



Fiscal Year 2020 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),¹ 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 is 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 Commerce for Economic Development, who oversees the Economic Development Administration (EDA).

Key Findings of this Report²

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 productivity³ at these intervals of all firms that completed the program in a particular year (known as the “base year”) and provided complete

¹ 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.

² 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.

³ 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.

data to EDA. The base year used for this Report is FY 2018. EDA received data for all 74 firms that completed the program in FY 2018, of which 60 firms provided complete data across all metrics.

- From certification to program completion, the 60 firms providing complete data reported that average sales had increased by 28 percent, average employment had increased by 24 percent, and average productivity had increased by 3 percent.
- From certification to one year after completing the program, the 60 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 33 percent, and average productivity had decreased by 2 percent.
- From certification to two years after completing the program, the 60 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 32 percent, and average productivity had decreased by 1 percent.
- From program completion to one year after completing the program, the 60 firms providing complete data reported that average sales had increased by 3 percent, average employment had increased by 7 percent, and average productivity had decreased by 4 percent.
- From program completion to two years after completing the program, the 60 firms providing complete data reported average sales had increased by 2 percent, average employment had increased by 6 percent, and average productivity had decreased by 4 percent.
- Despite entering the program in a distressed state, 67 of the 74 firms that completed the program in FY 2018 continued to be in operation at the end of FY 2020. Of the 60 firms that completed the program in FY 2018 and submitted complete data to EDA, all were in operation at the end of FY 2020.

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 2020 shows that, on average:

- From certification to program completion, firms reported that average sales had increased by 27 percent, average employment had increased by 9 percent, and average productivity had increased by 16 percent.
- From program completion to one year after completing the program, firms reported that average sales had increased by 5 percent, average employment had decreased by 6 percent, and average productivity had increased by 12 percent. Average sales increased 9 of the 11 years analyzed. Average employment increased 8 of the 11 years analyzed. Average productivity increased at 5 of the 11 years analyzed.
- From program completion to two years after completing the program, firms reported that average sales had increased by 11 percent, average employment had increased by 4 percent, and average productivity had increased by 7 percent. Average sales increased 8

of the 11 years analyzed. Average employment increased 8 of the 11 years analyzed.
Average productivity increased 8 of the 11 years analyzed.

In considering these results, it is important to recognize 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.

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. No funds are provided directly to businesses.

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 firm’s market position and increase its 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 2020 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, 2020, 498 active firms with combined sales of \$5 billion and a workforce of 28,432 were participating in the TAAF program. In FY 2020, TAACs provided technical assistance to 215 firms in preparing petitions, 100 firms in preparing APs, and 403 firms in implementing projects within their APs. Meanwhile, EDA certified 80 petitions and approved 64 APs.

In FY 2020, EDA’s average processing time for petitions was 24 days (from acceptance) and the average processing time for APs was 51 days (from receipt); both are under the statutorily required approval deadlines.

Finally, the statutory authorization for the TAAF program is sunseting in two stages. First, on July 1, 2021, the TAAF program reverted to a more limited form. The two biggest reversions

were to narrow the definition of an eligible “firm” to exclude service-sector firms and to reduce eligibility look-back periods.⁴ Second, as of June 30, 2022, assistance may not be provided to new firms under the TAAF program.⁵ After that date, assistance may only be provided to firms that have previously submitted a petition under the TAAF program.⁶ The cumulative effect of these changes to the TAAF program are that firm eligibility narrowed as of July 1, 2021, and only firms that have previously submitted a petition may be served under the TAAF program as of June 30, 2022.

⁴ Public Law 114-27, § 406(a).

⁵ Public Law 114-27, § 406(a)(7)(A).

⁶ Public Law 114-27, § 406(a)(7)(B).

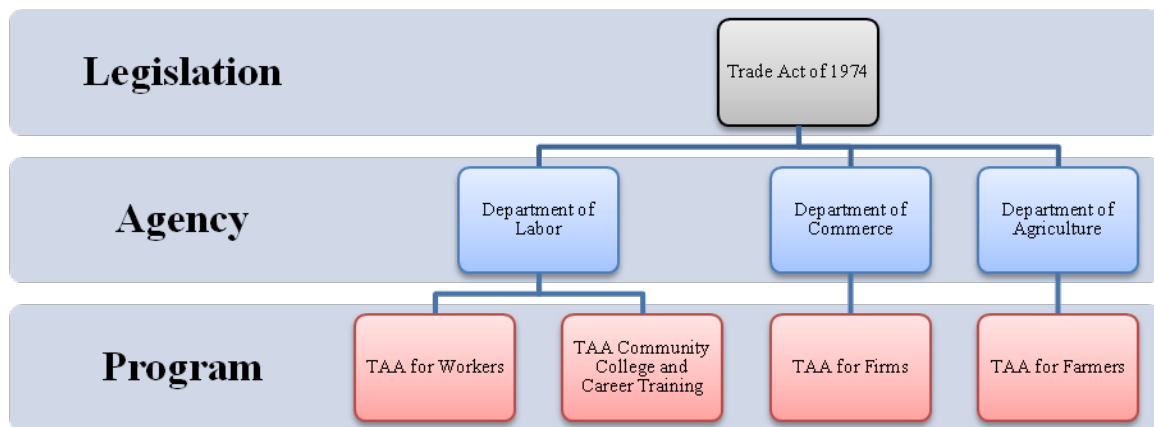
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Program Description

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 Commerce for Economic Development, who oversees 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 have applied for TAAF certification have been in the manufacturing sector.

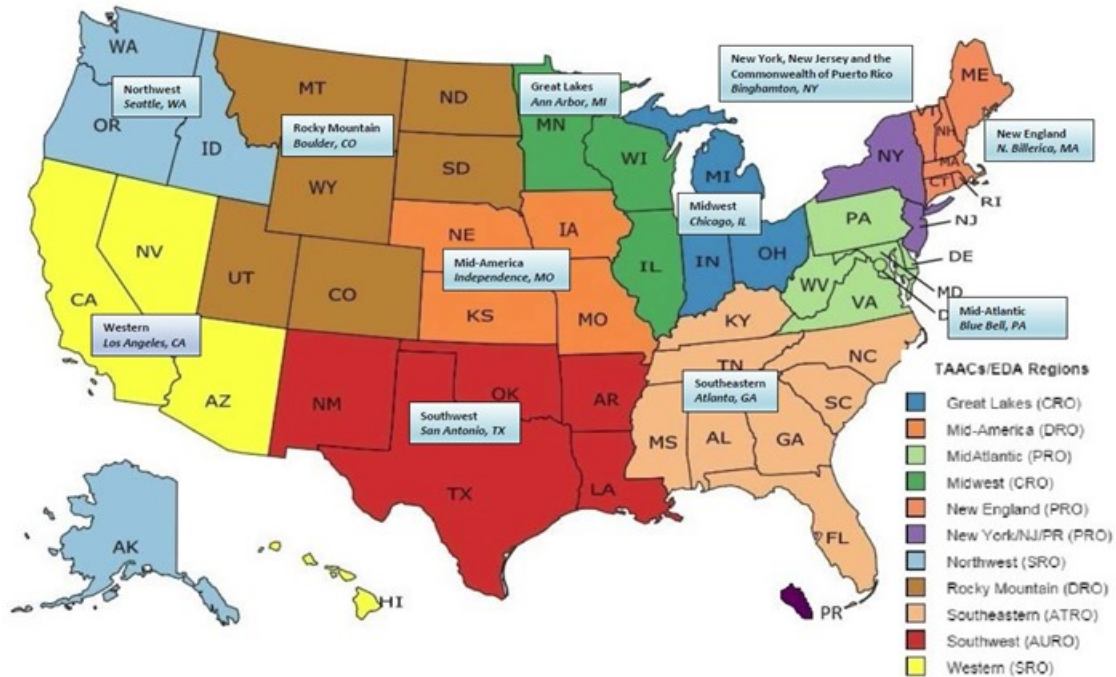
The program provides assistance to support the development of business recovery plans, commonly referred to as “Adjustment Proposals” or “APs,” under Section 252 of the Trade Act, and matching funds to implement projects outlined in the APs. These projects may cover a range of functional areas to improve 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.

