



# MICHIGAN STRATEGIC FUND

## BOARD MEETING AGENDA September 26, 2023 10:00AM

- I. CALL TO ORDER & ROLL CALL**
- II. PUBLIC COMMENT – PLEASE LIMIT PUBLIC COMMENT TO THREE (3) MINUTES**
- III. COMMUNICATIONS**
- IV. CONSENT AGENDA**
  - a. Proposed Meeting Minutes: August 22, 2023 Meeting Minutes ..... 3
  - b. Veridea Group: Brownfield Act 381 Work Plan..... 8
  - c. Lofts on Louis: MCRP Amendment ..... 19
  - d. Exchange Building, LLC-The Exchange: MCRP Amendment ..... 25
  - e. Billerud: APRZ Amendment..... 32
  - f. Contractual Small Business Solutions/Services: FY24 Funding Allocations ..... 36
  - g. International Trade Centers: JEC Recommendations and FY24 Funding Allocations.. .49
  - h. Michigan Israel Business Accelerator (MIBA): New Contract Approval ..... 202
  - i. Business Marketing Lambert Contract Amendment ..... 213
  - j. FY 2024 Memorandum of Understanding MSF & MEDC..... 223
  - k. Lear Corporation: Reauthorization of Performance-Based Grant Request ..... 228
- V. DEVELOP ATTRACTIVE PLACES**
  - a. Olympia Development of Michigan – Henry Street: A resolution to approve a Michigan Community Revitalization Program performance-based direct loan to Henry Street Renaissance, LLC in the amount of \$6,493,000. .... 238  
*Location: City of Detroit*
  - b. CDBG Public Gathering Spaces Initiative Competitive Funding Round Project Recommendation: A resolution to award a total of \$20,000,000 in CDBG funds for the expansion and creation of public gathering spaces for 16 units of general local government and up to \$800,000 in CDBG funds to provide administrative services to assist these communities with relevant compliance and administrative requirements. .... 251
- VI. ATTRACT, RETAIN, AND GROW BUSINESS**
  - a. Strategic Site Readiness Program Grant (SSRP) to Marshall Area Economic Development Alliance: A resolution to approve a SSRP performance-based grant in the amount of \$65 million to MAEDA for land acquisition, site studies and preparation, water and wastewater upgrades, road enhancements, professional fees, administration and other necessary public infrastructure improvements. .... 261
  - b. Strategic Site Readiness Program Grants (SSRP) to Prosperity Region Economic Development Organizations: A resolution to approve SSRP grants to 11 economic development organizations located within the 10 prosperity regions. .... 269
  - c. Samsung SDI America, Inc.: A resolution to approve a Michigan Business Development Program Grant in the amount of \$5,000,000..... 278  
*Location: City of Auburn Hills*

- d. Proton Energy Systems, Inc. dba Nel Hydrogen U.S.: A resolution to approve a Michigan Business Development Program Grant in the amount of \$10,000,000 and a 15-year 100% State Essential Services Assessment (SESA) Exemption and a waiver of the EDA and Commencement requirements. ....284  
*Location: Plymouth Charter Township, Wayne County*

**VII. ADMINISTRATIVE**

- a. Michigan Strategic Fund By-Laws: A resolution to approve revised Michigan Strategic Fund By-Laws .....296

**VIII. INFORMATIONAL**

- a. Delegation of Authority Report.....330

*\*NOTE:* Hyperlinked bookmarks are included on this page to aid document navigation - click on the project title to access the project memo.

**MICHIGAN STRATEGIC FUND  
APPROVED MEETING MINUTES  
AUGUST 22, 2023**

**Member Present**

Quentin L. Messer, Jr.

**Members joined remotely.**

Director Corbin

Treasurer Eubanks

Dimitrius Hutcherson

Michael B. Kapp (on behalf of Director Wieferich)

Dan Meyering

Charles P. Rothstein

Susan Tellier

Cindy Warner

**I. CALL TO ORDER & ROLL CALL**

Mr. Messer called the meeting to order at 10:02 a.m. The meeting was held in person in the Lake Michigan Conference Room at the MEDC headquarters building in Lansing with optional participation remotely.

Mr. Messer introduced Katelyn Wilcox Surmann, MSF Board Liaison, who conducted the attendance roll call.

**II. PUBLIC COMMENT**

Ms. Wilcox Surmann explained the process for members of the public to participate.

No public comments were received during the public comment period.

**III. COMMUNICATIONS**

Ms. Wilcox Surmann reported no communications were received that were shared with MSF Board members.

*Welsey Ecklund joined the meeting at 10:08 a.m.*

**MSF Subcommittee Reports**

Dimitrius Hutcherson, chair of the MSF Finance and Investment Subcommittee, had no updates to report. Cindy Warner, chair of the MSF Policy and Planning Subcommittee, indicated they had great discussions at the last meeting.

**IV. CONSENT AGENDA**

**Resolution 2023-133 Approval of Consent Agenda Items**

Mr. Messer asked if there were any questions from Board members regarding items under the Consent Agenda. There being none, Dimitrius Hutcherson motioned for the approval of the following:

- a. Proposed Meeting Minutes: July 25, 2023
- b. CDBG Program Year 2022: Action Plan Substantial Amendment **2023-134**
- c. Sweetwater Development Partners, LLC: MCRP Amendment **2023-135**
- d. POAH DD Sugar Hill, LLC: MCRP Amendment **2023-136**
- e. Request Foods: ASES A Amendment **2023-137**
- f. LJ, Inc.: Reauthorization and Amendment of MBDP Performance-Based Grant **2023-138**

g. Strategic Site Readiness Program Guidelines Amendment **2023-139**

Dimitrius Hutcherson motioned for the approval of the consent agenda; Cindy Warner seconded the motion. **The motion carried: 10 ayes; 0 nays; recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Cindy Warner; Nays: None; Recused: None.

*Randy Thelen joined the meeting at 10:15 a.m.*

**V. ADMINISTRATIVE**

a. MSF Annual Allocation of the 21st Century Jobs Trust Fund Appropriations.

Jill Trepkoski, Senior Vice President, and Chief Financial & Procurement Officer requested committee approve the funding allocations for the 21<sup>st</sup> Century Jobs Trust Fund appropriations set forth in the attached exhibit to **Resolution 2023-140**. Quentin Messer, Jr. motioned for the approval of Resolution 2023-140. Charlie P. Rothstein seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

b. Michigan Strategic Fund: Bylaws Amendment – **For Discussion and Deliberation Only**

The proposed changes will make the meetings run more efficiently and provide guidance on unique situations. The committee discussed and had no concerns with these amendments.

**VI. DEVELOP ATTRACTIVE PLACES**

a. **Resolutions 2023-141 & 2023-142 W&S Development Partners, LLC: A resolution to approve a Michigan Community Revitalization Program performance-based Other Economic Assistance Loan Participation and a Brownfield Act 381 Working Plan.**

Mackenzie Miller, Community Development Manager, Jono Klooster, City of Grand Rapids, Mike Coyne and Peter Skornia of W & S Development Partners, LLC provided the Board with information regarding these action items. The actions involve approval of a Michigan Community Revitalization Program Performance-Based Other Economic Assistance Loan Participating in the amount of up to \$3,000,000 and a Brownfield Act 381 Working Plan including state tax capture capped at \$544,048 for eligible activities in the City of Grand Rapids. The project is expected to result in total capital investment of \$16,476,000. Dimitrius Hutcherson motioned for the approval of Resolution 2023-141, MCRP. Charlie P. Rothstein seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Wesely Eklund then motioned for the approval of Resolution 2023-142, Brownfield Act 381 Working Plan. Randy Thelen seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.



- b. **Resolutions 2023-143 & 2023-144, Bagley Development Group – United Artist Building: A resolution to an amendment to the Michigan Community Revitalization Program performance-based Other Economic Assistance Agreement and a Brownfield Act 381 Work Plan with state tax capture for eligible activities.**

Brittney Hoszkiw, Senior Community Development Manager and David Howell, DECG provided the Board with information regarding these action items. The actions involve approval of a resolution to an amendment to the Michigan Community Revitalization Program performance-based Other Economic Assistance Agreement to allow for deferral of payments for a period of up to 28 months and a Brownfield Act 381 Work Plan with state tax capture capped at \$5,321,135 for eligible activities in the City of Detroit. The project is expected to result in total capital investment of up to \$73,440,373. Dimitrius Hutcherson motioned for the approval of Resolution 2023-143, MCRP. Director Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Quentin Messer, Jr. then motioned for the approval of Resolution 2023-144, Brownfield Act 381 Working Plan. Director Corbin seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

- c. **Resolution 2023-145, IFF and Related Borrowers: A resolution to approve a Loan Award from the Investment Fund for a Workforce Housing Loan.**

Sarah Rainero, Managing Director, Region 4, Ryan Kilpatrick and Chris Uhl provided the Board with information regarding these action items. The actions involve approval of a resolution to approve a Loan Award in the amount of \$10,000,000 for a Workforce Housing Loan. Following discussion, Dan Meyering motioned for the approval of Resolution 2023-145. Quentin Messer Jr. seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## VII. ATTRACT, RETAIN AND GROW BUSINESS

- a. **Resolution 2023-146 & 2023-147 Plastic Omnium New Energies USA, Inc.: Michigan Business Development Program Grant and State Essential Services Assessment Exemption.** Jeremy Webb, Managing Director, BD Projects, David Hill, Plastic Omnium, Tyler Rossmassler, Flint & Genessee Chamber of Commerce, and Dennis Liimatta of Grand Blanc Township provide the Board with information regarding these action items. This action involves approval of a resolution to approve a Michigan Business Development Grant in the amount of \$5,000,000, a 15-year 100% State Essential Services Assessment Exemption with an estimated value of up to \$2,379,054 and a waiver of the Eligible Distressed Area and Commencement Requirements. The project is expected to result in the creation of up to 175 jobs and a capital investment of up to \$171,253,700 in Grand Blanc Township. Following discussion, Charlie P. Rothstein motioned for the approval of Resolution 2023-146, MBDP. Welsey Ecklund seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

Director Corbin then motioned for the approval of Resolution 2023-147, SESA. Quentin Messer, Jr. seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **VIII. MARKET THE STATE**

### **a. Resolutions 2023-148 Accessible Traveler Grant Application Initiative.**

Michelle Grinnell, SVP, Marketing & Communications and Robin Peebles, Publications Specialist provided the Board with information on this action item. This action involves resolution to approve EDA Funds in the amount of \$1,000,000 for an accessible traveler grant application for Michigan Tourism Destination Marketing Organization projects. Following discussion, Director Corbin motioned for the approval of Resolution 2023-148. Dimitrius Hutcherson seconded the motion. **The motion carried: 11 ayes; 0 nays; 0 recused.**

**ROLL CALL VOTE:** Ayes: Director Corbin, Wesley Eklund, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Susan Tellier, Randy Thelen, Cindy Warner; Nays: None; Recused: None.

## **IX. INFORMATIONAL**

Mr. Messer noted the MSF Delegated Authority Report for the period July 1 to July 31, 2023, was included in the meeting packet. He asked if there were any questions from Board members regarding the information; there were none.

Mr. Messer adjourned the meeting at 11:08 a.m.



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Jen Tucker, Senior Community Development Manager  
Julius Edwards, Director, Commercial Real Estate Investment  
Rachel Young, Senior Program Specialist

**Subject:** Request for Approval of an Act 381 Work Plan  
Menominee County Brownfield Redevelopment Authority (BRA)  
FORMER KMART REDEVELOPMENT PROJECT

### Project Summary & Request

Veridea Group, LLC, has acquired a vacant, former Kmart property for the purpose of demolition and development of a multi-phased, mixed-use development. The first phase will include the new construction of an approximately 58,158 square foot, four-story hotel consisting of approximately 95 guest rooms. Future phases may include a potential second hotel, residential development, and retail space, but are not a part of this request. The project will also feature upgrades to public infrastructure directly adjoining the eligible property and a non-motorized trail connection that directly connects visitors and residents with the waterfront and downtown Menominee, increasing pedestrian and economic activity in the area.

PROJECT SUMMARY	
Project Eligibility	Facility
Total Approximate Square Feet Revitalized	58,158
Total Approximate Acres Activated	9.41
Estimated Commercial Square Footage	58,158
Current Taxable Value	\$342,300
Projected Taxable Value at Completion	\$8,000,000
Total Anticipated Capital Investment	\$23,500,000
Brownfield TIF / MSF Eligible Activities or State Capture Request	\$4,133,888

This project meets MEDC community development priorities including an end use that supports the goals of the city as well as region-wide economic development strategy, which is demonstrated through financial support by the community. The project activates a long vacant site and promotes pedestrian connectivity, to the waterfront and access to downtown.

Act 381 of 1996 (the “Act”), as amended, authorizes the MSF to approve Work Plans that include the capture of the School Operating Millage and State Education Tax millages for the purpose of supporting

projects statewide. On March 23, 2021, the MSF Board approved the Brownfield Tax Increment Financing MSF Program Guidelines (“Guidelines”). As required under the Act, all statutory criteria for the project have been considered when making the recommendations in this memo. The project meets the Brownfield TIF Guidelines and programmatic requirements, and a financial review has been completed. An MSF Eligible Activities and Tax Capture Summary are included in Appendix C.

**Demonstrated Needs**

The need is driven by the significant costs associated with the demolition of an existing vacant former big box store, the required environmental remediation, and the infrastructure needs for this project and future development. Without the Work Plan support the project would not be financially feasible.

**Local Support**

Local support consists of the local portion of the Brownfield TIF, valued at \$6,713,364.

**Applicant Background / Qualifications**

The project is being led by the Veridea Group, LLC, which has completed over 40 projects exceeding 550,000 square feet and \$85 million in value. Veridea Group, LLC, has become one of the Upper Peninsula's largest providers of premier leaseholds and hospitality properties. Their projects have been recognized for their positive transformative impact on neighborhoods and communities. Several of their projects have received MSF support including:

- Act 381 Work Plan support for a three-phase project in at 857 Washington in Marquette
- MCRP support for phases one and two

An Organizational Chart for Veridea Group, LLC, is provided in Appendix A. The background review process was completed in accordance with the MSF Background Review Policy on August 16, 2023.

**Recommendation**

MEDC staff recommends approval of state tax capture for Act 381 eligible activities capped at \$4,133,888, utilizing the current state to local capture ratio.

## APPENDIX A – Organizational Chart

### Organizational Structure

Company Name: Veridea Group, LLC  
Employer Identification Number: 75-3235734  
MANAGER: Robert E. Mahaney

Member/Company name and manager	Member	Ownership Interest Totals	EINs -No Soc Sec numbers	State of Organization
Veridea Group, LLC	Robert E. Mahaney	100.00%	75-3235734	Michigan



**APPENDIX B – Project Map and Renderings**







### **APPENDIX C – MSF Eligible Activities Summary**

In order to alleviate brownfield conditions and prepare the site for redevelopment, the County of Menominee has duly approved a Brownfield Plan for this property on August 23, 2022. The City of Menominee, a Qualified Local Governmental Unit, has concurred with this approval on August 16, 2022. The property has been determined to be a facility as verified by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) on July 20, 2023.

There are 62.972 non-homestead mills available for capture, with State mills from school operating and SET millages equaling 24.00 mills (38.11%) and local millage equaling 38.972 mills (61.89%). Tax increment capture will begin in 2024 and is estimated to continue for 11 years. The state tax capture is recommended to be capped at \$4,133,888, which is the amount of tax increment revenue anticipated to be generated in 12 years. Total MSF eligible activities are estimated at \$10,847,253 MSF eligible activities breaks down as follows:

**Tax Capture Summary:**

State tax capture	(38.11%)	\$	4,133,888
Local tax capture	(61.89%)	\$	<u>6,713,365</u>
<b>TOTAL</b>		<b>\$</b>	<b><u>10,847,253</u></b>

**Cost of MSF Eligible Activities**

Demolition	\$	508,000
Lead, Asbestos, or Mold Abatement		375,000
Infrastructure Improvements (Developer)		162,000
Infrastructure Improvements (City)		4,005,150
Property Acquisition (City)		200,000
Site Preparation	+	<u>2,136,350</u>
Sub-Total	\$	7,386,500
Contingency 14.29% - (Developer)	+	454,700
Contingency 15% - (City)		<u>600,775</u>
Sub-Total	\$	<u>8,441,975</u>
Interest 5% - (Developer)		1,026,707
Interest 5% - (City)	+	<u>1,338,571</u>
Sub-Total	\$	10,807,252
Brownfield/Work Plan Preparation	+	20,000
Brownfield/Work Plan Implementation	+	<u>20,000</u>
<b>TOTAL</b>	<b>\$</b>	<b><u>10,847,253</u></b>

In addition, the project is requesting \$816,025 in TIF from EGLE to assist with environmental eligible activities.

**Key Statutory Criteria**

Per section 15 of Act 381, the Michigan Strategic Fund shall consider the following criteria to the extent reasonably applicable to the type of activities proposed as part of that work plan when approving or denying a work plan:

**a) Overall Benefit to the Public:**

The redevelopment of the former Kmart property and the addition of an extended stay hotel of 58,158 square feet, the opportunity for future commercial and residential developments, and public infrastructure improvements will remove a vacant blighted building, significantly increase the value of key property in the City, increase property taxes, create a non-motorized connection to downtown, encourage spin-off redevelopment, and provide employment.

**b) Jobs Created (Excluding Construction and other Indirect Jobs):**

This project is expected to create approximately 30 new, full-time equivalent jobs in the hospitality sector with an average hourly wage of \$18.

**c) Area of High Unemployment:**

Menominee County's unemployment rate was 4.5% in May 2023

**d) Level and Extent of Contamination Alleviated:**

Remediation of soil contamination will be addressed through a workplan request to EGLE.

**e) Reuse of Functionally Obsolete Buildings and/or Redevelopment of Blighted Property:**

The project is not qualifying as functionally obsolete or blighted.

**f) Whether Project will Create a New Brownfield Property in the State:**

No new Brownfields will be created by this project.

**g) Whether the Project is Financially and Economically Sound:**

From the materials received, the MEDC infers that the project is financially and economically sound.

**h) Other Factors Considered:**

No additional factors need to be considered for this project.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023 - 152**

**APPROVAL OF A BROWNFIELD ACT 381 WORK PLAN  
COUNTY OF MENOMINEE BROWNFIELD REDEVELOPMENT AUTHORITY  
FORMER KMART REDEVELOPMENT PROJECT**

**WHEREAS**, the Michigan Economic Growth Authority (“MEGA”) has been established by 1995 PA 24, as amended (the “Act”);

**WHEREAS**, 2002 PA 727 amended 1996 PA 381, MCL 125.2651 et seq, to empower local brownfield redevelopment authorities to request the MEGA Board to approve a brownfield project work plan and, thereby, capture taxes levied for school operating purposes for the project;

**WHEREAS**, Executive Order 2012-9 transferred all the authority, powers, duties, functions, responsibilities, records, personnel, property, unexpended balances of appropriations, allocations or other funds of the MEGA to the Michigan Strategic Fund (“MSF”);

**WHEREAS**, captured school operating tax revenues may be used under 1996 PA 381 as amended, for infrastructure improvements that directly benefit eligible property, for lead, asbestos, or mold abatement, and for demolition and site preparation that are not response activities under the Natural Resources and Environmental Protection Act, 1994 PA 451;

**WHEREAS**, the County of Menominee Brownfield Redevelopment Authority (the “Authority”) has submitted a work plan (the “Brownfield Work Plan”) dated August 21, 2023 for property located at 1107 7th Avenue and 1301 8<sup>th</sup> Avenue within the City of Menominee, known as the Former Kmart Redevelopment Project (the “Project”);

**WHEREAS**, the City of Menominee is a “qualified local governmental unit” and is eligible to provide for a) demolition; b) lead, asbestos, or mold abatement; c) public infrastructure improvements; d) site preparation; e) brownfield and work plan preparation; f) brownfield and work plan implementation and g) interest as provided under 2007 PA 204; and

**WHEREAS**, the Authority is requesting MSF approval to capture additional taxes levied for school operating purposes to provide for the reimbursement of the cost of eligible activities on an eligible property; and

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF, and has reviewed the application and recommends approval of the Brownfield Work Plan by the MSF Board.

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the Brownfield Work Plan and authorizes the Authority to capture taxes levied for school operating purposes in substantially the same proportion as 38.11% to 61.89% ratio currently existing between school and local taxes for non-homestead properties, to reimburse the cost of site preparation, demolition, lead, asbestos, or mold abatement and infrastructure improvements as presented in the Brownfield Work Plan. Any change in millage that increases the capture percentage of school taxes in the ratio above by more than 5 percentage points must be approved by the MSF Board. The authorization is based on the Authority capturing all available local operating mills for the term of the capture period.

The authorization for the capture of taxes levied for school operating purposes is based on costs of MSF eligible activities with a maximum of \$8,441,975 for the principal activity costs of non-environmental activities and a contingency, a maximum of \$2,365,278 in interest, a maximum of \$20,000 for brownfield and work plan preparation, and a maximum of \$20,000 for brownfield and work plan implementation, and with the total capture of state school taxes capped at a maximum of \$4,133,888.

**BE IT FURTHER RESOLVED**, that the MSF Board authorizes the MSF Fund Manager, to provide written notification to the Authority, in the form of a letter which incorporates the terms set forth in this Resolution and consistent with the limitations of the Act, and that this approval is further conditioned upon the Authority, or the County, as appropriate, maintaining adequate records regarding: a) all taxes captured for the project; and b) receipts or other appropriate documentation of the cost of eligible activities. The records shall be made available for review upon request by MSF or MEDC staff.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner;

Nays: 0

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive, flowing style.

Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Julius L. Edwards, Director, Commercial Real Estate

**Subject:** Request for Approval of a Michigan Community Revitalization Program Other Economic Assistance – Loan Participation Agreement Amendment #9  
Detroit Entrepreneur Development, LLC

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### Request

Detroit Entrepreneur Development, LLC (the “Company”) and Dart Bank (the “Lender”) are requesting approval of an amendment to the Michigan Community Revitalization Program (the “MCRP”) Other Economic Assistance - Loan Participation Agreement and any related ancillary agreements (the “Agreement”). The amendment request includes requests to release John Burtka as a guarantor to match the terms of the Lender and consent for the Lender to advance approximately up to \$380,000 to the Company to complete tenant buildouts (the “Request”). The new loan will be in a senior position to the MCRP Loan.

### Background

The Michigan Strategic Fund (the “MSF”) Board approved a \$1,300,000 MCRP Other Economic Assistance Award on October 25, 2016, to the Company for the purpose of redeveloping a 2.8-acre site in northwest downtown Jackson into an approximately 46,280 square foot four-story mixed-use building. The building is substantially complete and consists of 30 market rate residential rental units and 8,500 square feet of commercial space.

The MSF Board on May 21, 2019, approved a request to amend the existing MCRP Agreement to reduce the “Minimum Eligible Investment” requirement from \$5,200,000 to \$5,132,000, as well as extend the “Project Completion” and “Certification of Conversion” milestones to June 30, 2019. This amendment was not executed.

The MSF Board on July 23, 2019, approved a request to amend the existing MCRP Agreement to extend the “Project Completion” and “Certification of Conversion” milestones to September 30, 2019. This amendment was not executed.

The MSF Board on October 22, 2019, approved a request to amend the existing MCRP Agreement to extend the “Project Completion” and “Certification of Conversion” Milestones to a period not later than March 31, 2020. Also, this amendment gave MSF Fund Manager authorization to consent to the extension of the Lender’s maturity date as well as the authority to extend the MSF’s maturity date to match that of the Lender. Lastly, this amendment authorized the Lender’s request to advance additional financing in an amount not to exceed \$150,000 in order to complete tenant buildouts for the remaining commercial space. The funding for the tenant buildouts was not advanced by the Lender. Costs to complete the buildout came back higher than originally anticipated.

On May 22, 2020, the MSF Fund Manager and MSF President approved a 90-day payment deferral on the MCRP Agreement under the MSF Awardee Relief Initiative, which matches the payment deferral period being provided by the Lender.

The MSF Board on July 28, 2020, approved a request to amend the existing MCRP Agreement as follows: (1) extension of the maturity dates on the original MCRP Agreement and the Lender's note for a period of up to 120 months from closing of the amended MCRP Agreement; (2) reduction of the personal guarantee percentage of John Burtka from 36% to 18% in order to more closely reflect his ownership interest; (3) reduction of the interest rate on the Lender's original note. Additionally, the MSF Board approved a new \$100,000 MCRP Other Economic Assistance Award (the "MSF Loan") to assist the company in the buildout of the existing vacant commercial space. The new \$100,000 MCRP Loan was not advanced and anticipated to be advanced.

