

Testimony of Shaun Akhavan
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Senate Committee on Small Business and Entrepreneurship
“Reauthorization of the SBA’s International Trade Programs”
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I would like to thank Chairman Cardin, Ranking Member Paul, and distinguished members of the committee for your time, and for allowing me the opportunity to testify here today on behalf of Allied International Corporation, in support of reauthorizing the Small Business Administration’s STEP Grant initiative.

My name is Shaun Akhavan and I am the Vice President of export for Allied International Corporation based out of Glen Burnie, Maryland, a small family-owned business that was established over 41 years ago and has been serving the foods industry. Since starting, we have become a trusted purveyor of quality products both domestically and abroad. Our portfolio maintains over 400 items that we offer under the private label brands that we have created from the ground up. We credit much of our success in our export sales to the ability to attend international shows. At these international tradeshows, we have been able to meet many potential buyers which have been instrumental to the long-standing growth of our export business.

We applied for and received our first STEP Grant in 2016. These funds helped us to exhibit at SIAL Paris in October of that year. SIAL Paris is one of the world’s largest international food exhibitions and has been held biennially since 1964. The funds covered a significant portion of our registration fee and travel expenses. These funds, directly and indirectly, generated over \$200,000 in new export sales revenue in the 4th quarter of 2016 through 2017.

Our success at SIAL Paris 2016 began a new phase for Allied International’s export efforts. Increased export revenue encouraged us to exhibit at more international trade shows such as Gulfood in Dubai, FoodEx in Japan, Seoul Food & Hotel in south Korea, SIAL Shanghai, Anuga in Germany, and others. Since 2016, we have seen our export sales increase from just 8 ½ % of total sales in 2016, to 20% for the current year. In addition, we have opened up distribution in over 20 new markets including Mexico, Central, and South America, the UAE, the greater Middle East, South Korea, Japan, China, and the Philippines to name a few. Due to this success, we applied and were approved for the STEP grant to use toward our upcoming exhibition at the SIAL Paris 2022 tradeshow next month. Upon our return, the funds that will be reimbursed to us through this grant will help us greatly in furthering our business.

In reviewing Allied’s history, where we came from, and where we are today, we are extremely grateful for the support we have received, especially when we were just starting our organized export and did not have a substantial understanding of the nuances of exporting, or a wide network of business partners.

A grant such as the STEP grant, early on for the start of a company’s export program, will allow the opportunity, confidence, and financial assistance to the company for starting an export program that they may not have otherwise started on their own. Even though the benefits of attending a trade show are many for a company that wants to start or expand its export reach, sometimes the companies need a little extra support to take the first step.

A small business can use the STEP grant money in many ways to help with the expenses of attending an international trade show. The money can of course help with any of the travel expenses however in addition to the travel expenses, it can help with hiring a translator to help with the language gaps, or can be used for paying for other learning opportunities such as workshops, lectures, and seminars to expand one's knowledge of exporting.

One of the most important investments that a company can make is in a website for international marketing and networking. Companies can put their names, their brands, and their products on the web to reach a worldwide audience. They can introduce their company and its products to customers with whom they normally would not have the opportunity to connect in person. Even in this day and age where technology is so heavily relied on, many international companies do not have an adequate presence on the internet and are not easily accessible to those who do not attend international shows.

In working with many countries in various parts of the world, I know firsthand that there are many opportunities to capture the business of overseas customers that are very eager and excited to import American Made products and welcome the opportunity to connect with American companies. When attending and exhibiting at an international show, businesses like Allied International can learn firsthand about these different markets and what their specific needs are. They can build their export knowledge to build strong bonds with these eager customers that will continue for years if not decades.

The benefits are numerous when I think of the knowledge, connections, and confidence that is to be gained from attending an international tradeshow, as well as working internationally in general. Providing any support to give small businesses a leg up to reach these resources can be instrumental to the success of their export program.

Finally, I would like to commend Michael Howley and the entire Maryland Department of Commerce for assisting us with our STEP grant applications.

Senators, once again I thank you for all of your efforts on behalf of the US Small Business community, and for the opportunity to appear before you today.