

**FISCAL YEAR 2019  
ANNUAL REPORT TO CONGRESS**

**TRADE ADJUSTMENT ASSISTANCE FOR FIRMS  
PROGRAM**

**ECONOMIC DEVELOPMENT ADMINISTRATION  
U.S. DEPARTMENT OF COMMERCE**



## Executive Summary

This report is provided pursuant to Section 255A of chapter 3 of title II of the Trade Act of 1974, as amended (Trade Act),<sup>1</sup> which directs the Secretary of Commerce to provide an annual report on the Trade Adjustment Assistance for Firms (TAAF) program.

Through this report, the Secretary is required to provide findings and results, to the extent that data are available, on the 19 measures listed in the Table of Contents, classified by intermediary organization, state, and national totals.

The TAAF program funds a national network of 11 Trade Adjustment Assistance Centers (TAACs), some of which are university-affiliated and others of which are independent non-profit organizations. TAACs provide subsidized technical assistance to U.S. firms negatively affected by increased imports in order to help such firms develop and implement projects to regain global competitiveness, expand market share, and create jobs. Historically, most firms that apply for TAAF certification are in the manufacturing sector. The Secretary of Commerce delegated the responsibility for administering the TAAF program to the Assistant Secretary of the Economic Development Administration (EDA).

### *Key Findings of this Report<sup>2</sup>*

EDA analyzes the extent to which client firms increased their sales, employment, and productivity levels following: 1) entry into the program (certification) to the completed implementation of TAAF-supported projects (program completion), and 2) program completion to one and two years after program completion. To measure these outcomes, EDA compares average sales, average employment, and average productivity<sup>3</sup> at these intervals of all firms that completed the program in a particular year (known as the “base year”) and provided complete data to EDA. The base year used for this Report is FY 2017. EDA received data for all 93 firms that completed the program in FY 2017, of which, 57 firms provided complete data across all metrics. Average sales, employment, and productivity of those 57 firms were analyzed from program completion to FY 2018 and FY 2019.

Key findings of this report:

- From certification to program completion, the 57 firms providing complete data reported that average sales had increased by 24 percent, average employment had increased by 11 percent, and average productivity had increased by 12 percent.

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<sup>1</sup> 19 U.S.C. § 2345a. The TAAF program is authorized by chapters 3 and 5 of title II of the Trade Act of 1974 (Public Law 93-618), as amended by Public Laws 97-35, 98-120, 98-369, 99-272, 99-514, 100-418, 103-66, 105-277, 107-210, 111-5, 111-344, 112-40, 113-203, and 114-27.

<sup>2</sup> For the purposes of this Report, data are reported only for the firms that completed the program and for which all data metrics were available. Firms with incomplete data in any metric were excluded in calculating these measures.

<sup>3</sup> Since the certified firms are in various industries, which have a variety of ways to measure productivity, sales per employee was chosen as the productivity measure. This measure is used because it can be generally applied to all certified firms.

- From certification to one year after completing the program, the 57 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 12 percent, and average productivity had increased by 17 percent.
- From certification to two years after completing the program, the 57 firms providing complete data reported that average sales had increased by 23 percent, average employment had increased by 6 percent, and average productivity had increased by 16 percent.
- From program completion to one year after completing the program, the 57 firms providing complete data reported that average sales had increased by 5 percent, average employment had increased by 1 percent, and average productivity had increased by 4 percent.
- From program completion to two years after completing the program, the 57 firms providing complete data reported average sales had decreased by 1 percent, average employment had decreased by 4 percent, and average productivity had increased by 3 percent.
- Despite entering the program in a distressed state, 77 of the 93 firms that completed the program in FY 2017 continued to be in operation at the end of FY 2019. Of the 57 firms that completed the program in FY 2017 and submitted complete data to EDA, 56 were in operation at the end of FY 2019.

To provide some recent historical context for these results, an analysis of the total average sales and employment data collected from FY 2010 to FY 2019 shows:

- From certification to program completion, firms reported that average sales had increased by 27 percent, average employment had increased by 8 percent, and average productivity had increased by 18 percent.
- From program completion to one year after completing the program, firms reported that average sales had increased by 5 percent, average employment had increased by 2 percent, and average productivity had increased by 3 percent. Average sales increased 8 of the 10 years analyzed. Average employment increased 7 of the 10 years analyzed. Average productivity increased at 5 of the 10 years analyzed.
- From program completion to two years after completing the program, firms reported that average sales had increased by 12 percent, average employment had increased by 4 percent, and average productivity had increased by 8 percent. Average sales increased 7 of the 10 years analyzed. Average employment increased 7 of the 10 years analyzed. Average productivity increased 8 of the 10 years analyzed.

It is important to consider that TAAF clients are operating in the same economic environment as other firms but are also attempting to adjust to import pressures that may not impact other firms as severely, making the success of TAAF-assisted firms notable. It should also be noted that the long-term success of these firms depends on achieving a fair and reciprocal global trade environment.

### *Summary of the TAAF Program*

The mission of the TAAF program is to help import-impacted U.S. firms develop and implement projects to regain global competitiveness, expand markets, strengthen operations, increase profitability, and create jobs. Historically, most firms that applied for TAAF certification have been in the manufacturing sector. The program provides direct technical assistance to support the development of business recovery plans, commonly referred to as “Adjustment Proposals” or “APs,” under Section 252 of the Trade Act, and matching funds to implement projects outlined in the APs.

The TAAF program funds a national network of 11 TAACs, some of which are university-affiliated and others of which are independent non-profit organizations, to help import-impacted firms in all 50 States, the District of Columbia, and the Commonwealth of Puerto Rico. Firms work with the TAACs in a public-private collaborative framework to apply for certification of eligibility for TAAF assistance and then prepare and implement strategies to guide their economic recovery. EDA’s partnership with the TAACs allows firms to receive customized assistance from TAAC staff who are knowledgeable about the challenges and opportunities facing businesses in their region.

Projects outlined in APs may cover a range of functional areas to improve a firms’ market position and increase their overall competitiveness. These areas include engineering, information technology, management process improvement, marketing and sales growth, new product development, export expansion, enhanced support systems, staff capacity building, and manufacturing quality improvement. The most common types of assistance provided to participating firms in FY 2019 were marketing/sales improvement and production/process improvement projects. These projects comprised over half of all projects supported throughout the year.

As of September 30, 2019, 538 active firms with combined sales of \$5.9 billion and a workforce of 34,147 were participating in the TAAF program. In FY 2019, TAACs provided technical assistance to 266 firms in preparing petitions, 83 firms in preparing APs, and 433 firms in implementing projects within their APs. Meanwhile, EDA certified 67 petitions and approved 66 APs.

In FY 2019, EDA’s average processing time for petitions was 32 days and the average processing time for APs was 51 days; both are under the statutorily required approval deadlines.

Finally, the TAAF program is slated to sunset in two stages. First, on July 1, 2021, the TAAF program will revert to a more limited form. The two biggest reversions are to narrow the definition of an eligible “firm” to exclude service-sector firms and to reduce eligibility look-back periods.<sup>4</sup> Second, as of June 30, 2022, assistance may not be provided to new firms under the TAAF program.<sup>5</sup> After that date, assistance may only be provided to firms that have already submitted a petition under the TAAF program.<sup>6</sup> The cumulative effect of these changes to the

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<sup>4</sup> Public Law 114-27, § 406(a).

<sup>5</sup> Public Law 114-27, § 406(a)(7)(A).

<sup>6</sup> Public Law 114-27, § 406(a)(7)(B).

TAAF program are that firm eligibility will narrow as of July 1, 2021; only firms that have already submitted a petition may be served as of June 30, 2022; and only such firms may continue to be served thereafter.

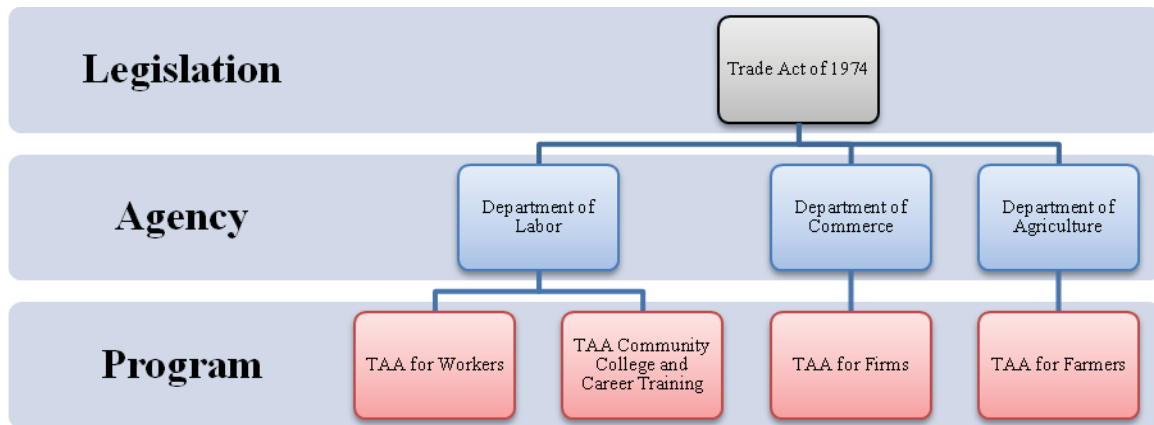
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## I. Program Description

The TAAF program is one of four distinct programs authorized under the Trade Act. The other Trade Adjustment Assistance (TAA) programs are TAA for Workers and TAA for Community College and Career Training, which are both administered by the U.S. Department of Labor (DOL), and TAA for Farmers, which is administered by the U.S. Department of Agriculture (USDA).

*Exhibit 1: TAA Programs*



The Secretary of Commerce delegated the responsibility for administering the TAAF program to the Assistant Secretary of EDA.

The mission of the TAAF program is to help import-impacted U.S. firms develop and implement projects to regain global competitiveness, expand markets, strengthen operations, increase profitability, and create jobs. Historically, most firms that applied for TAAF certification have been in the manufacturing sector.