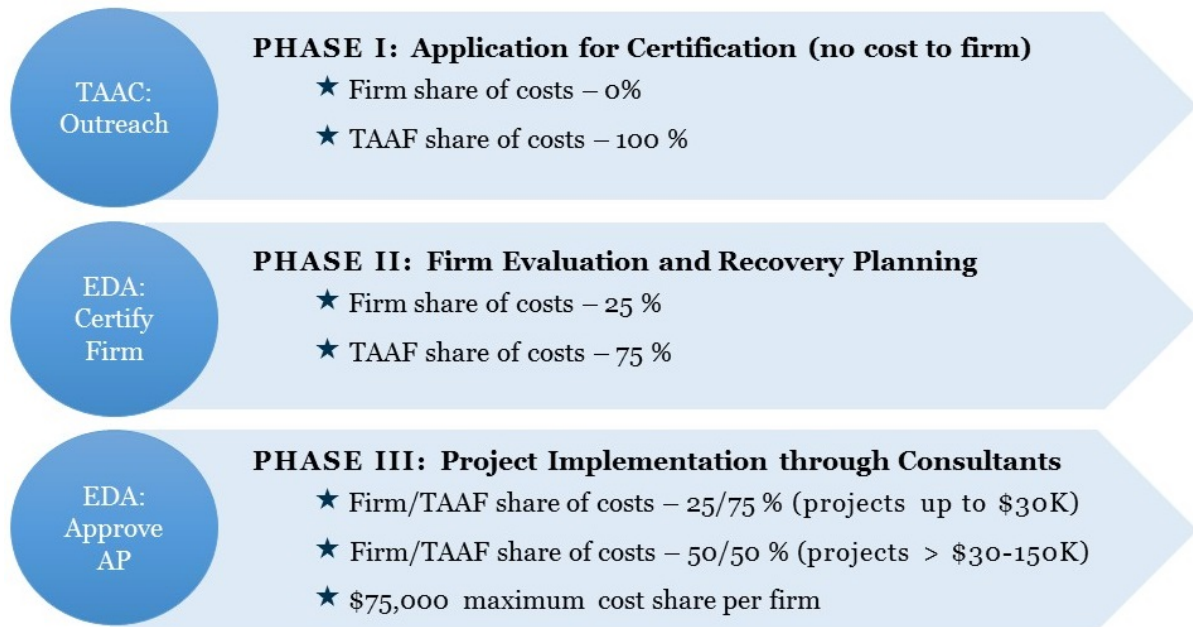
Exhibit 2: TAACs and their Service Areas⁷



TAAC	Service Areas
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

⁷ 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;⁸ 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.

⁸ 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.

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 2018 (the base year for this report), 74 firms completed the program, with 60 of those firms providing the complete data sets necessary for the analysis in this report. This 81% response rate is greatly improved from previous years, which have generally been around 58%.

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

In FY 2020, the TAACs received 1,263 inquiries about the program.

Exhibit 4: Inquiries about the TAAF program by TAAC

TAAC	No. of Firms that Inquired about the TAAF program
Great Lakes	115
Mid-America	195
MidAtlantic	73
Midwest	49
New England	21
New York, New Jersey, and Puerto Rico	136
Northwest	66
Rocky Mountain	76
Southeastern	118
Southwest	218
Western	196
Total	1,263

- (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 is 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 2020, EDA filed (accepted for investigation) 88 petitions and certified 80 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 2020 and just five petitions were withdrawn in FY 2020.

EDA’s average processing time for petitions, from filing (acceptance) to certification, was 24 days.

Exhibit 5: Petitions Filed (Accepted), and Certified by TAAC/State: FY 2020

TAAC/State	Petitions Filed (Accepted)	Petitions Certified
Great Lakes	16	12
IN	1	1
MI	9	7
OH	6	4
Mid-America	6	5
IA	2	1
KS	2	2
MO	1	1
NE	1	1
MidAtlantic	9	8
DC	0	0
DE	0	0
MD	2	2
PA	6	5
VA	1	1
WV	0	0
Midwest	6	5
IL	5	4

TAAC/State	Petitions Filed (Accepted)	Petitions Certified
MN	0	0
WI	1	1
New England	18	17
CT	6	6
MA	7	7
ME	2	1
NH	2	2
RI	1	1
VT	0	0
New York, New Jersey, and Puerto Rico	13	13
NJ	3	3
NY	10	10
PR	0	0
Northwest	3	6
AK	0	0
ID	0	0
OR	1	3
WA	2	3
Rocky Mountain	7	7
CO	3	3
MT	1	1
ND	0	0
SD	1	1
UT	1	1
WY	1	1
Southeastern	7	5
AL	0	0
FL	0	0
GA	1	1
KY	0	0
MS	0	0
NC	5	3
SC	1	1
TN	0	0
Southwest	1	1
AR	0	0
LA	0	0
NM	0	0
OK	0	0
TX	1	1

TAAC/State	Petitions Filed (Accepted)	Petitions Certified
Western	2	1
AZ	0	0
CA	2	1
HI	0	0
NV	0	0
Total	88	80

(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 2020

TAAC/State Congressional District	Petitions Filed (Accepted)	Petitions Certified
Great Lakes	16	12
IN	1	1
6	1	1
MI	9	7
2	2	2
3	2	1
4	1	1
6	1	1
7	1	1
10	1	0
11	1	1
OH	6	4
2	1	1
8	1	0
10	1	1
12	1	0
14	2	2
Mid-America	6	5
IA	2	1
4	2	1
KS	2	2
1	1	1
4	1	1
MO	1	1
1	1	1

TAAC/State Congressional District	Petitions Filed (Accepted)	Petitions Certified
NE	1	1
2	1	1
MidAtlantic	9	8
DC	0	0
DE	0	0
MD	2	2
1	1	1
7	1	1
PA	6	5
4	1	1
6	1	1
7	3	2
16	1	1
VA	1	1
6	1	1
WV	0	0
Midwest	6	5
IL	5	4
5	1	1
7	1	1
10	1	1
14	2	1
MN	0	0
WI	1	1
2	1	1
New England	18	17
CT	6	6
1	1	1
2	2	2
4	2	2
5	1	1
MA	7	7
1	2	2
3	2	2
6	1	1
9	2	2
ME	2	1
1	1	1
2	1	0

