and equip their businesses for success with such endeavors.

While the rewards of going global can be lucrative, the risks of taking that first step into an international market cannot be ignored. Immediately, companies can be bogged down by regulations and rules impacting their products and services, bombarded by a wide range of sales channels and opportunities that may not be the right fit, or faced with uncertainty when it comes to receiving payment after a sale occurs. For small businesses, these are not small challenges.

One of the most powerful tools BEA has in its international trade toolbox is the State Trade Expansion Program (STEP). With this funding, our office offers modest grants to companies preparing to enter global markets for the first time, and veteran exporters expanding their reach overseas. Over the past 13 years, New Hampshire has received \$2.9 million in STEP funds, which our companies have turned into more than \$108 million in exports - representing a return of \$37.66 in exports for every federal dollar invested.

Since its inception, STEP funding has helped New Hampshire companies with hundreds of export-building activities.

For example, companies have received STEP funding for a variety of uses, including redesigning packaging to meet changing regulations, getting innovative market research from the Department of Commerce's Rural America's Intelligence Service for Exporters, supporting small business participation at trade shows, ensuring payment from foreign buyers through Export-Import Bank of the United States credit insurance, and finding new partners and sales channels through the U.S. Commercial Service.

The STEP funding has also enabled BEA to support educational programs or help us prepare training materials so that businesses are ready for what they may encounter. BEA is using recent rounds of funding to work with partners, including the SBA District Office, the U.S. Commercial Service, and the New Hampshire

Small Business Development Center (NH SBDC), for our Export Accelerator program, which begins next month.

Training programs like these target companies that are just looking beyond the domestic market for the first time or for companies that have been exporting for decades and who could use a refresher on the latest rules. Another key BEA initiative in this area includes a partnership with the U.S. Department of Commerce's International Trade Administration through the Market Development Cooperator Program (MDCP), which has enabled BEA to establish the New Hampshire eGlobal Institute. This institute is meant to serve as a free resource for New Hampshire companies to learn about the latest trends and opportunities in e-commerce, to self-assess the readiness of their digital strategies, and most importantly to link them to other New Hampshire companies that can help them in their efforts to grow their virtual sales presence to take advantage of growing business-to-business and business-to-consumer e-commerce markets.

The ability to export products, from maple syrup to India to aircraft parts to Germany, helps our companies diversify their bottom line, offsetting challenges to the economy at home and abroad. Exporting is an advantage enabling companies to grow, thrive, and prosper. Exporting helps these companies create jobs, invest in infrastructure, withstand economic headwinds, and be competitive at home and abroad. With the records we have set, we know that New Hampshire companies recognize these opportunities and are taking advantage of them. Those records are the result of hard work and dedication from companies all over the state of New Hampshire in every sector and of every size, and BEA is gratified to work with small businesses, especially to make sure they have every opportunity to expand.

The success of New Hampshire exporters over the past decade is neither accidental nor happenstance. It comes about because of longtime partnerships with agencies whose expertise and aligned commitment is a model for other states. BEA is proud to be a partner with federal, state, and local agencies and entities that share the same goals as we do: providing the best economic opportunities we can for everyone.

It would be harder for us to deliver what we do for New Hampshire businesses without the support of SBA's STEP funding and programs like the Department of Commerce's MDCP. But it would be impossible to do it without our partners. BEA has the capacity to bring partners together and from our recent record-setting export to the strong return on investment of our STEP grants, these partnerships work.

Thank you for your time and the opportunity to testify. I am happy to take any questions.