The program provides assistance to support the development of business recovery plans, commonly referred to as “Adjustment Proposals” or “APs,” under Section 252 of the Trade Act, and matching funds to implement projects outlined in the APs. These projects may cover a range of functional areas to improve a firm’s market position and increase its overall competitiveness, including engineering, information technology, management, market development, marketing, new product development, quality improvement, and sales.

Import-impacted U.S. firms with approved APs can then receive direct technical assistance through matching funds provided to TAACs to contract with third-party consultants that help firms expand markets, strengthen operations, and increase competitiveness. Funds are not provided directly to firms.

The national network of 11 independent non-profit or university-affiliated TAACs serve import-impacted U.S. firms in all 50 States, the District of Columbia and the Commonwealth of Puerto Rico. Import-impacted firms work with the TAACs in a public-private

collaborative framework to apply to EDA for certification of eligibility for TAAF assistance and to prepare and implement strategies through the APs to guide their economic recovery.

*Exhibit 2: TAACs and their Service Areas*<sup>7</sup>

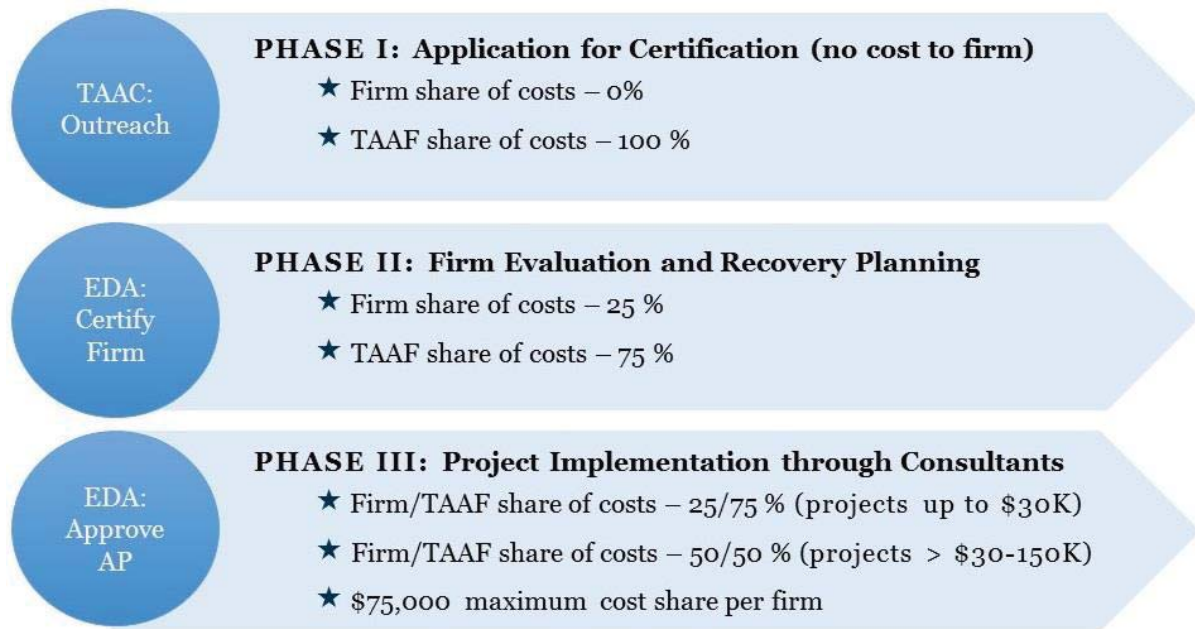
<b>TAAC</b>	<b>Service Areas</b>
Great Lakes	Indiana, Michigan, and Ohio
Mid-America	Iowa, Kansas, Missouri, and Nebraska
MidAtlantic	Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia
Midwest	Illinois, Minnesota, and Wisconsin
New England	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont
New York, New Jersey and the Commonwealth of Puerto Rico	New York, New Jersey, and the Commonwealth of Puerto Rico
Northwest	Alaska, Idaho, Oregon, and Washington
Rocky Mountain	Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming
Southeastern	Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee
Southwest	Arkansas, Louisiana, New Mexico, Oklahoma, and Texas
Western	Arizona, California, Hawaii, and Nevada

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<sup>7</sup> On September 25, 2015, through Grants.Gov, EDA published a Federal Funding Opportunity (FFO) announcing the availability of funding for the TAAF program. The geographic service areas of TAACs reflect the cooperative agreements for each of the 11 selected TAACs that began May 1, 2016.



Exhibit 3: Program Phases



There are three main phases to receiving technical assistance under the TAAF program: (1) petitioning for certification, (2) recovery planning and (3) AP implementation.

**Phase I - Petitioning for Certification**

The first step to receiving assistance is the submission of a petition to EDA to be certified as a trade-impacted firm. A petition is comprised of Form ED-840P, *Petition by a Firm for Certification of Eligibility to Apply for Trade Adjustment Assistance*, and required supporting documentation. Certification specialists in the TAACs work with the firm at no cost to the firm to complete and submit a petition to EDA.

Upon receipt of the petition, EDA performs an analysis of the petition and supporting documents to determine if the petition is complete and may be accepted. EDA is required to make a final determination on the petition within 40 days of accepting a petition.

To certify a firm as eligible to apply for adjustment assistance, EDA must determine that the following three conditions are met:

1. A significant number or proportion of the workers in the firm have been or are threatened to be totally or partially separated; and
2. Sales and/or production of the firm have decreased absolutely, or sales and/or production of an article or service that accounted for at least 25 percent of total production or sales of

the firm have decreased absolutely, during the 12, 24, or 36 months preceding the most recent 12-month period for which data are available;<sup>8</sup> and

3. Increased imports of articles like or directly competitive with articles produced or services provided by the firm have “contributed importantly” to both the decrease or threatened decrease in employment and the decline in sales and/or production.

### **Phase II - Recovery Planning**

Certified firms work with TAAC staff to develop a customized AP for submission to EDA for approval. Once an AP has been submitted, EDA is required to make a final determination within 60 days.

### **Phase III - AP Implementation**

The firm works with consultants to implement projects in an approved AP. For an AP in which proposed projects will cost \$30,000 or less, the TAAF program provides up to 75 percent of the cost and the firm is responsible for the balance. For an AP in which proposed projects will cost more than \$30,000, the TAAF program pays 50 percent of the total cost up to \$75,000 and the firm pays the remaining amount. After a competitive procurement process, the TAAC and the firm generally contract with private consultants to implement the AP.

As projects are implemented, the firm will first pay its match to the consultant, and then send a notice to the TAAC stating that it is satisfied with the work conducted so far and that it has paid its matching share. The TAAC will then pay the Federal share to the consultant. Funds are not provided directly to firms. Firms have up to five years from the date of an AP’s approval to implement the approved business recovery strategy contained therein, unless the firm receives EDA approval for an extension. Generally, firms complete the implementation of their APs over a two-year period.

## **II. Results/Findings**

### **Data for This Report**

For the purposes of this report, data are reported only for firms for which all data were available. Data used in this report were collected through the TAACs on behalf of firms as part of their reporting requirements, petitions for certification, and the APs. Complete data sets of firm-level data including information on sales, employment, and import impacts are needed to do the analysis in this report. However, firms are not required under the Trade Act to provide post-completion data to EDA, and some choose not to do so, mainly due to privacy concerns. In FY 2017 (the base year for this report), 93 firms completed the program; with 57 of those firms providing the complete data sets necessary for the analysis in this report. This 61 percent response rate is consistent with previous years, which have generally been around 58 percent.

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<sup>8</sup> In some cases, EDA may instead consider whether sales or production has decreased during a six-to-eleven-month period of the most recent 12-month period for which data are available as compared to the same six-to-eleven-month period of the immediately preceding 12-month period.

**(1) The number of firms that inquired about the program.**

In FY 2019, the TAACs received 1,429 inquiries about the program.

*Exhibit 4: Inquiries about the TAAF program by TAAC*

<b>TAAC</b>	<b>No. of Firms that Inquired about the TAAF program</b>
Great Lakes	100
Mid-America	118
MidAtlantic	30
Midwest	36
New England	100
New York, New Jersey and Puerto Rico	87
Northwest	86
Rocky Mountain	76
Southeastern	48
Southwest	259
Western	489
<b>Total</b>	<b>1,429</b>

- (2) The number of petitions filed under Section 251.**
- (3) The number of petitions certified and denied by the Secretary.**
- (4) The average time for processing petitions after the petitions are filed.**

Petitions are certified on a rolling basis. A petition filed in one fiscal year may not result in certification until the next fiscal year. Therefore, it is possible that some states or TAACs will show more or fewer petitions filed than certified.

In FY 2019, EDA filed (accepted for investigation) 61 petitions and certified 67 petitions under Section 251 of the Trade Act. Due to the technical assistance provided by TAACs during the petition process, in addition to the fact that EDA provides firms the opportunity to withdraw petitions rather than be denied, no petitions were denied in FY 2019 and just four petitions were withdrawn in FY 2019.

EDA's average processing time for petitions (from filing [acceptance] to certification) was 32 days.

