

# ILLINOIS STATE TRADE AND EXPORT PROMOTION (ISTEP) PROGRAM

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**Illinois Department of Commerce and Economic Opportunity**  
Office of Trade and Investment (OTI)



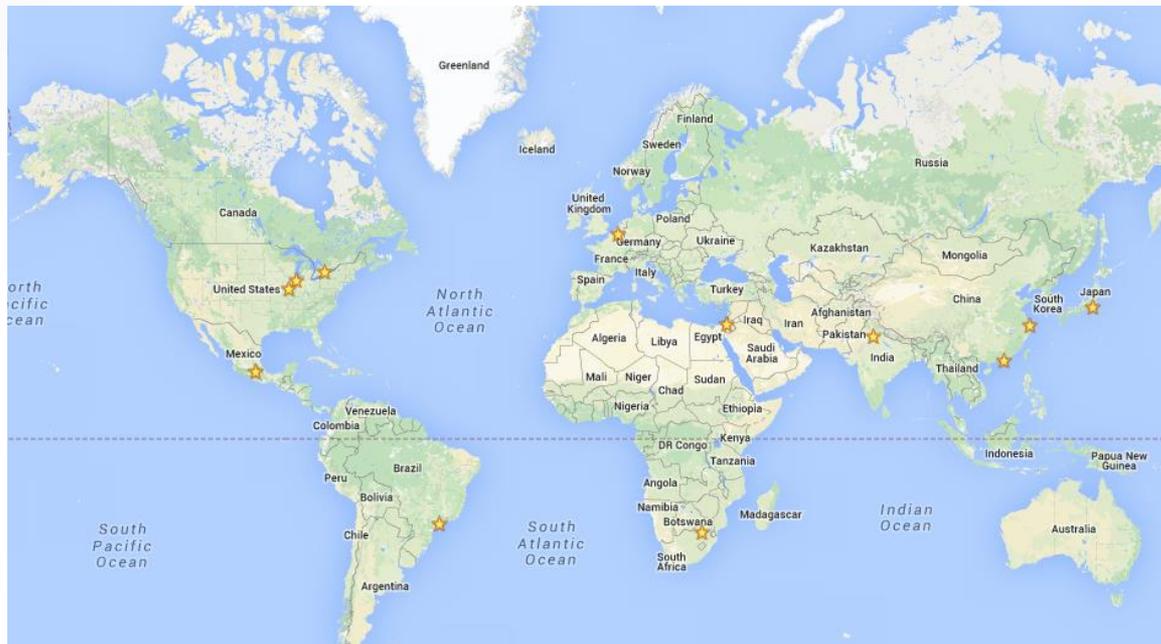
**Illinois**  
**Department of Commerce**  
& Economic Opportunity  
**OFFICE OF TRADE AND INVESTMENT**

# INTRODUCTION

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- **OTI's Mission:**
  - Help Illinois **small businesses export their products** around the world
  - **Attract foreign direct investment** to the State
  - **Represent the State of Illinois** in the international community
- **OTI works with a number of partners to accomplish these goals, including:**
  - **The Small Business Development Center/International Trade Center network**, which provide counseling services
  - **The Illinois Office of Tourism and Illinois Department of Agriculture**
  - **Foreign consulates, chambers of commerce, and international trade organizations**
  - **Federal government agencies** such as the **US Department of Commerce, Export-Import Bank, and Small Business Administration**, which provide referrals and additional services to clients

**OTI which is headquartered in Chicago and has staff in Springfield and 10 foreign countries, provides Illinois companies with global coverage**



## State of Illinois Foreign Trade Offices

Brussels, Belgium	New Delhi, India
Sao Paulo, Brazil	Jerusalem, Israel
Toronto, Canada	Tokyo, Japan
Hong Kong, China	Mexico City, Mexico
Shanghai, China	Johannesburg, South Africa

# ILLINOIS EXPORTS

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## Illinois is a major global exporter