TAAC/State Congressional District	Petitions Filed (Accepted)	Petitions Certified
NH	2	2
1	1	1
2	1	1
RI	1	1
1	1	1
VT	0	0
New York, New Jersey, and Puerto Rico	13	13
NJ	3	3
5	1	1
7	1	1
10	1	1
NY	10	10
4	1	1
10	1	1
19	1	1
22	1	1
24	2	2
25	2	2
26	1	1
27	1	1
PR	0	0
Northwest	3	6
AK	0	0
ID	0	0
OR	1	3
1	0	1
3	1	1
4	0	1
WA	2	3
3	1	1
7	0	1
8	1	1
Rocky Mountain	7	7
CO	3	3
2	1	1
3	1	1
5	1	1
MT	1	1

TAAC/State Congressional District	Petitions Filed (Accepted)	Petitions Certified
At-Large	1	1
ND	0	0
SD	1	1
At-Large	1	1
UT	1	1
1	1	1
WY	1	1
At-Large	1	1
Southeastern	7	5
AL	0	0
FL	0	0
GA	1	1
4	1	1
KY	0	0
MS	0	0
NC	5	3
11	2	1
12	1	0
13	2	2
SC	1	1
4	1	1
TN	0	0
Southwest	1	1
AR	0	0
LA	0	0
NM	0	0
OK	0	0
TX	1	1
27	1	1
Western	2	1
AZ	0	0
CA	2	1
10	1	1
30	1	0
HI	0	0
NV	0	0
Total	88	80

(6) Of the number of petitions filed, the number of firms that entered the program and received benefits.⁹

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 2020). Firms have two years from certification to prepare an AP.

In FY 2020, of the 88 petitions accepted and 80 petitions certified by EDA, 49 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 2020

TAAC	No. of Firms Receiving Benefits (Certified and Approved AP in FY 2020)
Great Lakes	6
Mid-America	5
MidAtlantic	1
Midwest	4
New England	13
New York, New Jersey, and Puerto Rico	5
Northwest	3
Rocky Mountain	7
Southeastern	4
Southwest	0
Western	1
Total	49

⁹ EDA defines “entering the program” as receiving a certification.

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

In FY 2020, 215 firms received assistance in preparing petitions. Firms may receive assistance in all phases of preparing petitions more than once in a single year. It is possible that 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 2020

TAAC	Petition Assistance
Great Lakes	36
Mid-America	9
MidAtlantic	26
Midwest	65
New England	14
New York, New Jersey, and Puerto Rico	22
Northwest	10
Rocky Mountain	16
Southeastern	3
Southwest	3
Western	11
Total	215

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

In FY 2020, 100 firms received assistance in developing APs. Additionally, 403 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 2020

TAAC	AP Development Assistance
Great Lakes	15
Mid-America	5
MidAtlantic	10

TAAC	AP Development Assistance
Midwest	5
New England	15
New York, New Jersey, and Puerto Rico	14
Northwest	11
Rocky Mountain	11
Southeastern	11
Southwest	1
Western	2
Total	100

Exhibit 10: AP Implementation Activity: FY 2020

TAAC	AP Implementation Assistance
Great Lakes	48
Mid-America	39
MidAtlantic	39
Midwest	51
New England	46
New York, New Jersey, and Puerto Rico	35
Northwest	31
Rocky Mountain	47
Southeastern	23
Southwest	36
Western	8
Total	403

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

In FY 2020, EDA approved 64 APs (i.e., business recovery plans). In addition, EDA amended 8 existing APs. While EDA did not deny any APs in FY 2020, 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, which is below the statutory requirement of 60 days.

Exhibit 11: APs Approved by TAAC/State: FY 2020

TAAC/State	No. of APs Approved
Great Lakes	10
IN	3
MI	4
OH	3
Mid-America	7
IA	3
KS	3
MO	0
NE	1
MidAtlantic	5
DC	0
DE	0
MD	0
PA	5
VA	0
WV	0
Midwest	5
IL	4
MN	0
WI	1
New England	13
CT	4
MA	6
ME	1
NH	2
RI	0
VT	0
New York, New Jersey, and Puerto Rico	6
NJ	1
NY	5
PR	0
Northwest	4
AK	0
ID	0
OR	2
WA	2
Rocky Mountain	7

TAAC/State	No. of APs Approved
CO	2
MT	1
ND	1
SD	1
UT	1
WY	1
Southeastern	4
AL	0
FL	0
GA	0
KY	0
MS	0
NC	3
SC	1
TN	0
Southwest	1
AR	0
LA	0
NM	0
OK	0
TX	1
Western	2
AZ	0
CA	2
HI	0
NV	0
Total	64

(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 57 months of benefits under the TAAF program.

Exhibit 12: Average Duration of Benefits Received: FY 2020 by TAAC (Region)

TAAC	Average No. of Months Firms Received Benefits Under TAAF program by TAAC
Great Lakes	61
Mid-America	29

TAAC	Average No. of Months Firms Received Benefits Under TAAF program by TAAC
MidAtlantic	99
Midwest	61
New England	45
New York, New Jersey, and Puerto Rico	47
Northwest	55
Rocky Mountain	70
Southeastern	42
Southwest	63
Western	60
Average for All TAACs	57

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

As of September 30, 2020, 498 active firms with combined sales of \$5 billion and a workforce of 28,432 (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 2020 by TAAC and State:

TAAC/State	No. of Active Firms in FY 2019	Total Sales at Certification	Total Employment at Certification	Average Productivity at Certification
Great Lakes	53	\$606,089,129	3,106	\$195,135
IN	11	\$172,699,682	894	\$193,176
MI	23	\$251,109,710	1,285	\$195,416
OH	19	\$182,279,737	927	\$196,634
Mid-America	61	\$973,518,879	5,537	\$175,821
IA	14	\$147,731,916	951	\$155,344
KS	13	\$64,598,645	523	\$123,516
MO	25	\$189,107,044	1,199	\$157,721
NE	9	\$572,081,274	2,864	\$199,749
MidAtlantic	96	\$983,268,326	6,123	\$160,586
DC	0	\$0	0	\$0
DE	0	\$0	0	\$0
MD	4	\$7,124,413	117	\$60,892
PA	83	\$849,541,531	4,699	\$180,792

¹⁰ Ibid. Footnote 3.

TAAC/State	No. of Active Firms in FY 2019	Total Sales at Certification	Total Employment at Certification	Average Productivity at Certification
VA	8	\$46,861,614	439	\$106,746
WV	1	\$79,740,768	868	\$91,867
Midwest	49	\$723,006,648	3,517	\$205,575
IL	38	\$653,164,243	2,967	\$220,143
MN	4	\$13,593,066	149	\$91,229
WI	7	\$56,249,339	401	\$140,273
New England	48	\$218,405,903	1,250	\$174,725
CT	12	\$64,970,845	399	\$162,834
MA	16	\$34,178,543	231	\$147,959
ME	7	\$34,900,823	224	\$155,807
NH	3	\$35,679,650	110	\$324,360
RI	9	\$42,635,906	262	\$162,732
VT	1	\$6,040,136	24	\$251,672
New York, New Jersey, and Puerto Rico	43	\$255,319,717	1,439	\$177,429
NJ	4	\$28,511,118	105	\$271,534
NY	39	\$226,808,599	1,334	\$170,021
PR	0	\$0	0	\$0
Northwest	31	\$304,009,904	887	\$342,739
AK	0	\$0	0	\$0
ID	0	\$0	0	\$0
OR	9	\$212,776,731	379	\$561,416
WA	22	\$91,233,173	508	\$179,593
Rocky Mountain	48	\$468,453,561	2,666	\$175,714
CO	22	\$161,144,835	914	\$176,307
MT	4	\$10,432,855	89	\$117,223
ND	5	\$37,520,495	247	\$151,905
SD	3	\$46,908,648	313	\$149,868
UT	11	\$119,948,576	800	\$149,936
WY	3	\$92,498,152	303	\$305,274
Southeastern	29	\$205,928,324	1,400	\$147,092
AL	3	\$41,434,133	172	\$240,896
FL	0	\$0	0	\$0
GA	10	\$18,937,991	244	\$77,615
KY	1	\$15,268,528	98	\$155,801
MS	0	\$0	0	\$0
NC	12	\$105,543,849	732	\$144,186
SC	2	\$9,068,649	78	\$116,265
TN	1	\$15,675,174	76	\$206,252
Southwest	31	\$231,295,041	1,920	\$120,466
AR	3	\$73,032,847	309	\$236,352