Exhibit 5: Petitions Filed (Accepted), and Certified by TAAC/State: FY 2019

TAAC/State	Petitions Filed (Accepted)	Petitions Certified
<b>Great Lakes</b>	<b>9</b>	<b>9</b>
IN	2	2
MI	2	2
OH	5	5
<b>Mid-America</b>	<b>12</b>	<b>14</b>
IA	2	2
KS	2	3
MO	6	7
NE	2	2
<b>MidAtlantic</b>	<b>9</b>	<b>9</b>
DC	0	0
DE	0	0
MD	1	1
PA	6	6
VA	1	1
WV	1	1
<b>Midwest</b>	<b>1</b>	<b>2</b>
IL	0	1
MN	0	0
WI	1	1
<b>New England</b>	<b>8</b>	<b>9</b>
CT	1	1
MA	1	1
ME	2	3
NH	1	1
RI	2	2
VT	1	1
<b>New York, New Jersey and Puerto Rico</b>	<b>5</b>	<b>7</b>
NJ	1	1
NY	4	6
PR	0	0
<b>Northwest</b>	<b>6</b>	<b>4</b>
AK	0	0
ID	0	0
OR	3	1
WA	3	3

<b>TAAC/State</b>	<b>Petitions Filed (Accepted)</b>	<b>Petitions Certified</b>
<b>Rocky Mountain</b>	<b>5</b>	<b>6</b>
CO	3	3
MT	0	0
ND	1	1
SD	0	0
UT	1	2
WY	0	0
<b>Southeastern</b>	<b>3</b>	<b>3</b>
AL	0	0
FL	0	0
GA	1	1
KY	0	0
MS	0	0
NC	2	2
SC	0	0
TN	0	0
<b>Southwest</b>	<b>2</b>	<b>3</b>
AR	0	0
LA	1	1
NM	0	0
OK	0	0
TX	1	2
<b>Western</b>	<b>1</b>	<b>1</b>
AZ	0	0
CA	1	1
HI	0	0
NV	0	0
<b>Total</b>	<b>61</b>	<b>67</b>

(5) The number of petitions filed and firms certified for each Congressional District in the United States.

Exhibit 6: Petitions Filed (Accepted) and Certified by Congressional District: FY 2019

TAAC/State Congressional District	Petitions Filed (Accepted)	Petitions Certified
<b>Great Lakes</b>	<b>9</b>	<b>9</b>
<b>IN</b>	<b>2</b>	<b>2</b>
2	1	1
3	1	1
<b>MI</b>	<b>2</b>	<b>2</b>
2	1	1
6	1	1
<b>OH</b>	<b>5</b>	<b>5</b>
3	1	1
7	2	2
8	1	1
12	1	1
<b>Mid-America</b>	<b>12</b>	<b>14</b>
<b>IA</b>	<b>2</b>	<b>2</b>
3	1	1
4	1	1
<b>KS</b>	<b>2</b>	<b>3</b>
3	2	3
<b>MO</b>	<b>6</b>	<b>7</b>
1	2	2
4	1	1
6	1	1
7	1	2
8	1	1
<b>NE</b>	<b>2</b>	<b>2</b>
1	2	2
<b>MidAtlantic</b>	<b>9</b>	<b>9</b>
<b>DC</b>	<b>0</b>	<b>0</b>
<b>DE</b>	<b>0</b>	<b>0</b>
<b>MD</b>	<b>1</b>	<b>1</b>
1	1	1

<b>PA</b>	<b>6</b>	<b>6</b>
8	1	1
10	1	1
11	3	3
16	1	1
<b>VA</b>	<b>1</b>	<b>1</b>
5	1	1
<b>WV</b>	<b>1</b>	<b>1</b>
1	1	1
<b>Midwest</b>	<b>1</b>	<b>2</b>
<b>IL</b>	<b>0</b>	<b>1</b>
5	0	1
<b>MN</b>	<b>0</b>	<b>0</b>
<b>WI</b>	<b>1</b>	<b>1</b>
7	1	1
<b>New England</b>	<b>8</b>	<b>9</b>
<b>CT</b>	<b>1</b>	<b>1</b>
3	1	1
<b>MA</b>	<b>1</b>	<b>1</b>
4	1	1
<b>ME</b>	<b>2</b>	<b>3</b>
1	2	3
<b>NH</b>	<b>1</b>	<b>1</b>
2	1	1
<b>RI</b>	<b>2</b>	<b>2</b>
1	2	2
<b>VT</b>	<b>1</b>	<b>1</b>
1	1	1
<b>New York, New Jersey and Puerto Rico</b>	<b>5</b>	<b>7</b>
<b>NJ</b>	<b>1</b>	<b>1</b>
7	1	1
<b>NY</b>	<b>4</b>	<b>6</b>
21	1	1
22	2	3
24	1	1
27	0	1
<b>PR</b>	<b>0</b>	<b>0</b>

<b>Northwest</b>	<b>6</b>	<b>4</b>
<b>AK</b>	0	0
<b>ID</b>	0	0
<b>OR</b>	<b>3</b>	<b>1</b>
1	1	0
3	1	1
4	1	0
<b>WA</b>	<b>3</b>	<b>3</b>
1	2	2
2	0	1
7	1	0
<b>Rocky Mountain</b>	<b>5</b>	<b>6</b>
<b>CO</b>	<b>3</b>	<b>3</b>
4	1	1
7	2	2
<b>MT</b>	0	0
<b>ND</b>	<b>1</b>	<b>1</b>
At-Large	1	1
<b>SD</b>	0	0
<b>UT</b>	<b>1</b>	<b>2</b>
1	0	1
4	1	1
<b>WY</b>	0	0
<b>Southeastern</b>	<b>3</b>	<b>3</b>
<b>AL</b>	0	0
<b>FL</b>	0	0
<b>GA</b>	<b>1</b>	<b>1</b>
7	1	1
<b>KY</b>	0	0
<b>MS</b>	0	0
<b>NC</b>	<b>2</b>	<b>2</b>
10	1	1
11	1	1
<b>SC</b>	0	0
<b>TN</b>	0	0
<b>Southwest</b>	<b>4</b>	<b>3</b>
<b>AR</b>	0	0
<b>LA</b>	<b>1</b>	<b>1</b>
6	1	1



<b>NM</b>	0	0
<b>OK</b>	0	0
<b>TX</b>	<b>1</b>	<b>2</b>
12	0	1
20	1	1
<b>Western</b>	<b>1</b>	<b>1</b>
<b>AZ</b>	0	0
<b>CA</b>	<b>1</b>	<b>1</b>
42	1	1
<b>HI</b>	0	0
<b>NV</b>	0	0
<b>Total</b>	<b>61</b>	<b>67</b>

**(6) Of the number of petitions filed, the number of firms that entered the program and received benefits.<sup>9</sup>**

For this metric, benefits are defined as technical assistance provided to firms that were both certified and had their business recovery plan (AP) approved in the same fiscal year (FY 2019). Firms have two years from certification to prepare an AP.

In FY 2019, of the 61 petitions accepted and 67 petitions certified by EDA, 46 firms met this definition of benefits received. Many of the remaining firms received benefits during FY 2020, especially those that were accepted (pending certification) near the end of FY 2019.

*Exhibit 7: Petitions Certified and APs Approved: FY 2019*

<b>TAAC</b>	<b>No. of Firms Receiving Benefits (Certified and Approved AP in FY 2019)</b>
Great Lakes	6
Mid-America	10
MidAtlantic	2
Midwest	2
New England	8
New York, New Jersey and Puerto Rico	6
Northwest	3
Rocky Mountain	5
Southeastern	3
Southwest	1

<sup>9</sup> EDA defines “entering the program” as receiving a certification.

<b>TAAC</b>	<b>No. of Firms Receiving Benefits (Certified and Approved AP in FY 2019)</b>
Western	0
<b>Total</b>	<b>46</b>

**(7) The number of firms that received assistance in preparing their petitions.**

In FY 2019, 266 firms received assistance in preparing petitions. Firms may receive assistance in all phases of preparing petitions more than once in a single year. Petition assistance rendered may not result in the submission of a petition during that fiscal year or in a later year.

*Exhibit 8: Petition Assistance Activity: FY 2019*

<b>TAAC</b>	<b>Petition Assistance</b>
Great Lakes	14
Mid-America	16
MidAtlantic	31
Midwest	65
New England	26
New York, New Jersey and Puerto Rico	17
Northwest	11
Rocky Mountain	16
Southeastern	33
Southwest	25
Western	12
<b>Total</b>	<b>266</b>

**(8) The number of firms that received assistance developing business recovery plans.**

In FY 2019, 83 firms received assistance in developing APs. Additionally, 433 firms received assistance in implementing projects in their APs. Firms may receive assistance in developing and implementing APs more than once in a single year. Additionally, AP assistance rendered may result in the submission or implementation of an AP in the current fiscal year or in a later year.

*Exhibit 9: AP Development Activity: FY 2019*

<b>TAAC</b>	<b>AP Development Assistance</b>
Great Lakes	14
Mid-America	10
MidAtlantic	10
Midwest	3
New England	9
New York, New Jersey and Puerto Rico	9
Northwest	9
Rocky Mountain	10
Southeastern	4
Southwest	3
Western	2
<b>Total</b>	<b>83</b>

*Exhibit 10: AP Implementation Activity: FY 2019*

<b>TAAC</b>	<b>AP Implementation Assistance</b>
Great Lakes	45
Mid-America	49
MidAtlantic	26
Midwest	63
New England	50
New York, New Jersey and Puerto Rico	35
Northwest	35
Rocky Mountain	54
Southeastern	27
Southwest	37
Western	12
<b>Total</b>	<b>433</b>

**(9) The number of business recovery plans approved and denied by the Secretary.**

In FY 2019, EDA approved 66 APs (i.e. business recovery plans). While EDA did not deny any APs in FY 2019, EDA did find that some APs submitted required clarification. In these cases, EDA worked with the TAAC and firm to make any necessary revisions to make the

AP acceptable to EDA. EDA's average processing time for APs, including the time needed to work with firms to make revisions, was 51 days.

