



**E D A**

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

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# Trade Adjustment Assistance for Firms Program

INNOVATION. REGIONAL COLLABORATION. JOB CREATION.



The main mission of the Department of Commerce's Economic Development Administration's (EDA) Trade Adjustment Assistance for Firms (TAAF) program is to help economically distressed, import-impacted U.S. firms develop and implement business recovery strategies to strengthen their competitiveness in the global marketplace, thereby increasing U.S. jobs.

The TAAF program provides technical assistance to help firms create and implement business recovery plans.



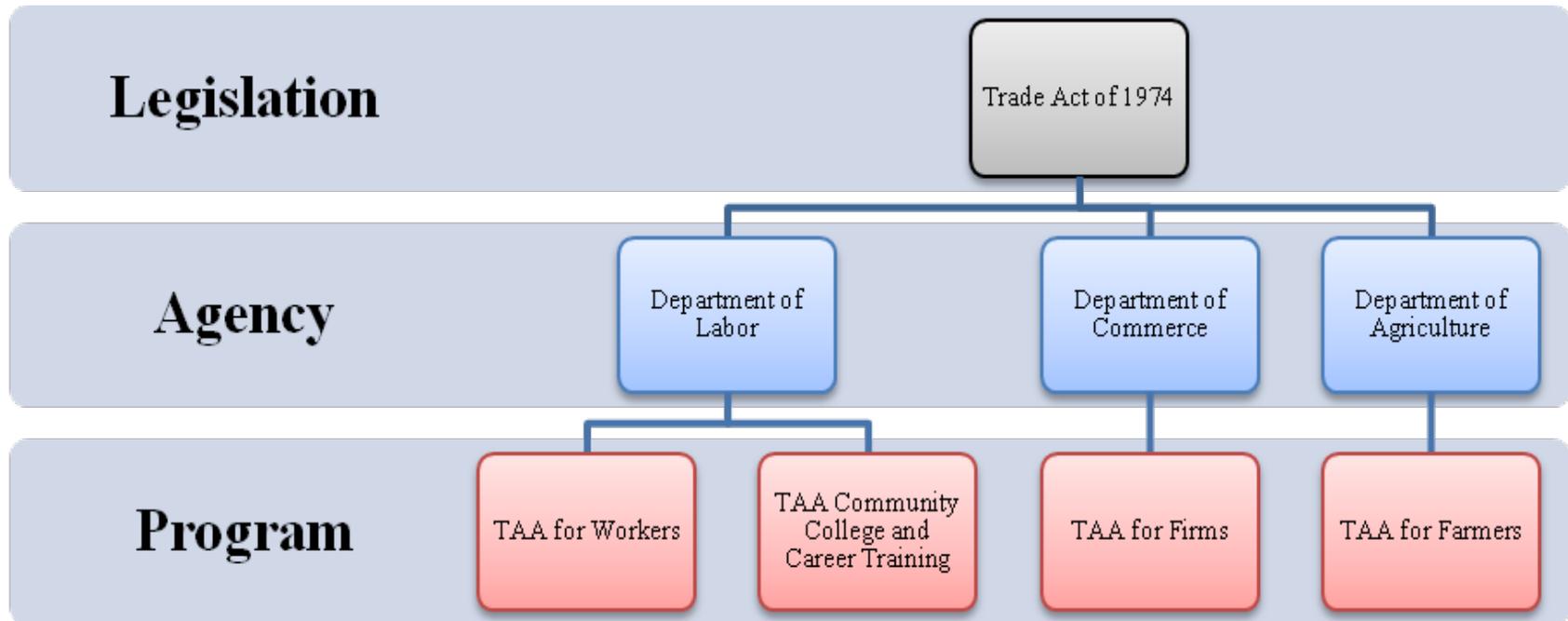


Congress first authorized Trade Adjustment Assistance (TAA) in the Trade Expansion Act of 1962 (P.L. 87-794).

The Trade Act of 1974, as amended, includes a more extensive TAA program for firms that expanded eligibility to services firms, increased authorized funding levels, and provided greater flexibility for a firm to demonstrate eligibility for assistance.

TAAF is currently authorized by the Trade Preference Extension Act of 2015 (Public Law 114-27, 2015).