The MSF Fund Manager and MSF President on November 19, 2021, approved an amendment to the MSF Loan and Lender's note to correct the maturity date from May 4, 2026, to November 4, 2026. The previous approval from the MSF allowed for a term of up to 90 months on the MSF Loan and Lender note. The requested change extended the effective term for the MSF Loan and Lender's note from 60 months to 66 months, which was within the parameters of the previous approval.

The MSF Board on February 28, 2023, approved a request to: (1) extend Milestone 3 due date from March 17, 2022, to April 17, 2023, (2) extend Milestone 4 due date from September 17, 2022, to September 17, 2023, and (3) extend the maturity date on the MSF Loan from November 4, 2026, to November 4, 2027.

The MSF Board on May 23, 2023, approved requests to (1) extend Milestone 3 due date to a date not to surpass May 17, 2024, (2) extend Milestone 4 due date to a date not to surpass September 17, 2024, and (3) extend the maturity date on the MSF Loan to a date not to surpass November 4, 2028. Given that the \$100,000 MCRP Loan is no longer anticipated to be advanced this amendment is no longer applicable.

The Company has experienced delays in the build-out due to supply chain issues, rising construction costs, and the untimely passing of the lender handling this project. The Request would provide the necessary funding to complete the buildout of the remaining commercial space, bring the MCRP award in alignment with the Lender loan and bring the project back into compliance. The additional \$380,000 in financing would be in a senior position to the existing MSF loan.

The Company will remain out of compliance with the MCRP Agreement without the approval of the Request.

### **Recommendation**

The MEDC staff recommends approval of the Request.



## MICHIGAN STRATEGIC FUND

### RESOLUTION 2023 153

#### APPROVAL OF AN AMENDMENT TO A MICHIGAN COMMUNITY REVITALIZATION PROGRAM OTHER ECONOMIC ASSISTANCE LOAN PARTICIPATION AWARD FOR DETROIT ENTREPRENEUR DEVELOPMENT, LLC

**WHEREAS**, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2011 2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d) to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

**WHEREAS**, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP and (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

**WHEREAS**, pursuant to SFCR 125.2090-1 (the “Delegation”), the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP, (the “Transaction Documents”);

**WHEREAS**, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

**WHEREAS**, on October 25, 2016, by Resolution 2016-216, the MSF Board awarded a MCRP Other Economic Assistance Loan Participation Award to Detroit Entrepreneur Development, LLC (the “Company”), in an amount up to \$1,300,000 (the “Award”);

**WHEREAS**, on May 21, 2019, by Resolution 2019-074, the MSF Board approved an amendment to the MCRP agreement for the Award to: (1) reduce the “Minimum Eligible Investment” requirement to \$5,132,000; and (2) extend the “Project Completion” and “Certification of Conversion” milestones to June 30, 2019;

**WHEREAS**, on July 23, 2019, by Resolution 2019-110, the MSF Board approved an amendment to the MCRP agreement for the Award to extend the “Project Completion” and “Certification of Conversion” milestones to September 30, 2019;

**WHEREAS**, on October 22, 2019, by Resolution 2019-156, the MSF Board approved an amendment to the MCRP agreement for the Award to: (1) to extend the “Project Completion” and “Certification of Conversion” milestones to March 31, 2020; (2) provided the MSF Fund Manager authorization to extend the maturity to date on the Award to match that of Dart Bank (the “Lender”); (3) consent to the Lender to extend the maturity date on its share of the financing; and 4) consent to allow the Lender to advance an additional financing on the not exceed \$150,000 to complete buildout to the commercial units;

**WHEREAS**, on April 14, 2020, by Resolution 2020-039, the MSF Board approved the MSF Awardee Relief Initiative and associated Guidelines (the “Awardee Guidelines”) due to COVID-19 and by Resolution 2020-040 on April 14, 2020, delegated to the MSF Fund Manager, the MSF President, and State Treasurer (with any two required to act) the authority to amend any award consistent with the Awardee Guidelines;

**WHEREAS**, on May 22, 2020, the MSF Fund Manager and MSF President approved an amendment to the Award for a 90-day payment deferral on the Award under the Awardee Relief Initiative;

**WHEREAS**, on July 28, 2020, by Resolution 2020-089, the MSF Board approved an amendment to the MCRP agreement for the Award authorizing the following: (1) extend the maturity dates on the Award and the Lender’s loan for a period of up to 120 months from closing of the amended agreement; (2) reduce the personal guarantee percentage of John Burtka from 36% to 18% in order to more closely reflect his ownership interest; (3) to allow the Lender to reduce the interest rate on their loan. Additionally, the MSF Board approved a new \$100,000 MCRP Other Economic Assistance Award (the “MSF Loan”) to assist the company in the buildout of the existing vacant commercial space;

**WHEREAS**, the MSF Fund Manager and MSF President on November 19, 2021, approved an amendment to the MSF Loan and the Lender’s note to correct the maturity date from May 4, 2026, to November 4, 2026;

**WHEREAS**, on February 28, 2023, by Resolution 2023-020, the MSF Board approved an amendment to the MCRP agreement for the award to: (1) extend Milestone 3 due date from March 17, 2022, to April 17, 2023, (2) extend Milestone 4 due date from September 17, 2022, to September 17, 2023, and (3) extend the maturity date on the MSF Loan from November 4, 2026, to November 4, 2027;

**WHEREAS**, on May 23, 2023, by Resolution 2023-083, the MSF Board approved an amendment to: (1) extend Milestone 3 due date to a date not to surpass May 17, 2024, (2) extend Milestone 4 due date to a date not to surpass September 17, 2024, and (3) extend the maturity date on the MSF Loan to a date not to surpass to November 4, 2028;

**WHEREAS**, the Company has requested an amendment to the Award to: (1) release the guarantee of John Burtka and (2) consent to the senior lender advancing \$380,000 in financing to complete tenant buildouts (collectively, the “Amendment Request”); and

**WHEREAS**, the MEDC is recommending that the MSF Board approve the Amendment Request.

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the Amendment Request.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Julius L. Edwards, Director, Commercial Real Estate Investment

**Subject:** Request for Approval of a Michigan Community Revitalization Program  
Direct Loan Agreement Amendment #10  
Exchange Building, LLC

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### Request

Exchange Building, LLC (the “Company”) is requesting approval of an amendment to the Michigan Community Revitalization Program Loan Agreement dated July 2, 2021 (the “Agreement”), and any related ancillary agreements. The amendment request dated August 21, 2023, includes a request to extend the Maturity Date from August 1, 2023 to April 15, 2025 to align with the senior lender maturity date. All other terms of the current Agreement will remain the same.

### Background

The Michigan Strategic Fund Board approved a \$6,400,000 MCRP Other Economic Assistance Loan Participation Award (the “Award”), an Act 381 Work Plan, and MBT Brownfield Credit Amendment on December 20, 2016, to the Company for the purpose of redeveloping .6 acres of property located at 155 West Michigan Avenue in the city of Kalamazoo into a 15-story, mixed-use building with 131 market rate residential units, an integrated parking ramp for approximately 319 spaces and approximately 58,720 square feet of commercial space.

A 90-day time extension to effectuate the MCRP written agreement with Exchange Building, LLC was approved by the MSF Fund Manager on April 12, 2017.

An amendment to the Award was approved on June 27, 2017, to add language regarding the senior lender’s subordination requirements related to repayment of the MSF Share concerning certain potential future instances of default. The additional approval was necessary in order to close the loan with Chemical Bank and Old National Bank, the original senior lenders.

The MSF Board approved a reauthorization of the Award on July 25, 2017, to allow the parties extra time to execute the final documents.

An amendment to the Award was approved by the MSF Board on February 25, 2020, to extend the interest only period by six months, extend all dates related to the loan conversion and Milestone Three by six months, and also extend due dates for loan covenant testing. No amendment for these changes was executed prior to the Lenders’ approval expiration. The Covid-19 pandemic also changed the circumstances for the project at the time.

An amendment to the Award was approved by delegated authority under the Awardee Relief Initiative (the “Delegation”) on May 20, 2020, to defer payments to the Lenders for three months and to the MSF for six

months, beginning in May 2020. The second participant bank, Old National Bank's management decided not to approve that course of action, so no amendment was executed for the payment deferral.

An amendment to the Award was approved by the Delegation on July 1, 2020, for a 90-day extension to the interest-only period and a 90-day extension to all dates related to the construction loan conversion.

An amendment to the Award was approved by the Delegation on September 22, 2020, for a 90-day extension to the interest-only period and a 90-day extension to all dates related to the construction loan conversion.

An amendment to the Award was approved by the Delegation on December 7, 2020, for a 90-day extension to the interest-only period and a 90-day extension to all dates related to the construction loan conversion.

An amendment to the Award was approved by the Delegation on April 9, 2021, for an up to nine (9) month extension on the following: (1) interest-only period maturity date from April 7, 2021 to January 7, 2022, (2) Conversion Date from April 7, 2021 to January 7, 2022 and (3) due dates for Milestone Three Project Completion Status Submission and Certification of Conversion of the Loan from April 30, 2021 to January 31, 2022.

An amendment to the Award was approved by the MSF Board on May 25, 2021, to rescind the Loan Participation and replace it with a Performance-Based Direct Loan in the amount of the outstanding MSF loan balance, and consistent with the terms identified, and authorize the MSF Fund Manager to consent to approximately \$4.7 million in future funding from TCF Bank if to-be-identified financial parameters and other criteria are met by the property.

An amendment to the Award was approved by the Delegation on April 25, 2022, to substitute the existing senior lender, Huntington Bank (acquired TCF Bank), with Fifth Third Bank. The new loan with Fifth Third Bank has a more favorable interest rate and provided an additional interest only period.

An amendment to the Award was approved by the MSF Board on February 28, 2023 to allow the conversion of the entire 7<sup>th</sup> floor, consisting of 25,603 square feet, from office space to an additional 21 residential units.

Currently, residential occupancy is approximately 97%. The commercial space remains at 60% leased. The vacant commercial space is on the 7<sup>th</sup> floor, which will be converted to more residential units per the recent approval. When those units are occupied, the cash-flow should be sufficient to pay off the debt per the Agreement. All other terms of the current Agreement will remain the same.

The Company is considered in compliance and payments have been made in accordance with the Agreement.

### **Recommendation**

MEDC staff recommends approval of an amendment to the Agreement, and any related ancillary agreements, to extend the Maturity Date to April 15, 2025. Monthly payments will continue under the same amortization schedule.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023 - 154**

**APPROVAL OF AN AMENDMENT TO A MICHIGAN COMMUNITY  
REVITALIZATION PROGRAM DIRECT LOAN AWARD FOR  
EXCHANGE BUILDING, LLC**

**WHEREAS**, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d) to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

**WHEREAS**, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP, (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

**WHEREAS**, pursuant to SFCR 125.2090-1, (the “Delegation”) the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP; (the “Transactional Documents”);

**WHEREAS**, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

**WHEREAS**, by Resolution 2016-262 on December 20, 2016, the MSF Board awarded a MCRP Other Economic Assistance Performance-Based Loan Participation Award to Exchange Building, LLC, in furtherance of the Project of up to \$6,400,000 (the “Award”);

**WHEREAS**, by Resolution 2017-081 on June 27, 2017, the MSF Board approved an amendment to the Award to allow additional subordination requirements related to repayment of the Award concerning certain instances of default;

**WHEREAS**, by Resolution 2017-108 on July 25, 2017, the MSF Board approved a Reauthorization of the Award to allow the parties extra time to execute the final documents;

**WHEREAS**, by Resolution 2020-029 on February 25, 2020, the MSF Board approved an amendment to the Award to extend the interest only period by six months, extend all dates related to the loan conversion and Milestone Three by six months, and also extend due dates for loan covenant testing; although no amendment was executed;

**WHEREAS**, by Resolution 2020-039 on April 14, 2020, the MSF Board approved the MSF Awardee Relief Initiative and associated Guidelines (the “Awardee Guidelines”) due to COVID-19, and by Resolution 2020-040 on April 14, 2020, delegated to the MSF President, the MSF Fund Manager, and State Treasurer (with any two required to act) the authority to amend any award consistent with the Award Guidelines (the “MSF Board Delegates”);

**WHEREAS**, the MSF Board Delegates approved an Awardee Relief Initiative amendment on May 20, 2020 to defer payments to the Lenders for three months and to the MSF for six months, starting in May 2020; although no amendment was executed;

**WHEREAS**, the MSF Board Delegates approved an Awardee Relief Initiative amendment on July 1, 2020, for a 90-day extension to the interest-only period and a 90-day extension to all dates related to the construction loan conversion;

**WHEREAS**, the MSF Board Delegates approved an Awardee Relief Initiative amendment on September 22, 2020, for a 90-day extension to the interest-only period and a 90-day extension to all dates related to the construction loan conversion;

**WHEREAS**, the MSF Board Delegates approved an Awardee Relief Initiative amendment on December 7, 2020, for a 90-day extension to the interest-only period and a 90-day extension to all dates related to the construction loan conversion;

**WHEREAS**, the MSF Board Delegates approved an Awardee Relief Initiative amendment on April 9, 2021 for an up to nine (9) month extension on the following: (1) interest-only period maturity date from April 7, 2021 to January 7, 2022, (2) Conversion Date from April 7, 2021 to January 7, 2022 and (3) due dates for Milestone Three Project Completion Status Submission and Certification of Conversion of the Loan from April 30, 2021 to January 31, 2022;

**WHEREAS**, by Resolution 2021-074 on May 25, 2021, the MSF Board approved a MCRP amendment to 1) Rescind the Loan Participation and replace it with a Performance-Based Direct Loan in the amount of the outstanding MSF loan balance, and 2) Authorize the MSF Fund Manager to consent to approximately \$4.7 million in future funding from TCF Bank if to be identified financial parameters and other criteria are met by the property;

**WHEREAS**, the MSF Board Delegates approved an Awardee Relief Initiative amendment on April 25, 2022, to allow for the substitution of the senior lender from Huntington Bank to Fifth Third Bank; and

**WHEREAS**, by Resolution 2023-014 on February 28, 2023, the MSF Board approved a MCRP amendment to allow for a change in project scope, to modify and convert approximately 25,603 square feet of vacant commercial space to residential use, and to allow MSF compliance financial reporting requirements to align with the current senior lender's financial reporting requirement;

**WHEREAS**, the Company is requesting, and MEDC is recommending, that the MSF Board amend the Award to extend the Maturity Date to April 15, 2025, with all other requirements remaining in place for the Award (collectively, the "MCRP Amendment Recommendation").

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the MCRP Amendment Recommendation.

**BE IT FURTHER RESOLVED**, the MSF Board approves the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate the above approved MCRP Amendment Recommendation.



Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner;

Nays:

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund (“MSF”) Board Members

**From:** Jeremy Webb, Managing Director, Business Development Projects

**Subject:** Amendment Request  
Forest Products Processing Renaissance Zone (“FPPRZ”)  
Billerud U.S. Production Holding LLC (the “Company”)

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### **Request**

This is a request from the Company to amend the FPPRZ approval to (the “FPPRZ Amendment Request”):

- Change the due date for investment completion from December 31, 2029 to December 31, 2032.

### **Background**

On December 13, 2022, the MSF Board recommended a 15-year renaissance zone designation to the State Administrative Board (the “SAB”) and on January 17, 2023, the SAB approved the designation of a renaissance zone for the Company, subject to the execution of a development agreement between the MSF and the Company. The Company proposed to invest approximately \$1 billion and retain a minimum of 1,240 jobs in the state to serve the advanced paper product industry.

Through agreement discussions, the Company requested additional time to make the investment. As with all projects, especially those with the proposed level of investment, delays with construction and lead times on machinery are inevitable. Since MSF and SAB approval, the Company has been able to identify a more accurate investment timeline. With the MSF’s approval, the Company is confident that the investment requirement will be met by the new deadline.

### **Company Background**

The Company’s parent, Billerud (f/k/a BillerudKorsnäs) (the “Parent Company”), was formed in 2012 with the merger of two historic companies. Billerud AB was established in 1883 as a pulp factory and Korsnäs AB was established in 1855 as a sawmill. The new company became a leading virgin fibre-based packaging materials and packaging solutions company with headquarters in Stockholm, Sweden. In 2022, the Parent Company acquired Verso Corporation (“Verso”). Verso, headquartered in Miamisburg, Ohio, was the leading producer of coated paper in North America.

As a result of the acquisition of Verso, the Parent Company is now one of the largest providers of virgin paper and packaging materials with a cost and quality advantage. The acquisition included Verso’s production operations in Wisconsin Rapids, Wisconsin; Escanaba and Quinnesec Michigan. Verso had previously closed its Wisconsin Rapids paper mill in June of 2020, leaving only a sheeting operation in place.

### **Recommendation**

MEDC Staff recommends approval of the FPPRZ Amendment Request, as outlined in the attached resolution.

**MICHIGAN STRATEGIC FUND  
RESOLUTION  
2023-155**

**AMENDMENT TO THE APPROVAL OF THE  
FOREST PRODUCTS PROCESSING RENAISSANCE ZONE  
BILLERUD U.S. PRODUCTION HOLDING LLC**

**WHEREAS**, Section 8f of the Michigan Renaissance Zone Act (the “Act”), 1996 PA 376, as amended, authorizes the State Administrative Board (the “SAB”) to designate up to ten (10) renaissance zones for forest products processing facilities (a “Forest Products Processing Renaissance Zone”) upon the recommendation of the Michigan Strategic Fund (the “MSF”) and the consent of the local unit of government in which the proposed Forest Products Processing Renaissance Zone will be located;

**WHEREAS**, the SAB has designated three (3) of the ten (10) allowed Forest Products Processing Renaissance Zones available under the Act;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the renaissance zone program;

**WHEREAS**, on July 22, 2014, by Resolution 2014-122, the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate amendments to renaissance zones;

**WHEREAS**, on December 13, 2022, by Resolution 2022-207, the MSF Board approved a recommendation of a 15-year Forest Products Processing Renaissance Zone designation to the SAB and on January 17, 2023, the SAB approved the designation of the Forest Products Processing Renaissance Zone for the Company, subject to the execution of a development agreement between the MSF and the Company;

**WHEREAS**, the Company requested the MSF Board modify the due date for investment completion related to the project from December 31, 2029 to December 31, 2032 (the “FPPRZ Amendment Request”); and

**WHEREAS**, the MEDC recommends that the MSF Board approve the FPPRZ Amendment Request.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the FPPRZ Amendment Request.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Natalie Chmiko, SVP, Small Business Solutions

**Subject:** Contractual Small Business Solutions & Services – FY24 Funding Allocations

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### REQUEST

The Michigan Economic Development Corporation (“MEDC”) requests that the Michigan Strategic Fund (“MSF”) Board approve the funding allocations set forth in the attached exhibit to the proposed Resolution (the “Request”).

### BACKGROUND

Each year MEDC Staff requests that the MSF Board accept and allocate 21st Century Jobs Trust Funds appropriated by the Legislature to programs and activities of the MSF pursuant to the MSF Act and any boilerplate language contained within the Appropriations Act for the fiscal year. For FY2024, the MSF received \$115,650,000 in appropriations consists of tobacco settlement funds from 21st Century Jobs Trust Fund and funds from the general fund that transfer to the 21st Century Jobs Trust Fund. These funds are appropriated to business attraction and community development and revitalization programs and activities, and to the entrepreneurship ecosystem. The requested allocation of these appropriated funds for small business support is outlined below.

#### ***APEX Accelerators - \$2,064,250***

On December 7, 2021, the MSF authorized grants to eight host organizations to support the operation of the Procurement Technical Assistance Centers (“PTACs”). The MSF Fund Manager, on behalf of the MSF, negotiated and executed grant agreements with each of the host organizations for an initial one-year term of October 1, 2021 through September 30, 2022, with the ability to extend for an additional five one-year terms. On September 27, 2022, MSF exercised its first option year to extend the term of all eight agreements to September 30, 2023 and allocate \$1,275,000 in funding. In 2023, the PTACs transitioned to a new federally adopted name, APEX Accelerators (“Accelerators”).

The Accelerators support our national security by ensuring a broad base of capable suppliers for the defense industry and other agencies, thereby increasing competition, which supports better products and services at lower costs. The mission of the Michigan Chapter of APEX Accelerators (formerly PTACs of Michigan) is to enhance national defense and economic development in the State of Michigan by assisting Michigan businesses in obtaining and performing on federal, state and local government contracts. They are hosted by not-for-profit organizations and funded 65% by the Department of Defense (DOD). To leverage the federal funding, a 35% cash match is required. In FY 2022, the APEX Accelerators of Michigan leveraged



\$2.5M in federal DOD funding and reported that they facilitated \$1.23B in federal contract awards to Michigan businesses.

The Accelerators host programs are selected by the Department of Defense through the federal RFP process posted on Grants.gov. The DOD heavily weights the past performance criteria, in practice providing current programs in good standing security and are not competed by DOD. If programs are not performing satisfactorily by DOD determination or if the host organization chooses not to continue the program, an RFP would be issued for that specific region to ensure service coverage is continued.

The Accelerators provide the following services to Michigan companies to prepare them for federal and state government contracting:

One-on-One Counseling

One of the Accelerators’ most requested services, one-on-one business counseling, provides an opportunity to address specific client issues such as: applications and registrations, marketing strategies, bid preparation assistance, subcontracting opportunities, pre-award survey preparation, quality requirements, contract modifications, electronic commerce, and troubleshooting.

Bid Matching

Locating government bid opportunities can be very time consuming. Electronic bid matching scans a variety of government agencies to provide a report specific to a company’s product or service. Bid Match provides a wide variety of government bid opportunities including those from the FedBizOpps database, Defense Logistics Agency (DLA) bulletin boards, various Electronic Data Interchange (EDI) systems, state and local agencies, and foreign entities.

Seminars, Training Events and Workshops

The Accelerators frequently host training sessions to assist local companies in learning more about specific government procurement topics. Educational events are also an excellent way to connect with fellow local businesses.

To align the MSF agreement with federal allocation timing, the MEDC recommends that the MSF exercise its option to extend the term of all eight agreements to March 31, 2025 and to allocate additional funds for the 18-month period as indicated below:

<b>Host Organization</b>	<b>Grant Amount</b>
Flint & Genesee Group	\$ 226,417
Macomb Community College	\$ 262,500
Muskegon Area First	\$ 239,400
Networks Northwest	\$ 330,000
Northeast Michigan Consortium	\$ 330,000
Saginaw Future, Inc.	\$ 204,600
Schoolcraft College	\$ 337,500
The Enterprise Group of Jackson	\$ 133,833
<b>Total</b>	<b>\$ 2,064,250</b>

### ***Automation Alley - Industry 4.0 Statewide Services - \$2,500,000***

On December 8, 2020, the MSF Board awarded Automation Alley an initial grant of \$2,500,000 for the term of October 1, 2020 through September 30, 2021 with the option to extend the grant for up to five additional one-year terms and allocate funding at the sole discretion of the MSF Board. On August 24, 2021, the MSF Board approved a one year no-cost extension to September 30, 2022. On December 7, 2021, the MSF Board allocated additional funding of \$2,500,000 for the agreement. On September 27, 2022, MSF exercised its second option year to extend the term of to September 30, 2023 and to allocate \$2,500,000 in funding.

As a globally recognized leader in Industry 4.0 (I4.0) knowledge, Automation Alley provides programming that supports manufacturing and technology companies increase revenue, reduce costs, and think strategically as they adapt and implement I4.0 technologies. This supports MEDC's mission to ensure 50% of Michigan small and medium-sized manufacturers, or 6,200 businesses will be prepared to adopt I4.0 technologies by 2025. In FY2024, Automation Alley will assist small manufacturers through outreach, education and I4.0 Readiness Leadership Assessments and Evaluations. As part of this outreach, all Michigan small manufacturers will be extended an Essential Membership, allowing them free access to Tech Takeovers, Integr8 and other key events along with the Technology in Industry Report. Additionally, Automation Alley will continue to support global initiatives including helping businesses expand and diversify sales into international markets through trade missions and by supporting foreign direct investment through the soft-landing space at Automation Alley's International Business Center.

In FY2022, Automation Alley hosted 48 events, tech takeovers and roundtables related to I4.0 and International Trade with a total of 2,352 participants. Automation Alley released its 2022 Technology in Industry report, in collaboration with leading academic and industry leaders. Automation Alley secured 273 Essential Memberships, offering complimentary tickets to the Integr8 Conference in May 2022. Automation Alley continued to leverage its partnership with the World Economic Forum to highlight Michigan's advanced manufacturing leadership on a global scale. Additionally, because of Automation Alley's international trade support in the last 10 years, Michigan companies have reported \$1.8 billion in export sales.

The MEDC recommends that the MSF to exercise its third option to extend the term of the agreement to September 30, 2024 and allocate \$2,500,000 in additional funding.

### ***Edward Lowe Foundation - \$300,000***

On February 28, 2023 the MSF Board awarded The Edward Lowe Foundation (the "Foundation") a grant in the amount of \$300,000 with an initial term of 12 months, with the option to extend the contract for up to four, one year term(s), and allocate additional funding at the sole discretion of the MSF Board.

