



Grow Minnesota!®
Minnesota Chamber of Commerce

Grow Minnesota!®'s Guide to exporting and trade



Why export?

What can it do for your business?

Minnesota has a legacy of building and growing businesses here that keep the economy strong and provide a quality of life for our communities. Generally, exporting represents about 5-10% of Minnesota's GDP. Beyond contributing to the state's economy, trade is a growth opportunity for individual firms. Research from the Institute for International Economics shows that exporters achieved higher average sales than non-exporters and were 8.5% less likely to go out of business.

There is a wide range of available resources to help Minnesota companies of all sizes export their goods and services around the world. Grow Minnesota!®'s Guide to Exporting and Trade breaks down the available resources Minnesota companies can access to plan, finance, and implement their exporting strategies.

Grow Minnesota!® is the Minnesota Chamber's premier economic development program focused on retaining and growing Minnesota businesses. Our staff helps businesses overcome challenges, make new connections and grow — in any part of the state. The team meets with businesses around the state to discuss plans or walk through resources.

When you meet with the Grow Minnesota!® team for export assistance, we will:

1. Walk you through the resources in this guide.
2. Determine what resources fit your business.
3. Introduce you to next steps and connect you with the right people to get started.

If you would like one-on-one assistance, please contact the Grow Minnesota!® team at growminnesota@mnchamber.com or 651-292-4650.



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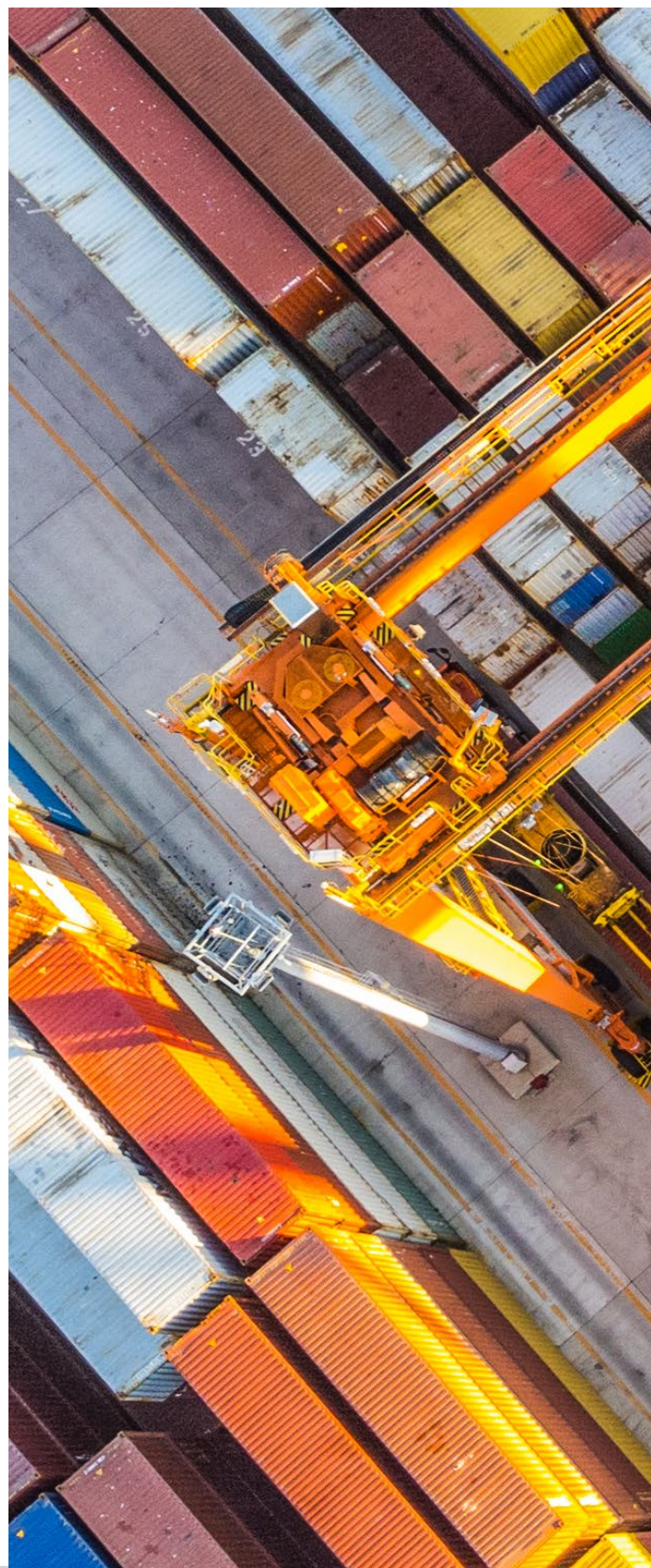




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Export agencies

Both the state and federal government have agencies tasked with supporting U.S. exporting efforts and the businesses behind them.