TAAC/State	No. of Active Firms in FY 2019	Total Sales at Certification	Total Employment at Certification	Average Productivity at Certification
LA	10	\$75,051,616	309	\$242,885
NM	2	\$5,759,197	85	\$67,755
OK	4	\$53,836,757	992	\$54,271
TX	12	\$23,614,624	225	\$104,954
Western	9	\$64,655,816	587	\$110,146
AZ	0	\$0	0	\$0
CA	9	\$64,655,816	587	\$110,146
HI	0	\$0	0	\$0
NV	0	\$0	0	\$0
Total	498	\$5,033,951,248	28,432	\$177,052

“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.”



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

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 productivity¹² 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 2018. EDA received data for all 74 firms that completed the program in FY 2018, of which 60 firms provided complete data across all metrics.

- From certification to program completion, the 60 firms providing complete data reported that average sales had increased by 28 percent, average employment had increased by 24 percent, and average productivity had increased by 3 percent.

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

¹² 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 60 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 33 percent, and average productivity had decreased by 2 percent.
- From certification to two years after completing the program, the 60 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 32 percent, and average productivity had decreased by 1 percent.
- From program completion to one year after completing the program, the 60 firms providing complete data reported that average sales had increased by 3 percent, average employment had increased by 7 percent, and average productivity had decreased by 4 percent.
- From program completion to two years after completing the program, the 60 firms providing complete data reported average sales had increased by 2 percent, average employment had increased by 6 percent, and average productivity had decreased by 4 percent.
- Despite entering the program in a distressed state, 67 of the 74 firms that completed the program in FY 2018 continued to be in operation at the end of FY 2020. Of the 60 firms that completed the program in FY 2018 and submitted complete data to EDA, all were in operation at the end of FY 2020.

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.¹³

Measurement Range	Average Sales	Average Employment	Average Productivity
Certification to Completion			
Certification	\$12,296,275	66	\$186,307
Completion	\$15,701,162	82	\$191,478
Percent Change (+/-)	28%	24%	3%
Measurement Range	Average Sales	Average Employment	Average Productivity
Certification to One Year Post Completion			
Certification	\$12,296,275	66	\$186,307
1st Year Post Completion	\$16,145,380	88	\$183,470
Percent Change (+/-)	31%	33%	-2%
Measurement Range	Average Sales	Average Employment	Average Productivity
Certification to Two Years Post Completion			
Certification	\$12,296,275	66	\$186,307
2 nd Year Post Completion	\$16,072,853	87	\$184,745
Percent Change (+/-)	31%	32%	-1%
Measurement Range	Average Sales	Average Employment	Average Productivity
Completion to One Year Post Completion			
Completion	\$15,701,162	82	\$191,478
1st Year Post Completion	\$16,145,380	88	\$183,470
Percent Change (+/-)	3%	7%	-4%
Measurement Range	Average Sales	Average Employment	Average Productivity
Completion to Two Years Post Completion			
Completion	\$15,701,162	82	\$191,478
2nd Year Post Completion	\$16,072,853	87	\$184,745
Percent Change (+/-)	2%	6%	-4%

¹³ All reported numbers are rounded.

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 2020 shows that, on average:

- 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.

In considering these results, it is important to recognize 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.

Exhibit 14b: Summary of Historical 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 - 2020.¹⁴

Certification to Program Completion		Average Employment	Average Productivity
	Average Sales		
Certification	\$150,116,985	927	\$161,938
Completion	\$191,142,238	1,015	\$188,317
Percent Change (+/-)	27%	9%	16%
Certification to One Year Post Program Completion		Average Employment	Average Productivity
	Average Sales		
Certification	\$150,116,985	927	\$161,938
1st Year Post Completion	\$200,903,949	951	\$211,255
Percent Change (+/-)	34%	3%	30%
Certification to Two Years Post Program Completion		Average Employment	Average Productivity
	Average Sales		
Certification	\$150,116,985	927	\$161,938

¹⁴ All reported numbers are rounded.

2nd Year Post Completion	\$212,638,829	1,054	\$201,745
Percent Change (+/-)	42%	14%	25%
Program Completion to One Year Post Completion	Average Sales	Average Employment	Average Productivity
Completion	\$191,142,238	1,015	\$188,317
1st Year Post Completion	\$200,903,949	951	\$211,255
Percent Change (+/-)	5%	-6%	12%
No. of Years Measure Increased	9 of 11	8 of 11	5 of 11
Program Completion to Two Years Post Completion	Average Sales	Average Employment	Average Productivity
Completion	\$191,142,238	1,015	\$188,317
2 nd Year Post Completion	\$212,638,829	1,054	\$201,745
Percent Change (+/-)	11%	4%	7%
No. of Years Measure Increased	8 of 11	8 of 11	8 of 11

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.

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

Certification to Program Completion	Number of Firms with Increase	Number of Firms with Decrease	Number of Firms with No Change	Total
Sales Certification to Completion	46	14	0	60
Employment Certification to Completion	40	16	4	60
Productivity Certification to Completion	33	27	0	60
Certification to One Year Post Program Completion	Number of Firms with Increase	Number of Firms with Decrease	Number of Firms with No Change	Total
Sales Certification to One Year Post Completion	42	18	0	60
Employment Certification to One Year Post Completion	38	18	4	60
Productivity Certification to One Year Post Completion	60	0	0	60

Certification to Two Years Post Program Completion	Number of Firms with Increase	Number of Firms with Decrease	Number of Firms with No Change	Total
Sales Certification to Two Years Post Completion	41	19	0	60
Employment Certification to Two Years Post Completion	35	22	3	60
Productivity Certification to Two Years Post Completion	60	0	0	60
Completion to One Year Post Program Completion	Number of Firms with Increase	Number of Firms with Decrease	Number of Firms with No Change	Total
Sales at One Year Post Completion	29	24	7	60
Employment at One Year Post Completion	28	17	15	60
Productivity at One Year Post Completion	60	0	0	60
Completion to Two Years Post Program Completion	Number of Firms with Increase	Number of Firms with Decrease	Number of Firms with No Change	Total
Sales at Two Years Post Completion	27	30	3	60
Employment at Two Years Post Completion	30	25	5	60
Productivity at Two Years After Completion	60	0	0	60