- Since 2009, Illinois exports have grown by \$24.2 billion or 58%, outperforming the national average of 50%
- Exports totaled over \$65.8 billion in 2013
- Direct exports accounted for 9.5% of the Illinois GSP in 2013
- Illinois is the largest exporting state in the Midwest and the 5<sup>th</sup> largest exporting state in the nation

## Illinois exports globally, with close ties to our neighbors

Rank	Partner Market	Annual 2013 (in billions)
	<b>Total Illinois Exports</b>	<b>65.8</b>
1	Canada	20.1
2	Mexico	7.6
3	China	5.6
4	Germany	2.8
5	Australia	2.7
6	Brazil	2.5
7	Japan	1.9
8	United Kingdom	1.6
9	Belgium	1.6
10	France	1.3
11	Singapore	1.2
12	Netherlands	1.2
13	Chile	1.0
14	Republic of South Africa	0.9
15	Taiwan	0.9

# Illinois' Top Exports

Rank	Illinois Industry	Annual 2013 (in billions)
	<b>Total Illinois Exports</b>	<b>65.8</b>
1	Machinery, Except Electrical	15.0
2	Transportation Equipment	7.8
3	Chemicals	7.3
4	Computer And Electronic Products	6.6
5	Petroleum And Coal Products	4.4
6	Food And Kindred Products	3.5
7	Electrical Equipment, Appliances, And Component	3.2
8	Agricultural Products	3.2
9	Fabricated Metal Products, Nesoi	3.0
10	Miscellaneous Manufactured Commodities	2.2

# EXPORTS AND YOU

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## **Market Access**

- More than **70%** of the world's purchasing power is outside the US

## **Profitability**

- Exporting firms **grow faster** and are **more profitable** than non-exporting firms

## **Opportunity**

- American products are in high demand around the world

**This is why the State of Illinois sees over \$10 in exports from every \$1 invested  
our export programs**

## EXPORTS

- Illinois exports to Latin America in 2014 totaled **\$13.9 Billion**
- Illinois ranks **5<sup>th</sup>** in the nation in exports to Latin America
- Exports to Latin America have **grown 102.5%** since the recession in **2009**

### The top 5 Illinois exports to Latin America in 2014

- Machinery, Except Electrical \$3.08 Billion
- Computer And Electronic Products \$1.71 Billion
- Transportation Equipment \$1.51 Billion
- Chemicals \$1.50 Billion
- Electrical Equipment/Appliances \$1.12 Billion

### Top 5 Latin America Trading Partner Countries

Country	Total Exports (2014)	Partner Rank	% Growth (2009)
Mexico	\$7.92 Billion	2	123.2%
Brazil	\$2.32 Billion	7	85.8%
Chile	\$867.4 Million	18	62.1%
Colombia	\$505.0 Million	22	86.1%
Peru	\$425.2 Million	24	88.6%

## Only 1% of all U.S. SMEs export

### **I don't know how**

- I don't know where to start and what's involved

### **It would take too long**

- I can't take the time to really explore opportunities

### **I don't know how to find customers**

- How can I find reputable people to do business with?

### **It's too expensive to travel abroad**

- I just can't take that kind of risk when it's not a sure thing

### **It's too risky**

- How can I be sure I'm going to be paid?

# HOW OTI CAN HELP

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Export assistance includes:

- Providing **market research** on **industries, buyers, and distributors** to Illinois firms
- Providing **financial assistance** for individual companies looking to **develop trade leads** through the Individual Foreign Market Sales Mission Program
- Organizing **overseas trade missions** to target markets and trade shows while providing financial and technical assistance to participants
- Providing **financial assistance** for **product compliance certifications**



- International Trade Centers

- Illinois Office of Trade and Investment (OTI)
- US Commercial Service

- Ex-Im Bank
- SBA Loans

The OTI Foreign Offices can:

- Arrange **match-making** and one-on-one, **tailored business meetings** for individual Illinois firms
- Offer foreign market **expertise and research** in identifying and tracking agent and/or distributor leads
- **Promote Illinois products and services** to foreign customers in their region