*Exhibit 11: APs Approved by TAAC/State: FY 2019*

<b>TAAC/State</b>	<b>No. of APs Approved</b>
<b>Great Lakes</b>	<b>9</b>
IN	3
MI	2
OH	4
<b>Mid-America</b>	<b>14</b>
IA	1
KS	4
MO	8
NE	1
<b>MidAtlantic</b>	<b>4</b>
DC	0
DE	0
MD	0
PA	2
VA	1
WV	1
<b>Midwest</b>	<b>2</b>
IL	1
MN	0
WI	1
<b>New England</b>	<b>11</b>
CT	1
MA	4
ME	4
NH	1
RI	1
VT	0
<b>New York, New Jersey and Puerto Rico</b>	<b>6</b>
NJ	1
NY	5
PR	0
<b>Northwest</b>	<b>4</b>
AK	0
ID	0

TAAC/State	No. of APs Approved
OR	1
WA	3
<b>Rocky Mountain</b>	<b>9</b>
CO	6
MT	1
ND	0
SD	0
UT	2
WY	0
<b>Southeastern</b>	<b>4</b>
AL	0
FL	0
GA	2
KY	0
MS	0
NC	2
SC	0
TN	0
<b>Southwest</b>	<b>2</b>
AR	0
LA	1
NM	0
OK	0
TX	1
<b>Western</b>	<b>1</b>
AZ	0
CA	1
HI	0
NV	0
<b>Total</b>	<b>66</b>

**(10) Average duration of benefits received under the program nationally and in each region served by an intermediary organization (the TAAC) referred to in Section 253(b)(1) of the Trade Act.**

For this metric, EDA defines benefits as technical assistance provided to firms from the time of petition certification to the time of program completion. Nationally, firms received on average 56 months of benefits under the TAAF program.

*Exhibit 12: Average Duration of Benefits Received: FY 2019 by TAAC (Region)*

<b>TAAC</b>	<b>Average No. of Months Firms Received Benefits Under TAAF program by TAAC</b>
Great Lakes	58
Mid-America	42
MidAtlantic	78
Midwest	63
New England	34
New York, New Jersey and Puerto Rico	55
Northwest	50
Rocky Mountain	64
Southeastern	55
Southwest	55
Western	62
<b>Average for All TAACs</b>	<b>56</b>

**(11) Sales, employment, and productivity at each firm participating in the TAAF program at the time of certification.<sup>10</sup>**

As of September 30, 2019, 538 active firms with combined sales of \$5.9 billion and a workforce of 34,147 (at the time of certification) were participating in the TAAF program. A firm that has an approved AP, has not completed all projects in its AP, and is still engaged in the TAAF program is considered “active.”

*Exhibit 13: Sales, Employment, and Productivity at the time of Certification for All Firms Participating in the TAAF Program in FY 2019 by TAAC and State:*

<b>TAAC/State</b>	<b>No. of Active Firms in FY 2019</b>	<b>Total Sales at Certification</b>	<b>Total Employment at Certification</b>	<b>Average Productivity at Certification</b>
<b>Great Lakes</b>	<b>51</b>	<b>\$601,084,244</b>	<b>3,445</b>	<b>\$174,480</b>
IN	14	\$241,529,350	1,541	\$156,735
MI	19	\$173,715,060	955	\$181,901
OH	18	\$185,839,834	949	\$195,827
<b>Mid-America</b>	<b>58</b>	<b>\$457,995,242</b>	<b>3,068</b>	<b>\$149,281</b>
AR	0	\$0	0	\$0
IA	13	\$123,674,944	834	\$148,291

<sup>10</sup> Ibid. Footnote 3.

TAAC/State	No. of Active Firms in FY 2019	Total Sales at Certification	Total Employment at Certification	Average Productivity at Certification
KS	11	\$48,888,992	388	\$126,003
MO	26	\$200,038,032	1,292	\$154,828
NE	8	\$85,393,274	554	\$154,139
<b>MidAtlantic</b>	<b>94</b>	<b>\$1,008,167,181</b>	<b>6,265</b>	<b>\$160,921</b>
DC	0	\$0	0	\$0
DE	0	\$0	0	\$0
MD	2	\$1,942,963	59	\$32,932
PA	83	\$881,683,596	4,966	\$177,544
VA	8	\$44,799,854	372	\$120,430
WV	1	\$79,740,768	868	\$91,867
<b>Midwest</b>	<b>64</b>	<b>\$816,182,158</b>	<b>4,306</b>	<b>\$189,545</b>
IL	48	\$694,919,433	3,399	\$204,448
MN	6	\$25,683,949	254	\$101,118
WI	10	\$95,578,776	653	\$146,369
<b>New England</b>	<b>50</b>	<b>\$266,260,621</b>	<b>1,546</b>	<b>\$172,225</b>
CT	15	\$91,996,797	452	\$203,533
MA	15	\$50,140,483	370	\$135,515
ME	7	\$35,816,535	234	\$153,062
NH	2	\$29,288,987	141	\$207,723
RI	9	\$51,511,194	310	\$166,165
VT	2	\$7,506,625	39	\$192,478
<b>New York, New Jersey and Puerto Rico</b>	<b>39</b>	<b>\$235,327,770</b>	<b>1,325</b>	<b>\$177,606</b>
NJ	2	\$17,339,849	116	\$149,481
NY	37	\$217,987,921	1,209	\$180,304
PR	0	\$0	0	\$0
<b>Northwest</b>	<b>32</b>	<b>\$317,520,933</b>	<b>926</b>	<b>\$342,895</b>
AK	2	\$524,013	2	\$262,007
ID	1	\$109,409	1	\$109,409
OR	9	\$218,270,072	389	\$561,106
WA	20	\$98,617,439	534	\$184,677
<b>Rocky Mountain</b>	<b>56</b>	<b>\$1,540,448,894</b>	<b>7,927</b>	<b>\$194,329</b>
CO	29	\$229,955,667	1,304	\$176,346
MT	3	\$9,121,128	78	\$116,938
ND	6	\$46,130,852	268	\$172,130
SD	3	\$486,282,132	2,806	\$173,301
UT	13	\$678,035,148	3,174	\$213,622
WY	2	\$90,923,967	297	\$306,141

TAAC/State	No. of Active Firms in FY 2019	Total Sales at Certification	Total Employment at Certification	Average Productivity at Certification
<b>Southeastern</b>	<b>38</b>	<b>\$365,892,589</b>	<b>2,147</b>	<b>\$170,420</b>
AL	5	\$110,058,186	346	\$318,087
FL	1	\$15,435	2	\$7,718
GA	12	\$29,072,172	246	\$118,180
KY	1	\$15,268,528	98	\$155,801
MS	1	\$17,726,454	187	\$94,794
NC	11	\$34,010,491	252	\$134,962
SC	5	\$139,692,478	887	\$157,489
TN	2	\$20,048,845	129	\$155,417
<b>Southwest</b>	<b>44</b>	<b>\$280,953,630</b>	<b>2,493</b>	<b>\$112,697</b>
AR	3	\$73,032,847	309	\$236,352
LA	14	\$85,860,529	336	\$255,537
NM	2	\$5,759,197	85	\$67,755
OK	8	\$68,060,414	1,150	\$59,183
TX	17	\$48,240,643	613	\$78,696
<b>Western</b>	<b>12</b>	<b>\$85,085,366</b>	<b>699</b>	<b>\$121,724</b>
AZ	0	\$0	0	\$0
CA	12	\$85,085,366	699	\$121,724
HI	0	\$0	0	\$0
NV	0	\$0	0	\$0
<b>Total</b>	<b>538</b>	<b>\$5,974,918,628</b>	<b>34,147</b>	<b>\$174,976</b>

**(12) Sales, employment, and productivity at each firm upon completion of the program and each year for the two-year period following completion.<sup>11</sup>**

EDA analyzes the extent to which client firms increased their sales, productivity and employment levels following: 1) entry into the program (certification) to the completed implementation of TAAF-supported projects (program completion), and 2) program completion to one and two years after program completion. To measure these outcomes, EDA compares average sales, average productivity<sup>12</sup> and average employment at these intervals of all firms that completed the program in a particular year (known as the “base year”) and provides complete data. The base year used for this Report is FY 2017, with FY 2018 and FY 2019 being the first two post-completion years. Of the 93 firms that completed the program in FY 2017, 57 submitted complete data on sales, employment, and productivity for FY 2018 and FY 2019.

<sup>11</sup> Firms have completed the program when they have completed implementation of the TAAF-supported projects that the firm chose to pursue.

<sup>12</sup> Ibid. Footnote 3.



*Exhibit 14a: Summary of Average Sales, Employment, and Productivity at Firms from Certification, Completion of the Program, and the One-Year and Two-Year Period Following Completion.<sup>13</sup>*

<b>Certification to Program Completion</b>	<b>Average Sales</b>	<b>Average Employment</b>	<b>Average Productivity</b>
Certification	\$11,945,317	82	\$145,675
Completion (FY 2017)	\$14,865,615	91	\$163,358
Percent Change (+/-)	24%	11%	12%
<b>Certification to One Year Post Program Completion</b>	<b>Average Sales</b>	<b>Average Employment</b>	<b>Average Productivity</b>
Certification	\$11,945,317	82	\$145,675
1st Year Following Completion (FY 2018)	\$15,650,818	92	\$170,118
Percent Change (+/-)	31%	12%	17%
<b>Certification to Two Years Post Program Completion</b>	<b>Average Sales</b>	<b>Average Employment</b>	<b>Average Productivity</b>
Certification	\$11,945,317	82	\$145,675
2nd Year Following Completion (FY 2019)	\$14,670,035	87	\$168,621
Percent Change (+/-)	23%	6%	16%
<b>Program Completion to One Year Post Completion</b>	<b>Average Sales</b>	<b>Average Employment</b>	<b>Average Productivity</b>
Completion (FY 2017)	\$14,865,615	91	\$163,358
1st Year Following Completion (FY 2018)	\$15,650,818	92	\$170,118
Percent Change (+/-)	5%	1%	4%
<b>Program Completion to Two Years Post Completion</b>	<b>Average Sales</b>	<b>Average Employment</b>	<b>Average Productivity</b>
Completion (FY 2017)	\$14,865,615	91	\$163,358
2nd Year Following Completion (FY 2019)	\$14,670,035	87	\$168,621
Percent Change (+/-)	-1%	-4%	3%

<sup>13</sup> All reported numbers are rounded.