Minnesota Trade Office

The Minnesota Trade Office (MTO) helps turn opportunities into profits in foreign markets by providing the training and expertise that small and mid-sized companies need to export goods and services successfully worldwide. The Minnesota Trade Office's regional trade managers guide companies through the challenges of conducting international business, organizing trade missions and more.

U.S. Commercial Service

The U.S. Commercial Service is the lead trade promotion agency of the U.S. Government. Commercial Service trade professionals are in over 100 U.S. cities, including Minneapolis, and more than 75 countries help companies get started in exporting or increase sales to new global markets.

Export-Import Bank

The Export-Import (EXIM) Bank of the United States is the official export credit agency of the United States federal government. They provide a number of insurance programs, loan guarantees and educational resources. EXIM provides export finance solutions to decrease risk and allow you to offer more favorable terms to foreign buyers.

Small Business Administration (SBA) Office of International Trade

The SBA's Office of International Trade works in cooperation with other federal agencies and public- and private-sector groups to encourage small business exports and to assist small businesses seeking to export. Through U.S. Export Assistance Centers, SBA district offices and a variety of service-provider partners, they direct and coordinate SBA's ongoing export initiatives in an effort to encourage small businesses to go global.





Consulates in Minnesota

Resource directory

Minnesota Trade Office

Find your regional or industry representative at <https://mn.gov/deed/business/exporting/export-counseling/> or call 651-259-7498

U.S. Commercial Service

Find your industry representative at <https://www.trade.gov/minneapolis-contact-us> or call 612-348-1638. Access educational resources at <https://trade.gov/export-solutions>.

Export-Import Bank

Email Denis Griffin at denis.griffin@exim.gov or call 612-361-4838

SBA Office of International Trade

Email Carlos Sosa at carlos.sosa@sba.gov or call 612-370-2324

Midwest Global Trade Association

Their website is mgta.org or email admin@mgta.org

Global Minnesota

Their website is globalminnesota.org, email info@globalminnesota.org, or call 612-625-1662

Minnesota District Export Council

Their website is <https://exportassistance.com/about/> and can be contacted at <https://exportassistance.com/contact/>

Foreign Consulates in Minnesota

- Consulate General of Canada
- Consulate of the Kingdom of the Netherlands
- Red Lake Nation Embassy
- Austria Honorary Consulate
- Belgium Honorary Consulate
- United Kingdom Honorary Consulate
- Ecuador Consulate General
- Germany Honorary Consulate
- Hungary Honorary Consulate
- Luxembourg Honorary Consulate
- Mexico Consulate General
- Norway Honorary Consulate
- Romania Honorary Consulate
- Sweden Honorary Consulate
- Switzerland Consulate General

Technical assistance programs

Below are three resources that Minnesota businesses can access for free or low-cost technical trade assistance from designated state or federal agencies. These technical assistance services can help you identify new market opportunities, answer export documentation or compliance questions and more.

U.S. commercial service industry experts

Their experienced staff of International Trade Specialists will help companies identify and evaluate international partners, navigate international documentation challenges, create market entry strategies and help with other export-related guidance (see page 4 for contact information). They also offer a Website Globalization Review Gap Analysis to assess your international web presence, go to trade.gov/website-globalization-review-gap-analysis for more information.

MTO export counseling

From basic guidance for companies new to exporting, technical, regulatory and logistical information for more experienced companies, to market intelligence and research, to the art of conducting business across borders and cultures, MTO's regional trade managers have answers for your most pressing questions (see page 4 for contact information).

