What is Trade Adjustment Assistance for Firms?

The Trade Adjustment Assistance for Firms (TAAF) program was established by Congress under the Trade Expansion Act of 1962. The Trade Act of 1974 (Trade Act), as amended, included 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. Administered by the Department of Commerce’s Economic Development Administration (EDA), the mission of the TAAF program is to help import-impacted U.S. manufacturing, production and service firms develop and implement projects to regain global competitiveness, expand markets, strengthen operations, increase profitability, thereby increasing U.S. jobs.

Technical assistance is provided through a nationwide network of 11 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.

In general, the program provides cost-sharing technical assistance to eligible import-impacted U.S. firms. Firms can receive direct technical assistance to create and implement targeted business recovery plans called Adjustment Proposals (APs). This assistance is provided through matching funds provided to TAACs, which match the costs for third-party consultants to help firms expand markets, strengthen operations and increase competitiveness. Firms contribute a matching share to create and implement their respective recovery plan. Funds are not provided directly to firms.

EDA’s partnership with the TAACs allows firms to receive customized assistance from industry experts knowledgeable about the unique needs, challenges and opportunities facing industries in their respective regions.

What Can TAAF Do for Your Firm?

Firms work with the TAACs to apply for certification of eligibility for TAAF assistance, and prepare and implement strategies to guide their economic recovery. There is no charge for assistance in preparing the petition application for certification.

PROGRAM PHASES

**PHASE I: Application for Certification (no cost to firm)**
- Firm share of costs – 0%
- TAAF share of costs – 100%

**PHASE II: Firm Certification and Business Recovery (AP) Planning**
- Firm share of costs – 25%
- TAAF share of costs – 75%

**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)
Once the application has been approved, TAACs work closely with company management to identify the firm’s strengths and weaknesses, and develop a customized business recovery plan (AP) designed to stimulate recovery and growth. The program pays up to 75 percent of the costs of developing this adjustment plan. When the plan has been approved, company management and TAAC staff will jointly identify consultants with the specific expertise to assist the firm. The program pays up to 75 percent in matching funds for the costs of these consultants when implementing the business recovery plan (AP). The TAACs contract with private consultants who undergo a rigorous, competitive screening process to implement the recovery plan.

Who is Eligible for Assistance?

U.S. firms that have experienced a decline in sales, in units or dollars, a decline or impending decline in employment or worker hours may be eligible for Trade Adjustment Assistance for Firms. There are variations to these qualifications as outlined in the Trade Act that may increase your firm’s potential eligibility. TAACs staff will help you to determine if you apply the guidelines under the Trade Act to your company’s circumstances.

Common TAAF Consulting Projects

**Finance and General Management**
- Budgeting
- Management Objectives and Planning
- Organizational Analysis
- Profit Planning and Restructuring

**Marketing**
- Advertising/SalesPromotion Development
- Analysis of Competition and Customers
- Distribution Analysis & Development
- Export Development
- Website Development

**Manufacturing and Engineering**
- CAD/CAM Selection and Implementation
- ISO 9000 Training and Certification
- Enterprise Resource Planning
- Inventory Management
- New Product Development
- Operations Analysis
- Product Certification – CE Mark, UL, etc.
- Product Design and Testing
- Product Line Evaluation
- Quality Assurance

TAA Center Locations – Visit www.taacenters.org for Contact Information