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

TAAC/Firm ID	Sales at Certification	Sales at Completion (FY 2018)	Sales 1st Yr. Following Completion (FY 2019)	Sales 2nd Yr. Following Completion (FY 2020)	Average Employment at Certification	Average Employment at Completion (FY 2018)	Average Employment 1st Yr. Following Completion (FY 2019)	Average Employment 2nd Yr. Following Completion (FY 2020)	Average Productivity at Certification	Average Productivity at Completion (FY 2018)	Average Productivity 1st Yr. Following Completion (FY 2019)	Average Productivity 2nd Yr. Following Completion (FY 2020)
MamTAAC-CMP20-001	\$25,479,213	\$13,000,000	\$15,000,000	\$9,200,000	107	100	88	35	\$238,123	\$130,000	\$170,455	\$262,857
MamTAAC-CMP20-002	\$4,583,379	\$6,750,000	\$6,927,300	\$7,553,110	32	41	44	44	\$143,231	\$164,634	\$157,439	\$171,662
MamTAAC-CMP20-003	\$449,365	\$199,469	\$225,026	\$275,055	86	53	74	64	\$5,225	\$3,764	\$3,041	\$4,298
MamTAAC-CMP20-004	\$548,686	\$806,500	\$3,656,200	\$3,320,000	6	12	12	15	\$91,448	\$67,208	\$304,683	\$221,333
MamTAAC-CMP20-005	\$25,599,485	\$28,922,225	\$36,284,357	\$30,866,363	129	175	170	180	\$198,446	\$165,270	\$213,437	\$171,480
MamTAAC-CMP20-006	\$1,156,198	\$653,943	\$725,884	\$455,000	15	8	10	10	\$77,080	\$81,743	\$72,588	\$45,500
MamTAAC-CMP20-007	\$10,013,376	\$14,982,000	\$12,000,000	\$10,000,000	63	85	75	65	\$158,942	\$176,259	\$160,000	\$153,846
MamTAAC-CMP20-008	\$6,376,262	\$8,005,850	\$7,400,000	\$7,500,000	34	37	34	36	\$187,537	\$216,374	\$217,647	\$208,333
MamTAAC-CMP20-009	\$9,572,470	\$15,600,000	\$14,250,000	\$24,254,080	54	92	95	189	\$177,268	\$169,565	\$150,000	\$128,328
MamTAAC-CMP20-010	\$10,134,814	\$12,000,000	\$14,000,000	\$15,000,000	150	165	175	196	\$67,565	\$72,727	\$80,000	\$76,531
MATAAC-CMP20-001	\$34,771,398	\$59,824,403	\$48,300,456	\$49,409,889	188	231	230	213	\$184,954	\$258,980	\$210,002	\$231,971
MATAAC-CMP20-002	\$3,293,175	\$1,700,000	\$2,700,000	\$3,600,000	26	19	18	19	\$126,661	\$89,474	\$150,000	\$189,474
MATAAC-CMP20-003	\$4,003,446	\$4,420,977	\$5,256,465	\$4,882,218	36	32	38	36	\$111,207	\$138,156	\$138,328	\$135,617
MATAAC-CMP20-004	\$52,829,665	\$114,100,000	\$110,500,000	\$92,000,000	204	506	471	457	\$258,969	\$225,494	\$234,607	\$201,313
MWTAAC-CMP20-001	\$7,906,366	\$7,849,000	\$8,522,000	\$9,500,000	46	41	42	41	\$171,878	\$191,439	\$202,905	\$231,707
MWTAAC-CMP20-002	\$29,508,000	\$25,000,000	\$25,000,000	\$25,000,000	55	55	55	55	\$536,509	\$454,545	\$454,545	\$454,545
MWTAAC-CMP20-003	\$1,110,265	\$4,300,000	\$4,300,000	\$2,405,000	2	14	14	10	\$555,133	\$307,143	\$307,143	\$240,500
MWTAAC-CMP20-004	\$6,800,000	\$9,441,000	\$11,493,000	\$11,250,000	24	83	95	94	\$283,333	\$113,747	\$120,979	\$119,681
MWTAAC-CMP20-005	\$2,107,000	\$2,225,000	\$2,225,000	\$2,100,000	23	23	23	22	\$91,609	\$96,739	\$96,739	\$95,455
MWTAAC-CMP20-006	\$11,598,000	\$15,000,000	\$15,000,000	\$14,500,000	69	67	67	68	\$168,087	\$223,881	\$223,881	\$213,235
MWTAAC-CMP20-007	\$2,269,214	\$3,702,000	\$3,300,000	\$2,900,000	21	38	38	36	\$108,058	\$97,421	\$86,842	\$80,556

TAAC/Firm ID	Sales at Certification	Sales at Completion (FY 2018)	Sales Following Completion (FY 2019)	Sales 2nd Yr. Following Completion (FY 2020)	Average Employment at Certification	Average Employment at Completion (FY 2018)	Average Employment 1st Yr. Following Completion (FY 2019)	Average Employment 2nd Yr. Following Completion (FY 2020)	Average Productivity at Certification	Average Productivity at Completion (FY 2018)	Average Productivity 1st Yr. Following Completion (FY 2019)	Average Productivity 2nd Yr. Following Completion (FY 2020)
MWTAAC-CMP20-008	\$14,291,766	\$24,000,000	\$24,014,503	\$23,500,000	105	140	142	144	\$136,112	\$171,429	\$169,116	\$163,194
MWTAAC-CMP20-009	\$4,640,840	\$4,900,000	\$4,453,930	\$4,500,000	37	37	41	42	\$125,428	\$132,432	\$108,632	\$107,143
MWTAAC-CMP20-010	\$2,110,182	\$2,162,000	\$2,358,000	\$2,358,000	20	15	17	17	\$105,509	\$144,133	\$138,706	\$138,706
MWTAAC-CMP20-011	\$15,200,000	\$26,500,000	\$26,296,000	\$29,000,000	23	25	25	35	\$660,870	\$1,060,000	\$1,051,840	\$828,571
MWTAAC-CMP20-012	\$1,459,151	\$1,750,000	\$1,500,000	\$1,250,000	7	6	5	5	\$208,450	\$291,667	\$300,000	\$250,000
MWTAAC-CMP20-013	\$47,588,475	\$50,000,000	\$49,350,000	\$51,000,000	318	354	365	347	\$149,649	\$141,243	\$135,205	\$146,974
MWTAAC-CMP20-014	\$77,336,136	\$84,100,000	\$84,500,000	\$84,500,000	322	324	297	310	\$240,174	\$259,568	\$284,512	\$272,581
MWTAAC-CMP20-015	\$30,352,558	\$29,700,000	\$30,035,000	\$30,194,000	190	189	193	186	\$159,750	\$157,143	\$155,622	\$162,333
MWTAAC-CMP20-016	\$4,853,388	\$5,500,000	\$5,500,000	\$5,500,000	40	39	40	40	\$121,335	\$141,026	\$137,500	\$137,500
MWTAAC-CMP20-017	\$44,985,221	\$50,407,966	\$41,000,000	\$41,000,000	59	41	41	41	\$762,461	\$1,229,463	\$1,000,000	\$1,000,000
MWTAAC-CMP20-018	\$2,729,200	\$4,816,624	\$1,919,900	\$1,860,000	19	20	16	4	\$143,642	\$240,831	\$119,994	\$465,000
MWTAAC-CMP20-019	\$2,014,000	\$3,900,000	\$4,250,000	\$4,870,000	16	39	44	50	\$125,875	\$100,000	\$96,591	\$97,400
MWTAAC-CMP20-020	\$3,476,474	\$4,400,000	\$4,400,000	\$3,800,000	30	39	39	40	\$115,882	\$112,821	\$112,821	\$95,000
MWTAAC-CMP20-021	\$2,402,672	\$3,000,000	\$3,000,000	\$3,000,000	13	18	18	18	\$184,821	\$166,667	\$166,667	\$166,667
MWTAAC-CMP20-022	\$55,229,872	\$65,000,000	\$90,000,000	\$92,000,000	275	351	570	590	\$200,836	\$185,185	\$157,895	\$155,932
NETAAC-CMP20-001	\$4,017,739	\$5,390,000	\$5,300,000	\$4,616,020	36	40	40	35	\$111,604	\$134,750	\$132,500	\$131,886
NETAAC-CMP20-005	\$7,330,872	\$14,328,444	\$15,200,000	\$11,480,000	76	96	95	90	\$96,459	\$149,255	\$160,000	\$127,556
NETAAC-CMP20-006	\$6,600,024	\$11,300,000	\$11,100,000	\$11,080,000	50	81	75	80	\$132,000	\$139,506	\$148,000	\$138,500
NETAAC-CMP20-007	\$20,791,927	\$28,000,000	\$27,934,495	\$27,600,000	98	105	105	100	\$212,163	\$266,667	\$266,043	\$276,000
NETAAC-CMP20-009	\$3,897,947	\$6,411,093	\$3,200,000	\$5,066,000	20	22	19	18	\$194,897	\$291,413	\$168,421	\$281,444
NYNJPRTAAC-CMP20-001	\$1,277,366	\$1,412,471	\$1,502,356	\$1,597,899	10	11	11	12	\$127,737	\$128,406	\$136,578	\$133,158
NYNJPRTAAC-CMP20-002	\$4,046,448	\$3,350,000	\$2,750,650	\$3,580,866	39	28	30	33	\$103,755	\$119,643	\$91,688	\$108,511
NYNJPRTAAC-CMP20-003	\$49,915,068	\$25,500,050	\$23,478,000	\$18,652,500	225	160	152	169	\$221,845	\$159,375	\$154,461	\$110,370