EXIM minority and women-owned businesses counseling

The EXIM Bank mainly provides export insurance and loan guarantees but also provides technical support to minority and women-owned businesses (MWOBs) through their dedicated group of specialists that work exclusively with MWOBs. To qualify, the business needs to have women, BIPOC, veteran, LGBTQ+, disabled, rural or start-up ownership. This team provides hands-on guidance on how to qualify and offers advice on trade finance that levels the playing field with foreign competition. Find specialists at https://www.exim.gov/underserved?utm_campaign=F23-MinnesotaExportGuide&utm_source=MinnesotaChamber.





Finding international customers

Finding foreign customers varies, but there are programs and events designed to make connections. Additionally, building an export plan can identify potential buyers and target markets.

Gold key service and international partner search

The U.S. Commercial Service offers the Gold Key Service, which provides U.S. companies with matchmaking appointments with up to five interested partners in a foreign market. The full service includes identification and outreach to potential matching firms, sending clients' information to identified matching firms, preparing a profile of interested firms, attending the appointments and providing a report with the profile and contact information for interested firms. For more information, <https://www.trade.gov/gold-key-service> or call 612-348-1638. The international partner search provides the same services virtually reducing the amount of travel needed. For more information, <https://www.trade.gov/gold-key-service>, <https://trade.gov/international-partner-search>, or call 612-348-1638.

Attend trade shows

Attending trade shows can help raise awareness in your country of interest and find reliable buyers. The Minnesota Trade Office coordinates with consulates to organize trade missions and country-specific trade shows. Access the MTO Calendar at <https://mn.gov/deed/business/exporting/events/>.

Conduct market research and create an export plan

The U.S. Department of Commerce's Basic Guide to Exporting is an informative guide that is excellent for first-time exporters and works through creating an export plan in detail.

Generally, your export plan should answer these 11 questions:

1. Which products are selected for export development, and what modifications, if any, must be made to adapt them for overseas markets? **ACTION STEP:** Look at <https://www.trade.gov/international-market-research>, identify potential opportunities and call the US Commercial Service at 612-348-1638 to learn more.
2. Is an export license needed?
3. Which countries are targeted for sales development?
4. In each country, what are the basic customer profiles, and what marketing and distribution channels should be used to reach customers?
5. What unique challenges pertain to each market (for example, competition, cultural difference and import and export controls), and what strategy will be used to address them? **ACTION STEP:** Read relevant Country Commercial Guides (<https://www.trade.gov/country-commercial-guides>) to learn more about target countries.
6. How will your product's export sales price be determined?
7. What specific operational steps must be taken and when?
8. What will be the time frame for implementing each element of the plan?
9. What personnel and company resources will be dedicated to exporting?
10. What will be the cost in time and money for each element?
ACTION STEP: Contact Grow Minnesota! at growminnesota@mnchamber.com to learn more about financing options.
11. How will results be evaluated and used to modify the plan?



Minnesota Chamber of Commerce
MN SUPPLIER MATCH

ACTION STEPS

- **Use the MN Supplier Match to find an experienced marketing firm.**
- **Meet with a technical assistance program or compliance consultant to review your export plan.**
- **Schedule meetings with your tax advisor and banker to discuss the implications.**
- **Finalize transportation methods and coordinate with a logistics company.**



Financing programs for Minnesota exporters

Exporting can be expensive, from finding buyers to shipping costs. There are grants, loans and insurance options that decrease risk and provide the necessary capital to grow. While most people think of 7(a) or 504 loans, the U.S. Small Business Association (SBA) has three loan programs designed to assist U.S. exporters.



Export Express

The Export Express program assists exporters in financing those costs incurred in expanding overseas sales (i.e., travel, marketing, Gold Key Packages, plant expansion, equipment purchase, equipment enhancement, small working capital lines of credit, small capital expenditures, etc.). This program has a cap of \$500,000. Approved Export Express lenders can book these types of loans without prior approval from the SBA and, in turn, receive either a 90% guarantee (for loans up to \$350K) or a 75% guarantee (for loans over \$350M to \$500K).