The Foundation is a Michigan-based foundation that serves as the national leader in second-stage entrepreneurial support for nearly 20 years. Through this funding, the Foundation leads the Second-Stage Growth Solutions Program, which has supported more than 1,200 second-stage companies since 2005. The participating companies are provided data, best practices, connections and peer-to-peer learning to promote growth and help it make decisions that will positively impact the business. The partnership will continue in this way through the proposed MSF program. The partnership provides the opportunity to maximize state allocated funds while delivering a comprehensive suite-of-programs designed to support second-stage companies and their leaders to address issues impacting the ability to grow and scale.

The Second-Stage Growth Solutions Program does not grant any funds, but instead focuses on providing programs and services and allows the state to leverage philanthropic dollars to support a greater number of companies. For example, for every dollar the MSF invests to send a company to an in-person retreat hosted at the Foundation headquarters in Cassopolis, Mich., the Foundation invests two dollars.

The suite-of-programs is iterative by design, driven by insights and trends identified in real time through the Foundation's work with its partner states across the country. These insights position the Foundation to design programming that is relevant and timely based on indicators found in the market. For Michigan's second-stage companies, the Foundation's expertise delivers valuable information, connections and facilitation that brings second-stage entrepreneurs resources they likely would not have the ability, time or finances to find on their own. Current programs include technical assistance/strategic information, retreats and roundtables.

The MEDC recommends that the MSF exercise its second option to extend the term of the agreement one year and allocate \$300,000 in additional funding, as well as, amend the existing agreement to allow for funds to be used to cover administrative costs and to allow for reimbursement of expenses incurred on or after March 1, 2023.

#### ***Industry 4.0 – Acceptance of Federal Award & Approval of Match Funding – up to \$2,000,000***

On May 25, 2023, the MSF responded to the Funding Opportunity Announcement released by the Department of Energy (DOE) Office of Manufacturing and Energy Supply Chains (MESC). Awards will be funded, in whole or in part, with funds appropriated by the Infrastructure Investment and Jobs Act, more commonly known as the Bipartisan Infrastructure Law. The awards will support States in accelerating the deployment of smart manufacturing technologies across their small- and medium-sized manufacturing firm base.

As part of the proposal, MSF requested the maximum award of \$2,000,000 to build upon its comprehensive Industry 4.0 Signature Initiative. In December 2020, Michigan launched a multi-pronged program with the ambitious goal to ensure 50% (6,200) of Michigan's small- and medium-sized manufacturing firms are prepared to adopt I4.0 technologies by 2025.

With the proposed additional funds from DOE, MSF is able to assist a minimum of 83 additional manufacturers with much needed funding to support technology implementation projects. To execute this project, MSF will build upon its network of six established regional partners delivering implementation grants to manufacturers in their region. Additionally, MSF will partner with the Michigan Minority Supplier Development Council to support DOE's Justice40 initiative geared towards supporting minority-owned businesses and those located within disadvantaged communities.

The MEDC recommends that the MSF delegate authority to the MSF Fund Manager to accept the federal funding up to \$2,000,000 and dedicate up to \$600,000 of the I4.0 Implementation Grant funding to be used as match funds.

#### ***Industry 4.0 Implementation Grants - \$3,000,000***

On January 25, 2022, the MSF Board approved the release of a request for proposals seeking proposals from one or more Michigan-based non-profit entities and/or Michigan-based governmental entities to

administer grants for Michigan small manufacturers throughout the state Industry 4.0 (“I4.0”) technology implementation projects (the “I4.0 Implementation Grants RFP”).

On April 26, 2022, the MSF Board approved funding to support six regional entities for initial two-year terms, with the option to extend the term for an additional two years and allocate funding at the sole discretion of the MSF Board. The six regional entities included Great Lakes Bay Manufacturers Association, Macomb County Department of Planning and Economic Development, Manufacturing Growth Alliance, Networks Northwest, Southwest Michigan First and the Right Place. On December 13, 2022, MSF allocated an additional \$1,500,000 to the awardees and delegated authority to the MSF Fund Manager to allocate an additional \$1,500,000 to be allocated at the discretion of the MSF Fund Manager.

The I4.0 Implementation Grants Criteria specify that companies receiving support must be a manufacturer as defined by NAICS code, must be classified as a small business by the Small Business Administration, must complete a I4.0 technology assessment or provide documentation of an executed strategy for determining technology to implement, and must be an essential member with Automation Alley. In addition, the I4.0 Implementation Grants Criteria requires that grant awards to companies be reimbursement-based for up to 50% of the actual expenses incurred in implementing new I4.0 technology, up to a maximum of \$25,000 per company.

Since the launch of the I4.0 Implementation Grants in June 2022, the regional partners have awarded 184 grants totaling over \$4.2 million. The allocated funds were awarded to small manufacturers in all ten regions of the state, across 48 counties. From initial application materials, the collective group of small manufacturer awardees expect to achieve \$210 million in increased revenue, create 764 jobs and retain 3,399 jobs as a result of the I4.0 projects funded. Additionally, these projects leverage \$24.2 million of private investment from small manufacturers.

The MEDC recommends that the MSF Board allocate \$3,000,000 to the I4.0 Implementation Grants through the existing six regional partners and exercise its option to extend the term the two additional years to May 31, 2026 as indicated below:

<b>Grantee</b>	<b>Regional Coverage</b>	<b>Award Increase</b>
Great Lakes Bay Manufacturers Association	Regions 5 & 6	\$ 441,176
Macomb County Department of Planning and Economic Development	Macomb County	\$ 294,118
Manufacturing Growth Alliance	Regions 1, 3, 7, 9, Oakland & Wayne Counties	\$ 1,411,765
Networks Northwest	Region 2	\$ 88,235
Southwest Michigan First	Region 8	\$ 323,529
The Right Place	Region 4	\$ 441,176
<b>Total</b>		<b>\$ 3,000,000</b>

***International Trade Services - \$726,100***

On July 26, 2022 the MSF Board awarded International Trade Services selection of vendors (the “ITS Contractors”) to Ares Technology Group (“Ares”), Foster Swift Collins & Smith, P.C. (“Foster Swift”),

IBT Online, Michigan State University – International Business Center (“MSU-IBC”), the Michigan Small Business Development Center (“MI-SBDC”), Networks Northwest, and Van Andel Global Trade Center (“VAGTC”) following a formal request for proposals, for an initial term of October 1, 2022 to September 30, 2023, with the option to extend each contract up to four additional years and allocate additional funding at the sole discretion of the MSF. On September 27, 2022 the MSF Board allocated \$726,100 in funding to support FY23 services. This request is the first extension option of the agreements, allocating funding to the FY24 contracts.

The MEDC recommends that the MSF Board exercise the option to extend the term through September 30, 2024 and allocate \$726,100 in the amounts listed below to the ITS Contractors to support a continuation of services:

- Ares: \$25,000 to support international defense market research and B2B matchmaking
- Foster Swift: \$52,000 to support legal assistance and trainings including workshops and one-on-one training on topics such as intellectual property protection, international contracts, and international data privacy compliance.
- IBT Online: \$55,000 to support localization of company websites to increase online visibility and grow export sales, as well as international digital marketing solutions
- MSU- IBC: \$177,450 to support Michigan Export Growth Program custom research reports providing multi-country and industry-specific market research reports, export capacity building seminars, industry export roundtables, and updates to/maintenance of ExportMI.org.
- MI-SBDC: \$219,650 to support projects including International Search Engine Optimization (SEO), Early Export Assistance and self-directed RISE modules to assess export readiness and provide export planning for new exporters, and landed cost analysis.
- Networks Northwest: \$40,000 to support export connectivity in rural regions of the state.
- VAGTC: \$157,000 to support customized export training on topics including export documentation and export control compliance, workshops for new to export companies navigating the export process and available resources, worldwide credit reports, and more.

In FY2021, the former structure of Small Business Service providers supported 100 total company projects supporting Michigan exporters expansion and entry into new foreign markets, and in FY2022, ITS contractors delivered 135 total projects to small businesses. Through Q3 FY2022, ITS contractors have engaged in 200 projects for Michigan small businesses that are currently completed or in progress.

### ***International Trade State Trade Expansion Program (MI-STEP) - \$1,200,000***

On September 27, 2012, the MSF Board approved the first acceptance of federal award dollars from the SBA State Trade Expansion Program (STEP) to be utilized by Michigan companies through the International Trade program. In subsequent years, MSF has approved award dollars from SBA to be utilized exclusively for the MI-STEP grant program offered to Michigan small businesses in support of eligible export expenses. MEDC Staff anticipates the notice of award from SBA to be delivered September 2023 for FY24 STEP funding of \$900,000 (the “SBA Award”) out of a nationwide award pool of \$20 million. To accept the award, MSF must commit to matching 25% of the total SBA Award, up to \$300,000 (the “Match”), for \$1,200,000 total in STEP funding. MSF must accept the SBA Award and approve the Match within the 30-day deadline provided after the SBA Award is announced. The SBA Award combined with required state Match funds will make up to \$1,200,000 in funds available through MI-STEP beginning Oct. 1, 2023.

In the past 11 years since the program's inception, Michigan has been awarded \$12,573,885 in federal STEP dollars and MSF Board has approved \$4,191,626 in match funds. MI-STEP incentivizes small businesses in Michigan to begin exporting or expand their current exports by supporting allowable export development activities into international markets. The program will provide reimbursement of up to 50% of expenses for eligible export related activities for a maximum of \$15,000 per business per award year in FY24. This amount has been lowered back to the original 50% rate for FY24, after raising temporarily to 75% to provide additional support to exporting small businesses during the COVID-19 pandemic. Eligible export activities include: participation in foreign trade missions; international business development travel including trade show participation, subscription to services provided by U.S. Department of Commerce; international website development; design of marketing media; trade show exhibition; participation in export training workshops; e-commerce development; sample product shipping; and other export activities approved by the SBA. In FY22, MI-STEP supported 471 applications allocating more than \$2.38 million in incentives to 282 companies. Since the program was established in 2011, Michigan's International Trade program has facilitated over \$5.3 billion in export sales for Michigan businesses through federally and non-federally funded programs.

The MEDC recommends that the MSF delegate authority to the MSF Fund Manager to accept the SBA Award of up to \$900,000 and allocate up to \$300,000 in MSF funding as the Match.

***Michigan Manufacturing Technology Center - Industry 4.0 Statewide Services - \$3,050,000***

On December 25, 2022, the MSF Board awarded the Michigan Manufacturing Technology Center (MMTC) an initial grant of \$3,050,000 for the term of October 1, 2022 through September 30, 2023 with the option to extend the grant for up to four additional one-year terms and allocate funding at the sole discretion of the MSF Board. This request is the first extension option to extend the grant term and allocate funding for the FY24 contract.

MMTC is the sole program of the 501c3 Industrial Technology Institute, Inc. (ITI), a not-for-profit Michigan corporation. In 1991, ITI was awarded the charter to operate the Michigan portion of the National Institute of Standards and Technology ("NIST") Hollings Manufacturing Extension Partnership ("MEP") program. MMTC is a public-private network and receives federal match funds, in addition, to support from MSF. MMTC receives \$4.1 million in matching funds from the Federal Department of Commerce/National Institute of Standards and Technology (Manufacturing Extension Partnership) along with \$4 million from the MMTC's manufacturing clients in Michigan, and through other strategic initiatives.

MMTC collaborates with Automation Alley and MEDC/MSF to advance adoption of I4.0 technologies by Michigan small and medium-sized manufacturers. MMTC will provides support through Outreach, Technology Roadshows, Process Development, Course Trainings, Technology Assessments and Project Management.

In FY2022, MMTC worked with 518 Michigan companies on projects resulting in \$842.2 million in new or retained sales and 7,813 new or retained jobs directly attributed to assistance provided by the MMTC. Projects included in this definition are those designed to help Michigan companies with product and process innovation, lean manufacturing and continuous improvement, quality systems, costing systems, supervisory training, cybersecurity, market research, food processing, and business development. Additionally, MMTC facilitated 190 Technology Opportunity Assessments for the I4.0 Initiative, hosted 13 Technology Roadshows with 189 total participants, and taught 70 participants in Course Trainings on relevant I4.0 topics.

MMTC also provides critical support to MEDC's Pure Michigan Business Connect Program ("PMBC") by connecting established procurement demand to the Michigan supply base. PMBC works with MMTC to provide custom supplier lists and recommendations for procurement demand. From FY2019 through FY2022, MMTC assisted PMBC with more than 220 custom lists which included more than 4,300 supplier recommendations.

The MEDC recommends that the MSF to exercise its second option to extend the term of the agreement to September 30, 2024 and allocate \$3,050,000 in additional funding.

***Michigan Small Business Development Center Core Services Grant - \$2,400,000***

On October 22, 2019, the MSF authorized a grant to the MI-SBDC to support its Core Services Program for a term of January 1, 2020 to December 31, 2022, with the option to extend the term for an additional five years and allocate additional funding at the sole discretion of the MSF. The MSF Fund Manager, on behalf of the MSF, negotiated and executed a grant agreement in the amount of \$1,945,000 for the Core Services Program (the "Core Services Grant Agreement"). On October 27, 2020, the MSF Board allocated an additional \$1,940,000 to support grant activities for the period of January 1, 2021 through December 31, 2021. On October 26, 2021, the MSF Board allocated an additional \$1,940,000 to support grant activities for the period of January 1, 2022 through December 31, 2022. On September 22, 2022, the MSF Board allocated an additional \$2,400,000 to support grant activities for the period of January 1, 2023 through December 31, 2023.

The Core Services program supports small businesses in non-high-tech industries, including early stage, microenterprises, and "main street" businesses by providing expert assistance at no cost to entrepreneurs seeking to start or grow a business. Through their ten Regional Offices primarily housed in educational institutions throughout the State, MI-SBDC business consultants provide one-on-one assistance to small business owners on topics such as writing a business plan, preparing financial statements, cash flow projections, lease negotiations and many others relevant small business topics. In addition to one-on-one business counseling, the MI-SBDC offers robust online and in person trainings. These trainings provide accessible education and best practices to non-tech businesses, many of whom are located on Main Street and contribute to the overall vibrancy of our core downtown and neighborhood commercial districts.

Since January 1, 2023, the MI-SBDC is outpacing their metrics for calendar year 2023 and is on track to serve over 10,000 unique small business clients, facilitate over 300 new business starts, and support creation of over 1,700 new jobs by client companies. The MI-SBDC Core Services grant supports the following MEDC Small Business Strategic Initiatives: assist entrepreneurs with launching businesses by leveraging and supporting Michigan's entrepreneurial ecosystem, provide resources to improve core business acumen, increase coaching and mentorship opportunities and deliver technical assistance.

The MEDC recommends that the MSF Board exercise its second option to extend the term of the agreement to December 31, 2024, and to allocate \$2,400,000 in additional funding.

**RECOMMENDATION**

MEDC staff recommends the MSF Board approve the Request.

## **MICHIGAN STRATEGIC FUND**

### **RESOLUTION 2023-156**

#### **SMALL BUSINESS SOLUTIONS & SERVICES ALLOCATION OF FUNDING FOR FISCAL YEAR 2024**

**WHEREAS**, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

**WHEREAS**, the MSF Board through Resolution 2023-140 approved the transfer of appropriated funds to the MSF for business attraction and community development, and the entrepreneurship ecosystem for the 2023-2024 fiscal year (the “FY24 Funding Allocation”);

**WHEREAS**, the MSF anticipates receiving \$900,000 from the U.S. Small Business Administration (“SBA Award”) for the Michigan State Trade Expansion Program (“MI-STEP”) for fiscal year 2024, provided the MSF authorizes the MSF Fund Manager to accept the award and commits to match funding of up to \$300,000 (the “SBA Award and Match”);

**WHEREAS**, the MSF anticipates receiving up to \$2 million from the U.S. Department of Energy (“DOE Award”) for Industry 4.0 for fiscal year 2024, provided the MSF authorizes the MSF Fund Manager to accept the award and commits to match funding of up to \$600,000 (the “DOE Award and Match”);

**WHEREAS**, the MSF Board through Resolution 2023-032 approved a grant award to the Edward Lowe Foundation (the “ELF”) and associated terms to be included in a grant agreement between the MSF and ELF;

**WHEREAS**, the MEDC recommends that the MSF approve the following from the FY24 Funding Allocation: (i) the SBA Award and Match, (ii) the DOE Award and Match, and (iii) funding to the programs and small business service and solution activities for fiscal year 2024 as described in Exhibit A to this Resolution (the “FY2024 SBS&S Funding Allocations”);

**WHEREAS**, the MEDC also recommends that the MSF exercise its options to: (i) extend the term of the grant agreement with the ELF to February 28, 2025, (ii) extend the term of the agreements for the APEX Accelerators for an additional 18 months, and (iii) extend the terms of the Industry 4.0 implementation grant agreements for an additional two years to May 31, 2026, and (iii) extend the terms of the agreements between the MSF and the remaining entities listed on Exhibit A by one year from their current expiration dates to allow a continuation of services and activities (the “FY2024 SBS&S Agreement Extensions”);



**WHEREAS**, the MEDC also recommends approval of an amendment to the terms of the agreement with the ELF to allow the ELF to apply grant funds towards reimbursement of expenses incurred on or after March 1, 2023 (the “ELF Agreement Amendment”); and

**WHEREAS**, after consideration of that recommendation, the MSF Board desires to approve the FY2024 SBS&S Funding Allocations, the FY2024 SBS&S Agreement Extensions, and the ELF Agreement Amendment.

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the FY2024 SBS&S Funding Allocations, the FY2024 SBS&S Agreement Extensions, and the ELF Agreement Amendment; and

**BE IT FURTHER RESOLVED**, the MSF Board authorizes the MSF Fund Manager to negotiate and execute all final documents necessary to effectuate the FY2024 SBS&S Funding Allocations, the FY2023 SBS&S Agreement Extensions, and the ELF Agreement Amendment.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023

**EXHIBIT**  
**FY24 Contractual Small Business Solutions & Services**

<b>Allocations for Approval</b>	<b>21st Century Jobs Trust Fund Allocation</b>	<b>Federal Awards</b>
APEX Accelerators	\$ 2,064,250.00	\$ -
Automation Alley	\$ 2,500,000.00	\$ -
Edward Lowe Foundation	\$ 300,000.00	\$ -
Industry 4.0 - Acceptance of Federal Award (DOE)	-	\$ 2,000,000.00
Industry 4.0 Implementation Grants	\$ 3,000,000.00	\$ -
International Trade Services	\$ 726,100.00	\$ -
International Trade State Trade Expansion Program (SBA)	\$ 300,000.00	\$ 900,000.00
Michigan Manufacturing Technology Center	\$ 3,050,000.00	\$ -
Michigan Small Business Development Center	\$ 2,400,000.00	\$ -
<b>Total</b>	<b>\$ 14,340,350.00</b>	<b>\$ 2,900,000.00</b>

*Allocations do not include any prior year funding.*



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Alyssa Tracey, Director International Trade

**Subject:** International Trade Center Proposed RFP Recommendations and Funding Allocation Request

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### **Request**

The Michigan Economic Development Corporation (“MEDC”) requests that the Michigan Strategic Fund (“MSF”) Board authorize the JEC award recommendation for representation of MEDC’s International Trade Centers to Great Lakes St. Lawrence Governors and Premiers (“GSGP”) in the amount of \$650,000 for an initial one-year term, with the option to extend the term for up to an additional four years (the “Request”).

### **Background**

The International Trade Program supports the MEDC’s strategic goals to increase jobs, investment, and wages by increasing export sales. The MEDC International Trade Program assists Michigan-based companies to expand their customer base through a variety of international trade services that lead to international market expansion. The ITP focuses on small businesses, determined by the United States Small Business Administration’s (SBA) Size Standards. The ITP will also support companies outside of SBA Size Standards on a limited basis if assistance will have an identifiable economic impact. Through its network of strategic export partners, the ITP assists companies statewide and ensures connectivity to critical resources to evaluate export opportunities, access existing export resources, and increase global competitiveness.

The ITP supports the MEDC’s strategic goals to increase jobs, investment, and wages by increasing export sales. Global market access is a critical component of the ITP’s small business support offerings and is delivered through International Trade Centers. In FY22, MEDC’s International Trade Centers delivered 173 projects to Michigan companies seeking export market analysis and engagement opportunities, resulting in \$163,919,543 in facilitated export sales. Since the ITP was re-established in FY12, Michigan companies utilizing program resources have reported \$5.3 billion in cumulative facilitated export sales, equating to 24,651 Michigan jobs created or retained.

On March 28, 2023, MSF approved the issuance of a Request for Proposals (“RFP”) for the International Trade Program International Trade Centers – (the “ITC”), appointment of a joint evaluation committee (JEC) and approved of the scoring and evaluation criteria to evaluate responses from applicants that could demonstrate the ability to enable Michigan small businesses to evaluate, enter, and successfully compete in international markets. The objective of the ITC agreement is to enter into a fixed fee contract for trade promotion services. Operating costs will be the sole responsibility of the Contractor (as defined in the

Statement of Work and RFP) and derived from the contract fee. Services available at no cost to Michigan small businesses through MEDC ITCs include: customized market research, country market and sector information, market entry strategy, matchmaking meetings, prequalification of agents, distributors, partners and customers, pricing and competitiveness analysis, limited translation/interpretation, regulatory and customs information, and trade show/trade mission assistance. These services are high in demand, and from FY18-FY22 ITCs delivered 1,092 projects to Michigan exporters.

**RFP Results**

The MEDC received eight (8) proposals in response to the RFP. The JEC reviewed each of the technical proposals and subsequent price proposals for applicants whose technical proposal was awarded a consensus score of 80 points or higher. Of the eight proposals, the JEC has recommended awarding a single contract to GSGP totaling \$650,000 annually, pending FY23 budget approval.

<b>Applicant</b>	<b>Regional Coverage</b>	<b>Consensus Score</b>
Great Lakes St. Lawrence Governors & Premiers	Global, 135+ countries	99
Team India Global Services	India	91
Maeflower Consulting	India	89
Global Strategies and Tools	Colombia, Mexico	80
Sidera Group	South America	72
ieTeam Group	Global, 20+ countries	67
Otelo International	Europe, Latin America	66
Bellevue	Cameroon, Ivory Coast, Morocco, Senegal	56

The JEC is recommending GSGP to be selected as the contractor for ITC representation. Final selection of the proposed service provider was determined based on scoring of technical proposal contents and ability to effectively serve Michigan’s small business export community, as well as price proposals for individual service delivery offerings.

GSGP offers global geographic coverage with market support in more than 135 countries that will enable Michigan small businesses to evaluate, enter, and expand export opportunities worldwide as outlined in Exhibit A. The JEC noted that no other applicant offered full global market coverage, and the benefit for each individual country office was not matched or surpassed by other applicants. Other strengths include dedicated, specialized in-country staff, in-depth knowledge of Michigan small businesses, competitive pricing, and administrative efficiencies achieved by multi-market support. Through offices providing customized solutions for Michigan exporters seeking international market intelligence and access, GSGP will provide a substantial benefit to Michigan’s small business community, resulting in greater international engagement and export sales.

**Recommendation**

MEDC staff recommends that MSF Board approve the Request.

# TECHNICAL PROPOSAL

**MSF**  
**International Trade Centers**  
**RFP-Case 377317**

Prepared by:  
Great Lakes St. Lawrence Governors & Premiers

May 15, 2023





**1. Business Organization**

**Council of Great Lakes Governors, Inc.  
DBA Conference of Great Lakes and St. Lawrence Governors and Premiers  
DBA 'Great Lakes St. Lawrence Governors & Premiers' (GSGP).**

**309 E. Rand Road #167  
Arlington Heights, IL 60004  
Tel: (312) 407-0177 Web: [www.gsgp.org](http://www.gsgp.org)**

The Council of Great Lakes Governors, Inc. is an Illinois Not-For-Profit Corporation registered as a 501(c)(3) tax exempt organization with the U.S. Internal Revenue Service.