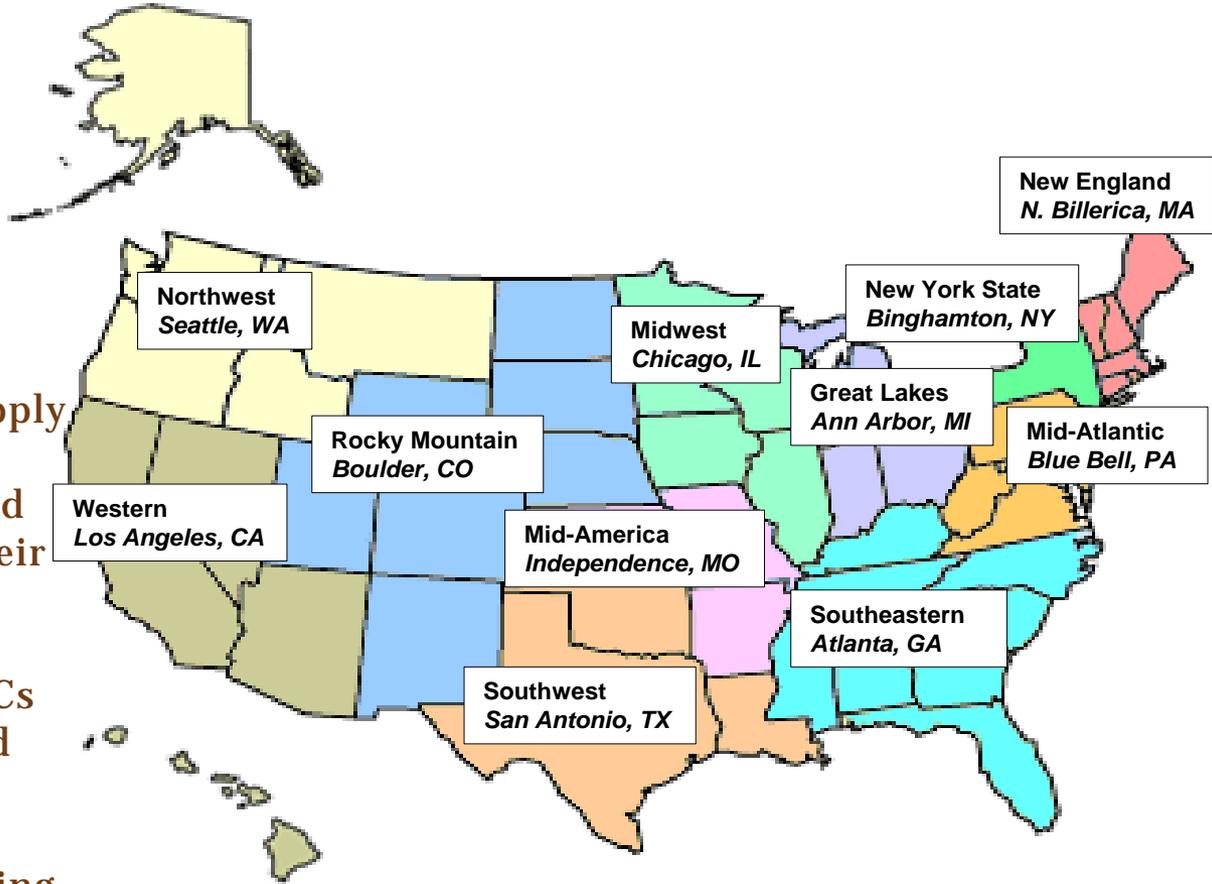


The TAAF program supports a national network of non-profit or university-affiliated Trade Adjustment Assistance Centers (TAACs) to help U.S. manufacturing, production, and service firms in all 50 States, the District of Columbia and the Commonwealth of Puerto Rico.

Firms work with the TAACs to apply for certification of eligibility for TAAF assistance, and prepare and implement strategies to guide their economic recovery.

EDA's partnership with the TAACs allow firms to receive customized assistance from experts knowledgeable about the needs, challenges and opportunities facing industries in their region.

## TAAC Centers





## Eligible Program Beneficiaries



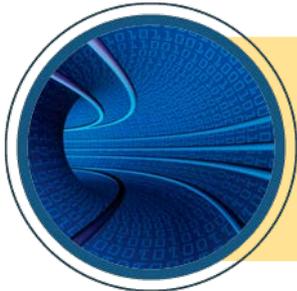
- ★ **Only open to distressed, trade-injured firms**
- ★ Focused on **small to mid-sized manufacturers** (though always open to other goods-producing companies and service firms)
- ★ Companies must be distressed to qualify