To provide a historic perspective on these results, an analysis of the total average sales and employment data collected from FY 2010 to FY 2019 shows:

- From certification to program completion, firms reported that average sales had increased by 27 percent, average employment had increased by 8 percent, and average productivity had increased by 18 percent.
- From program completion to one year after completing the program, firms reported that average sales had increased by 5 percent, average employment had increased by 2 percent, and average productivity had increased by 3 percent. Average sales increased 8 of the 10 years analyzed. Average employment increased 7 of the 10 years analyzed. Average productivity increased at 5 of the 10 years analyzed.
- From program completion to two years after completing the program, firms reported that average sales had increased by 12 percent, average employment had increased by 4 percent, and average productivity had increased by 8 percent. Average sales increased 7 of the 10 years analyzed. Average employment increased 7 of the 10 years analyzed. Average productivity increased 8 of the 10 years analyzed.

It is important to consider that TAAF clients are operating in the same economic environment as other firms but are also attempting to adjust to import pressures that may not impact other firms as severely, making the success of TAAF-assisted firms notable. It should also be noted that the long-term success of these firms depends on achieving a fair and reciprocal global trade environment.

*Exhibit 14b: Summary of Average Sales, Employment, and Productivity at Firms from Certification, Completion of the Program, and the One-Year and Two-Year Period Following Completion – Fiscal Years 2010 – 2019.*

<b>Certification to Program Completion (FY 2010-2019)</b>	<b>Total Average Sales</b>	<b>Total Average Employment</b>	<b>Total Average Productivity</b>
Certification	\$137,820,710	861	\$160,071
Completion	\$175,441,076	933	\$188,040
Percent Change (+/-)	27%	8%	18%
<b>Certification to One Year Post Program Completion (FY 2010-2019)</b>	<b>Total Average Sales</b>	<b>Total Average Employment</b>	<b>Total Average Productivity</b>
Certification	\$137,820,710	861	\$160,071
1st Year Following Completion	\$184,758,569	951	\$194,278
Percent Change (+/-)	34%	11%	21%

<b>Certification to Two Years Post Program Completion (FY 2010-2019)</b>	<b>Total Average Sales</b>	<b>Total Average Employment</b>	<b>Total Average Productivity</b>
Certification	\$137,820,710	861	\$160,071
2nd Year Following Completion	\$196,565,976	967	\$203,274
Percent Change (+/-)	43%	12%	27%
<b>Program Completion to One Year Post Completion (FY 2010-2019)</b>	<b>Total Average Sales</b>	<b>Total Average Employment</b>	<b>Total Average Productivity</b>
Completion	\$175,441,076	933	\$188,040
1st Year Following Completion	\$184,758,569	951	\$194,278
Percent Change (+/-)	5%	2%	3%
<b>Program Completion to Two Years Post Completion (FY 2010-2019)</b>	<b>Total Average Sales</b>	<b>Total Average Employment</b>	<b>Total Average Productivity</b>
Completion	\$175,441,076	933	\$188,040
2nd Year Following Completion	\$196,565,976	967	\$203,274
Percent Change (+/-)	12%	4%	8%

*Exhibit 14c: Number of Firms that Increased/Decreased Sales, Employment and Productivity from Certification, Completion of the Program, and the One-Year and Two-Year Period Following Completion*

<b>Comparison from Certification to Post Program Completion</b>	<b># of Firms with Increase</b>	<b># of Firms with Decrease</b>	<b># of Firms with No Change</b>	<b>Total</b>
Sales Certification to Completion	40	17	0	57
Employment Certification to Completion	35	15	7	57
Productivity Certification to Completion	38	19	0	57
Sales Certification to One Year After Completion	38	19	0	57
Employment Certification to One Year After Completion	37	17	3	57

<b>Comparison from Certification to Post Program Completion</b>	<b># of Firms with Increase</b>	<b># of Firms with Decrease</b>	<b># of Firms with No Change</b>	<b>Total</b>
Productivity Certification to One Year After Completion	56	1	0	57
Sales Certification to Two Years After Completion	35	22	0	57
Employment Certification to Two Years After Completion	36	18	3	57
Productivity Certification to Two Years After Completion	57	0	0	57
Sales at One Year After Completion	33	22	2	57
Employment at One Year After Completion	22	20	15	57
Productivity at One Year After Completion	57	0	0	57
Sales at Two Years After Completion	36	18	3	57
Employment at Two Years After Completion	29	21	7	57
Productivity at Two Years After Completion	57	0	0	57

*Exhibit 14d: Sales, Employment, and Productivity at Each Firm at Certification, Completion of the Program and Two-Year Period Following Completion*

TAA/C/Firm ID	Sales at Certification	Sales at Completion (FY 2017)	Sales 1st Yr. Following Completion (FY 2018)	Sales 2nd Yr. Following Completion (FY 2019)	Average Employment at Certification	Average Employment at Completion (FY 2017)	Average Employment 1st Yr. Following Completion (FY 2018)	Average Employment 2nd Yr. Following Completion (FY 2019)	Average Productivity at Certification	Average Productivity at Completion (FY 2017)	Average Productivity 1st Yr. Following Completion (FY 2018)	Average Productivity 2nd Yr. Following Completion (FY 2019)
GLTAAAC-CMPI9-001	\$75,416,399	\$51,000,000	\$51,082,452	\$55,238,587	595	464	465	449	\$126,750	\$109,914	\$109,855	\$123,026
GLTAAAC-CMPI9-002	\$329,669	\$578,729	\$782,000	\$1,000,193	5	8	12	10	\$65,934	\$72,341	\$65,167	\$100,019
GLTAAAC-CMPI9-003	\$32,038,299	\$30,800,000	\$28,200,000	\$28,800,000	205	190	200	200	\$156,284	\$162,105	\$141,000	\$144,000
GLTAAAC-CMPI9-004	\$483,592	\$404,000	\$507,000	\$592,000	3	3	4	4	\$161,197	\$134,667	\$126,750	\$148,000
GLTAAAC-CMPI9-005	\$22,616,734	\$34,759,513	\$42,100,000	\$33,930,000	151	205	205	195	\$149,780	\$169,559	\$205,366	\$174,000
MamTAAAC-CMPI9-001	\$842,025	\$1,585,099	\$18,000,000	\$1,700,000	41	33	32	31	\$20,537	\$48,033	\$562,500	\$54,839
MamTAAAC-CMPI9-002	\$8,533,416	\$9,930,000	\$10,000,000	\$9,084,784	58	59	65	63	\$147,128	\$168,305	\$153,846	\$144,203
MamTAAAC-CMPI9-003	\$14,463,110	\$15,000,000	\$14,500,000	\$13,600,000	74	169	165	160	\$195,447	\$88,757	\$87,879	\$85,000
MamTAAAC-CMPI9-004	\$1,404,910	\$900,000	\$1,100,000	\$1,100,000	17	9	10	10	\$82,642	\$100,000	\$110,000	\$110,000
MamTAAAC-CMPI9-005	\$18,592,884	\$16,500,000	\$19,300,000	\$20,000,000	115	115	118	118	\$161,677	\$143,478	\$163,559	\$169,492
MamTAAAC-CMPI9-006	\$71,665,631	\$58,500,000	\$57,716,232	\$58,900,000	360	258	258	298	\$199,071	\$226,744	\$223,706	\$197,651
MamTAAAC-CMPI9-007	\$12,088,016	\$25,600,000	\$35,916,000	\$27,000,000	49	120	112	85	\$246,694	\$213,333	\$320,679	\$317,647
MamTAAAC-CMPI9-008	\$1,948,489	\$4,170,570	\$2,500,000	\$17,900,000	17	19	18	126	\$114,617	\$219,504	\$138,889	\$142,063
MATAAC-CMPI9-001	\$860,958	\$844,485	\$629,996	\$569,365	5	6	6	5	\$172,192	\$140,748	\$104,999	\$113,873
MWTAAC-CMPI9-001	\$1,352,300	\$1,364,000	\$1,100,000	\$1,200,000	29	27	26	28	\$46,631	\$50,519	\$42,308	\$42,857
MWTAAC-CMPI9-002	\$155,000	\$40,000	\$50,000	\$55,000	2	1	1	1	\$77,500	\$40,000	\$50,000	\$55,000
MWTAAC-CMPI9-003	\$64,930	\$75,000	\$225,000	\$200,000	2	2	2	2	\$32,465	\$37,500	\$112,500	\$100,000
MWTAAC-CMPI9-004	\$18,700,000	\$11,602,000	\$10,300,000	\$12,000,000	199	100	97	100	\$93,970	\$116,020	\$106,186	\$120,000
MWTAAC-CMPI9-005	\$8,200,000	\$14,000,000	\$14,000,000	\$14,500,000	91	99	98	99	\$90,110	\$141,414	\$142,857	\$146,465
MWTAAC-CMPI9-006	\$1,059,000	\$1,100,000	\$1,150,000	\$1,200,000	6	7	7	7	\$176,500	\$157,143	\$164,286	\$171,429
MWTAAC-CMPI9-007	\$792,942	\$2,403,685	\$2,603,644	\$3,600,000	15	16	16	17	\$52,863	\$150,230	\$162,728	\$211,765