***“The State of Illinois Office in Hong Kong is like having our own office in China”***

– Automated Design Corporation, Romeoville, IL

# ISTEP Assistance Offers Financial and Technical Support to Exporters

## Individual Foreign Market Sales Mission

Matching grant for individual company B2B matchmaking services or trade show participation

Approximately 50 individual overseas sales missions available per fiscal year

25%-75% of program and travel costs for 1 traveler, up to \$7,500

## Group Trade Missions

OTI led trade mission with booth space, travel logistics, briefings, matchmaking, and marketing assistance

Over 20 missions per year for target markets and industries

100% of program costs and 25%-75% of travel costs for 2 travelers, up to \$5,000

## Product Certifications

Matching grant for companies looking for export certifications

Approximately 40 certifications available per fiscal year

50% of cost, up to \$5,000

\*Companies may participate in two group trade or individual foreign market sales missions per fiscal year

## 2014-2015 Group Trade Missions

Trade Show	Location	Date
Farnborough Airshow 2014	Farnborough, United Kingdom	July 14-20, 2014
Professional Beauty Trade Show and Matchmaking Mission	Johannesburg and Cape Town, South Africa	August 31-September 4, 2014
International Fair Bogota	Bogota, Colombia	September 29-October3, 2014
Illinois Higher Education China Tour	Beijing, Jijiang, Nanchang, Shanghai, Yiwu, China	October 29-November 11, 2014
Bio-Europe	Frankfort, Germany	November 3-5, 2014
XVI FIMAI: International Industrial Environment and Sustainability Fair	Sao Paulo, Brazil	November 11-13, 2014
VietWater	Ho Chi Minh, Vietnam	November 12-14, 2014
Medica	Dusseldorf, Germany	November 12-15, 2014
Promote Trade Show	Yaoundé, Cameroon and	December 6-14, 2014
Arab Health	Dubai, United Arab Emirates	January 26-29, 2015
Bio India	Bangalore, India	February 10-12, 2015

## 2014-2015 Group Trade Missions *-continued*

Trade Show	Location	Date
Canadian Restaurant & Foodservices Association Trade Show	Toronto, Canada	March 1-3, 2015
Mobile World Congress	Barcelona, Spain	March 2-5, 2015
Hannover Messe Trade Fair	Hannover, Germany	April 13-17, 2015
18 <sup>th</sup> China International Nutrition and Health Industry Expo	Beijing, China	April 16-18, 2015
WETEX	Dubai, United Arab Emirates	April 21-23, 2015
BIOTECH JAPAN	Tokyo, Japan	May 13-15, 2015
<b>EXPO PACK</b>	<b>Mexico City, Mexico</b>	<b>June 16-19, 2015</b>
Paris Air Show	Paris, France	June 15-21, 2015

## **Eligibility Requirements:**

**Profitable Illinois companies that have been in business for at least one year, must have:**

- Fewer than 500 employees
- At least \$250,000 in annual revenue
- Understanding of the costs associated with exporting
- Products and/or services containing at least 51% U.S. and 25% Illinois content
- A sound strategy for exporting and is export ready