Bidder certifies it is not an Iran-linked business as defined in MCL 129.312

**Federal ID #: 41-1427529**

**Michigan Vendor #: CV0050334**

**Primary Contact Person(s)**

Mr. David Naftzger, Executive Director Email: <a href="mailto:dnaftzger@gsgp.org">dnaftzger@gsgp.org</a> Phone: (312) 407-0177	Ms. Zoë Munro, Program Director Email: <a href="mailto:zmunro@gsgp.org">zmunro@gsgp.org</a> Phone: (614) 507-3989
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David Naftzger  
Executive Director  
May 15, 2023

Zoë Munro  
Program Director  
May 15, 2023

**Organizational Overview**

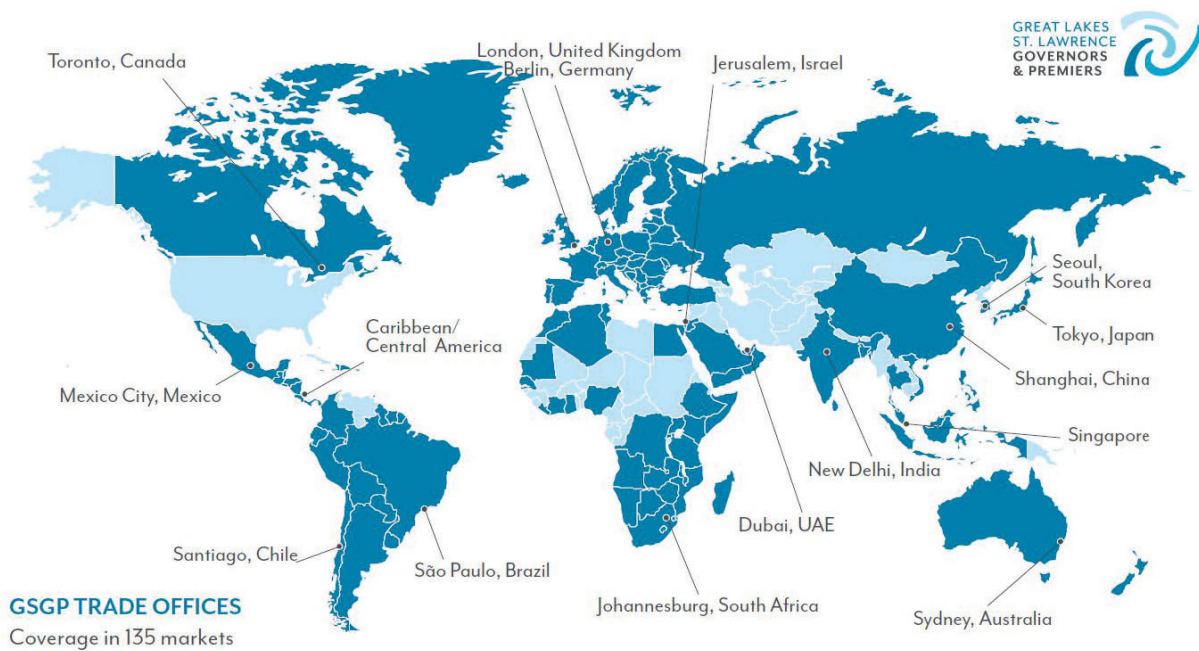
The Great Lakes St. Lawrence Governors & Premiers (GSGP) unites the chief executives from Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Ontario, Pennsylvania, Québec and Wisconsin. Through GSGP, the Governors and Premiers work as equal partners to grow the region's \$6 trillion economy and protect the world's largest system of surface fresh water.



GSGP builds upon over 40 years of work by the Council of Great Lakes Governors, Inc. (Council), an Illinois not-for-profit corporation, to encourage and facilitate environmentally responsible economic development. GSGP is registered with the State of Illinois as an Assumed Name of the Council.

Each State and Province recognizes the economic growth and job creation fueled by exports, yet faces resource constraints in supporting small to mid-size exporters. To overcome this challenge, in 1990 the Governors created a voluntary, non-competitive partnership to advance and enhance the States' international trade initiatives. This partnership has grown and evolved into the unique and innovative approach that GSGP now uses to maximize results.

GSGP manages a network of sixteen shared international trade offices around the world covering 135+ markets. Each member State and Province has the opportunity to participate on a fee-for-service basis in these offices located in some of the world's most dynamic and fastest growing business centers: Sydney, Australia; São Paulo, Brazil; Toronto, Canada; Caribbean/Central America; Santiago, Chile; Shanghai, China; Berlin, Germany; New Delhi, India; Jerusalem, Israel; Tokyo, Japan; Mexico City, Mexico; Singapore; Johannesburg, South Africa; Seoul, South Korea; Dubai, United Arab Emirates; and London, United Kingdom.



The greatest benefit to participating in the GSGP's shared trade offices is their cost-effectiveness. By sharing fixed overhead costs as well as the salaries of foreign trade consultants, a member State or Province has the opportunity to maintain a presence in an established or emerging market that might otherwise be prohibitively expensive to enter. GSGP has negotiated discounted pricing for member States and Provinces compared to if a State or Province would contract with a consultant directly. The GSGP's flexible model allows States and Provinces to participate in the trade offices on a retainer, per project fee, or hourly

rate. Members also benefit from an ongoing forum to share information as well as the administrative assistance of the GSGP staff.

Collaborating to promote regional exports has proven to be a great success for GSGP, its members and participating companies. The common business culture and strong working relationship among the Governors, Premiers and their international trade teams has been instrumental to this success. GSGP's not-for-profit structure ensures that the focus is on providing high-quality services at the lowest possible cost. Similar product and service portfolios have also allowed the foreign trade offices to promote each member individually while under the umbrella of GSGP. In 2016, the national organization of international trade educators and professionals recognized GSGP's innovative approach with a prestigious Advancing International Trade Award and in 2020, GSGP was awarded the President's "E" award for Export Service. The President's "E" Award is the highest recognition any U.S. entity can receive for making a significant contribution to the expansion of U.S. exports.

Annually, GSGP manages about \$2.5 million worth of work under contract to the participating members. Over 700 exporters from the region receive assistance from GSGP's trade offices each year. Since 2011, member State participation has increased over 376% across the sixteen trade offices.



## International Trade

**16 Trade Offices**  
**135+ Markets**



**\$1.13 Billion**  
Facilitated Export Sales  
2017-2022

**730 Projects**  
Completed Per Year



**Over 950 b2b**  
**Meetings Scheduled**

Offices Hosted 15 Trade  
Missions in 2022

GSGP's trade offices provide a scope of services tailored for each participating member's needs including agent distributor searches, matchmaking, trade events, investment activities, referrals, extensive databases of trade contacts, development of trade leads, business appointment assistance and trade missions.

Building on the success of the shared trade offices, each year GSGP organizes multi-State/Provincial trade missions to assist small to medium sized companies from our region to export their products and services. Trade missions are an excellent way for companies to visit international markets as part of an organized group of business people. Each participant receives customized, one-on-one appointments with prospective distributors and customers from the GSGP's exceptional sub-contractors.

In-market, GSGP trade missions attract significant visibility and ensure high-level meetings with government officials, business associations and potential business partners. GSGP management experience and bargaining power also ensure that missions are cost-effective.

GSGP's combination of mission quality and value has attracted more than 375 companies to more than 28 foreign markets. Past missions have visited Argentina, Australia, Brazil, Czech Republic, Chile, Colombia, Costa Rica, Dominican Republic, Germany, India, Indonesia, Japan, Kenya, Mexico, New Zealand, Peru, Poland, Qatar, Québec, Romania, South Africa, South Korea, Tanzania, Thailand, Turkey, Vietnam, the United Arab Emirates and the United Kingdom.

## **2. Statement of the Problem**

MEDC's International Program spurs job growth by assisting small to medium-sized, Michigan based companies to export their products and services. The program is seeking to increase export sales by Michigan companies; increase the number of new-to-export companies; and increase entry into new markets by companies already exporting. Specifically, the Michigan Strategic Fund is seeking contractors to provide trade promotion services in the target markets of the Arab Gulf (to cover Kuwait, Qatar UAE, Saudi Arabia, Bahrain and Oman), Canada, Mexico and Europe.

## **3. Narrative**

GSGP has a long history of collaboration with Michigan to support and grow its export sales. In 1990, Michigan was a founding member of the Council of Great Lakes Governors' first shared trade office in Toronto, Canada. Since that time, Michigan has participated in the GSGP Trade Office network under various administrations. Currently, Michigan utilizes the GSGP network to provide services under the banner of "Michigan Trade Centers" in Arab Gulf, Brazil, Canada, Mexico and Europe. Over the past 3 years, the Trade Offices, (including China, which was recently switched from a retainer to per project office) assisted Michigan companies with \$513 million in facilitated export sales.

Additionally in the key global markets of Africa, Australia & New Zealand, South America, Central America/Caribbean, India, Japan, Southeast Asia and South Korea the GSGP network has provided "Additional Market" representation on a per project basis to MEDC and Michigan companies. Over the past 4 years, the "Additional Markets" program has completed 209 Michigan projects. The long-standing collaboration between Michigan and GSGP and the impressive export results achieved in recent years make a strong case for Michigan to continue utilizing GSGP's services for its export sales needs.

The GSGP's current network of trade offices around the world offers the Michigan Strategic Fund the opportunity to continue participation in the GSGP Arab Gulf, Canada, Europe and Mexico Trade Offices, and to also have the option to use the services of the GSGP Trade Offices in the "additional markets" of Africa, Australia, Brazil, China, Central America/Caribbean, India, Japan, South America, Southeast Asia and South Korea.

**Proposed continuation of "Michigan Center" representation:**

**GSGP Arab Gulf** - covering Kuwait, Qatar, UAE, Saudi Arabia, Bahrain and Oman

Established: September 2017

Location: Dubai, UAE

Director: Ms. Jita Singh

**GSGP Canada Office**

Established: 1990

Location: Toronto

Director: Ms. Nancy Ward

**GSGP Europe Office**

Established: April 2015

Location: London

Director: Ms. Terry Potter

**GSGP Mexico Office**

Established: October 2013

Location: Mexico City

Directors: Mr. Efren Flores & Ms. Silvia Alonso

**Proposed continuation of per project services in "Additional Market" Trade Offices**

GSGP Africa Trade Office - Angola, Botswana, Benin, Burundi, Cameroon, Congo (DRC), Congo (Rep), Comoros, Cote d'Ivoire, Egypt, Eswatini, Ethiopia, Ghana, Guinea, Kenya, Lesotho, Malawai, Madagascar, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Senegal, Seychelles, South Africa, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe

GSGP Australia and New Zealand Trade Office

GSGP Brazil Trade Office

GSGP Central America/Caribbean Trade Office - Costa Rica; Dominican Republic; El Salvador; Guatemala; Honduras; Nicaragua; Panama; Puerto Rico (USA); Anguilla;

Antigua & Barbuda; Aruba; Bahamas; Barbados; Belize; Bermuda; British Virgin Islands; Cayman Islands; Dominica; French Guiana; Grenada; Guadeloupe; Guyana; Haiti; Jamaica; Martinique; Montserrat; Netherlands Antilles; St. Martin; St. Kitts & Nevis; St. Lucia; St. Vincent & the Grenadines; Suriname; Trinidad & Tobago; Turks & Caicos; and the U.S. Virgin Islands (USA)

GSGP China Trade Office

GSGP India Trade Office

GSGP Japan Trade Office

GSGP South America Trade Office - Argentina, Chile, Peru, Colombia, Uruguay, Ecuador

GSGP Southeast Asia Trade Office - Singapore, Indonesia, Malaysia, Philippines, Vietnam & Thailand

GSGP South Korea Trade Office

GSGP charges an annual fee per office to administer the trade offices on behalf of its member States. Services provided for this fee include contract management, oversight, accounting, banking fees and audit compliance. GSGP will coordinate an RFP and interview process if a new contractor is deemed necessary by the members States participating in a particular trade office.

#### **4-9. Technical Work Plans and Trade Office Information**

- A. GSGP Arab Gulf Trade Office
- B. GSGP Canada Trade Office
- C. GSGP Europe Trade Office
- D. GSGP Mexico Trade Office

##### “Additional Market” Coverage:

The following trade offices can provide MSF with per project pricing for market research, partner searches, b2b meetings in country or virtual, translation, general assistance and trade missions. For ease of reading and proposal length, information for the “Additional Market Trade Offices” has been compressed but still addresses all the required elements of the RFP. Items 2 and 3 in the RFP are covered in the GSGP section above. Further information is available on request.

- E. GSGP Africa Trade Office
- F. GSGP Australia and New Zealand Trade Office
- G. GSGP Brazil Trade Office
- H. GSGP Central America/Caribbean Trade Office
- I. GSGP China Trade Office
- J. GSGP India Trade Office

- K. GSGP Japan Trade Office
- L. GSGP South America Trade Office
- M. GSGP Southeast Asia Trade Office
- N. GSGP South Korea Trade Office

#### **10. Bidders' Authorized Expediter**

Mr. David Naftzger, Executive Director

Email: [dnaftzger@gsgp.org](mailto:dnaftzger@gsgp.org)

Phone: (312) 407-0177

Website: [www.gsgp.org](http://www.gsgp.org)

Ms. Zoë Munro, Program Director

Email: [zmunro@gsgp.org](mailto:zmunro@gsgp.org)

Phone: (614) 507-3989

Website: [www.gsgp.org](http://www.gsgp.org)

#### **11. GSGP Professional References**

##### **1. Ms. Katy Sinnott**

Vice President of International Business Development

Wisconsin Economic Development Corporation

P.O. Box 7970

Madison, Wisconsin 53707

Cell: (608) 210-6838

E-mail: [katy.sinnott@wedc.org](mailto:katy.sinnott@wedc.org)

##### **2. Mr. Lennox Ruiz**

Vice President, Global New York

Empire State Development

633 Third Avenue

New York, New York 10017

Tel: (212) 803-2344

Email: [lruiz@empire.state.ny.us](mailto:lruiz@empire.state.ny.us)

This proposal is valid 120 days from May 15, 2023.



**Proposal Response**

Michigan Strategic Fund (MSF) – International Trade Centers  
RFP – Case – 377317

**Technical Proposal**



Submitted by:

**Channels Business Solutions DMCC**

Operating as the Great Lakes St Lawrence  
Governors and Premiers Middle East Trade Office  
Covering UAE, Saudi Arabia, Oman, Bahrain, and Kuwait

# GSGP Arab Gulf Trade Office

## A. TECHNICAL PROPOSAL

### 1. BUSINESS ORGANIZATION AND HISTORY

#### Channels Business Solutions DMCC Head Office

Suite 1206, 12th Floor

Mazaya Business Towers

P.O. Box: 8029, Dubai, UAE

Telephone: +9714 347 6088

Fax: +9714 323 6115

Website: [www.channelsmea.com](http://www.channelsmea.com)

LinkedIn profile: Channels Business Solutions

\*Incorporated/Registered in Dubai, United Arab Emirates

#### Channels Business Solutions Riyadh

The Esplanade Co-Working Space

Prince Turki Bin Abdulaziz Al Awwal Road

Riyadh, Saudi Arabia 12371

**Primary Contact:** Jita Singh  
Managing Partner/COO  
[jita@channelsmea.com](mailto:jita@channelsmea.com)

Anne Jafery  
Managing Director/CEO  
[anne@channelsmea.com](mailto:anne@channelsmea.com)

Channels Business Solutions ([www.channelsmea.com](http://www.channelsmea.com)) was incorporated in mid-2008 in Dubai, UAE. The creation of the trade and export consultancy was demand generated and remains organic in its growth. Channels' Managing Partner, Anne Jafery at that time was the President of the AmCham Dubai & Northern Emirates (chapter of the US Chamber of Commerce), and the Chairperson of the Middle East Council of American Chambers of Commerce. In her role, she was asked to speak about doing business in the region. She hosted multiple visiting trade and congressional delegations, fielding questions on opportunities and barriers to trade. She had the capability to answer these questions based on her own experience creating and running regional Middle East companies in various sectors since her arrival in Dubai at the age of 21. She started her first technology company in 1991, in a field dominated by men in the Middle East.

When approached by the US Chamber of Commerce to assist a Maryland-based company with its regional business development, Ms. Jafery thought, why not? Soon after, she was asked by the Commonwealth of



## GSGP Arab Gulf Trade Office

Pennsylvania to be their Arab Gulf Trade Representative, servicing the trade and export needs of SME's in UAE, Saudi Arabia, Kuwait, Qatar, Oman, and Bahrain.

Channels quickly established a reputation among the state-level economic development agencies and departments for its quality work, which led to it being the company of choice when needing trade support in the Middle East.

### 2. STATEMENT OF THE PROBLEM

It is our understanding that the State of Michigan through MSF is seeking a trade representative in the Middle East/Gulf Cooperation Council (GCC) countries to include UAE, Saudi Arabia, Kuwait, Oman, and Bahrain to promote exports of Michigan products and services. Primarily supporting the small to medium segment key to job creation in the state. MEDC will also extend support via the Middle East trade representative to larger companies if the assistance will have a clear and identifiable economic impact. To summarise, the goal is to guide and foster these companies in identifying, qualifying and promoting Michigan exports overall to the region.

### 3. NARRATIVE

Channels Business Solutions will assist Michigan companies through the MSF International Trade Program and MEDC on various scopes of work that may include but are not limited to:

1. Market Overview to assess potential for company's products or services
2. Distributor/Agent Searches to identify the best fit and make the introductions providing both parties with the information necessary to secure an agreement
3. Due Diligence on identified potential distributors/agents
4. Market Assessments to include importing specifications, standards, product registration, and any other pertinent regulations
5. Vetting Commercial Opportunities working with companies to qualify and provide guidance to the Michigan company on the true potential of an inquiry
6. Organizing and Coordinating Individual Company Market Visits
7. Referrals for all in-country services such as legal, marketing, translation, etc.
8. Organizing and Hosting Trade Missions & Trade Show Delegations including B2B appointment setting
9. Maintaining a Robust CRM system of trade contacts, government contacts and potential business partners/distributors/agents
10. Keeping MEDC abreast of M.E. Regional Trade Opportunities
11. Representing the Michigan Program at regional trade events
12. Fostering and Maintaining Relationships with in-country trade organizations, government bodies, US commercial services, consulates and embassies as a means to fostering trade growth on behalf of the state.
13. Provide Analysis and Reports on a monthly and annual basis key to successful execution to include monitoring economic trends and opportunities present in the region working closely with the network of MEDC export managers and leadership.

# GSGP Arab Gulf Trade Office

## 4. TECHNICAL WORK PLANS

The execution of the above projects involves extensive research, business intelligence collection, participation in Middle East regional events, and active participation with trade organizations. It should be noted that the Middle East countries traditionally do not maintain the statistical data nor credit reporting American companies are accustomed to; Channels’ reports and guidance are based on an exhaustive list of research sources including but not limited to: public sources such as government portals, Chambers of Commerce, direct contact with regional companies, internal CRM, business intelligence subscription services, personal connections, participation in regional business associations, and experience developed over 33 years of regional business activity.

To accomplish the most basic projects above, an example of the timeframe is outlined below:

TRADE SERVICES TIMEFRAME PER COUNTRY		
1.	Distributor Search/Matchmaking	3 - 4 weeks
2.	Marketing Feasibility Report	2 - 3 weeks
3.	Individual Company Market Visit	6 weeks
4.	Trade Mission Organization & Hosting	6 - 8 weeks minimum for each company run concurrently, culminating in the mission itself
5.	Assessment of country-specific importing specifications, standards, regulations, pre-importation product registration	3 weeks
6.	Basic Due Diligence	1 week (expedited based on time constraints)
7.	In-depth Partner/Distributor Vetting - Due Diligence	2 - 3 weeks (expedited based on time constraints)

\*\*These timelines are estimates based on MI companies being responsive to requests for information. Work-flow is managed on a first in/first out basis unless priority is placed on a specific project that is time sensitive, such as pre-scheduled market visit or immediate due diligence required on a pending deal/inquiry.

## 5. PRIOR EXPERIENCE

With 35 years’ grass roots experience executing successful business creation regionally and online, Channels is the only American-owned consultancy of its kind. As mentioned earlier, the company is operated by a US-UAE recognized business community leader - Anne Jafery. Based in Dubai -UAE, Channels Business Solutions is the strategic Partner of the US Department of Commerce’s International Trade Administration, and has annual contracts with six (6) US state economic development agencies, including MEDC, acting as their Authorized Trade Office for the GCC region:

- 2011 to 2020: Pennsylvania Department of Community and Economic Development
- 2020 – to date: Administered through the PENNSYLVANIA-GSGP MULTI MARKET INITIATIVE
- 2011 to 2020: Pennsylvania Department of Community and Economic Development
- 2012 to 2020: Maryland Department of Commerce
- 2013 to date: Virginia Economic Development Partnership (VEDP)

## GSGP Arab Gulf Trade Office

2013 to date: Wisconsin Economic Development Corporation (WEDC)

2014 to 2018: Colorado Office of Economic Development and International Trade (CO OEDIT)

2016 to date: Michigan Economic Development Corporation (MEDC)

2016 to 2020: Virginia Department of Agriculture and Consumer Services

2017 to date: Contracted Alternative Service Provider to US Foreign Commercial Services UAE

2017 to 2020: Economic Development Partnership of North Carolina (EDPNC)

2019 to date: Ohio Department of Development (ODD)

2020 to date: Minnesota Employment and Economic Development (DEED)

To address the three contracts that were discontinued at the end of the 2020 fiscal year, it should be noted that due to the COVID 19 pandemic, many states needed to redirect portions of their annual budget to PPE and business relief programs. Email evidence of reasons for non-renewal are available for reference upon request. Re-engagement with one of these states is currently being negotiated.

As the Authorized Trade Office/Contractor for the state economic development agencies listed above, Channels has completed many projects across multiple sectors in the GCC region. Projects undertaken by Channels Business Solutions are comprised of market research including competitor analysis, pricing analysis, market entry strategy, labeling and licensing compliance etc.; partner/agent/distributor search; due diligence; matchmaking/in-country appointment setting for SMEs and government agencies; trade show support; and trade mission/delegation support.

Highlighted below are a few trade missions that Channels Business Solutions has successfully organized and hosted in the region:

- Virginia Trade Mission UAE -2014, 2015, 2016, 2017, 2018, 2021, 2022, 2023 including 2 Governor's Missions and Secretaries of Trade & Agriculture
- Michigan Mobility Trade Mission UAE - 2021
- GSGP Virtual Multi-State Healthcare Trade Mission (inclusive of MEDC) 2021
- Rhode Island's Trade Mission to UAE – 2018
- Wisconsin's Trade Mission to UAE and Qatar - 2017
- Denver Mission to UAE, a 65-member delegation headed by Mayor Michael Hancock - 2016
- West Virginia's Mission to UAE, Qatar, and Oman - 2016
- Automation Alley's Trade Mission to UAE and Saudi Arabia – 2015
- Washington's Trade Mission to the UAE, headed by State Senator Sharon Brown – 2015
- Maryland's Trade Mission to UAE and Qatar - 2014

Channels Business Solutions has also completed customized projects for the international trade development offices of:

- Connecticut
- Delaware
- Georgia
- Maine
- New Hampshire
- New Jersey
- New York
- Oregon
- Rhode Island
- Tennessee
- Vermont
- Washington
- Kansas
- Florida
- New South Wales
- Scotland
- Australia
- Wales

## GSGP Arab Gulf Trade Office

Channels has delivered services on behalf of companies in the following industries. This list is by no means exhaustive:

- Defense & Aerospace
- Transportation & Mobility
- Smart Solutions & Large Installation ICT
- Advanced Manufacturing
- Construction & Infrastructure
- SaaS Across Industries
- Artificial Intelligence Across Industries
- Digitalization & Internet of Everything
- Big Data & Analytics
- Education & Edutech
- Healthcare & Healthtech
- Pharma & Biotech
- AR/VR Human Augmentation & Extended Reality
- Safety & Security
- Cyber Security Solutions
- Electronics Systems Integration
- Utilities
- Environment, Social & Governance (ESG)
- Water Technologies
- Oil & Gas
- Clean, Blue, & Green Tech
- Water Treatment
- Chemicals
- Financial Services & Fintech
- Tourism
- Interior Design
- Food & Agriculture
- Food Manufacturing
- Food Security
- Halal Products
- Forestry
- FMCG Luxury Goods
- Beauty & Skincare Products
- Curatorial Services
- Veterinary Medicine

### CHANNELS BUSINESS SOLUTIONS' EXPERIENCE WITH MEDC

Although Channels was awarded the contract to function as MEDC's Authorized Trade Office in the Middle East region in 2016 - we have a longstanding relationship since 2013 supporting their delegations at Arab Health on an annual basis.

In February 2018, Channels was sent a Letter of Appreciation by Natalie Chmiko (CGBP), Director, International Trade (at the time), MEDC for supporting the Michigan Delegation at Arab Health 2018. In the letter Channels was commended for its connections and experience in the region, and the quality of service rendered in the run up to, during, and after the show. The letter also highlighted that the joint efforts of MEDC and Channels resulted in over USD\$ 14 million in export sales, since 2015, from companies who attended Arab Health alone.