TAAC/Firm ID	Sales at Certification	Sales at Completion (FY 2018)	Sales Following Completion (FY 2019)	Sales 2nd Yr. Following Completion (FY 2020)	Average Employment at Certification	Average Employment at Completion (FY 2018)	Average Employment 1st Yr. Following Completion (FY 2019)	Average Employment 2nd Yr. Following Completion (FY 2020)	Average Productivity at Certification	Average Productivity at Completion (FY 2018)	Average Productivity 1st Yr. Following Completion (FY 2019)	Average Productivity 2nd Yr. Following Completion (FY 2020)
NYNJPRTAAC-CMP20-004	\$7,178,338	\$4,500,000	\$5,251,000	\$6,498,537	39	60	62	67	\$184,060	\$75,000	\$84,694	\$96,993
NYNJPRTAAC-CMP20-005	\$4,908,000	\$5,488,000	\$3,397,000	\$5,435,000	23	25	21	22	\$213,391	\$219,520	\$161,762	\$247,045
NYNJPRTAAC-CMP20-006	\$3,115,683	\$3,269,639	\$2,853,954	\$2,415,101	19	20	20	21	\$163,983	\$163,482	\$142,698	\$115,005
NWTAAC-CMP20-004	\$7,174,074	\$9,289,028	\$9,543,772	\$8,720,652	62	47	47	45	\$115,711	\$197,639	\$203,059	\$193,792
RMTAAC-CMP20-001	\$7,758,751	\$9,600,000	\$13,100,000	\$15,250,000	110	125	156	151	\$70,534	\$76,800	\$83,974	\$100,993
RMTAAC-CMP20-002	\$5,228,752	\$6,250,000	\$7,800,000	\$7,800,000	19	30	31	31	\$275,197	\$208,333	\$251,613	\$251,613
RMTAAC-CMP20-003	\$440,814	\$709,460	\$676,881	\$343,696	4	10	9	2	\$110,204	\$70,946	\$75,209	\$171,848
RMTAAC-CMP20-004	\$537,296	\$437,000	\$326,000	\$312,003	11	13	9	6	\$48,845	\$33,615	\$36,222	\$52,001
RMTAAC-CMP20-005	\$2,861,835	\$6,000,000	\$7,578,915	\$7,400,000	22	38	45	43	\$130,083	\$157,895	\$168,420	\$172,093
RMTAAC-CMP20-006	\$26,438,182	\$78,500,000	\$87,800,000	\$101,100,000	160	395	483	426	\$165,239	\$198,734	\$181,781	\$237,324
SWTAAC-CMP20-001	\$662,704	\$915,000	\$1,670,175	\$1,300,000	4	8	9	13	\$165,676	\$114,375	\$185,575	\$100,000
SWTAAC-CMP20-002	\$696,815	\$3,483,124	\$3,900,000	\$3,200,000	5	10	12	11	\$139,363	\$348,312	\$325,000	\$290,909
SWTAAC-CMP20-004	\$5,602,398	\$2,630,000	\$10,000,000	\$9,136,000	34	49	56	35	\$164,776	\$53,673	\$178,571	\$261,029
SWTAAC-CMP20-005	\$900,195	\$550,000	\$440,000	\$360,000	5	5	10	9	\$180,039.00	\$110,000	\$44,000	\$40,000
SWTAAC-CMP20-006	\$2,502,385	\$3,000,000	\$3,100,000	\$4,391,000	10	15	16	14	\$250,238.50	\$200,000	\$193,750	\$313,643
WTAAC-CMP20-002	\$5,113,147	\$3,137,452	\$1,176,601	\$2,733,206	52	28	32	26	\$98,329.75	\$112,052	\$36,769	\$105,123
Total Average	\$12,296,275	\$15,701,162	\$16,145,380	\$16,072,853	66	82	88	87	\$186,307	\$191,478	\$183,470	\$184,745

Please note: For the final row of the table in Exhibit 14d, 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 calculates 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, 2020, 498 active firms with combined sales of \$5 billion and a workforce of 28,432 were participating in the TAAF program. Of the 60 firms that completed the program in FY 2018 and provided complete data on their post-completion performance, all were in operation at the end of FY 2020.

Despite entering the program in a distressed state, 67 of the 74 firms that completed the program in FY 2018 continued to be in operation at the end of FY 2020. Of the 60 firms that completed the program in FY 2018 and submitted complete data to EDA, all were in operation at the end of FY 2020.

(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 2020, firms received \$6.8 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 \$3.4 million to match \$6.8 million in TAAF funds towards the development and implementation of APs.