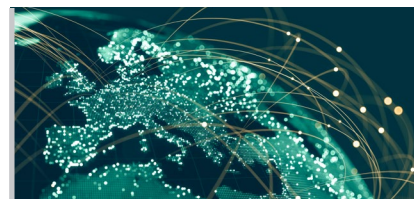
[More information https://www.sba.gov/business-guide/grow-your-business/export-products/international-sales/sba-export-products](https://www.sba.gov/business-guide/grow-your-business/export-products/international-sales/sba-export-products)



Export Working Capital Program

The Export Working Capital Program (EWCP) allows exporters the ability to finance the direct costs of filling foreign purchase orders and has a cap of \$5 million. Typically, EWCP lines of credit are booked for a term of 12 months or less. This is also the program under which the SBA allows exporters to issue standby letters of credit (SBLCs) in the form of bid bonds or performance bonds. The incentive for lenders to make these types of loans is a 90% guarantee from the SBA. Under EWCP, the applicant/borrower submits an application, along with supporting information, to the lender. The lender then uses the information to underwrite the credit and submits it to SBA for approval.

[More information https://www.sba.gov/business-guide/grow-your-business/export-products/international-sales/sba-export-products](https://www.sba.gov/business-guide/grow-your-business/export-products/international-sales/sba-export-products)



International Trade Loan

The International Trade Loan program (ITL) affords term financing (over 12 months and up to 25 years) to exporters acquiring equipment or increasing plant capacity to expand into new international markets or increase sales to existing overseas markets. Think of the ITL as the SBA export loan that finances capital expenditures. The ITL program can also be used to finance permanent working capital as well as re-financing debt if that debt meets SBA 7(a) eligibility requirements. The ITL program has a cap of \$5 million and offers a 90% guarantee to the lender.

[More information https://www.sba.gov/business-guide/grow-your-business/export-products/international-sales/sba-export-products](https://www.sba.gov/business-guide/grow-your-business/export-products/international-sales/sba-export-products)



Grants, guarantees and insurance

STEP grant

The STEP program is overseen by the Minnesota Department of Employment and Economic Development. The grant provides financial and technical assistance to qualifying Minnesota small businesses with an active interest in exporting products or services to foreign markets. There is a reimbursement of up to \$500 for export training that will result in the development of an export strategy **or up to \$7,500** for approved export-development activities. To apply, go to <https://joinusmn.com/deed/business/exporting/export-financing/index.jsp>.

Agriculture-specific programs

Minnesota Department of Agriculture

The MDA helps companies and individuals export raw and processed agricultural products out of Minnesota through technical assistance, market research and funding to Minnesota's agricultural exporters. They can help connect businesses with buyers and support international marketing efforts. To access, visit their website <https://www.mda.state.mn.us/international-marketing>.

USDA

The USDA's exporting support consists of two main programs and a series of foreign agricultural service offices around the world. The global offices will help facilitate relationships with potential foreign buyers, identify new market prospects and provide technical and financial assistance.

The Market Assistance Program helps finance activities to market and promote U.S. agricultural commodities and products worldwide.

The Export Credit Guarantee Program guarantees repayment when U.S. banks extend credit to foreign banks to finance sales of U.S. agricultural products. To access assistance and apply for programs, go to <https://www.fas.usda.gov/topics/exporting>.

EXIM Programs

Export Credit Insurance

Export Credit Insurance, sometimes referred to as invoice insurance, can help to reduce risk when exporting and working with new buyers. The insurance protects an exporter's short-term credit extended for the sale of consumer goods, raw materials, commodities, spare parts and other items on payment terms up to 180 days. Capital goods are eligible for up to 360 days. If the buyer fails to pay, EXIM Bank reimburses the exporter in accordance with the terms of the policy. Export Credit Insurance covers up to 95 percent of sales invoices. For more information: <https://www.exim.gov/solutions/export-credit-insurance>.

Working Capital Loan Guarantee

The risks associated with international sales can prevent lenders from providing the working capital needed to fulfill export orders. A Working Capital Loan Guarantee from the Export-Import Bank of the United States (EXIM) often gives these lenders confidence to provide U.S. exporters with the financing to take on new business abroad. EXIM works with a U.S. company's lender to provide a loan guarantee that backs the exporter's debt. With this guarantee in place, the lender can extend a working capital loan to improve the company's cash flow. For more information: <https://www.exim.gov/solutions/working-capital>.

Cargo Insurance

Coverage is generally determined by the mode of transit. Shipments by sea are covered by marine cargo insurance. Air shipments may also be covered by marine cargo insurance or insurance may be purchased from the air carrier. Due to international agreements, the coverage is substantially different from domestic coverage. Exporters are advised to consult with international insurance carriers or freight forwarders.



To learn more about these programs and how your business can best utilize them, contact Grow Minnesota!® at growminnesota@mnchamber.com.