T.A.C./Firm ID	Sales at Certification	Sales at Completion (FY 2017)	Sales 1st Yr. Following Completion (FY 2018)	Sales 2nd Yr. Following Completion (FY 2019)	Average Employment at Certification	Average Employment at Completion (FY 2017)	Average Employment 1st Yr. Following Completion (FY 2018)	Average Employment 2nd Yr. Following Completion (FY 2019)	Average Productivity at Certification	Average Productivity at Completion (FY 2017)	Average Productivity 1st Yr. Following Completion (FY 2018)	Average Productivity 2nd Yr. Following Completion (FY 2019)
MWTAAC-CMPI9-008	\$20,800,000	\$19,590,866	\$19,000,000	\$19,000,000	66	75	70	70	\$315,152	\$261,212	\$271,429	\$271,429
MWTAAC-CMPI9-009	\$2,912,622	\$3,700,000	\$3,900,000	\$4,000,000	22	25	28	28	\$132,392	\$148,000	\$139,286	\$142,857
MWTAAC-CMPI9-010	\$3,670,547	\$4,837,406	\$4,973,245	\$4,917,548	29	38	36	34	\$126,571	\$127,300	\$138,146	\$144,634
NETAAC-CMPI9-001	\$11,497,030	\$11,725,556	\$12,349,867	\$13,081,244	79	75	87	89	\$145,532	\$156,341	\$141,952	\$146,980
NETAAC-CMPI9-002	\$28,143,271	\$42,000,000	\$40,000,000	\$42,533,333	194	245	235	227	\$145,068	\$171,429	\$170,213	\$187,372
NYNJPRTAAC-CMPI9-001	\$378,010	\$452,400	\$498,300	\$515,000	7	8	9	8	\$54,001	\$56,550	\$55,367	\$64,375
NYNJPRTAAC-CMPI9-002	\$1,905,184	\$2,475,242	\$2,687,744	\$2,661,428	26	34	34	34	\$73,276	\$72,801	\$79,051	\$78,277
NYNJPRTAAC-CMPI9-003	\$4,337,441	\$6,114,000	\$6,750,000	\$7,600,000	54	57	54	58	\$80,323	\$107,263	\$125,000	\$131,034
NYNJPRTAAC-CMPI9-004	\$1,794,208	\$2,458,425	\$4,523,698	\$4,006,007	13	17	21	25	\$138,016	\$144,613	\$215,414	\$160,240
NYNJPRTAAC-CMPI9-005	\$4,072,694	\$5,754,000	\$5,838,000	\$6,833,000	23	31	36	34	\$177,074	\$185,613	\$162,167	\$200,971
NWTAAC-CMPI9-001	\$442,793	\$511,687	\$487,826	\$487,826	3	4	4	4	\$147,598	\$127,922	\$121,957	\$121,957
NWTAAC-CMPI9-002	\$22,899,106	\$26,680,092	\$26,600,000	\$25,300,000	131	134	134	151	\$174,802	\$199,105	\$198,507	\$167,550
NWTAAC-CMPI9-003	\$36,007,807	\$84,666,305	\$78,287,688	\$63,000,000	399	545	557	375	\$90,245	\$155,351	\$140,552	\$168,000
NWTAAC-CMPI9-004	\$3,873,669	\$12,064,446	\$14,854,000	\$19,000,000	42	69	85	95	\$92,230	\$174,847	\$174,753	\$200,000
NWTAAC-CMPI9-005	\$1,712,737	\$1,954,132	\$1,954,132	\$1,954,132	33	33	29	29	\$51,901	\$59,216	\$67,384	\$67,384
NWTAAC-CMPI9-006	\$2,600,000	\$2,325,684	\$2,325,864	\$2,325,684	34	34	34	22	\$76,471	\$68,402	\$68,408	\$105,713
NWTAAC-CMPI9-007	\$24,496,237	\$43,000,000	\$45,000,000	\$43,000,000	223	314	270	315	\$109,849	\$136,943	\$166,667	\$136,508
NWTAAC-CMPI9-008	\$410,503	\$720,000	\$653,000	\$1,100,000	8	6	6	8	\$51,313	\$120,000	\$108,833	\$137,500
NWTAAC-CMPI9-009	\$1,019,155	\$924,475	\$849,950	\$1,200,000	3	4	4	6	\$339,718	\$231,119	\$212,488	\$200,000
NWTAAC-CMPI9-010	\$28,361,599	\$27,847,545	\$27,996,117	\$22,654	115	106	96	84	\$246,623	\$262,713	\$291,626	\$270
NWTAAC-CMPI9-011	\$5,264,103	\$5,367,000	\$5,100,000	\$8,500,000	44	47	48	60	\$119,639	\$114,191	\$106,250	\$141,667
NWTAAC-CMPI9-012	\$2,463,879	\$1,746,910	\$1,172,659	\$1,309,900	19	13	10	9	\$129,678	\$134,378	\$117,266	\$145,544
NWTAAC-CMPI9-013	\$4,542,095	\$4,554,814	\$4,477,425	\$4,477,425	30	30	29	29	\$151,403	\$151,827	\$154,394	\$154,394

T.A.C./Firm ID	Sales at Certification	Sales at Completion (FY 2017)	Sales 1st Yr. Following Completion (FY 2018)	Sales 2nd Yr. Following Completion (FY 2019)	Average Employment Certification	Average Employment at Completion (FY 2017)	Average Employment 1st Yr. Following Completion (FY 2018)	Average Employment 2nd Yr. Following Completion (FY 2019)	Average Productivity at Certification	Average Productivity at Completion (FY 2017)	Average Productivity 1st Yr. Following Completion (FY 2018)	Average Productivity 2nd Yr. Following Completion (FY 2019)
NWTAAC-CMPI9-014	\$5,204,340	\$5,613,658	\$8,500,000	\$9,010,750	41	43	47	51	\$126,935	\$130,550	\$180,851	\$176,681
NWTAAC-CMPI9-015	\$7,154,262	\$10,354,904	\$12,201,202	\$7,872,677	28	33	40	34	\$255,509	\$313,785	\$305,030	\$231,549
NWTAAC-CMPI9-016	\$11,973,546	\$40,300,000	\$44,000,000	\$52,850,000	55	133	142	168	\$217,701	\$303,008	\$309,859	\$314,583
RMTAAC-CMPI9-001	\$5,605,222	\$5,805,000	\$6,433,000	\$3,739,000	62	50	51	29	\$90,407	\$116,100	\$126,137	\$128,931
RMTAAC-CMPI9-002	\$2,277,366	\$1,900,000	\$1,225,000	\$1,800,000	15	15	12	11	\$151,824	\$126,667	\$102,083	\$163,636
RMTAAC-CMPI9-003	\$17,965,612	\$24,319,000	\$26,600,000	\$29,747,727	139	168	170	177	\$129,249	\$144,756	\$156,471	\$168,066
RMTAAC-CMPI9-004	\$67,402,000	\$74,000,000	\$66,000,000	\$56,800,000	402	430	428	298	\$167,667	\$172,093	\$154,206	\$190,604
RMTAAC-CMPI9-005	\$13,232,756	\$18,202,564	\$16,803,251	\$21,284,323	84	95	93	96	\$157,533	\$191,606	\$180,680	\$221,712
RMTAAC-CMPI9-006	\$3,556,972	\$2,082,796	\$2,533,836	\$2,742,430	34	19	19	37	\$104,617	\$109,621	\$133,360	\$74,120
SWTAAC-CMPI9-001	\$216,859	\$235,041	\$325,000	\$300,000	4	5	7	6	\$54,215	\$47,008	\$46,429	\$50,000
SWTAAC-CMPI9-002	\$16,843,701	\$25,678,998	\$24,244,729	\$18,100,000	13	30	30	28	\$1,295,669	\$855,967	\$808,158	\$646,429
SWTAAC-CMPI9-003	\$1,844,396	\$1,220,031	\$1,188,742	\$950,000	30	20	18	16	\$61,480	\$61,002	\$66,041	\$59,375
SWTAAC-CMPI9-004	\$22,393,021	\$45,000,000	\$60,000,000	\$52,000,000	155	320	350	200	\$144,471	\$140,625	\$171,429	\$260,000
<b>Total Average</b>	<b>\$11,945,317</b>	<b>\$14,865,615</b>	<b>\$15,650,818</b>	<b>\$14,670,035</b>	<b>82</b>	<b>91</b>	<b>92</b>	<b>87</b>	<b>\$145,675</b>	<b>\$163,358</b>	<b>\$170,118</b>	<b>\$168,621</b>

Please note: For the final row of the table in Exhibit 14c, all total averages are calculated using the data in the column above (i.e., vertical calculation of average), *except for* the last four columns (total averages for productivity), which instead calculate total average productivity using the total average sales and total average employment at the bottom of the table (i.e., horizontal calculation of average).

**(13) The number of firms in operation as of the date of this report and the number of firms that ceased operations after completing the program in each year during the two-year period following completion of the program.**

As of September 30, 2019, 538 active firms with combined sales of \$5.9 billion and a workforce of 34,147 were participating in the TAAF program. Not all firms complete the program; for example, 35 of the 117 firms that exited the program did so prior to completion in FY 2019 for financial or business reasons. Of the 57 firms that completed the program in FY 2019 and provided complete data on their post-completion performance, 56 were in operation at the end of FY 2019.

**(14) The financial assistance received by each firm participating in the program.**

**(15) The financial contribution made by each firm participating in the program.**

Financial assistance is not provided directly to firms. In FY 2019, firms received \$8 million worth of *technical* assistance provided to prepare petitions and to develop and implement APs (often through business consultants and other experts). EDA funds the TAACs, which either provide technical assistance themselves or pay a portion of the cost to secure specialized business consultants, for which firms pay a matching share. The firms represented in this report paid \$4.5 million to match \$8 million in TAAF funds towards the development and implementation of APs.

*Exhibit 15: Summary of TAAC Assistance and Matching Firm Contributions: FY 2019*

TAAC	Total TAAC Assistance <sup>14</sup>	Financial Contribution by the Firms
Great Lakes	\$875,929	\$391,535
Mid-America	\$706,384	\$565,387
MidAtlantic	\$1,012,846	\$309,986
Midwest	\$663,939	\$429,767
New England	\$1,138,913	\$957,688
New York, New Jersey and Puerto Rico	\$624,608	\$448,726
Northwest	\$697,533	\$238,061
Rocky Mountain	\$969,565	\$448,568
Southeastern	\$583,512	\$325,477
Southwest	\$416,451	\$293,474
Western	\$366,300	\$90,948
<b>Total</b>	<b>\$8,055,980</b>	<b>\$4,499,617</b>

<sup>14</sup> This does not include the amount expended by the TAACs for outreach to potential new firms.



**(16) The types of technical assistance included in the business recovery plans of firms participating in the program.**

Types of technical assistance included in the business recovery plans of firms participating in the program include financial, management, marketing/sales, production and support systems.