Exhibit 15: Summary of TAAC Assistance and Matching Firm Contributions: FY 2020

(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 2020

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

(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 2020, 38 of the 95 firms that exited the program did so prior to completing all projects in their business recovery plans (AP); Four 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 (achieved desired results) – 2
- Business or Financial decision after completing part of the AP – 5
- Business or Financial decision to exit prior to completing any AP projects – 2
- Firms out of business – 1
- Firms sold – 3
- Five-year time limit expired before completing all projects – 25

(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 2020

TAAC	Personnel (including Fringe Benefits)	Contracts (Federal Share)	Travel	Equipment and Supplies	Other	Indirect Costs	Total TAAC Expenditures
Great Lakes	\$863,532	\$583,652	\$17,750	\$8,464	\$18,786	\$304,552	\$1,796,736
Mid-America	\$288,623	\$351,789	\$4,060	\$1,243	\$121,969	\$176,242	\$943,926
MidAtlantic	\$456,590	\$372,267	\$1,179	-\$1,817	\$164,855	\$0	\$993,074
Midwest	\$504,553	\$291,095	\$5,492	\$17,597	\$137,781	\$0	\$956,518
New England	\$469,662	\$594,561	\$4,541	\$23,672	\$63,737	\$0	\$1,156,173
New York, New Jersey, and Puerto Rico	\$431,456	\$306,421	\$4,630	\$7,288	\$37,730	\$88,179	\$875,704
Northwest	\$737,337	\$186,689	\$14,179	\$10,886	\$182,828	\$0	\$1,131,919
Rocky Mountain	\$638,213	\$465,546	\$823	\$0	\$50,689	\$168,830	\$1,324,101
Southeastern	\$462,744	\$366,347	\$856	\$6,477	\$0	\$152,912	\$989,336
Southwest	\$410,375	\$123,850	\$8,514	\$3,580	\$11,331	\$94,435	\$652,085
Western	\$426,583	\$70,123	\$2,308	\$13,237	\$38,851	\$113,851	\$664,953
Total	\$5,689,668	\$3,712,340	\$64,332	\$90,627	\$828,557	\$1,099,001	\$11,484,525

(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 2020, TAACs expended \$6.8 million to provide technical assistance to firms in preparing petitions and developing and implementing APs.

Exhibit 18: TAAC Expenditures to Provide Technical Assistance: FY 2020

TAAC	Total TAAC Expenditures¹⁵
Great Lakes	\$1,109,938
Mid-America	\$467,554
MidAtlantic	\$875,014
Midwest	\$544,278
New England	\$839,526
New York, New Jersey, and Puerto Rico	\$487,757
Northwest	\$654,689
Rocky Mountain	\$996,458
Southeastern	\$345,715
Southwest	\$311,173
Western	\$185,297
Total	\$6,817,399

¹⁵ All reported numbers are rounded.



I. 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 productivity¹⁶ 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 2018. EDA received data for all 74 firms that completed the program in FY 2018, of which 60 firms provided complete data across all metrics.

- From certification to program completion, the 60 firms providing complete data reported that average sales had increased by 28 percent, average employment had increased by 24 percent, and average productivity had increased by 3 percent.
- From certification to one year after completing the program, the 60 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 33 percent, and average productivity had decreased by 2 percent.
- From certification to two years after completing the program, the 60 firms providing complete data reported that average sales had increased by 31 percent, average employment had increased by 32 percent, and average productivity had decreased by 1 percent.
- From program completion to one year after completing the program, the 60 firms providing complete data reported that average sales had increased by 3 percent, average employment had increased by 7 percent, and average productivity had decreased by 4 percent.
- From program completion to two years after completing the program, the 60 firms providing complete data reported average sales had increased by 2 percent, average employment had increased by 6 percent, and average productivity had decreased by 4 percent.

¹⁶ 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.

- Despite entering the program in a distressed state, 67 of the 74 firms that completed the program in FY 2018 continued to be in operation at the end of FY 2020. Of the 60 firms that completed the program in FY 2018 and submitted complete data to EDA, all were in operation at the end of FY 2020.

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 2020 shows that, on average:

- From certification to program completion, firms reported that average sales had increased by 27 percent, average employment had increased by 9 percent, and average productivity had increased by 16 percent.
- From program completion to one year after completing the program, firms reported that average sales had increased by 5 percent, average employment had decreased by 6 percent, and average productivity had increased by 12 percent. Average sales increased 9 of the 11 years analyzed. Average employment increased 8 of the 11 years analyzed. Average productivity increased at 5 of the 11 years analyzed.
- From program completion to two years after completing the program, firms reported that average sales had increased by 11 percent, average employment had increased by 4 percent, and average productivity had increased by 7 percent. Average sales increased 8 of the 11 years analyzed. Average employment increased 8 of the 11 years analyzed. Average productivity increased 8 of the 11 years analyzed.

In considering these results, it is important to recognize 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.

Finally, the statutory authorization for the TAAF program is sunseting in two stages. First, on July 1, 2021, the TAAF program reverted to a more limited form. The two biggest reversions were to narrow the definition of an eligible “firm” to exclude service-sector firms and to reduce eligibility look-back periods.¹⁷ Second, as of June 30, 2022, assistance may not be provided to new firms under the TAAF program.¹⁸ After that date, assistance may only be provided to firms that have previously submitted a petition under the TAAF program.¹⁹ The cumulative effect of these changes to the TAAF program are that firm eligibility narrowed as of July 1, 2021, and only firms that have previously submitted a petition may be served under the TAAF program as of June 30, 2022.

¹⁷ Public Law 114-27, § 406(a).

¹⁸ Public Law 114-27, § 406(a)(7)(A).

¹⁹ Public Law 114-27, § 406(a)(7)(B).

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



The Economic Development Administration's (EDA) national network of 11 Trade Adjustment Assistance Centers (TAACs) work with individual firms across the country 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 firm.

Great Lakes Trade Adjustment Center (GLTAAC)

A **Michigan** manufacturer of diagnostic imaging equipment needed to shift its market focus after losing significant business to import competition from China and Japan. After entering the TAAF program in 2018, the firm developed a marketing strategy to support sales of its products into the digital pathology niche of the market. As a result of the TAAF program, the firm recruited sales leadership, improved the skills of its leadership team, and implemented a structured business framework via the program. Since engagement with the TAAF program, the company has increased sales by 50 percent, grown its workforce by 17 percent, and returned to profitability. The firm is on track to complete the program in 2022.

An **Ohio** electronics manufacturer entered the TAAF program in late 2015 after years of eroding sales caused by fierce import competition from Korea and other countries. The TAAF program enabled the firm to make numerous improvements to the business via a series of top-line and bottom-line projects including market research, product engineering support, export promotion, and Lean Six Sigma. The firm completed the program at the end of fiscal year 2020. While the firm was negatively impacted by the current pandemic, their competitiveness is improved, and they are well positioned for success moving forward.

Mid-America Trade Adjustment Assistance Center (MamTAAC)

An **Iowa** hydraulic equipment manufacturer entered the TAAF program in 2017. TAAF supported the implementation of business recovery projects focusing on assessing their existing CRM system, CRM development and training, as well as marketing. As a result of participation in the TAAF program, the firm was able to expand into new industries, increase their sales by 122 percent, and increase their employment by 31 percent.

A **Missouri** manufacturer of sand blasting equipment started working with the TAAF program in 2016. As a result of engagement with the TAAF program, the firm's business recovery projects included production improvement, production development and training, exporting through international research, strategic planning, and Lean training. Two years after completing the TAAF program in 2019, the firm has experienced a sales increase of 9 percent and have successfully retained all 48 jobs.