In our work with MEDC, our regional oversight has been the responsibility of Mr. Chris Bosio, International Trade Manager whom we enjoy a strong relationship. Following our most recent trade show delegation supporting the Michigan booth and the companies at the International Defense Exhibition and Conference (February 2023) with B2B/B2G appointment setting, Chris offered the following testimonial:

*"Michigan hosted eight companies at IDEX 2023 and Channels provided support and arranged meetings with targeted prospects from the UAE. The quality of the meetings that were arranged far exceeded the company's expectations. Appointment setting at any trade event is difficult and requires persistence and strong relationships. Team Channels did an exemplary job ensuring that quality meetings occurred. I have hosted many trade shows and without a doubt, the performance of Team Channels at IDEX 2023 was the best ever."*

# GSGP Arab Gulf Trade Office

On MEDC’s Foreign Office Quarterly Survey results that are shared with us, Channels routinely scores 100% satisfaction and “very satisfied” ratings from Michigan company clients. *(Reference Q4 2022 Quarterly Report).*

## Channels’ experience with MI companies

*“We want to extend our gratitude to your dedication and your professional approach in setting up truly amazing match-making meetings with industry leaders and decision makers which made each and every meeting that we had a bigger opportunity for building our business and expanding our professional network. A heart-felt thanks and appreciation go out to the amazing team at Channels.”*

- Samar W. Karadsheh  
Director, VS Aviation Services

*“As the organizer of this trade mission, Channels was imperative to our success. The feedback from our companies has been that “Channels knocked it out of the park” and exceeded all of their expectations. Some of the companies have asked us to come back to Dubai. Companies are thrilled with the meetings and impressed with the fact that companies they met with were very prepared.”*

- Lisa Lasser  
Supervisor-International Business  
Automation Alley

## 6. PROJECT STAFFING

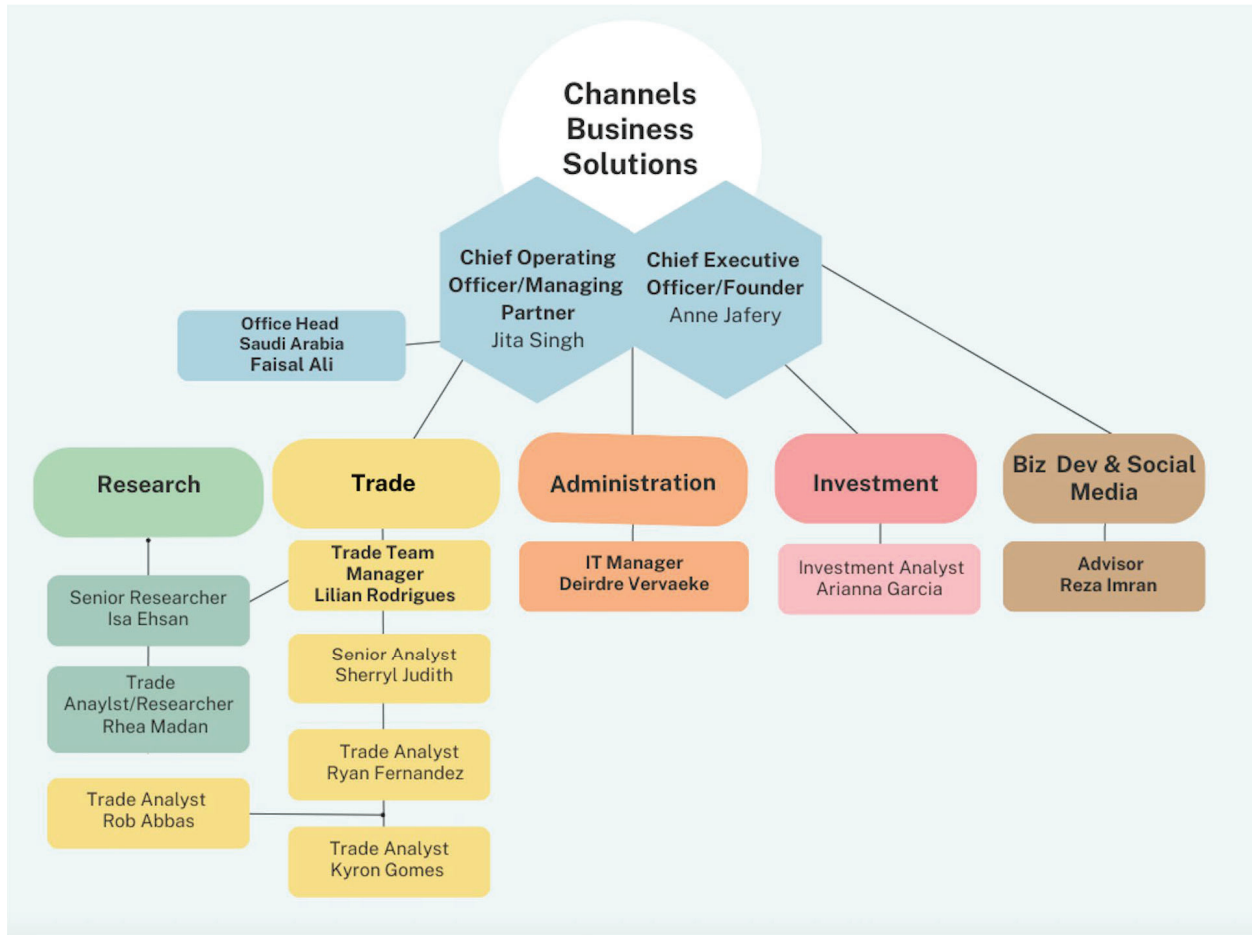
The Channels' team is a composite of specialists in economic research, strategic planning, and trade development particular to the nuanced way of doing business in the Middle East. Channels' management has over sixty years of combined business experience in the United Arab Emirates and the surrounding region, to offer informed guidance and assistance to client companies who are interested in capitalizing on the commercial opportunities.

Both Anne Jafery and Jita Singh (CEO & COO) take a hands on approach to managing the MEDC account participating in all company client calls, project coordination, and delivery of services. The projects are then assigned internally to the analyst with the industry expertise specific to the scope of work.

Prior to 2019, Channels recruited its staff from universities, preferring to hire and train for the unique product delivery of its services. In 2020, Channels then made an H.R. decision to hire more mature and experienced staff members believing that life experience and seasoned critical thinking lended itself far better to the role on an analyst. This decision has positively impacted the level of the company’s service excellence and evolved into a cross-gen team of thinkers. Throughout Channels’ history it has been and is committed to Diversity, Equity, & Inclusion, Corporate Social Responsibility, Sustainability and Good Governance.

# GSGP Arab Gulf Trade Office

## Organizational Chart



## Engagement Responsibilities on MEDC Account

**CEO:** All new client intake is managed in coordination by the CEO and COO. The related Scope of Work for every project is created by the CEO. The position also manages client relations and product quality as it relates to this project.

**COO:** All new client intake is managed in coordination by the COO and CEO. The COO has oversight of the Trade Team Leader; assignment of projects to analysts and delivery.

**Trade Team Manager:** Involved in all project delivery Responsible for coordinating and managing the trade and investment analysts as well as researchers, including assignment of projects with COO, problem-solving, analyst support, quality control, fact checking, proof reading, and monitoring timely delivery of projects

**Senior Analyst:** The Senior Analyst has advanced experience in trade development and promotion and is assigned projects in more complex industries. This person is responsible for compiling reports in coordination with the research team. Areas of expertise typically include aerospace & defense, IOT, AI,

## **GSGP Arab Gulf Trade Office**

digitalization, advanced manufacturing, technology and financial services. Projects include market research, B2B matchmaking, compliance and due diligence. Senior Analysts report to the Trade Team Leader.

**Trade Analyst:** Working with the Research Team, trade analysts compile and write the market research reports, due diligence reports, and secure B2B meetings for independent market visits, trade delegations, and trade missions. Trade Analysts report to the Trade Team Leader. Each Trade Analyst has industry specific knowledge except in the case of leading industries such as Aerospace and Healthcare, in which all analysts have experience.

**Senior Researcher:** The Senior Research is responsible for sourcing information and relevant data from primary and secondary sources including but not limited to trade associations, trade journals and periodicals, Internet, university sources, government sources, syndicated services, databases, surveys, and personal interviews. Working with the trade analysts, data and research is provided to them to compile market research, due diligence and compliance reports.

**Trade Analyst/Researcher:** This position supports both the trade analysts and the senior researchers to identify information gaps in both the draft reports and the compiled information. The position has co-reports to the Senior Researcher and Trade Team Manager.

**Office Head, Saudi Arabia:** This is the newest position on the Team and is responsible for oversight of all the company's projects and research in Saudi Arabia. He works closely with the Trade Team Manager and reports to the COO.

### **7. SUBCONTRACTORS**

Channels does not employ or outsource any state trade services to subcontractors.

### **8. AUTHORIZED EXPEDITER**

Below is the list of authorized expeditors for the proposed contract.

**The Great Lakes & St. Lawrence Governors** Chicago based office is authorized to expedite contracts on behalf of Channels Business Solutions, DMCC for purposes of this RFP.

Contact: Zoë Munro

Telephone: +1 614-507-3989

Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

### **9. ADDITIONAL INFORMATION & COMMENTS**

Anne Jafery, the Managing Partner of Channels is a native Michigander, with the majority of her family and many friends living in the state. Working with companies to assist them with exporting is not just a business venture for her, it's personal; exporting creates more jobs, and higher paying jobs for Michigan residents impacting the state she calls home. With Michigan having 900,000 small businesses, making up more than 99% of all businesses in the state, and 1.9 million small business employees, she is committed and proud to be supporting the SME's in the State.

### **10. Bidder Certifies that it is not an Iran-linked business as defined in MCL - 129312**

# Michigan Economic Development Corporation International Trade Services

## Technical Proposal: Canada

Date: May 5, 2023



Great Lakes St. Lawrence Governors & Premiers  
Canadian Trade Office

Represented by:  
Grow Trade Consulting, Inc.

66 Westwood Avenue, Toronto, ON M4K 2A8





## **GSGP Canada Trade Office**

### **A) TECHNICAL PROPOSAL**

#### **1. Business Organization and History**

Canadian Trade Office of The Great Lakes St. Lawrence Governors and Premiers  
Represented by Grow Trade Consulting, Inc.  
66 Westwood Avenue  
Toronto, ON M4K 2A8  
Tel: 416 368-6956, ext. 8  
Email: [nward@growtrade.ca](mailto:nward@growtrade.ca)  
Web: [www.growtrade.ca](http://www.growtrade.ca)  
Twitter: <https://twitter.com/growtrade>  
LinkedIn: <https://www.linkedin.com/company/grow-trade/>

Grow Trade Consulting Inc. (Grow Trade) was established in November 2004. The Ontario, Canada corporation is a private entity, founded by former staff member Nancy Ward of the Canadian Trade Office of the Council of Great Lakes Governors.

Opening in 1990, the Canadian Trade Office of The Council of Great Lakes Governors now known as the Great Lakes St. Lawrence Governors and Premiers (GSGP) has maintained a state representative trade office in Canada for over 30 years. The Canadian office was the pilot for a successful joint trade office model with the original participation of Indiana, Pennsylvania, and Wisconsin. The Canadian office also worked with Michigan from 1999 to 2001, and from 2012 to today as the Michigan Canada Center.

Grow Trade is a virtual consultancy based in Toronto and has no other offices, nor is it affiliated with any other corporate offices in Canada.

#### **2. Statement of the Problem**

The State of Michigan enjoys a robust and dynamic trade relationship with Canada, due in large part to the highly integrated automotive manufacturing relationship. However, SME clients in many other industries may require and benefit from additional support and guidance in order to realize their export potential in the Canadian market.

While Canada and Michigan share a close proximity, common language and similarities in business culture, differences in regulatory requirements, business nuances, and intra-provincial and logistical challenges exist due to Canada's vast geography. Navigating these areas in a post pandemic world requires the support of an in-country consultancy with an established track record, network of contacts (industry and government) and in-depth experience providing export assistance services.

### 3. Narrative

Through this proposal, the highly experienced team at Grow Trade seeks the opportunity to continue its current relationship with the MEDC, helping both new to export SME clients as well as more established companies find success in the Canadian market.

With a strategic focus on key growth sectors in Canada, as well as with new opportunities resulting from the USMCA agreement (especially in digital trade), this relationship could become even more dynamic and further expand Michigan companies' exports in diverse segments of the Canadian economy. Sectors of interest include advanced manufacturing, clean technology, aerospace, electrified and autonomous vehicles and related infrastructure, waste and recycling equipment, water and wastewater equipment, ICT products and services, and retail products, among others. Each of these sectors has high potential for growth and with attention and targeted outreach, could result in expanded exports and more job creation and retention within the State of Michigan.

We propose to deliver these opportunities by providing in-depth and targeted market research, qualified partner identification and matchmaking services, government procurement opportunities, and digital media support. We also provide timely regulatory guidance, pricing or costing models, background checks on prospective partners, and general market advice. We can connect Michigan companies to a wide network of Canadian referrals for legal, customs, and regulatory compliance assistance. These services will be delivered in a timely and cost competitive manner by our team members, who have deep expertise in a wide range of export assistance activities.

Grow Trade maintains strong relationships with a number of trade agencies and associations in Canada. We are a member of the Council of American States in Canada, the Organization of Women in International Trade – Toronto, The Toronto Board of Trade, Life Sciences Ontario, and The Canadian Health Food Association, among others. We also maintain strong relationships with municipal, provincial/territorial, and federal government trade and regulatory agencies as well as both legal and accounting companies who are involved in international trade. Grow Trade also has a good relationship with the U.S. Commercial Service Offices across Canada and is a member of the American Chamber of Commerce (Toronto Chapter) in Canada, collaborating on activities where it makes sense to leverage resources.

On a broader level, we would look to leverage our existing industry networks across the country and on our social media platforms to promote Michigan companies (as well as the overall Michigan message) to key industry stakeholders in the Canadian market.

### **4. Technical Work Plans**

#### **Methodology: Promotion of U.S. Companies into Canada**

Whether we are conducting in-depth market research, partner matchmaking, or providing general assistance, our team's methodology is systematic and consistent. We work closely with each unique client to learn about their specific product/service, value proposition, their distribution model in the U.S. and other international markets, and any previous export activity to Canada. Based on a video conference call or in-person meeting, we learn about their company's background and their export goals for the Canadian market. Using that information, we build a project scope to demonstrate our understanding of their product, their value proposition, and best channel targets.

Once the project scope is agreed upon by the client, we begin by researching the market size and geographic locations, distribution channels, and existing competitors and their market positioning. We then identify the best channels for the client's product or services in Canada. Based on this research, we provide strategies and recommendations for successful market entry.

The next step is the identification of agent, distributor, or end user channel partners that best suit the client's objectives and criteria. Clients will be involved in the vetting of prospective partners prior to our outreach to ensure they meet their criteria. Team members do extensive outreach by phone, email, and in-person to potential partners, ensuring that they are suitable companies interested in a potential relationship and that we are speaking to the right contact. Team members will also facilitate introductory calls to ensure that initial discussions take place between the Michigan client and potential Canadian prospects.

As a follow-up procedure to all projects conducted by Grow Trade, our office continuously follow-ups with every client to ensure they've received our reports, emails, and communications, and asks if they have any addition questions or require further assistance.

#### **Project Completion Timelines**

In-depth market research projects are typically completed within 6-8 weeks. Partner matchmaking timelines are similar, although they may vary depending on the number of potential partners selected by the client for outreach.

For inbound trade missions, which typically combine the research and matchmaking process, eight weeks is the optimal time frame to conduct market research and identify, qualify, and reach potential partners to set in-market or virtual appointments.

Most general assistance enquiries are answered in one to five days, depending on their complexity and whether we need to reach government departments to obtain information.

## GSGP Canada Trade Office

### 5. Prior Experience

For over 18 years, Grow Trade has operated with the express purpose of providing export assistance to U.S. and overseas clients seeking to find business opportunities and partners in the Canadian market. In that time, our office has worked with over a thousand individual clients and coordinated dozens of industry-specific and horizontal trade missions into Canada.

Team members have organized inbound events in a wide range of industry segments including food service, health food, oil and gas products, advanced manufacturing, hardware, construction, and defense for a variety of state clients including Pennsylvania, Michigan, Wisconsin, North Carolina, and Virginia. Missions throughout the years have been governor or lieutenant governor led or solely company focused. Services offered range from complete turnkey solutions to primarily matchmaking, always tailored to the needs of our partner states and their client companies.

Our team completes on average between 200 to 225 unique company requests per year. These requests span in-depth market research and market entry strategy, agent/distributor identification, qualification and introduction, in-country matchmaking, and trade show coordination and execution, as well as regulatory and customs' guidance and general assistance.

Having worked with the MEDC since 2012, we have a proven track record of assisting Michigan companies to both begin or expand successful export efforts in Canada.

### Case Studies

The following project summaries provide insight into our processes and approach assisting Michigan companies in Canada:

**Whiskers** (<https://hello.whisker.com>), a Michigan based company that makes automated litterbox for pets, requested assistance in December 2021 to understand Canada's market for pet industry products, and learn of any regulatory hurdles regarding doing business in Canada. As a result of the assistance provided in just under six weeks (which included a detailed report with market information on Canada's pet industry, in-country retailers, e-commerce platforms, third-party logistics companies, doing business in Canada (including taxation, non-resident importer program, and setting up a business in Canada), and legal/accounting referrals), they found a partner and began immediately exporting to Canada in May 2022. Whiskers had also re-approached Grow Trade for additional assistance in September 2022 when they experienced new issues exporting to Canada and learned their new shipping partner was flagging their customers. As a result, Grow Trade provided advice/guidance on utilizing automated software such as such as sanction screening programs/software and working with their logistics company to mitigate any future occurrences.

David Newhouse, International Trade Manager, MEDC

## **GSGP Canada Trade Office**

Email: [newhoused@michigan.org](mailto:newhoused@michigan.org)  
Mobile: 517-331-6715

**Thermavance (a Promethient Brand)** (<https://thermavance.com>), a Michigan based company that makes solid state heating and cooling technology for use on transportation seating, furniture, and garments, had requested assistance in June 2021 to identify and connect with various contacts in heavy and construction equipment, aircraft industry, bus and motorcoaches, boat building, and off-road vehicle sectors. Upon client approval of the project scope, our office provided a potential list of 67 prospects for vetting prior to outreach. By September 2021, we provided the client with a final report that included market information, contact information for six clients expressing interest as a result of our outreach, and facilitated introductory virtual calls with two of the Canadian companies; this resulted in having the contact's equipment (seats) sent for retrofit as a test. An NDA was also signed as a result of that outcome.

Christopher Bosio, International Trade Manager, MEDC  
Email: [bosioc@michigan.org](mailto:bosioc@michigan.org)  
Mobile: 517-348-9256

**TradeCnect** ([www.tradecnect.com](http://www.tradecnect.com)) is a Michigan-based company that develops software solutions for businesses to manage their supply chains in a secure and trusted manner. Their CTPAT Manager is a compliance management software for the U.S. Customs and Border Protection Agency's supply chain security program, known as Customs Trade Partnership Against Terrorism (CTPAT). This client had requested assistance from our office in March 2022 for detailed information on Canada Border Services Agency (CBSA) Partners in Protection (PIP), a cooperative program between private industry and the CBSA aimed at enhancing border and trade chain security in Canada. Within two weeks, we were able to provide detailed answers on the Trusted Trader Portal PIP program, along with relevant sources of information and an accompanying report detailing the PIP program's Minimum Security Requirements (MSRs), which was requested by the client.

David Newhouse, International Trade Manager, MEDC  
Email: [newhoused@michigan.org](mailto:newhoused@michigan.org)  
Mobile: 517-331-6715

## **Trade Missions**

### **Wisconsin Trade Venture, March 18-23, 2023 (Toronto, Ontario & Montreal, Quebec)**

When in-person trade missions returned in March 2023, Grow Trade supported three Wisconsin companies in different industry sectors with market research and business matchmaking in Toronto and Montreal. The Trade Venture also included in-depth market briefings conducted by our team, PNC Bank, and the U.S. Commercial Service. The

## **GSGP Canada Trade Office**

event also included a cultural activity, touring Old Montreal. In addition to matchmaking, Grow Trade also provided in-market logistics support.

The week-long event resulted in the coordination of 20 appointments for the three participating companies, seven additional leads, and a five-location retail grocery audit tour for one of the participating companies. Our office also assisted in setting governmental meetings for the Trade Venture's Wisconsin leaders with federal, provincial, and municipal contacts in each city.

During the COVID-19 pandemic, border restrictions and public health mandates pushed companies to work from home, making in-person trade activities almost impossible. Our team conducted two very successful virtual Trade Ventures in March of 2022 and 2021, conducting market research and setting virtual cross-Canada meetings for the Wisconsin participants. Not only did team members set meetings, but they also participated in the virtual meetings to provide facilitation and technical support to the Wisconsin participants.

In 2022, Grow Trade assisted seven companies in a virtual Trade Venture and while it was promoted with a focus on Ontario and Quebec, many of the company's meetings were set across Canada, totalling 33 virtual meetings. In addition, 37 qualified leads were provided for participant follow-up at a later date. In 2021, Grow Trade assisted nine companies in its first virtual Trade Venture, arranging 46 virtual meetings and providing 47 additional leads for participant follow-up at a later date.

### **2019 Michigan Economic Development Corporation (MEDC) Trade Mission to Canada (May 13-17, 2019)**

In the months prior to the COVID-19 pandemic, Grow Trade led a group of six Michigan companies as part of MEDC's Trade Mission to Canada (Montreal and Toronto). The week-long event resulted in the coordination of 31 meetings and provided an additional 35 leads for the participating companies:

- McKeon Products: 8 meetings and 4 leads (only attended Toronto),
- Viking Satcom: 7 meetings (including 1 meeting in Ottawa) and 5 leads. Additionally, 1 meeting and 1 lead was provided to Viking Satcom for the Satellite Show in Washington, DC a week prior to the Trade Mission,
- Barron Industries Inc.: 5 meetings and 2 leads,
- Buckland Customs Brokers Ltd.: 4 meetings and 9 leads, and 5 industry networking events,
- Synthetic Lubricants: 4 meetings, 3 drop-in meetings, and 2 leads, and
- Altus Inc.: 3 meetings and 13 leads.

The trade mission also included a welcome briefing dinner event, with a guest speaker from the U.S. Commercial Services office in Montreal. Grow Trade also provided in-market logistical support to ensure companies were transported to each meeting.



## **GSGP Canada Trade Office**

As a result of our work with Michigan, significant sales have been achieved by many of the Michigan companies we assisted in the Canadian market. In FY 21/22 Grow Trade had facilitated sales of \$34,887,242.00. Grow Trade was also credited with having facilitated sales of \$23,586,584.42 in FY 20/21 and \$25,411,422.47 in FY19/20.

In FY 21/22, our work order goal of 100% was reached and our general assistance goal was exceeded by 108%, and in FY 20/21, our work order goal was exceeded by 164% and our general assistance goal was exceeded by 118%.

While just over halfway through the FY 22/23, we have been credited with first quarter facilitated sales of \$6,328,265 and have met a quarter of our goals in terms of work orders and general assistance requests.

### **Trade Events**

Grow Trade actively attends industry trade shows and conferences in Canada, primarily in the Greater Toronto Area. Our team actively sources Michigan based companies exhibiting at events and meets with each company to provide information on MEDC's programs and services for not only the Canadian market, but for its other international trade offices. Based on those outcomes, we provide referrals for Michigan companies interested in connecting with the MEDC's International Trade Managers (ITMs).

### **Virtual Events**

As the COVID-19 pandemic shifted much activity in Canada to the virtual realm, our office quickly adapted to support Michigan and MEDC with presentations on several events.

#### **Access Markets in 90+ Countries Around the World (July 2021)**

Organized by the Michigan Manufacturers Association (MMA) and the Michigan Economic Development Corporation (MEDC), the office director presented as part of a panel highlighting foreign office benefits and opportunities in Michigan's top export markets: Mexico, Canada, and Europe. This session was included in "Michigan Roots, Global Reach Virtual Lunch & Learn Series." An overview of the Canadian market was provided and included geographic differences, trade statistics, market channel entry opportunities, regional manufacturing strengths, the adoption of advanced and emerging technologies by region, sectors offering opportunity, and examples of Michigan companies we've assisted, challenges and considerations, and a list of upcoming trade events.

#### **Great Lakes Women's Business Council Webinar (May 2021)**

Organized by the MEDC and the Great Lakes Women's Business Council, the office director presented a webinar on doing business in Canada and Mexico, offering background on the Canadian market, potential industry opportunities, and using supplier diversity certifications in the Canadian market. The presentation had 22 attendees,

## **GSGP Canada Trade Office**

members of the Great Lakes Women's Business Council in Michigan. As a result of the webinar, one company indicated interest in working with the Michigan Canada Center.

### **MEDC: Doing Business in Canada - International Trade Livestream (February 2021)**

Organized by the MEDC, the office director participated in the Michigan Economic Development Corporation's livestream event with Alyssa Tracey, Director of the MEDC's International Trade Program. The livestream conversation touched on some common misperceptions exporters may have about Canada, some industry sectors that are seeing strong growth as a result of the pandemic, and others regarding government policy like clean technology. Most importantly, it noted how the Michigan Canada Center can assist Michigan SMEs in navigating the Canadian market, understanding regulatory issues, and finding prospective Canadian partners and customers.