Translation services

An important part of exporting is adapting your services and products to the destination country. Using experienced translators can bridge language and cultural differences and expand potential markets. Additionally, working with a translation service on marketing materials and product labels improves clarity and can help establish goodwill. Beyond materials, translators can be useful when conducting business to ensure equal understanding and clear conversation.

Website globalization

In addition to translating materials and conversations, having translated websites will add ease of doing business and enable growth. There are generally three stages of website globalization: internationalization, regionalization and localization. While you should start with internationalization, as you identify key markets, begin to tailor your online presence to cater to their cultural norms and business practices.

Logistics companies

Managing an international supply chain is complicated and expensive; some companies choose to use a logistics company. The most common types are second-party logistics (2PLs), third-party logistics (3PLs), fourth-party logistics (4PLs), and fifth-party logistics (5PLs). Using a logistics company can be extremely helpful and can adapt to individual business needs. It's generally recommended to start with a 2PL or a 3PL, while 4PL is typically used for complicated multinational supply chains.

Compliance and consulting services

Creating an exporting plan and acting on it can be difficult. There are consulting firms specialized in compliance and international trade. They can assist with creating a comprehensive trade compliance program, run risk assessments, provide operational guidance, perform due diligence of buyers and more. Compliance and trade consultants will help ensure compliance with international law, minimize risk and streamline operations.

International marketing and advertising

Beyond just translating your materials for international audiences, it can be helpful to create targeted marketing campaigns. Cultural differences can cause some ads to be more successful and tailoring your strategy to the location will help to ensure you're reaching the right audience with a convincing message. It can be helpful to work with a firm that has international marketing and advertising experience to help design and implement an international marketing plan.





MN Supplier Match

The Minnesota Chamber offers an online, searchable database of Minnesota suppliers representing all industries and sizes of companies across the state. Buyers can find suppliers by keyword search or selecting from among 60 product and service categories. Supplier profiles include basic company information, product descriptions and other fields that help you quickly determine whether the supplier is a potential fit for your business. All of the export-related industries are specifically tagged as such with a brief description of their related product.

Each of the five private service provider categories is available to search by the following titles:

- **Language translation and interpretation services**
- **Website globalization**
- **Shipping logistics (freight forwarders, 3PL/4PL, international shipping)**
- **Export consulting and strategic planning**
- **International advertising and marketing**

To access the database or be listed as a supplier, visit our webpage at mnchamber.com/your-opportunity/mn-supplier-match.



Certificate of Origin

A Certificate of Origin (CO or COO) is an important international trade document that certifies that goods in a particular export shipment are wholly obtained, produced, manufactured or processed in a particular country. They also serve as a declaration by the exporter.

There's no faster way to file a Certificate of Origin than digitally. The Minnesota Chamber is your partner in competing in a global market, using a global, electronic solution that replaces the manual process of submitting a Certificate of Origin by digitalizing the process via a secure, web-based platform.

Contact serickson@mnchamber.com for more information.

Grow Minnesota!®'s Guide to exporting and trade



Common export documents

Below is a list of commonly needed export documents and where to get them. It is not all-encompassing, and other documents may be necessary. If you have questions, reach out to the Grow Minnesota! team.

- Certificate of Origin**
Minnesota Chamber of Commerce
- Air Waybill**
Air carrier
- Bill of Lading**
Cargo carrier
- Commercial Invoice**
Supplier/Producer/Seller
- Consular Invoice**
Generally prepared by seller and certified by consulate of destination
- Certificate of Free Sale**
If food or animal feed, the Minnesota Department of Agriculture
If not, the Minnesota Trade Office
- Certificate of Conformity**
Industry dependent, but typically provided by the manufacturer of the product. Sometimes issued by an independent laboratory or inspector.
- Inspection Certification**
Industry dependent, generally issued by a third-party inspector
- Dock Receipt/Warehouse Receipt**
Shipping company
- Destination Control Statement**
Appears on the commercial invoice and on the air waybill or bill of lading
- Shipper's Export Declaration**
Shipping company
- Export License**
Federal government, department is dependent on industry, commonly Bureau of Industry and Security or the U.S. Department of State's Directorate of Defense Trade Controls
- Export Packing List**
Typically, shipping company
- Insurance Certificate**
Insurance company



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