*Exhibit 16: Types of Technical Assistance in APs: FY 2019*

<b>Project Classification</b>	<b>Sample Types of Projects</b>
Financial	<ul style="list-style-type: none"> <li>• Accounting systems upgrade</li> <li>• Cost Control tracking system</li> <li>• Automatic Data Processing development</li> </ul>
Management	<ul style="list-style-type: none"> <li>• Strategic business planning</li> <li>• Succession management</li> <li>• Management development</li> </ul>
Marketing/Sales	<ul style="list-style-type: none"> <li>• Sales process training</li> <li>• Market expansion and feasibility</li> <li>• Website design and upgrade</li> </ul>
Production	<ul style="list-style-type: none"> <li>• Lean manufacturing and certification</li> <li>• New Product Development</li> <li>• Production and Warehouse automation</li> </ul>
Support Systems	<ul style="list-style-type: none"> <li>• Enterprise Resource Planning</li> <li>• Management Information Systems upgrades</li> <li>• Computer Aided Design software</li> </ul>

**(17) The number of firms leaving the program before completing the project or projects in their business recovery plans and the reason the project or projects were not completed.**

In FY 2019, the number of firms leaving the program before completing the project or projects in their business recovery plans (AP) was 35; 6 of these firms went out of business or were sold. The reasons the project or projects were not completed include:

- Business decision to exit after completing part of the AP – 6
- Business decision to exit prior to completing any AP projects – 5
- Firms out of business – 2
- Firms sold – 4
- Five-year time limit expired before completing all projects – 18

**(18) The total amount expended by all intermediary organizations referred to in Section 253(b)(1) and by each organization to administer the program.**

*Exhibit 17: Summary of Expenditures by TAAC Across Budget Categories: FY 2019*

<b>TAAC</b>	<b>Personnel (including Fringe Benefits)</b>	<b>Contracts (Federal Share)</b>	<b>Travel</b>	<b>Equipment and Supplies</b>	<b>Other</b>	<b>Indirect Costs<sup>15</sup></b>	<b>Total TAAC Expenditures</b>
Great Lakes	\$738,905	\$425,170	\$22,015	\$4,010	\$8,560	\$238,792	\$1,437,452
Mid-America	\$287,349	\$569,375	\$7,960	\$1,673	\$89,799	\$186,397	\$1,142,553
MidAtlantic	\$550,352	\$171,297	\$15,252	\$4,368	\$186,308	\$0	\$927,577
Midwest	\$511,413	\$457,753	\$1,198	\$9,674	\$132,433	\$0	\$1,112,471
New England	\$462,583	\$815,729	\$12,226	\$18,405	\$106,347	\$0	\$1,415,290
New York, New Jersey and Puerto Rico	\$395,469	\$460,050	\$4,471	\$3,172	\$24,308	\$78,333	\$965,803
Northwest	\$686,127	\$265,946	\$34,809	\$11,729	\$176,993	\$0	\$1,175,604
Rocky Mountain	\$621,012	\$452,302	\$187	\$0	\$60,217	\$164,343	\$1,298,061
Southeastern	\$529,925	\$375,839	\$3,349	\$2,491	\$0	\$188,951	\$1,100,555
Southwest	\$595,913	\$287,419	\$6,587	\$4,762	\$8,169	\$141,431	\$1,044,281
Western	\$445,355	\$224,729	\$8,738	\$6,793	\$38,055	\$173,986	\$897,656
<b>Total</b>	<b>\$5,824,403</b>	<b>\$4,505,609</b>	<b>\$116,792</b>	<b>\$67,077</b>	<b>\$831,189</b>	<b>\$1,172,233</b>	<b>\$12,517,303</b>

<sup>15</sup> TAACs with zero-dollar indirect costs are non-profit organizations that report their indirect cost expenditures on the *Other* budget category. Indirect (facilities and administrative) costs are those incurred for a common or joint purpose benefitting more than one cost object (e.g., a project, facility, function, or product).

**(19) The total amount expended by intermediary organizations to provide technical assistance to firms under the program nationally and in each region served by such an organization.**

In FY 2019, TAACs expended \$8 million to provide technical assistance to firms in preparing petitions and developing and implementing APs.

*Exhibit 18: TAAC Expenditures to Provide Technical Assistance: FY 2019*

<b>TAAC</b>	<b>Total TAAC Expenditures<sup>16</sup></b>
Great Lakes	\$875,929
Mid-America	\$706,384
MidAtlantic	\$1,012,846
Midwest	\$663,939
New England	\$1,138,913
New York, New Jersey and Puerto Rico	\$624,608
Northwest	\$697,533
Rocky Mountain	\$969,565
Southeastern	\$583,512
Southwest	\$416,451
Western	\$366,300
<b>Total</b>	<b>\$8,055,980</b>

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<sup>16</sup> Ibid. Footnote 10.

### III. Conclusion

EDA analyzes the extent to which client firms increased their sales, employment, and productivity levels following: 1) entry into the program (certification) to the completed implementation of TAAF-supported projects (program completion), and 2) program completion to one and two years after program completion. To measure these outcomes, EDA compares average sales, average employment, and average productivity<sup>17</sup> at these intervals of all firms that completed the program in a particular year (known as the “base year”) and provided complete data to EDA. The base year used for this Report is FY 2017. EDA received data for all 93 firms that completed the program in FY 2017, of which, 57 firms provided complete data across all metrics. Average sales, employment, and productivity of those 57 firms were analyzed from program completion to FY 2018 and FY 2019.

Key findings of this report:

- From certification to program completion, the 57 firms providing complete data reported that average sales had increased by 24 percent, average employment had increased by 11 percent, and average productivity had increased by 12 percent.
- From certification to one year after completing the program, the 57 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 12 percent, and average productivity had increased by 17 percent.
- From certification to two years after completing the program, the 57 firms providing complete data reported that average sales had increased by 23 percent, average employment had increased by 6 percent, and average productivity had increased by 16 percent.
- From program completion to one year after completing the program, the 57 firms providing complete data reported that average sales had increased by 5 percent, average employment had increased by 1 percent, and average productivity had increased by 4 percent.
- From program completion to two years after completing the program, the 57 firms providing complete data reported average sales had decreased by 1 percent, average employment had decreased by 4 percent, and average productivity had increased by 3 percent.
- Despite entering the program in a distressed state, 77 of the 93 firms that completed the program in FY 2017 continued to be in operation at the end of FY 2019. Of the 57 firms that completed the program in FY 2017 and submitted complete data to EDA, 56 were in operation at the end of FY 2019.

For some historical context for these figures, an analysis of the total average sales and employment data collected from FY 2010 to FY 2019 shows:

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<sup>17</sup> Since the certified firms are in various industries, which have a variety of ways to measure productivity, sales per employee was chosen as the productivity measure. This measure is used because it can be generally applied to all certified firms.

- From certification to program completion, firms reported that average sales had increased by 27 percent, average employment had increased by 8 percent, and average productivity had increased by 18 percent.
- From program completion to one year after completing the program, firms reported that average sales had increased by 5 percent, average employment had increased by 2 percent, and average productivity had increased by 3 percent. Average sales increased 8 of the 10 years analyzed. Average employment increased 7 of the 10 years analyzed. Average productivity increased at 5 of the 10 years analyzed.
- From program completion to two years after completing the program, firms reported that average sales had increased by 12 percent, average employment had increased by 4 percent, and average productivity had increased by 8 percent. Average sales increased 7 of the 10 years analyzed. Average employment increased 7 of the 10 years analyzed. Average productivity increased 8 of the 10 years analyzed.

It is important to consider that TAAF clients are operating in the same economic environment as other firms but are also attempting to adjust to import pressures that may not impact other firms as severely, making the success of TAAF-assisted firms notable. It should also be noted that the long-term success of these firms depends on achieving a fair and reciprocal global trade environment.

Finally, the TAAF program is slated to sunset in two stages. First, on July 1, 2021, the TAAF program will revert to a more limited form. The two biggest reversions are to narrow the definition of an eligible “firm” to exclude service-sector firms and to reduce eligibility look-back periods.<sup>18</sup> Second, as of June 30, 2022, assistance may not be provided to new firms under the TAAF program.<sup>19</sup> After that date, assistance may only be provided to firms that have already submitted a petition under the TAAF program.<sup>20</sup> The cumulative effect of these changes to the TAAF program are that firm eligibility will narrow as of July 1, 2021; only firms that have already submitted a petition may be served as of June 30, 2022; and only such firms may continue to be served thereafter.

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<sup>18</sup> Public Law 114-27, § 406(a).

<sup>19</sup> Public Law 114-27, § 406(a)(7)(A).

<sup>20</sup> Public Law 114-27, § 406(a)(7)(B).

## **IV. Examples of How the TAAF Program Is Helping U.S. Manufacturing Firms Compete Against Increasing Imports**

The 11 TAACs work with individual firms to develop a deep understanding of their unique competitive strengths and weaknesses and, based on this understanding, build and implement competitiveness strategies customized for each particular firm.

### **Great Lakes Trade Adjustment Center (GLTAAC)**

A Michigan manufacturer of small motors entered the TAAF program in 2014 after suffering double-digit drops in sales and employment due to Chinese imports. Through the TAAF program, the firm has completed a series of Lean and worker training initiatives with its local Manufacturing Extension Partnership (MEP), as well as new product design, Underwriter Laboratories testing, and various sales and marketing projects using other best-fit providers. The firm will complete the TAAF program early next year. Its competitive position is improved, and the future is promising. The firm currently employs 40 people and generates more than \$5 million in sales.

An Ohio metal fabrication firm entered the TAAF program in 2014 after years of struggling with low-cost imports. The firm needed to differentiate itself, improve efficiencies, and solidify the skillset of its workforce. Over the next five years, its recovery strategy focused on the development and implementation an internet marketing initiative, enterprise resource planning system upgrades, staff capacity training, and improved HR function. As a result, the firm's competitive position has significantly improved with increased sales, employment and productivity. The firm exited the TAAF program last year.