## **6. Project Staffing**

### **Primary Contacts**

Nancy Ward, Principal  
O: 416 368-6956, ext. 8  
M: 416 898-1027  
Email: [nward@growtrade.ca](mailto:nward@growtrade.ca)  
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Chris Leslie, Managing Director  
O: 416 368-6956, ext. 2  
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Email: [cleslie@growtrade.ca](mailto:cleslie@growtrade.ca)  
Web: [www.growtrade.ca](http://www.growtrade.ca)

Mr. Leslie is the dedicated project manager and is responsible for overseeing and assigning work orders to appropriate staff, managing reporting and project intake, and connecting monthly with the MEDC trade team to update on project status, market opportunities, and the economic and political environment in Canada. Since 2021 Chris has worked directly with the International Trade Managers (ITMs) and the MEDC staff in this capacity.

The following Grow Trade team members would work on Michigan work orders. Please note that Grow Trade has very low staff turnover with many of our staff have been with the company between five and fifteen years. Team members are all highly experienced and dedicated to helping Michigan companies realize export success in Canada.



## **GSGP Canada Trade Office**

### **Nancy Ward, Principal**

Nancy Ward established Grow Trade Consulting Inc. in 2004 after a successful six-year career with the Canadian Trade Office of the Great Lakes St. Lawrence Governors & Premiers (formerly the Council of Great Lakes Governors). Since 1998 she has helped thousands of U.S. and overseas SMEs understand the nuances of the Canadian market, connect with Canadian partners, and identify business opportunities in a broad range of industry sectors. She has also coordinated numerous inbound trade missions, both horizontal and industry sector specific, across Canada.

Prior to working with the Canadian Trade Office of the Great Lakes St. Lawrence Governors & Premiers and establishing Grow Trade Consulting, Nancy held positions in healthcare, retail sales, adult education, and sales and marketing (the latter while working with the Canadian subsidiary of a U.S. automotive parts manufacturer).

### **Chris Leslie, Managing Director**

Chris joined the Grow Trade Consulting team in 2008 and has spent the last fifteen years in a business consultancy capacity, helping U.S. and overseas SMEs find opportunities and partners in the Canadian market.

With expertise in a variety of industries including oil and gas, clean technology, transportation, manufacturing and processing technologies, and industrial products; and with hands-on knowledge of the construction materials sector, he continues to assist clients in understanding the Canadian business landscape, conducting market research, and facilitating business-to-business trade in various industries across Canada.

Chris has been serving as Grow Trade Consulting's Managing Director since 2021, overseeing the company's day-to-day operations including communication with partner states and managing the Grow Trade team. He also works directly with clients providing services that develop or increase their export sales in the Canadian market.

### **Kirsten Ross, Communications Manager & Senior Market Access Consultant**

Kirsten began her career as a reporter/photographer in southwestern Ontario, covering everything from municipal politics to criminal trials. She later transitioned to creating print and digital communication and marketing materials for a variety of industries including hospitality, IT, engineering, documentary film, and the healthcare sector. She has spent more than a decade learning a multitude of digital platforms and contributing regularly to the online world.

For the last nine years, Kirsten's role at Grow Trade Consulting has been two-fold: assisting clients with export facilitation and print and digital communications management, ensuring Grow Trade's clients are highly visible, particularly during key trade events in the Canadian market. She is the author of Grow Trade's weekly blog

## **GSGP Canada Trade Office**

posts highlighting Canadian business opportunities and regulatory updates geared toward U.S. clients.

Kirsten has assisted a number of Michigan companies during her time at Grow Trade in a wide variety of industries including satellite components, medical devices, pharmaceuticals, and ICT.

### **Joanne Walsh, Administration Manager, Senior Market Access Consultant**

Joanne joined Grow Trade Consulting in 2017 after spending more than a decade as an international trade specialist with the State of Illinois Canada Office in Toronto.

During this time, she has gained extensive knowledge and experience facilitating successful business relationships between U.S. and international companies and organizations with Canadian partners, conducting market research in multiple sectors, and maintaining business relationships with various industries across Canada. She also oversees various administrative responsibilities including client reporting and tracking utilizing Salesforce and other proprietary CRM systems.

Joanne has worked with several Michigan companies in a range of industries including automotive, tabletop gaming, promotional products, digital health wearables, and electrical equipment.

## **7. Subcontractors**

### **Shari Stancer, Senior Market Access Consultant**

17 Skywood Dr.  
Richmond Hill, ON L4E 4L2  
Tel: 416-271-4248  
Email: [sstancer@growtrade.ca](mailto:ssstancer@growtrade.ca)

Shari Stancer has worked with Grow Trade Consulting for more than 10 years. She came to the company with more than 15 years of business consulting experience in the human resources and recruitment industry. She has worked with both SME and large companies, many specializing in the manufacturing, import and wholesale apparel sector and retail markets.

Shari's retail market commodity experience includes hardware, footwear, sporting and outdoor goods, home fashions, grocery, health and beauty, accessories, and apparel. Since 2012 Shari has assisted a number of Michigan companies in a wide range of industries including kitchen wares, apparel, customer experience software and specialty machine tooling.

## **GSGP Canada Trade Office**

### **8. Authorized Expeditor**

The Great Lakes St. Lawrence Governors and Premiers is authorized to expedite contracts on behalf of Grow Trade Consulting, Inc. for purposes of this RFP.

Contact: Zoë Munro

Telephone: +1 614-507-3989

Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

### **9. Additional Information and Comments**

During the pandemic, through border restrictions, supply chain issues, and PPE shortages, the Grow Trade team adjusted rapidly to the virtual environment and continued to provide in-depth market research, virtual match making, and problem solving to the MEDC and Michigan companies, allowing them to continue to export their products and services to Canada. We look forward to having the opportunity to continue our relationship with the MEDC and to help Michigan companies find new business opportunities, new market segments, and success in the Canadian market.



**Pure Michigan International Trade Team**  
**International Trade Services**  
**RFP-CASE-377317**  
**Europe Trade Office**



## Technical Proposal

**International Business Development Group Limited (IBDG)**  
**Operating the Great Lakes & St Lawrence Governors and**  
**Premiers**

**Europe Trade Office**

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St Albans, Hertfordshire AL1 3EJ  
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Phone: +44 (0) 775 775 3816

Web: [www.ibdg.co.uk](http://www.ibdg.co.uk)

IBDG is incorporated in the United Kingdom.

Mal Donnelly, Managing Director

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### **1. THE OBJECTIVES**

Exporting to global markets is key to Michigan's economy; the State is the 6<sup>th</sup> largest exporter in the USA, has one of the strongest export growths in recent years (+25%), and has one of the largest percentages of trade as a portion of its GDP, in the US. Underpinning this excellent record of export success is the MEDC's International Trade Program, through which the MSF assists hundreds of Michigan companies to contribute towards the State's more than \$61 billion export sales figure. Companies in advanced manufacturing, life sciences, automotive & mobility manufacturing, professional services, technology, engineering and more, are encouraged to recognise the importance of exporting, assisted to begin the export process, and then continually build on that export business, year on year – securing hundreds of thousands of jobs in the process. From start-ups and micro businesses to SMEs, companies are offered appropriate services that will enable them to grow internationally, through this International Trade program.

Michigan has consistently been recognised for the strength of the State's export activity, and MSF was awarded the largest federal STEP award in the nation by the SBA, for the 6<sup>th</sup> consecutive year, enabling hundreds of Michigan companies to claim reimbursement for their export-related activities.

MSF has specific targets to achieve through its export development program:

- Build capacity and capability for exporting to ensure Michigan businesses have the right skills, know-how and confidence to be successful exporters;
- Reach out to more businesses in Michigan on a 'one-to-one basis', particularly those businesses with a potential to export, and inspire them to take up exporting;
- Enable more experienced exporters to continue to expand into new export regions, thus building export business every year;
- Offer 'one-to-many' support in terms of market visits and international exhibitions.

Canada, Mexico and China are the traditional strong export regions for Michigan, although Europe features highly in the top targets; Germany, the UK, Benelux, Spain and Italy all hold positions as top export regions for Michigan companies and offer even further growth potential.

We know the State's strong exports such as advanced manufacturing, vehicles, automotive parts, aircraft engines and parts, and many other growing industries, and can match these to appropriate European regions. These and other sectors are buoyant in Europe, and showing excellent growth, so now is an ideal time for Michigan companies to be looking further afield, and for the State to take a systematic approach to building exports to Europe. IBDG has in-depth knowledge of the industry clusters across the European regions which offer the most attractive opportunities, and we can assist Michigan companies to focus on them, and build new business. We can help them to overcome the challenges that they face entering Europe, which is a highly fragmented and complicated marketplace; help them to identify an appropriate entry point, define an entry strategy, manage partner relationships and start gaining new business quickly.

### 2. ACTION PLAN

Our key aim is to offer an effective and professional consultancy service to support MSF and Michigan companies in growing exports to Europe. Our high standards of customer service will be adhered to as normal contractual practice. Our assistance to Michigan companies will:

- Provide business information at a local level
- Advise on local trading conditions and regulations
- Identify and contact potential customers, agents or distributors
- Arrange face-to-face meetings with interested parties
- Support businesses during their time in market

As part of Michigan's export support ecosystem, IBDG is delighted to have the opportunity to play a part in the sustained success of Michigan exports and in the vital growth of exporters. We are committed to supporting and enabling Michigan businesses so that they can bring outstanding exports to the global marketplace.

Through our large network of in-market experts, we have a finger on the pulse in the 28 European countries we cover, which will help to accelerate export sales to Europe by leading Michigan exporters to the 'hot opportunity' segments of the European Market. We can proactively identify new growth opportunities for the State of Michigan and provide information on relevant market trends, to enable the State to stimulate more companies to actively pursue the European market and proactively lead Michigan companies into new and attractive areas of the European market.

**Market Coverage:** United Kingdom, Ireland, Belgium, Netherlands, France, Germany, Sweden, Denmark, Norway, Finland, Iceland, Italy, Spain, Portugal, Greece, Czech Republic, Poland, Romania, Turkey, Hungary, Slovakia, Slovenia, Bulgaria, Lithuania, Latvia, Estonia, Russia (should sanctions be eventually lifted) and Ukraine

Michigan companies that are ready to export – or have exported to the closer regions such as Canada - can be encouraged to look at Europe. Once successfully established in one region of Europe, these companies will be keen to diversify to other European regions, and thus gradually increase their presence.

IBDG is a leading Economic and Trade Development Consultancy, working in close partnership with Economic Development Agencies globally, to grow exports. Our achievements are recognized in long-term contracts, which have been continually renewed, with relationships lasting up to 25 years.

We have worked closely with MSF since 2015, supporting Michigan companies to export and consequently raising the profile of the State internationally. During these 8 years, our relationship with MSF has been a top priority for IBDG, and that commitment will continue. The relationship has successfully, year on year, delivered programs that have increased the number of exporters, increased exports and delivered quality services, which reflects our unrelenting commitment to helping 'export ready' companies identify and access opportunities in overseas markets.

To enable highly successful outcomes, IBDG carefully curates the right resources for the duration of the Contract, considering staffing levels and capability, skill sets, and expertise and, as a result, we consistently meet and surpass expectations.

## GSGP Europe Trade Office

As a long-term delivery partner, we are ready to hit the ground running. The team is constantly developing new methodologies and services to respond to the changing needs of exporters and MSF, to further improve the service level we provide.

IBDG's representation network covers 28+ countries across Europe, which are the highlighted areas in the map below:



Since April 2015, IBDG has been an official representative of the State of Michigan in Europe. Starting with the regions of the UK, Scandinavia and Benelux, in 2017 IBDG was awarded extended territories in Europe and since that time we have represented the State across all 28 countries in our consultancy network.

During this time, we have assisted 239 Michigan companies to approach new partners or customers in Europe or to gain market insight and information to help them prepare for market entry, to judge what potential a country may hold for them and understand where the best opportunities lie. It is very satisfying to note that during the last contract alone (2019-present), 22 companies have used our services multiple times, which is a clear commendation of their satisfaction with the MSF program, and the high quality of the assistance provided by MSF contractors. A good example of this is Redi-Rock, a provider of large block form systems for retaining walls, used in infrastructure and for gardens. We have undertaken 5 partner searches in Europe since 2019 and the company has signed at least one new licensee each time; thus their representative network in Europe continues to grow year on year.

During the pandemic, we worked closely with MSF to find ways to assist Michigan companies when travel was curtailed. After a halting start, businesses worldwide soon realised the benefits of using the time effectively to prepare for new export markets, and became more open to virtual introductory meetings. This brought with it a totally new way of working, and some of these practices will remain. Being able to meet virtually as a first step enables Michigan companies to focus on the best prospective partners when they eventually visit the market, although whilst we fully support this approach, we will always encourage companies to physically visit when they can. Visiting a country and the premises of prospective representatives is vital in gauging their business and cementing relationships, and is a very good indication to your potential partner that you are dedicated to growing that market.



## **GSGP Europe Trade Office**

It is good to see companies travelling more once again, and since the pandemic, we have seen an increasing level of interest in market visits, and in participating in exhibitions. Last year we assisted a group of Michigan companies at Eurosatory (the international defence and security show), to provide insight and information ahead of the show, and assist the individual participants to develop highly targeted promotional materials to post on the Eurosatory platform. Two members of the IBDG team accompanied the group during the week, to make ad hoc introductions and help with translation. This show was extremely successful for the participating companies, and a group stand is planned once again for 2024.

This year saw the first MEDC European trade mission post-covid, which included a group of 6 Michigan companies, that came to the UK and the Netherlands for a one-week visit. Individual meeting programmes were arranged in both countries, which resulted in 44 meetings for the group. Feedback has been extremely positive, and new business is anticipated. These two regions proved very complementary as targets for Michigan companies and are an excellent springboard into the wider European region.

Many companies have come to Europe on independent market visits, and in each case our local IBDG consultants have organised face-to-face meetings with new prospective customers or sales representatives, offering on-the-ground services for interpretation where needed, organising logistics, and making their visit to Europe as effortless as possible.

A major contributing factor to our success and the close relationship we have forged with Michigan companies are the 1:1 conference calls held consistently throughout the year. Since the pandemic, virtual platforms have been exclusively used for such meetings, thus giving the next best experience to a face-to-face. Whilst physical visits to the US were not possible for a while, IBDG is very keen to reinstate the previous yearly visit to the State by a senior member of our team. Meeting with a large number of companies during a week's visit – from all parts of the State – proved extremely effective in offering advice, enthusing companies to look at Europe, and providing information on the best entry points. It was our experience that the majority of meetings led to projects, with Michigan companies keen to evaluate new potential in Europe.

Our proposal to MSF is to continue to assist Michigan companies to develop exports to Europe. Our entire network in the European region is available to the State of Michigan, and our offices can be branded under the State of Michigan banner. To assist companies that are committed to actively developing new export sales to Europe, we will provide a range of services designed to deliver results, we can do this in the following ways:

### **Trade Counselling**

Our International Trade Managers are all experts in their field, and all come from a practitioner background. They all have the first-hand experience and track record necessary to help MSF to mentor Michigan companies to take the next step in their export plan. The IBDG consultants are located in each geographic market and they are experts in their respective fields. Many of the consultants have been successfully introducing our clients into their regions from as far back as 1998, thus our consultancy team is stable and the management team has a unique insight into each consultant's particular areas of expertise, ensuring the very best resources are designated to each project.



## **GSGP Europe Trade Office**

The fact that 83% of our clients are successful in securing new export business as a result of participating in our programmes is testament to the quality of our counselling.

The EU is a major trading partner for Michigan, and the European markets overall invariably continue to be strategically important for Michigan exporters, and for many first-time exporters. Exporters have strategic options when choosing to target European markets and identifying the most appropriate target territory is key. We can assist Michigan companies to select the region that offers the best prospects in relation to their product or service, and then fully prepare them for the new market by arming them with the local knowledge of the sector, the competition and any potential market barriers that may need to be addressed.

The UK is an excellent entry-level market for Michigan companies to start to build European business; the size of the country makes it easy to support, shares similar business practices to the US, and speaks English. There are many UK sectors that offer opportunities for Michigan suppliers, such as Aerospace, Food & Drink, Defence, Security, Mobile Solutions, Biotech, ICT, Retail, and more. The Netherlands, known as the 'Gateway to Europe', can also present an ideal business climate for less experienced exporters looking to make their first, targeted export sales, and the region thrives in sectors such as Biotech, Food products, Environmental Technology and ICT.

Having established a first export market in Europe, companies are invariably enthused to expand and there are multiple opportunities. The sophisticated markets of Germany and France offer greater opportunities to increase customer base and raise export levels. These can be complicated markets to enter into and gain market share, but our experts can help Michigan companies to develop a compelling value proposition, designed specifically to attract attention in these markets, and build an export strategy that is sustainable and successful.

CEE markets, such as Czechia and Poland, have become increasingly attractive and accessible, with significant industrial production though, are also home to strong precision engineering industries and local competition.

Understanding the niches and growth opportunities within European markets is vital. Furthermore, understanding the nuances surrounding how to access these opportunities is critical for exporters. IBDG's team, based in each market, guides exporters through this process, providing bespoke, on-the-ground intelligence. As required, we can utilise our expertise to provide support to MSF on attractive market segments e.g., through market opportunity webinars.

### **Market Research**

The methodology we adopt for all types of research projects is based on two key components:

- Online and desk research to gather data and to collect as much information as possible on the product area or sector, as well as drawing on the consultant's personal knowledge;
- Telephone Interviews and face-to-face meetings with key market players and sector experts in order to gain first-hand insight.

The precise methodology involved in carrying out research products, however, will differ according to the depth and specific requirements of the study in hand. IBDG consultants

## **GSGP Europe Trade Office**

have infinite experience in conducting market research, and this can be done at a company/product level, sector level, or strategic level, to assist our Agency clients in developing strategies for helping their companies to grow their businesses in Europe. We can assist on many levels, depending on the requirement, and conduct research studies such as sector overviews, new product viability, competitive analysis, market awareness, attitude surveys, market feedback, feasibility studies, and more – to enable the client company to be fully educated on their sector in a specific region, and be in a good position to judge likely potential.

### **Partner/Customer Matchmaking Projects**

IBDG will implement Trade Development and Matchmaking programmes for MSF through our teams of in-country consultants. We will work with the State's client companies to:

- Focus on the most appropriate target territories;
- Discuss the criteria of the *Perfect Partner* with the client, and prepare a detailed briefing document for the in-market consultant;
- Confirm the route to market, by talking to leading figures and market experts;
- Identify a long list of prospective partners that fit the required criteria, as given in the brief, and examine websites in order to shortlist the best prospects;
  
- Contact identified target companies/organisations to identify senior-level decision makers and interview to confirm their suitability as prospective partners, and discuss the client company offer to assess interest in working with the Michigan client company;
- Present the findings to the client, with profiles of all interested companies. Our profiles will typically include geographic coverage, products and brands represented, target sectors, client examples and feedback on the Michigan company offer;
- Discuss and encourage the client company on the best way to move business forward in Europe once such new opportunities have been identified;
- Organise introductory meetings with the best prospects, so that a direct relationship can begin.

We will encourage Michigan companies to visit the European market in order to meet face to face with the partners identified through these projects. Our in-country team will facilitate MSF client companies in the development of their relationships with agents, representatives or customers, and offer all assistance in organising their visit.

### **Group Market Visits**

Group Market Visits are an effective and efficient tool to stimulate more companies to visit the market for the first time. Our in-country team will facilitate MSF client companies in the development of their relationships with customers or sales partners and offer all assistance in organising their travel logistics, interpretation where required, and provide market insight such as local business protocol, negotiation practices, methods of payments, regulations, duties, etc. The group dynamic fostered during such market visits is invaluable; in our experience, participants learn from each other, are inspired by fellow participants, and enjoy the support and reassurance of travelling with a group. A senior member of the IBDG team accompanies all groups that visit Europe, to help out on the ground, and provide a constant point of contact, in addition to the MEDC team leaders.

## **GSGP Europe Trade Office**

### **Trade Event Program**

IBDG has extensive experience of implementing Trade Event Programs throughout Europe. As part of our annual activities, we regularly attend many major trade shows throughout Europe and can implement full support programs to assist our clients on the ground, either centrally or through our in-country team. We can:

- Identify the major hot spot events that the State's companies should be attending and maintain a database of superior industry-specific trade events;
- Provide on-site planning, budgeting and coordination for group exhibitors;
- Conduct in-market matchmaking projects on behalf of the group, or individual companies, to identify contacts and make introductions before and at the event;
- Attend the event with the group in order to offer on-the-ground support to exhibiting companies, provide language assistance, local introductions, travel advice, etc;
- Prepare and implement pre-show planning and post-show follow up with Michigan firms and development partners;
- Assist client companies to follow through on successful introductions that were effected through the event.

In cases where MSF is unable to attend specific events, we can attend the show on behalf of the Department, in order to raise awareness of the State's supply base, or on behalf of specific Michigan companies. In the weeks following the recent group market visit to the Netherlands, our lead consultant identified an appropriate show for one of the participants, and in agreement with MSF, he visited Empack on behalf of Dell Marking. Six new contacts were identified and introduced to Dell, together with comments from other interviews conducted. Photographs of the show and leading stands were included in the feedback report, in order to help Dell decide whether future attendance or exhibiting at this event would be worthwhile.

### **Country Specific Intelligence**

In an increasingly complex operating environment, the importance of access to real-time, accurate intelligence for exporters is indisputable. IBDG's intelligence mix employs trusted tools and robust methodologies to support each consultant in delivering the required market information, and this data and intelligence is seamlessly integrated into every project.

We can provide each Michigan company with strategic and actionable market information. With their depth of experience, our team accurately identifies the growth areas and niche market segments that will offer the most potential. Each member of our team maintains a watch on local market conditions and can quickly highlight any changes.

Qualifying where the opportunities lie involves an examination of the market including structure, sub-segments, size of segments and recent growth. We review trends in the sector, recent product developments, competitors, and potential customer base. We examine regulatory needs, developments, and potential barriers. This intelligence will underpin the exporter's market entry strategy, identify where the best opportunities might be, and add focus to prospect identification and outreach. It will also enable them to prepare effectively and capitalise on opportunities identified, ensuring that they know how best to position their offering during meetings.

## **GSGP Europe Trade Office**

Our teams in Europe are on the ground in each market, and work on a daily basis to gather market intelligence and action trade development campaigns on behalf of our clients. We have a proprietary, country-specific database with over 150,000 key decision-makers in the organisations that would be key targets for Michigan companies. This market knowledge and intelligence, combined with our extensive knowledge of working with US client companies, enables us to:

- Provide local information on issues such as legislation, packaging and labelling requirements, product accreditations, duties, etc
- Offer advice on any challenges the companies may face in Europe
- Compile reports for individual companies, sector groups or clusters on particular product areas, industries, regions or countries
- Offer recommendations on market penetration and development strategies, market viability, product modifications, etc, as required
- Compile statistics, reports, and records on a regional and country basis with information on: the best industries, best products, and trade shows.

A critical component of our role in supporting Michigan exporters is to help overcome trade barriers. IBDG understands the challenges exporters face when developing in European markets, and we align our resources to address these barriers. We use established networks of export support to guide Michigan companies through potentially complex regulatory and legislative frameworks. To address technical challenges, we will schedule a call directly between a subject matter expert and the exporter, to obtain detailed guidance and establish the necessary action plan or assurances. IBDG has strengthened its network of advisors and has forged several formal strategic partnerships with organisations which provide specialist advice on issues such as VAT, International Accounting, Financing, Legal issues, Intellectual Property etc. so that such questions can be more quickly and accurately responded to. A recent example of providing very specific local intelligence is the assistance provided this month to Dataspeed. The company needed to establish the process and legality of exporting a new American car into the UK that has been modified with Dataspeed's autonomous conversion kit. We were able to establish the process, find a service provider with exactly the right experience to collect/ship/import the car, and provided information on reimbursement of VAT for Dataspeed's client. Heidi Bodell commented "Thank you so much for this information. This is incredibly helpful, and we'll likely move forward with your suggestion for the My Car Import service. Again, thank you".

### **Trade Leads**

We will help MSF to take a proactive approach to business opportunity generation. Through our day-to-day in-market activities, we will identify and bring to MSF opportunities for Michigan companies to evaluate and explore. Our aim is to inform MSF of any specific opportunities that fit their suppliers' product offer and keep MSF fully apprised of current developments in the European region, or strategic shifts in the market which could open up opportunities, or influence policy.

### **Annual State Visit**

Our experience of bringing one of our team to Michigan has time and time again been successful in increasing awareness and stimulating companies to actively pursue opportunities in the European market. Prior to the pandemic, seven such visits to Michigan

## **GSGP Europe Trade Office**

were conducted over a 4-year period, and two more had been scheduled just before the lockdown. We would be delighted to continue our support of the MSF on an annual State visit as soon as possible.