MidAtlantic Trade Adjustment Assistance Center (MATAAC)

A **Pennsylvania** firm that manufactures customized thermoformed plastic components sought the assistance of the TAAF program due to sales and employment declines caused by import competition. When the firm entered the TAAF program, sales had decreased by 44 percent, and 32 percent of their employees had been separated from employment. As a result of the implementation of several business recovery projects, including sales system development, financial planning, and marketing, the firm was able to start the recovery process and increase sales by 5 percent and employment by 8 percent.

A **Virginia** manufacturer of telecommunications equipment sought the assistance of the TAAF program when it found itself faced with aggressive foreign competition. At the time the firm entered the TAAF program in 2016, the firm's sales had decreased by 26 percent, and 30 percent of their employees had been separated from employment. As a result of the implementation of several business recovery projects, including Centrian CE Mark and the Jeeves ERP Information Systems Upgrade projects, the firm was able to increase employment by 26 percent.

Midwest Trade Adjustment Assistance Center (MWTAAAC)

An **Illinois** manufacturer of precision machined metal parts entered the 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 nearly 47 percent since entry into the program.

A small **Illinois** manufacturer of loudspeaker systems, amplifiers, and system processors for recording studios, performing arts centers, houses of worship, museums, and sports facilities lost nearly 60 percent of sales and 22 percent of workers because of cheaper foreign produced goods flooding the U.S. market. Through the TAAF program, the firm received assistance with developing new products and upgrading design capabilities to help reinvigorate the product offering. The company also utilized TAAF assistance with ERP selection, integration, and custom programming to help reduce costs through better information tracking. As a result of participation in the TAAF program, the firm was able to remain competitive in the industry and recover both lost workers and reduced sales back to pre-qualifying levels.

New England Trade Adjustment Assistance Center (NETAAC)

A **Maine** manufacturer of injection molded thermoplastic and liquid silicone rubber parts used in the medical, military, and commercial industries entered the TAAF program in 2017. At that time, they were challenged with lower priced silicone parts and moldings from China resulting in a 6 percent loss in sales and a 6 percent decline in employment. TAAF program recovery projects included strategic business planning, operational improvements and expansion, and an enhanced sales and marketing plan. As a result of TAAF program assistance, the firm experienced a 12 percent increase in sales and a 40 percent rise in employment.

A **New Hampshire** contract manufacturer of electromechanical devices, electrical assemblies, printed circuits, and flex circuits used in aerospace, defense, medical, and robotics sectors, entered the TAAF program in 2015. Industry downturn, along with competition from China and Mexico, led to a 13 percent loss in sales and a 5 percent decline in employment. TAAF program recovery projects included strategic business planning, improvements in sales, marketing, upgrades to software systems, and employee training. As a result of participation in the TAAF program, within one year the firm experienced a 34 percent increase in sales and a 7 percent rise in employment.

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

A **New York** manufacturer of office seating products was under financial pressure from imports, which caused a decline in annual sales and employment. The firm entered the TAAF program in 2014. Adjustment assistance was designed and implemented to address strategic sales growth and lean manufacturing. As a result of TAAF program assistance, at the end of 2019, the firm had experienced an increase in sales and employment.

A **New York** manufacturer of decorative glassware entered the TAAF program in 2017 after experiencing declines in sales and employment. Adjustment assistance was directed toward improvements in marketing. Several small projects were successfully completed, and as a result the firm has seen growth in sales and employment. The firm credits the TAAF program with having a critical role in their recovery.

Northwest Trade Adjustment Assistance Center (NWTAAAC)

An **Oregon** contract manufacturer of wood products experiencing strong price competition from Mexico, China, and Vietnam entered the TAAF program in 2013. The company received TAAF assistance for strategic planning, marketing consulting, lean manufacturing, website development, and information system implementation. After six years in the program, the company had grown substantially. The firm saw a 93 percent growth in sales with yearly growth of over 10 percent accompanied by 92 percent growth in productivity.

A **Washington** manufacturer of farm equipment experiencing price competition from China, Germany, and Italy, entered the TAAF program in 2017. TAAF adjustment assistance focused on strategic planning and information system management. After just over three years in the program, the firm grew and improved efficiency, experiencing a 36 percent increase in sales, 15 percent increase in employment, and 19 percent increase in productivity.

Rocky Mountain Trade Adjustment Assistance Center (RMTAAAC)

A **South Dakota** manufacturer of large steel weldment products entered the TAAF program in 2018 after experiencing a nearly 15 percent decline in sales largely due to Canadian import competition. TAAF program assistance allowed the firm to implement a vital Lean transformation project to combat declining sales. The firm introduced process changes into their organization with the goal of maximizing the flow of products produced and reducing waste. As a result of the firm's participation in the TAAF program, lead time was reduced from six weeks to four weeks and work-in-process went from \$1.1 million down to \$400,000.

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. TAAF 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** chemical manufacturer in business for 60 years entered the TAAF program in 2016 after being faced with increased import competition. The firm's annual sales had declined by almost 11 percent. The business recovery plan outlined in the Adjustment Proposal focused on the development new marketing materials and increasing its customer base through market research. As a result of the firm's participation in the TAAF program, in 2020 the firm reported that annual sales have increased by over 16 percent and employment has stabilized.

A **North Carolina** manufacturer of superabrasive grinding wheels found itself faced with increased import competition and entered the TAAF program in 2019, when annual sales had declined by over 23 percent. As a result of the firm's participation in the TAAF program, in 2020 the firm completed a marketing project that focused on designing an international website to expand its customer base in Mexico and Canada. Since completing the project, annual sales have increased by over 19 percent.

Southwest Trade Adjustment Assistance Center (SWTAAC)

An **Arkansas** machining firm adversely impacted by foreign competition entered the TAAF program. The business recovery plan focused on a rebranding and marketing project, improving the firm's technical engineering capabilities, focusing on quality of fabricating tolerances, and an assurance of world class machining. As a result of participation in the TAAF program, the firm reestablished a professional profile in the digital ecosystem that has helped it land new customers and hire indirect sales representatives. The business recovery projects have helped pivot the firm to new markets.

A **Louisiana** fresh catfish processing firm entered the TAAF program in 2017. As a result of the firm's implementation of initial business recovery projects, by 2019 sales increased by 62 percent. This growth in sales allowed the firm to expand their overall marketing budget and launch their first comprehensive marketing campaign. As a result of continued implementation of their business recovery projects focused on processing facility expansion and increased visibility of their products and company, the firm experienced continued growth in sales. At the end of 2020, the firm's sales had increased 100 percent from the time they entered the TAAF program.

Western Trade Adjustment Assistance Center (WTAAC)

A **California** manufacturing metal finishing service provider entered the TAAF program after facing increased import competition from China and Malaysia. As a result of this import competition, both sales and unemployment had each decreased by 8 percent. The firm's business recovery strategy focused on continuous quality improvements, efficiency improvements, cost competitiveness, and updating their quality management certification standards and processes. As

a result of participation in the TAAF program, the firm successfully implemented five quality management projects with certification and training. Since entering the TAAF program, sales increased 37 percent and productivity has improved.

A **California** manufacturer specializing in the design, testing, and marketing of a highly specialized line of arc and flame-resistant safety apparel and equipment suffered a 26 percent decline in sales and a 7 percent decline in employment due import competition. The firm's Adjustment Plan allowed them to implement six projects in information technology, leadership training, and marketing with website updates. As a result of participation in the TAAF program, the firm has seen a dramatic increase in annual sales of 247 percent and a 133 percent rise in employment.