### **Mid-America Trade Adjustment Assistance Center (MamTAAC)**

A Nebraska steel castings manufacturer sought the assistance of the TAAF program in 2016. The TAAF program supported the implementation of 19 improvement projects focusing on rebranding, improved skill sets and industry best practices, improved machine capacity and run times, and improved accounting procedures and report generation. To date, the firm has increased sales from \$9.5 to \$14 million, employment from 97 to 140 employees, and anticipates continued growth.

A Missouri manufacturer of aluminum windows started working with the TAAF program in 2016 and completed the program in 2018. The firm implemented production improvement projects including Lean training which lead to a \$4 million increase in sales from 2017 to 2018. The TAAF program supported the implementation of five improvement projects focusing on Customer Relationship Management (CRM) systems support, marketing, sales, and employee training. One year after completing the TAAF program, the firm has experienced sales increase of \$12 million; bringing its total sales to \$36 million. They have successfully retained 175 jobs.

### **MidAtlantic Trade Adjustment Assistance Center (MATAAC)**

A Maryland manufacturer of custom wire products for the use in the medical, automotive and pharmaceuticals industries found itself heavily impacted by foreign-made baskets and point-of-purchase display racks. Several of the manufacturer's product lines completely vanished while others had a severe reduction in production hours. The firm had difficulty in competing effectively in traditionally standardized markets. Recognizing its need, the firm sought the assistance of the TAAF program. Upgrades in its marketing and sales, production and quality, financial controls, and in employee training process allowed the firm to increase sales from \$3 million at certification to \$5 million in 2018, a 51 percent increase, with growth in employment by 8 percent.

A Pennsylvania custom manufacturer of point-of-purchase signs and displays sought the assistance of the TAAF program when it faced fierce competition when bidding against foreign counterparts and was forced to cut margins to maintain its work orders. At the time, the manufacturer's sales and employment had decreased by 45 percent and 19 percent, respectively. After being certified and approved for TAAF program benefits, the firm initiated several implementation projects which improved the layout of its warehouse to reduce excessive inventory carrying costs, an operations systems upgrade project which fine-tuned a major cost center of a flagship product line, and a Computer Numerical Control (CNC) software upgrade project which created a modern programming environment with state-of-the-art controls creating a more efficient operation. With several implementation projects undertaken, the manufacturer was able to increase sales by 86 percent and increase its work force by 6 percent.

### **Midwest Trade Adjustment Assistance Center (MWTAAC)**

An Illinois manufacturer of precision machined metal parts entered the TAAF program in 2014 after losing customers to Asian and Latin American sources because of price competition on competing goods. Through the TAAF program, the firm's business recovery strategies focused on Enterprise Resource Planning (ERP) selection assistance, support system training and technology integration, eventually adding sales, leadership, and accounting training. After successfully cost sharing 26 projects with the TAAF program over five years, the firm was able to rehire or add 15 workers, and sales increased by almost \$3 million, a nearly 47 percent increase since entry into the TAAF program.

A large Wisconsin manufacturer of heavy gear boxes and transmissions entered the TAAF program in 2014 after lower cost competing equipment and direct copies of its designs produced overseas displaced domestic customer purchases. The business recovery plan provided marketing, sales, and administrative assistance along with website enhancements and a firm-wide support system upgrade including cost saving enhancements and more efficient production tracking. After five years of assistance through the TAAF program the firm has added 20 workers and increased sales by over \$5 million. The firm expects to continue to grow, innovate and expand the customer base and markets served.

### **New England Trade Adjustment Assistance Center (NETAAC)**

A Vermont manufacturer of high-end wooden products for kitchen and home completed the TAAF program in 2015. Competition from China and Thailand of mass-produced, quickly shipped products led to losses of 10 percent in sales and 15 percent in employment. Within two



years, the firm realized an 80 percent increase in productivity and a 23 percent increase in sales. Projects included information system upgrades, Lean and process improvements, website redesign, online strategy, strategic business plan development, and executive leadership recruitment. The firm continues to grow today.

A Rhode Island manufacturer of high precision components and sub-assemblies suffered losses of 62 percent in sales and 27 percent in employment due to upheaval in the medical device industry, including lower priced competition from China. Since entering the TAAF program in 2015, recovery projects included a strategic sales and marketing plan, upgrade to management information systems and improved operational efficiency. Within one year, sales rose 81 percent and employment rose 12 percent. The firm completed the TAAF program in 2020 with sales up a further 32 percent and employment up another 12 percent.

### **The Trade Adjustment Assistance Center serving New York, New Jersey and the Commonwealth of Puerto Rico (NYNJPRTAAC)**

A New Jersey manufacturer of custom fabrication for the creative arts market was certified into the TAAF program in 2012. Adjustment Assistance focused on upgrading the firm's material requirements planning system & CNC machine controls to bring productivity up to current standards. The results of the completed projects are encouraging. At certification, sales were \$13 million, and employment was 90 employees. Currently, the firm's annual sales have grown to \$18 million, an increase of 40 percent, and employment has increased to 118 employees, a 31 percent increase since certification.

A New York State manufacturer of beverage tanks and other metal fabrications was certified into the TAAF program in 2017. Adjustment Assistance in website design and engineering was secured to upgrade the firm's image and production efficiencies. With more modern and flexible controls, the product was believed to be more competitive in the marketplace. At certification, the firm employed 64 and annual sales were at \$17.3 million. To date employment has risen to 73 and sales have increased to over \$17 million.

### **Northwest Trade Adjustment Assistance Center (NWTAAAC)**

An Oregon manufacturer of wooden doors lost business to China, Chile, and Brazil and entered the TAAF program in 2010. TAAF program technical assistance was employed for marketing, production process, new products, and industry certifications. The firm grew rapidly. In 2018, five years after exiting the TAAF program, the firm had increased sales by 62 percent (with 10 percent annual growth) and employment by 12 percent. Further gains in sales, employment, and productivity are projected for the coming years.

An Alaska wild salmon harvester lost business to farmed product from Scandinavian countries and entered the TAAF program in 2016. TAAF program technical assistance was used for marketing consulting and website revision. The firm experienced accelerated growth. After two years, in 2018, the firm had increased sales by 155 percent (with 51 percent annual growth). Further gains in sales, employment, and productivity are projected for the coming years.



### **Rocky Mountain Trade Adjustment Assistance Center (RMTAAC)**

When a Colorado manufacturer of precision metal components entered the TAAF program in 2016, the firm had experienced a 25 percent drop in sales when its primary customer began sourcing parts from Mexico. With TAAF program funding assistance, projects were undertaken to enhance the firm's website, implement online marketing programs, and train its new business development manager. The firm's sales have increased by 37 percent by bringing in new customers and diversifying into new industries. Fourteen new jobs have been created as a result.

A North Dakota manufacturer of agricultural equipment had suffered a 13 percent drop in sales and a 17 percent decline in employment before entering the TAAF program in 2017. The TAAF program allowed the firm to implement a state-of-the-art custom job quoting software system, improving its quoting capabilities for more complex fabrication jobs with higher profit margins. Results so far have been impressive: sales have increased by 42 percent and 22 new jobs have been added. The firm has continued to improve its operations and integrate its IT systems across multiple plants.

### **Southeastern Trade Adjustment Assistance Center (SETAAC)**

A Georgia contract metal-stamping manufacturer was faced with increasing import competition; employment had declined to 114 employees and sales had decreased by 28 percent to just below \$4 million. After entering the TAAF program in 2018, the firm has completed a research and development project, received assistance with the design of unique automated welding equipment as well as onsite training. Since completing the project, the firm has added 11 jobs and increased sales by over \$11 million.

A South Carolina manufacturer of turnkey material handling solutions was faced with increasing import competition from manufacturers in China. When the firm entered the TAAF program in 2016, employment had decreased by over 9 percent and annual sales had decreased by \$4 million. The firm completed several marketing projects which included a web-site redesign, social media campaigns, and multiple video productions. Since completing the TAAF program in 2019, the firm's employment has stabilized, and sales have increased by over \$4 million.

### **Southwest Trade Adjustment Assistance Center (SWTAAC)**

A New Mexico food producer entered the TAAF program in 2014 after adverse impact by foreign competition from Canada. Recovery projects focused on production cost management, staff training, and broad industry marketing. The firm's sales at the time of certification in 2014 were \$3 million; currently they are at \$5 million and employment has risen from 21 employees at certification to 59 employees. The firm's executive team attributes much of its current success to the TAAF program.

A Texas family-owned heavy industrial and commercial gasket manufacturer was established in 1918. After the firm's sales and employment were negatively impacted by imports from Mexico and China, the firm entered the TAAF program in 2015. The business recovery projects focused on production management and general marketing to develop a comprehensive marketing strategy to penetrate new industries. This resulted in the development of new revenue markets to expand on military and civic procurement client base. The firm's sales in 2015 were \$3 million and currently its sales are at \$5 million. The firm's staff has also expanded from 9 to 14 employees.

## **Western Trade Adjustment Assistance Center (WTAAC)**

A California firm that is a value-added contract manufacturer and electric services provider to original equipment manufacturers in the military, defense and commercial industries has greatly improved over the course of its TAAF program participation. The firm had increasing competition from China and Taiwan which resulted in a decrease in employment by 10 percent and sales decreased 6 percent. Since its partnership with the TAAF program, the firm landed a multi-million-dollar contract for 2020 and has acquired new accounts through its updated website. Sales increased to \$12 million (a 75 percent increase) and employment increased by 56 percent while the order backlog has grown from an average of \$4 million in past years to \$9.8 million for 2020. According to the firm's CEO the goal to grow the firm during its participation in the TAAF program has been achieved.

A California services firm specializes in providing strategic marketing, mobile, website and exporting services. Due to increasing lower cost foreign competition from India and Asia, sales decreased 22 percent and employment decreased 12 percent. Through the TAAF program, the firm was recognized for a Global Innovation award for its innovation and leadership in transforming change in the region. Since receiving technical assistance for marketing strategy and operations through the TAAF program, sales have increased by 22 percent and employment has increased by 133 percent.