## **For more information:**

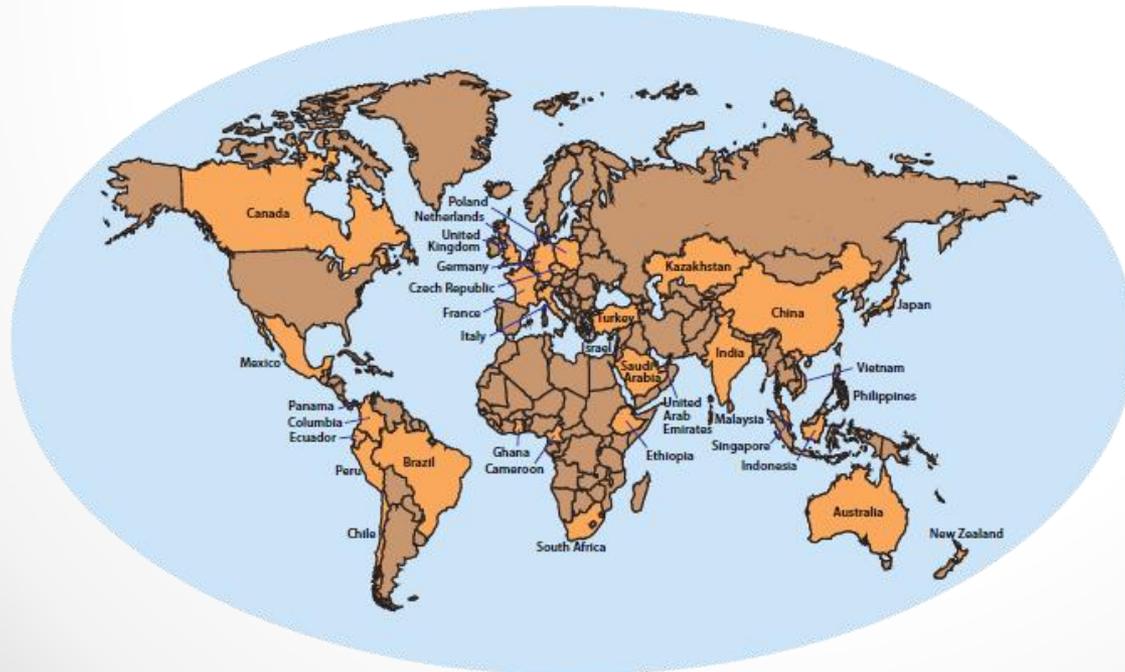
- Visit our website at [www.exports.illinois.gov](http://www.exports.illinois.gov) and download our ISTEP application
- Visit your local International Trade Center for a consultation
- Email [Margo.Markopoulos@illinois.gov](mailto:Margo.Markopoulos@illinois.gov)

# SUCCESS STORIES

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## In the past two years, ISTEP:

- **Supported over 400 trade visits** to 34 countries on 6 continents
- **Assisted over 300 Illinois companies** expand their global footprint
  - 30% of companies are rural, woman-, minority-, or veteran-owned
- Conducted **64 Group Trade Missions** and facilitated **180 Individual Missions**
- **ISTEP supported sales of over \$60 million** for participating companies



Map shows global coverage for ISTEP trade missions

- DCEO-OTI facilitated an opportunity for us to explore a new international market that we would not have had the resources to do on our own. They were extremely helpful in providing resources, exhibit space and logistics. Without the assistance of DCEO-OTI we would not have traveled to Colombia for the International Trade Show Bogota. During the trade show we met several potential customers including one with an immediate requirement. Within 60 days this turned into a \$55,000 order and shortly there after we received additional orders totaling over \$300,0000.
  - *Rockford Manufacturing Group – South Beloit*
- Mary Ma recommended our participation in an ISTEP seminar at Governor’s State University in 2013. Since then DCEO-OTI and the OTI foreign office have provided us with great assistance in our efforts to expand our exports to Europe and Asia. Margo Markopoulos has been particularly helpful to our company. She has taken the time to meet with me face-to-face and has recommended helpful ideas for developing our exporting efforts further.
  - *Shamrock Structures – Woodridge*
- Grant funding for the trip made it possible to travel to China. As a result of this trip we were able to negotiate a final agreement with a customer for a project valued at approximately \$5,000,000.
  - *Transco Products Inc. – Chicago*
- Through the ISTEP grant, we were able to get face-to-face in an emerging market, allowing us to grow our business in Chile. The STEP grant financing helped defray the cost which we might normally not have spent to exhibit at EXPOMIN.
  - *Tuxco – Gurnee*

**We want to hear from you!**

**For more information contact:**

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James Schultz, Director