## Service Model



- ★ **Firm focused**
- ★ Cost-sharing technical assistance – up to \$75K co-funding assistance to pay for consultants. **No direct cash assistance to firms.**
- ★ Comprehensive assessment, business recovery plan development, and project implementation provided by TAAC staff
- ★ **Specialized business recovery and improvement projects** implemented through outside consultants
- ★ Multiple projects with **long-term engagement** (up to 5 years)
- ★ Relatively low client volume (100 – 200 new firms per year)





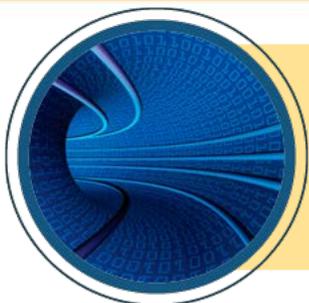
**DECLINE IN SALES:** Overall sales and/or production have decreased absolutely or for a particular product line that accounts for not less than 25 percent of the total sales or production of the firm.



**DECLINE IN EMPLOYMENT:** A significant number or proportion of workers have been, or are threatened to be totally or partially separated.



**IMPORT IMPACT:** Increased imports of articles like or directly competitive with articles produced, or services provided by the firm, have “contributed importantly” to both the layoffs and the decline in sales and/or production.



## **PHASE I: Application for Certification (no cost to firm)**

- ★ Firm share of costs – 0%
- ★ TAAF share of costs – 100 %



## **PHASE II: Firm Evaluation and Recovery Planning**

- ★ Firm share of costs – 25 %
- ★ TAAF share of costs – 75 %
- ★ Firms have up to 2 years post certification to apply

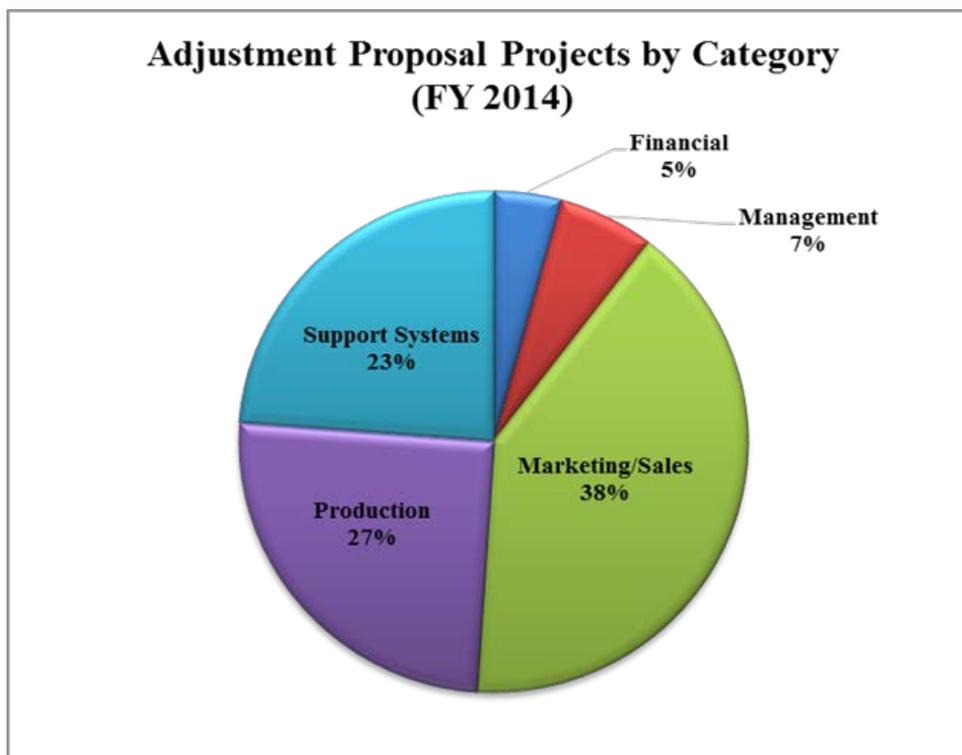


## **PHASE III: Project Implementation through Consultants**

- ★ Firm/TAAF share of costs – 25/75 % (projects up to \$30K)
- ★ Firm/TAAF share of costs – 50/50 % (projects > \$30K)
- ★ Firms have up to 5 years to complete all projects



Targeted business recovery plans (Adjustment Proposals) are used for a wide range of initiatives, including financial, management, marketing, information technology, manufacturing, engineering, and quality process improvements.





**Trade Adjustment Assistance Division**

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**Economic Development Administration – <http://www.eda.gov>**

**FY 2014 TAAF Annual Report - <http://www.eda.gov/annual-reports>**

**Trade Adjustment Assistance Centers - <http://www.taacenters.org>**