As a further extension of 'bringing Europe to the State of Michigan' and bridging the physical distance between the regions, we provide regular services such as webinars on how to do business in Europe or on specific subject matters, market briefings before exhibitions and at the start of trade visits, and a monthly newsletter to highlight country-specific news, industry developments, and policy or government changes that may have an effect Michigan's business with Europe.

### **Promotion of US Industry & US Products**

There are many different channels that can be utilised to raise the awareness of US Industry on a broad basis, and also in a more focused approach at a company level. At the higher level, through our Strategic Event programmes, we have access to key decision makers throughout Europe each year, and can use these events to promote the State of Michigan as a supply base. We can undertake promotional campaigns at the events; instigate direct marketing programmes to participants who are amongst the top companies in Europe; and through features in our supplier brochures which are sent to 30-50,000 key decision-makers on a regular basis throughout the year.

### **Contacts Database & Face to Face Access to the European market**

IBDG's Trade Team can tap into resources of the company's Strategic Event Division. This division brings together senior decision makers and potential suppliers at high profile events to build relationships and develop business at the highest level in Europe. The Strategic Forums held regularly in the UK and in the wider European region attract a 'who's who' from top companies in Europe across a variety of sectors. This provides IBDG with direct access to, and personal contact with, industry leading executives on a regular basis. This extensive database is available to our Trade Team, and holds the details of more than 35,000 leading decision-makers in over 28,000 companies across Europe.

Furthermore, IBDG's in-market consultants maintain their own contacts with multipliers and influencers in their regions in professional, business and industry associations, chambers of commerce, trade federations, professional practices and industrial development organisations. As such, we are able to provide qualified referrals to Michigan companies of service providers and other professionals in-market as required.

### **Reporting**

IBDG will provide MSF with the monthly and annual reports in the format described in the RFP.

### **Delivering on Trade**

The success of our programs so far exceeds that of any other competing consultancy company. We continuously measure and evaluate the success of our programs. Our results show that our efforts have been consistently successful:

## GSGP Europe Trade Office

- IBDG has assisted more than 6,000 companies to enter international markets during the past twenty years from the UK, USA, Central & Eastern Europe and the Middle East.
- Over seventy per cent of new exporters are successful in entering an international export market within six months of participating in our programmes, and over ninety per cent of those successfully diversify and enter new markets.
- Over ninety per cent of our client companies enter into negotiations with one or more prospective overseas customers or partners, following visits to the market.
- Our business development programmes deliver over £250m in new business each year.
- Exporters recognise that “IBDG will go that extra mile” to help each company achieve its export sales objectives.
- Exporter satisfaction levels, resulting from our work, are amongst the highest in the business. The feedback we’ve obtained from our clients indicates a ninety-eight per cent satisfaction rate and the client satisfaction level on our contracts with State Agencies is second to none.
- In close partnership with our Development Agency Partners, our programmes produce better results, in a shorter time frame and at a lower cost for our clients than any of our competitors.

Year on year IBDG meets and exceeds the targets set by our clients. Sales in Europe facilitated through MEDC’s trade development program consistently reach between \$37-40 million each year. During the pandemic, this figure reached a staggering \$81+m (2020).

### Example client company feedback

*Thank you for your recent Market Stage 1 and Stage 2 for Germany completed for Redi-Rock. You and your team were supportive and engaging at every step. Your people were effortless to contact, very responsive to my questions and always made me feel like we were moving toward our goal. I would recommend you, your team and your process to anyone looking to move into the International Business realm.*

*Thank you for everything,*

Andrew Nickodemus

Redi-Rock International – Michigan

*Dear Terry:*

*Thank you for a great interview today.*

*You raised so many good talking points which Lisa and I plan to use immediately to encourage more Michigan companies to expand their sales into the UK and EU markets. You also demystified the export process and provided wonderful insights about how SMEs can successfully doing business in Europe. In particular, you allayed concerns U.S. companies may have about Europe’s future as a result of Brexit.*

*Well done and you’re the best!*

Noel Nevshehir

Automation Alley – Michigan

*Terry! Wow! I’m shocked at 1) how fast you guys put this together and 2) how thorough this is. Chris told me from day one that the UK is one of the most impressive offices and I absolutely see why that’s the case, hats off to you and your team. Please send a huge thank you to Linda for me, this is great. I’ll certainly keep you apprised of any progress. Thanks a million.*

Christian Smith

Interactive Aerial Inc –Michigan



## **GSGP Europe Trade Office**

### **And from our Economic Development Agency partners:**

*"We are consistently impressed with the professionalism, knowledge, and expertise of Terry and her team each time that we begin a project. Regardless of the firm and industry, Terry and the team will do their best to assist our companies in achieving their export-related goals. With the level of experience from Terry, we know we are always in good hands when bringing a company to her, whether they are new to international markets or a seasoned export pro. We are very pleased with the customer service, timeliness, and outcomes of our projects with IBDG. We highly recommend them for future projects."*

**Rome Rauter - International Market Development Director  
Wisconsin Economic Development Corporation**

*"IBDG has been Ohio's contractor in the region since before my tenure with the department. IBDG helped several dozen Ohio companies effectively enter the markets and find relevant partners. The team also helped the state and companies every year with a presence at Farnborough Airshow, Paris Airshow, and several trade missions. On one notable project, the IBDG team in Russia helped an Ohio company save \$40,000 on a regulatory requirement while the product was en route."*

*The IBDG team was efficient, effective and every project was completed on time and within the parameters defined in the scope of work. It was a pleasure to work with each member in each country. I highly recommend the team at IBDG and I choose to continue to work with them as an international trade consultant."*

**Tom Bainbridge  
Export Assistance Program Manager (2015-2022)  
Ohio Department of Development**

### **Key Success Factors**

IBDG can ensure success for MSF in securing and increasing the State's exports and assisting more Michigan State companies to begin exporting to Europe and to diversify into new European regions.

- We have the sales and business intelligence to quickly select the most attractive market segments in Europe for each client. This information would also help to guide the State of Michigan in making strategic decisions on trade focus;
- We work as a seamless extension of Michigan's team and we have a track record in building long-term trustful relationships.

### **Quality Assurance**

We are dedicated to providing services of a high standard that will merit and earn client satisfaction in a competitive market. The quality of IBDG's services will not be secondary to any considerations that may adversely affect its contractual obligations.

IBDG has an excellent reputation for the quality, accuracy and consistency of the information and meetings programmes that we provide. Quality is at the core and heart of what we do and how we implement our trade services programmes.

As an organisation, IBDG consistently works to ISO 9001 standards, which ensures that the Quality Management Systems the company already has in place work to improve the business as a whole and support our staff, ultimately improving levels of customer satisfaction.

## GSGP Europe Trade Office

There is complete buy-in from Management, so that all areas of the organisation are aware of the continued importance of Quality Assurance.

To ensure consistency and quality, IBDG adopts a stringent process, which is instilled at the outset with all delivery stakeholders and informs each step of our delivery process.

### 3. TECHNICAL WORK PLAN

Activity	Task	Personnel	Timeframe
Matchmaking Projects	Liaison with Client, brief preparation, update with Consultant	PD or CM	1 day
	In-market research & database preparation	CM/TC	8-10 days
	Interviews with selected sales partners or customers	TC	20-25 days
	Preparation of company profiles & final report	TC	2-3 days
	Final report review and quality control check	PD/CM	½ day
	AVERAGE TIME TO ACCOMPLISH		6-7 weeks
Research Projects	Liaison with client or MSF, brief preparation, update with Consultant	PD or CM	1 day
	In-market research & interviews with market experts	CM/TC	5-15 days
	Preparation of final report	TC	2-3 days
	Final report review and quality control check	PD/CM	½ day
	AVERAGE TIME TO ACCOMPLISH		2-4 weeks
General Assistance	Liaison with Client, brief preparation, update with Consultant	PD or CM	½ day
	In-market research, report preparation, quality check	CM/TC	1-3 days
	AVERAGE TIME TO ACCOMPLISH		3-4 days
Trade Counselling	Provided ongoing	PD/CM	
Trade Leads	Provided ongoing	PD/CM	
Annual State Visit	Export advice, Presentations and possible recruitment for Trade Mission or Trade Events	PD	5 days
Trade Event	Support on the ground, and attendance at the event	PD/CM	2-5 days
Trade Mission	Support on the ground, and travelling with the group	PD/CM	5 days

Personnel Key: PD/Project Director, CM/Country Manager, TC/Trade Consultant

#### Example Projects

We attach three typical example reports to this proposal, for a range of trade development projects completed for MEDC clients, as Appendix C1, C2 and C3:

- **Trade Mission Meeting Programme:** Thermatech has been working with leading OEMs to design and manufacture purpose-built heating, cooling, defrost and other



## GSGP Europe Trade Office

thermal management applications for the specialty transportation industry. Applications include solutions for buses, off-road vehicles, trucks, military vehicles, boats, cars and more. Navin Jaitly joined the MEDC trade mission visit to the UK and the Netherlands in March 2023, in order to meet with prospective customers, or possibly partners. Attached is the Dutch programme for this market visit, which took 8 weeks to complete, together with the UK leg.

- **Market Entry Strategy report:** A jewellery designer with her own brand, Karissma Yve has received enquiries from international companies for design, manufacturing and consulting services, and would like to be in a better position to provide the best service to them. She would like to understand the UK market better, determine the size of the market, identify what potential clients are looking for and what specific issues they are facing, and determine the best route to market in finding new potential customers. The research took 4 weeks to complete.
- **Market Report:** Graceland Fruits had seen stagnating business in Poland and wished to update their knowledge of the market in order to present a targeted and relevant offer. The project interviewed Graceland's existing/previous market contacts and identified additional prospective customers for future outreach. The research took 5 weeks.

## 4. PRIOR EXPERIENCE

IBDG is a specialist business development consultancy which works in partnership with Economic Development Agencies to identify new investment and trade development opportunities internationally. Here below we list a selection of the Economic Development Agencies with which we have worked:

Welsh Government	Enterprise Scotland
Virginia Economic Development Partnership	Invest in Iceland
Netherlands Foreign Investment Agency	Ohio Department of Development
S.E. of England Development Agency	New York State Department of Commerce
North Carolina Department of Commerce	Washington State Dept of Commerce
Hungarian Investment & Trade Development	Wisconsin Economic Development Corp

Below please find three example contracts and referee contacts:

### **Client: Welsh Government**

Date: 1999 – ongoing

This has been a major trade promotion contract for IBDG, and we have an impeccable record of success in its delivery over 24 years. We deliver the International Trade Opportunities programme (ITO) for the export promotion agency for the region of Wales. This is the Welsh Government's flagship export development programme that is operated worldwide. The programme involves:

- Meeting and selecting export-ready Welsh companies for participation in the programme. These companies are multi-sectoral;
- Where appropriate, helping to clarify their strategic thinking and selecting the right route to market – whether via an agent, distributor, joint venture partner, or a direct approach to customers;
- Helping to select and target the most appropriate international market;

## GSGP Europe Trade Office

- Carrying out appropriate research to confirm the opportunity in the market and the correct route to market;
- Identifying and introducing suitable target companies;
- Arranging meetings with those companies in-market, usually putting together a complete meeting programme with a number of potential partners, advising on travel logistics, arranging interpreters if necessary, etc. In other words, with IBDG organising every aspect of the meeting programme, our clients can use their time efficiently and concentrate on getting the business.

IBDG is involved in additional Export Development Programmes for the Welsh Government:

- New Exporter Programme; operated with a new cohort of companies yearly
- International Trade Development; research-focused projects to provide clients with market analysis, prior to undertaking an ITO programme
- High Value Manufacturing Cluster; IBDG has developed and operates the HVM cluster for the Welsh Government, identifying and recruiting new members ongoing and developing a full programme of support and proactive initiatives.

### Contact:

Anthony Hicks  
Senior Manager – Trade Team  
Business, Enterprise, Technology and Science  
Welsh Government  
QED Centre, Treforest Industrial Estate, CF37 5YR  
Phone: 0300 025 2208, E-mail: [Anthony.hicks@gov.wales](mailto:Anthony.hicks@gov.wales)

### **Client: Ohio Department of Development**

Date: July 2014– ongoing

We provide a range of trade services for ODOD client companies as part of the European Network Program. Our services include:

- Market analysis
- Market entry strategy
- Distributor and customer searches
- Organising meeting programmes
- Trade Missions; both sector specific and multi-sectoral
- Assistance at Trade Shows
- Identifying relevant local legislation, tariffs, packaging requirements, etc.

We are delighted that the ODOD has opted to extend the contract every year since 2014,

and IBDG is the Department's sole European trade contractor.

Our Project Director visits Ohio at regular intervals in order to meet face to face with Ohio companies that are considering exporting to Europe, and maintains a close relationship with their Office of Export and International Engagement.

### Contact:

Danny Frinfrock  
International Market Support Administrator  
Ohio Department of Development  
77 South High Street, Columbus, Ohio 43215  
[Danny.Finfrock@development.ohio.gov](mailto:Danny.Finfrock@development.ohio.gov)

## **GSGP Europe Trade Office**

### **Client: Wisconsin Economic Development Corporation**

Date: July 2018 - Ongoing

IBDG has represented WEDC for the last 5 years. Initially contracted for the UK and France, our territories have been extended to 2 more European regions, and further expansion to 3 new markets is under discussion. We work directly with the Wisconsin client companies to introduce them into Europe for the first time, or to market diversify into new European regions. We provide a full range of services to companies, from answering basic questions on a sector or country (which is provided as a Trade Desk service), to full partner or customer searches. We have undertaken 3 trade missions to the UK and France during this time, and supported WEDC's group exhibiting at Paris Air Show. Our Trade Director has visited Wisconsin for a week-long tour of the state, giving daily presentations in each region, and meeting 1:1 with companies for trade counseling. This year's trade mission group to the UK was accompanied by the WEDC COO and VP of Global Trade & Investment, and a schedule of 16 meetings was organized for leadership with prominent UK groups, to develop trade and investment opportunities.

#### Contact:

Rome Rauter  
International Market Development Director  
Wisconsin Economic Development Corporation  
201 W. Washington Avenue  
Madison, WI 53703  
Ph: 608.210.6777  
Email: [rome.rauter@wedc.org](mailto:rome.rauter@wedc.org)

IBDG offers a full suite of 1:1 company Trade Development services with the Agency clients we contract with and these are described in our Action Plan above. Throughout the process, IBDG will have focused with energy and determination on the desired goal, namely, to help the exporter to do new business, or to expand their existing business in Europe. During every project we will have built up a strong relationship with the exporter and we will encourage the company to consider diversification into other markets once business is proceeding well. Below are some specific examples of the many services we provide for our clients:

#### **European Trade Missions:**

On behalf of clients we have organized numerous missions to locations in Europe. For example, 4 multi-sector missions on behalf of the MEDC to the UK (2), UK/Ireland, and this year the UK/Netherlands; Welsh Government trade missions to Sweden, Ireland, Czech Republic and this year the Netherlands; for the EDC of Ohio we are in the process of completing mission programs for a visit to Poland and Hungary, and have over the past four years worked with 3 mission groups to the UK(2) and Germany; during and immediately after the pandemic, we were asked by the Welsh Government to organise 5 virtual trade missions to various global regions, where all introductory meetings for the participants and prospective partners/customers were held on virtual meeting platforms.

## **GSGP Europe Trade Office**

### **European Exhibitions:**

Our clients have engaged our services at all leading European events. On behalf of a number of clients (States of Michigan, North Carolina, Virginia, New York, Washington, Ohio, Wisconsin, the Welsh Government, and more) we have assisted their individual exhibition participants with on-the-ground logistics, market research and individual meetings and introductions at all leading European trade shows. We offer regular support year-on-year at events such as Farnborough and the Paris Air Show, Medica and Hannover Messe in Germany, Ecobuild, IFE and DSEI in the UK, Eurosatory and Maison et Objets in France. In 2017, we worked with a group from Michigan that came to Paris Air Show, accompanied by Governor Rick Snyder. Our efforts and assistance on behalf of the Michigan exhibitors at Eurosatory last year were highly appreciated by all participants, and the success of the show has led to MEDC participating again in 2024. We are currently working with MEDC towards bringing a group of young designers to Pitti Uomo in Italy in June – a first at this event – and one that is anticipated to become a regular.

### **State Delegations:**

Over the years, IBDG has been involved in organizing a number of European visits of US State Governors and their delegations, as well as EDC leadership visits. Examples include the visit of Washington State Department to Aeromart in Toulouse, the Governor of Washington State to the Paris Air Show and Germany, the Governor of Kansas to Farnborough Air Show and the Paris Air Show, and the Lt Governor of Michigan who visited the UK and Ireland in 2016. Most recent was the visit of Sam Rikkers (COO of Wisconsin EDC) and Katy Sinnot (VP of Global Trade & Investment), together with a delegation of 6 Wisconsin companies. Week long meeting programs were organized for the companies, as well as a full program of 16 meetings for WEDC leadership with prominent sector organizations in health, water, and technology; innovation and manufacturing technical centers; Chambers of commerce; and the management of the Port of Liverpool.

### **Inward Buyer Visits:**

IBDG has been involved in organizing visits of UK and other European buyers to the home countries of our clients and this could be undertaken for the MSF, perhaps in collaboration with Pure Michigan Business Connect. Inward Buyer Visits is a special program operated on behalf of specific clients, such as the Piemonte Agency for Investments, Export & Tourism, located in Turin, Italy. Over the course of this contract, IBDG identified and recruited 6 buyers each year to visit Turin, make presentations, and meet one-on-one with potential suppliers.

### **Knowledge of the US**

IBDG has a long history of working in the US that spans more than 24 years. We have a detailed understanding of the local, national and political environments and are able to engage with all stakeholders, on a company – agency – or political level. Our sectoral knowledge helps us to understand our clients' business environments and practices and we can help them to overcome the challenges that face US SMEs in entering new markets. Our understanding of the business sectors and working environments is strengthened by our own network of consultants that operate in the US, giving us a unique on-the-ground insight into the market, and keeping us fully up to date as to growth areas in terms of sector and/or products, and any policy or regulatory changes.

## **5. PROJECT STAFFING**

### **Management Team**

#### **Managing Director**

Mal Donnelly

#### **Project Director Europe**

Terry Potter

#### **Project Manager Europe**

Robert Kilian

The Project Director will be the primary point of contact for MSF, and will undertake 70% of project management responsibilities. The remaining management time will be split between our EU Project Manager and our Regional Managers in-market, as required.

**Mal Donnelly**, Managing Director of IBDG, located in the United Kingdom  
Mal established IBDG in 1996 and the company has grown to become one of the leading players in its field, now employing 150 people across Europe. IBDG is a specialist business development consultancy that works in partnership with Economic Development Agencies to identify new investment and trade development opportunities internationally.

**Terry Potter**, Project Director Europe, located in the UK and Europe  
Terry has significant experience of International Trade Development, having worked in the industry for more than 35 years. She manages the IBDG in-market team of consultants across 28 European countries, and has managed contracts for many of IBDG's client partner organisations, including MSF, Welsh Government, Virginian Economic Development Partnership, Ohio Development Services Agency, Wisconsin Economic Development Corporation, Empire State Development in New York, and has worked individually with hundreds of companies and stakeholders.

**Robert Kilian**, Project Manager Europe, located in Germany  
Robert is based in Munich and has supported IBDG with market entry programmes into Germany, and project management across Europe, since 2006. Robert's long background in assisting companies to enter the German market and find new customers gives him the perfect experience to oversee our other market entry projects across Europe. Robert is an expert in analysing and assessing industrial and consumer markets, and his extensive contacts and industry networks support the consultancy team.

Our Management team, along with all of our in-market consultants, are experienced, cross-sectoral, trade development experts with particular expertise in market entry.

IBDG's Managers all come from a trade practitioner background; therefore they have very many years of on-the-ground experience that now enables them to direct our contracts. All team members have long experience of directing IBDG contracts with US Economic

## GSGP Europe Trade Office

Development Agencies, and working directly with US companies. The team acts as the central liaison point for our clients and they centrally manage all projects and maintain a watching brief across the entire project database. IBDG's Managers are responsible for the implementation, delivery, and quality control of all projects, to ensure a seamless operation and maintain the highest levels of quality across all projects that we undertake. Our central management style ensures that our clients have one main point of contact for all projects, and a second project lead available, for contingencies.

IBDG's consultancy team spans more than 28 countries throughout Europe and is outlined below. Résumés of the Management Team are attached to this Proposal as Appendix A. In addition to the head office in the UK, we maintain offices in Ireland, Germany and Czech Republic and full address and contact details of these offices are provided under Appendix B. All offices are fully operational with the latest up-to-date communications systems and office equipment, have full internet connectivity and are linked into the IBDG internal email system. IBDG has its own Private Meeting Platform that can be very effectively utilised for group sessions and we are constantly monitoring enhancements in International Best Practice methodologies and techniques in the trade promotion arena. We have seen how usage of modern technologies, especially internet-based systems, has advanced significantly in recent years and we now employ the most modern systems to achieve results for our clients.

### Consultancy Network

IBDG's consultants are all natives of the countries in which they operate and they are therefore in a unique position to provide MSF with a very localized service in each of their regions. Our Regional Managers have all been with IBDG for many years – in some cases more than 20 – and are as follows:

United Kingdom	Judi Blackmur
Ireland	Mark McAllister
Benelux	Joost Van Dam
Scandinavia	Claes Arinder
France	Arnaud d'Halluin
Germany	Gabriele Schwinghammer
Spain	Trevor Stewart
Italy	Flavia Straulino
Central & Eastern Europe	Filip Korinek

Each Regional Manager has a network of consultants who assist in project execution.

#### **Administration:**

**Leanne Doody** and her assistants have strong experience in providing support services to Development Agencies for the European market.

This team structure will ensure that support services are available at all times to MSF and that the quality of the service will be high.

**6. SUB-CONTRACTORS**

We understand that should we use sub-contractors in the performance of projects for MSF, we will need to seek authorisation and approval first of all.

**7. AUTHORISED EXPEDITER**

The Great Lakes St. Lawrence Governors and Premiers is authorized to expedite contracts on behalf of IBDG for the purpose of this RFP.

Zoë Munro ([zmunro@GSGP.org](mailto:zmunro@GSGP.org)) - Phone +1 614-507-3989





#### 1) Business Organization and History

Global Business Partners Mexico, S.C. (GBP Mexico) is a Limited Liability Company, registered in Mexico City. Trading as: Conference of Great Lakes & St. Lawrence Governors and Premiers Mexico Trade Office. Incorporation Agreement: 73748. Tax Id: GBP 060630 FE6

**Mexico City Office:** Division del Norte 317, Col Lomas de Memetla, 05330, Mexico City.  
**Guadalajara Office:** Rio de Janeiro 2664, Col Providencia, 44630 Guadalajara, Jalisco  
**Queretaro Office and HQ office:** Edificio Level. Antea 1130 Int 214 Col. Jurica 76100 Queretaro, Queretaro

**Primary Contact:** Mr. Efren Flores, Global Business Partners Director  
E mail: [eflores@gbpmexico.com](mailto:eflores@gbpmexico.com)  
Skype address: efloresf01  
Web address: [www.gbpmexico.com](http://www.gbpmexico.com)  
LinkedIn [www.linkedin.com/company/global-business-partners-méxico-s-c](https://www.linkedin.com/company/global-business-partners-méxico-s-c)  
Twitter: <https://twitter.com/GbpMexico>  
Tel: (52 442) 886-7056, US Number (717) 724-1674

Founded in 2006 by Efren Flores Rangel and Silvia Elinor Alonso Figueroa, GBP Mexico has successfully provided trade consultancy services to companies and government entities seeking to export products and services to Mexico.

Over 3330 companies have been assisted across a wide range of industry sectors. Since 2006 GBP Mexico has represented The Commonwealth of Pennsylvania. In addition, GBP Mexico is the official representative of the Great Lakes St. Lawrence Governors & Premiers (GSGP) in Mexico. The GSGP Mexico office has been representing the State of Michigan since October 2013; the State of New York from July 2014 to date; the State of Wisconsin since July 2015; the State of Ohio since July 2019 and since 2021 the State of Minnesota in Mexico.

GBP Mexico also provides assistance to other foreign entities including the Basic Chemical, Pharmaceuticals, & Cosmetic Export Promotion Indian Council (Chemexcil), Northern Ireland Promotion Agency, the German Federal Ministry for Economic Affairs and Energy, New Zealand Trade Enterprises and Services.

GBP Mexico has a proven track record working with various State government deliverables; always on time and managing the budget provided to successfully perform each project. Our firm has wide experience working with State and Federal Government Entities, and it is familiar with the requirements, grants, and management that a State Representative should comply with, including professional and administrative deliverables. 80% of GBP Mexico activities are related to developing exports on behalf of State Governments and foreign companies interested in exporting to the Mexican market.



## **2) Statement of the problem**

Global Business Partners Mexico is proven to be an effective ally when talking about international business. GBP Mexico is updated so that its clients have the best advice and strategy to enter the Mexican market. This update is constantly generated by the changes in the markets, technologies, products, customers, and consumer needs.

The management of the information and relationships with main players from different industries are some of the assets that GBP Mexico has been able to consolidate after 17 years of experience with the firm and more than 27 years for the founders of GBP Mexico. GBP Mexico has represented GSGP as a contractor for the Michigan Strategic Fund International Trade Centers since October 2013. The office has assisted and counseled Michigan companies in the automotive, aerospace, metal mechanic, industrial machinery, medical, environmental, services, hardwood, electrical, advanced manufacturing/industry 4.0, and IT sectors, among others. We would like to continue offering all this experience and knowledge for the benefit of the State of Michigan and its exporting companies, and we are sure that we can provide more success for the benefit of Michigan companies in Mexico. Continuity in international business development is essential, and GBP Mexico is convinced that Michigan companies will continue getting substantial market intelligence, qualified contacts, and proper consulting with great outcomes, under GBP Mexico's support.

The firm offers national coverage across Mexico with headquarters in Mexico City and branch offices in the City of Guadalajara, Puebla, and Querétaro with ten employees combined.

Our goal is for our clients to have a successful experience of the Mexican market by providing essential information for decision-making, a market entry strategy; and most importantly, contact with prequalified Mexican companies, which have experience and knowledge of the sector or product, commitment, healthy finances, and the interest to start a business relationship that will be maintained for a long term.

Our clients from state governments and private companies endorse us to present this proposal to Michigan Strategic Fund, International Trade Centers. We understand our clients' concerns and doubts about entering a new market, and we will be there to mitigate risks and generate a successful experience in the global market. We provide information and solutions to our clients, so they can successfully enter the global market.

We register that no attempt has been made nor will be made by Global Business Partners Mexico S.C to induce any other person or firm to submit or not submit a proposal. We also would like to certify that Global Business Partners Mexico S.C works under the precepts of non-discrimination and equal treatment in our employment practices with regard to race, color, religion, sex, marital status, political affiliation, national origin, handicap, age or pregnancy, according to the Mexican Federal Law to Avoid and Prevent Discrimination.

It is with great pleasure and care that we have prepared this proposal detailing the services that Global Business Partners Mexico S.C will offer to the Michigan Economic Development Corporation– Michigan Mexico Center in order to preserve and increase value for the benefit of the State of Michigan and Mexico relations.

Sincerely,



Efrén Flores  
General Director



Silvia Alonso  
Commercial Director

### 3) Narrative

GBP Mexico's understanding of the State of Michigan's requirements is enhanced by the experience and knowledge we have acquired acting as representatives of the State and the other American States in the country. We see ourselves as an extension of our customers in the market. In order to help our customers to succeed in Mexico, we keep devoting all the time and effort needed to get to know more about all the main industries of the State that we are working with as well as to develop a strong relationship with associated industries and clusters in the region.

We have wide experience providing services to medium and small companies--always considering the needs and goals of its customers and working as a team to achieve results. We know that looking into a new market can be scary for some medium and small companies. That is why we have become an extension of their company on the ground. We will be with them through the process.

We provide a wide range of services available for foreign companies interested in entering the Mexican market among which you can find: Market monitoring for foreign clients; Preparation of Representative/Distributor/end users Searches and matchmaking; Organization of single company visits and trade missions; Governor's Trade Missions to Mexico; Assistance in the preparation of marketing material for foreign companies and entities; Dissemination of company and entity information among business communities; Preparation of in-depth and brief market assessment. Promotion of foreign universities among Mexican students; Recruitment of potential Mexican investors for the United States; Translation of multiple documents for foreign clients; and, Ongoing assistance to facilitate the success of clients in Mexico. ***Please refer to Annex A for additional information on the scope of services that may be offered above and beyond those detailed in this job description.***

It is important to mention that we provide regulatory information, and legal parameters, including licensing, regulations, customs, classification of products, non-barrier information, official norms, certificates, and permits. We are in constant communication with many Mexican ministries involved with export and import. Furthermore, our experience has given us the knowledge to know what products or services require a specific permit or certification.

If retained, GBP Mexico will keep representing the State of Michigan in Mexico and promoting exports of Michigan companies. To increase exports of products and services GBP Mexico will keep providing the following services:

**Agent/ Distributor/Partner Searches/Matchmaking:** This service has proven to be the most important and cost-effective way to have a presence and position a product or service in the Mexican market. We will search for the ideal business counterpart by using specialized directories, yellow pages, the Internet, associations, chambers of commerce, government institutions, customs brokers, trade shows, special events, and databases owned by our company.



## GSGP Mexico Trade Office



With the resources mentioned above, we will develop a pre-qualified list of contacts according to the customer's needs, with detailed profiles, comments of the companies, contact information, and recommendations with further steps in accordance with the feedback obtained by Mexican counterparts. It is important to mention that we will analyze each project's feasibility as well as conduct market research on behalf of our customers if needed. We will perform careful selection and interview of prospective representatives and distributors, meetings with counterparts can be arranged and we will take care of logistics (including interpreters as needed) as well as follow-up activity.

**Trade events:** GBP Mexico has assisted and coordinated participation in several trade events on behalf of its clients. This work includes pavilion coordination, on-site planning, budgeting, logistics, transportation, and hotel group reservations, support with language barriers, information distribution, business culture insight, and overall personal attention of our staff to make business trips the most productive and successful. We also include briefings within all our events and post-briefing to evaluate participation and determine follow-up actions. We can also include matchmaking on behalf of participants if requested as well as logistics and post-event evaluations.

**Referrals:** Our company has developed through the years a solid database of referrals for our customers including, but not limited to legal, accounting, translation, advertising, local employment practices, transportation, and other services as needed.

**Database of trade contacts:** Our company has built a network of agents, distributors, retail outlets and manufacturers, and numerous potential end-users within different industries. We have created specialized directories for our internal use in different industries such as automotive, aerospace, metal mechanic, medical, food, and beverage, among others that facilitate the identification of potential business counterparts for Michigan companies.

This network includes translation companies, advertising companies, law firms, government offices, and officials. As part of the network developed by GBP Mexico, we maintain strong relationships with the Ministries of Environment, Economy, Agriculture, Urban Development, and Economic Development of different States, such as the Mexico City Government, Governments of the States of Nuevo Leon, Jalisco, Guanajuato, Veracruz, San Luis Potosi, Querétaro, State of Mexico, Oaxaca, Baja California, Coahuila, Aguascalientes, and Puebla.

We follow up with these governments on a twice-a-year basis, and we participate in certain networking and official events. These partnerships have resulted in substantial outcomes to identify business opportunities, as well as strengthening the ties between our customers and these Mexican entities. COMCE (Consejo Mexicano Empresarial) has been assigned to promote foreign trade and investment (former activities of Promexico). GBP Mexico is a member of COMCE and participates actively in its events and committees.

**Development of trade leads and contacts:** To facilitate the networking of our clients in the Mexican market, GBP Mexico has developed a consolidated contact network with different associations and industrial chambers within different industrial sectors in the country. Thanks to this close relationship, we can attend different seminars, congresses, or industrial reunions and gather information regarding necessities and business opportunities vital for our clients.

Our company is also partnering with the following associations and chambers of commerce in the country, and we can support per client request. GBP Mexico has built a reputation within the



## GSGP Mexico Trade Office

automotive and aerospace industries--participating in the main events of the industries as well as building a strong relationship with the main clusters, and companies in both industries in order to strengthen the ties between Michigan and Mexico, and to position Michigan products and services with the main players in both industries.



**Business Appointments and assistance with logistics on the ground:** GBP Mexico has wide experience preparing itineraries for business executives.

A brief market overview will be done on behalf of the customer screening the market for every visitor; after this, a pre-qualification of potential contacts will be done in conjunction with the appointment schedule. Our staff will provide companies with personalized assistance, customized according to their goals. We will become the customer's private consultant and will promote their products in Mexico as an extension of their company, scheduling appointments on their behalf with prequalified contacts.

We will provide support with logistics arrangements (but not covering direct costs) with the following: Appointments setting, Hotel reservations, Transportation, Our staff will travel with companies without additional cost in the cities of Mexico City, Querétaro, and Guadalajara--providing assistance with logistics, language, assistance through negotiations, business practice recommendations, and cultural insight to make their trip as beneficial and productive as possible. If the customer will be visiting different cities, we will arrange interpreters as needed. Pre and post-briefing with GBP Mexico staff.

**Annual state trip.** GBP Mexico Director, Efrén Flores; or Silvia Alonso, GBP'S Commercial Director, will visit the State of Michigan annually to attend and participate in conferences, programs, and training as needed, as well as to visit potential customers, follow up with current customers, and recruit for trade missions and trade events.

**Trade Missions:** We have hosted several trade shows and trade missions including high-profile delegations with government officials and/or company executives.

This work includes:

- Webinar before arrival: We host a webinar with the trade mission participants to review the business culture, tentative budget, and logistics of the trade mission as well as questions of participants.
- Business matchmaking according to their target market: Our office creates a customized database for each trade mission participant. Once they have screened the list, we start the prequalification of potential contacts and the appointment schedule. We schedule one to four appointments per day per participant.
  - Market research: We work closely with all participants in evaluating their potential in the market. We provide companies with a report with our insight into their market potential and, in case it is needed, we also provide them with an assessment to fulfill all the needed requirements to be ready for the market. We carefully review each one of the requests in order to evaluate if the customer is export ready as well as the potential of the products/services in the market; and also, to provide an assessment for the marketability of its products in order to assure success in the Mexican market.
  - Agenda review upon arrival and personal introduction with the staff of GBP Mexico.

- In-country business briefing: On the first morning of our trade missions, we organize and coordinate a Business Briefing for all participants. Among some of the speakers, you can find: Commercial Service Staff, Industry experts of leading sectors, and speakers of the main chambers of commerce, clusters, and associations in the country. The main topics include an economic overview, leading industries and trends within those industries, legal considerations and customs, business cultural tips, and commercialization channels, among others.
  - In-country staff support: Our trade missions are always led by our managing staff: Efrén Flores, Director of our Firm, and/or Silvia Alonso, Commercial Director of the Michigan Mexico Center, as well as our staff to provide support to all participants.
- On-site planning includes logistics, hotel group reservations, support with language barriers, business culture insight, and the overall personal attention of our staff to make their business trip the most productive and successful.
  - Transportation: It will be coordinated by our team for all delegations including group ground transportation to and from the hotel and assist companies with coordinating and paying for transportation for in-country meetings.
  - Group-rate accommodations: GBP team will provide hotel suggestions and negotiate group hotel rates for the delegations visiting the country.
- Post briefing: After the trade mission, we review with each company their feedback regarding their participation and future actions.

**Information:** GBP Mexico’s understanding of the State of Michigan’s requirements is enhanced by the experience and knowledge we have acquired acting as representatives of the State and the other American States in the country. Including economic structure, business interests/practices, and culture.

GBP staff have taken many trips to Michigan, researched the main industries and interacted with companies, chambers and associations, giving us in-depth knowledge of Michigan’s business culture, main industries, and economy structure. GBP Mexico provides up to date information regarding in country specific news, policy changes, access to the Mexican market, and recent changes to the laws as well as the latest news within the main industries in the country that may affect the business relationship with the MSF or Michigan exporters.

**General conduct:** GBP Mexico’s managing staff analyze each request upon arrival to determine the trade specialist who will oversee it. We schedule a conference call with the customer to review goals, current activity in the market, feasibility of the project and share the process that is followed with each request as well as the time frame to deliver the report.

**Monthly and annual reports:** GBP Mexico has always been focused on accomplishing goals, and submits monthly the report into MSF CRM, and an annual report with detailed information of work done on behalf of the state of Michigan and its companies. The reports include a summary of the conference call when a project starts, a summary of meetings during the annual trip, contracted projects (description of the project, start date, completion date, results, and following actions) and final reports. Our staff manages CRM with some of our customers to register activities including MEDC.

- **Monthly call.** After submitting all the monthly information in the CRM report, Efrén Flores and/or Silvia Alonso will be ready to review in detail the projects submitted as well as plans for future actions to keep promoting Michigan products and services in the country.



#### 4) Technical work plans

Below you can find a detailed research outline and timelines to accomplish the services needed by this RFP.

Service & Timelines	Research outline
<p><b>Agent Distributor Search/matchmaking</b> <i>4 weeks to complete a pre-qualification of agents/distributors/end user search. The response time of the customer (when screening the database) will be the key factor to comply with the timeline of 4 weeks.</i></p>	<ul style="list-style-type: none"> <li>• Communication with the customer to know more about the profile of needed contacts and goals in the market/request of additional information if needed.</li> <li>• Confirmation e-mail/summary of project and main goals.</li> <li>• Research and viability study.</li> <li>• Search and identification of potential contacts in specialized databases and web sites, chambers and associations, and in GBP Mexico databases.</li> <li>• Database creation.</li> <li>• Database sent for screen and selection of the customer/feedback sent to our office.</li> <li>• With marketing material provided by the customer, creation of contact e-mail for potential distributors/agents.</li> <li>• Communication with the screened contacts.</li> <li>• Send information to the interested contacts.</li> <li>• Follow-up with contacted Mexican companies--only the ones interested in the business opportunity will be included in the final report.</li> <li>• Creation of the final report, with all the information needed to do follow-up directly. It is important to mention that we include specific information on how to follow up with Mexican counterparts.</li> <li>• Final report sent to customer.</li> <li>• Follow-up call to confirm they have received the final report and review recommendations on how to follow up with Mexican counterparts.</li> </ul>
<p><b>Trade Events</b> <i>We need 6 weeks' notice in advance to prepare participation in a trade show, with a list of confirmed participants. This timeframe does not include the reservation of a space in a trade show or trade event. It is important to mention that this needs to be done at least 5 months in advance of the trade event date to secure the best spaces and best price.</i></p>	<ul style="list-style-type: none"> <li>• Communication with the customer to know more about goals for the trade event/request of additional information if needed.</li> <li>• Confirmation e-mail/summary of project and main goals.</li> <li>• Coordination of participation in the trade event directly with customers (flights, hotels, event space rent, furniture needed, advertisement, promotional materials, transportation, interpreters, briefings, etc.)</li> </ul>
<p><b>Trade Mission</b> <i>We need 6 weeks' notice in advance to prepare</i></p>	<ul style="list-style-type: none"> <li>• Communication with the customer in order to know more about goals for the visit/request of additional information if needed.</li> <li>• Confirmation e-mail/summary of project and main goals.</li> </ul>

*for participation in a trade mission, with a list of confirmed participants.*

- Creation of contact letter.
- Search of potential contacts in specialized databases and web sites, chambers and associations, and in GBP Mexico databases.
- Database creation
- Database sent for screen and selection of the customer/ feedback sent to GBP Mexico.
- Places to visit/logistics definition.
- Communication with the screened contacts,
- Send information to the contacts interested,
- Logistics coordination: flights, hotels, transportation, interpreters.
- Follow up with contacted Mexican companies, schedule of appointments.
- Webinar before arrival to review business culture, general information of the trade mission logistics and budget.
- First draft agenda.
- Follow up with potential contacts.
- Second draft agenda.
- Follow up with potential contacts and creation of final agenda.
- Final agenda sent to customer.
- Briefing upon arrival, to review agenda, business culture and recommendations.
- Final meeting to have feedback from the customer and review results of the business agenda.

**Business appointments**  
*We need 6 weeks' notice in advance to prepare a business agenda.*

- Communication with the customer to know more about goals for the visit/request of additional information if needed.
- Confirmation e-mail/summary of project and main goals.
- Creation of contact letter.
- Search of potential contacts in specialized data bases and web sites, chambers and associations, and in GBP Mexico databases.
- Database creation.
- Database sent for screen and selection of the customer/ feedback sent to GBP Mexico.
- Places to visit/logistics definition.
- Communication with the screened contacts.
- Send information to the contacts interested.
- Logistics coordination: flights, hotels, transportation, interpreters.
- Follow up with contacted Mexican companies, schedule of appointments.
- First draft agenda.
- Follow up with potential contacts
- Second draft agenda.
- Follow up with potential contacts and creation of final agenda.
- Final agenda sent to customer.
- Briefing upon arrival to review agenda, business culture and recommendations.
- Final meeting to have feedback from the customer and review results of the business agenda.

**5) Prior experience**

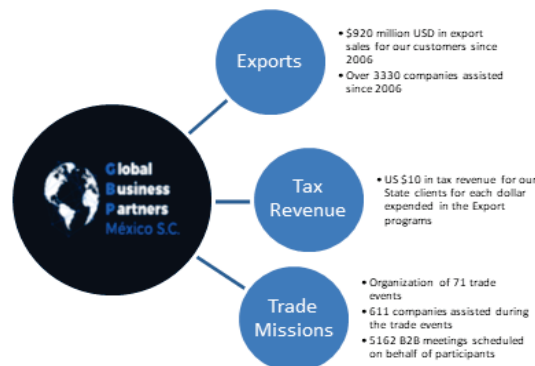
## GSGP Mexico Trade Office

GBP Mexico has wide experience working with State Government and Government Entities and is familiar with the requirements and management structure that a State Representative should follow, including professional and administrative deliverables. GBP Mexico has a proven track record working with various State government deliverables; always on time and managing the budget provided to successfully perform each project. GBP Mexico is proud to say that we have generated more than US\$875 million in sales to our clients since 2006, bringing US\$10 in tax revenue to its State clients for each dollar expended in the export program.

GBP Mexico has represented GSGP as a contractor for the Michigan Economic Development Corporation since October 2013. The office has assisted and counseled Michigan companies in the automotive, aerospace, industrial machinery, advanced manufacturing I4.0, retail, environmental, services, hardwood, electrical and IT sectors, among others.

Our firm is focused on meeting profitable objectives including companies assisted per year, requests serviced per year, export sales goals, number of B2B meetings per year, success stories and successful organization of Trade Missions and Reverse Trade Missions; as well as participation and organization of Trade shows on behalf of the clients that we represent.




### GBP Mexico in numbers



Below you can find the performance statistics of GBP Mexico as representatives of the State of Michigan from 2020 to date:

Michigan Mexico Center Performance Statistics 2020-May 2023					
YEAR	Companies Assisted	Projects	Visitors to The market	Trade Missions	B2Bs
2020-2021	40	30	Virtual trade mission	1	27
2021-2022	31	47	20	1	15
2022-May 2023	25	36	13	1	56

The Michigan Mexico Center facilitated sales from 2020 to 2022 are the following:

 2020	\$53,681,790.05
 2021	\$54,943,677.69
 2022	\$71,831,828.00



We strongly believe that the key factor to succeed in the Mexican market lies in networking and comprehension of business culture; “When in Mexico, do as Mexicans do”. We share with our customers cultural insight and common business practices in the country to facilitate negotiations. It is all about relationships and a proper understanding of Mexican business culture to yield fruitful business relationships. If retained, GBP Mexico will be glad to provide export trade services on behalf of the State of Michigan, proposing the following FY23-FY24 services:

56 (38 MM/18 GA)

GBP Mexico has wide experience hosting trade missions and high-profile delegations with government officials and/or company executives. It is important to mention that during Covid-19 we adapted and hosted virtual trade missions on behalf of our customers, including Michigan. ***Please refer to Annex B for additional information on all the trade events and trade missions organized and coordinated by GBP Mexico.***

GBP Mexico has hosted high ranking officials such as:

- Governor of Wisconsin Scott Walker, visit to Mexico City and Guadalajara for the inauguration of CIGAL during June 2016.
- Lieutenant Governor of Michigan Brian Calley, during his visit to Querétaro for the Automotive Meetings Inauguration and Mexico City in February 2017. We coordinated all the business agenda on behalf of LG Calley coordinating meetings with government officials as well as round tables with important Mexican CEO’s in both locations.
- Lieutenant Governor of Wisconsin Rebecca Kleefisch. GBP Mexico oversaw putting together an agenda with Mexican Government officials, and three roundtables for FDI Promotion.

In addition, GBP Mexico has assisted Secretaries and Undersecretaries of different government entities with meeting arrangements and logistical support.

GBP Mexico has assisted and coordinated on behalf of the Michigan Economic Development Corporation since November 2013:

- 17 trade events
- During these events we have assisted a total of 183 Michigan companies
- And scheduled 546 B2B’s for Michigan participants.
- We have also assisted Michigan companies that have participated in Trade Missions organized by the Council of Great Lakes Governors. Total of 10 companies, we schedule on their behalf 98 B2B’s

<b>TOTAL EVENTS on behalf of Michigan companies : 19</b>	<b>Total companies assisted in Trade Events: 193</b>	<b>Total B2B meetings: 645</b>
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We have also provided business seminars for Kentucky, Pennsylvania, and Michigan companies, helping prepare companies to export and also providing awareness of the market opportunities.

It is also important to mention that our firm has experience in working with Federal and Regional grants to help American companies to increase their exports through programs such as the Appalachian Regional Grant and the Step Grant programs.

**Examples of the work done on behalf of Michigan companies:**

**Company:** XORAN TECHNOLOGIES is the pioneer and market leader in low-dose radiation, cone beam CT scanner systems specifically designed for the patient's point care. Company is interested in selling to Mexico.

**International Trade Manager:** Mr. Brendan Cherry, International Trade Development Manager Michigan Economic Development Corporation

Mobile: 517.243.9877 [cherryb2@michigan.org](mailto:cherryb2@michigan.org)

**Assistance provided:** The Michigan Mexico Center has worked with Xoran since 2018 till 2022, services provide include:

Prequalification of distributors, **Please refer to Annex C in order to review the prequalification of distributors/matchmaking**; Assessment for participation on FESORMEX (specialized event for ENT surgeons); Export Process; Regulatory requirements; Second search of distributors with new profile and finally we provide the service Hand by Hand where The Michigan Mexico Center offered as a support to companies due to the COVID-19 crisis, a Temporary Sales Representative Service. **Please refer to Annex A in order to review the description of this service**

**Results:** As a result of the work done by our office, the company had meetings with the top 3 medical equipment distributors in the country, that were highly interested in commercializing the brand in Mexico. In December 2022 Mr. David Sarment, Director of Xoran let us know that they had continued negotiations with Tecnomed (contact that we introduce them to) and started the registration process of their products among the Mexican authorities.

**Company:** TOTALLY AUTOMATED SYSTEMS provides advanced integrated automation solutions for automotive and other industries. TA Systems excels in developing advanced production processing solutions and turning them into reality. They are interested in finding a Partner: automation engineering firm, PLC programmers, mechanical engineering, parts designers/ Sales Representation and or Service Company/Integration Shop-somebody investing in technology. "Similar automation integrators as TA Systems, Mechanical or controls design house, machine PLC robot programming resources"

**International Trade Manager:** David R. Newhouse, International Trade Manager Michigan Economic Development Corporation

Mobile: 517.331.6715 [newhoused@michigan.org](mailto:newhoused@michigan.org)

**Assistance provided:** Totally Automated Systems participated in the Automation Alley Trade Mission in September 2022, The Michigan Mexico Center worked with them for two months in their business agenda that included visits to: Queretaro, Guanajuato and Guadalajara where they meet with a total of 11 potential business partners. **Please refer to Annex D in order to review their business agenda**

**Results:** As a result of the work performed in their behalf and their participation on the trade Mission, Mr. Ted Brown, CEO of the company has shared with us shared with us in May 2023 that they have continued communication with Voltronic (who they meet during the trade mission) and are doing business together. He has also expressed high interest in participating in the Trade Mission that we will be hosting for Michigan companies in October 2023.

The Michigan Mexico Center Performed a Market Research on behalf of Surplus Coating, **Please refer to Annex E in order to review the market research.**

**6) Project Staffing**

## GSGP Mexico Trade Office

GBP Mexico has 10 full-time employees located in Mexico City, Querétaro, Puebla, and Guadalajara. All personnel are full-time employees and are not part-time or contractors. Our staff has more than 60 years of combined experience in international trade development. It is important to mention that all of GBP Mexico staff members have at least a bachelor's degree in the field. GBP Mexico's strength lies in networking thinking, comprehensive advice and the ability to implement solutions effectively, and making use of the latest technology.

To provide Export Trade Development Services for Mexico on behalf of the Michigan Economic Development Corporation, GBP Mexico proposes a total of 650 labor hours per month. It is important to mention that this is a tentative proposal, which can be adjusted according to the specific requirements of the Michigan Economic Development Corporation.

The GBP Mexico Director Efren Flores and its staff will manage all overseas office responsibilities and requests. The Director and Commercial Director, Silvia Alonso, will continue to oversee accepting projects, supervising internal procedures and proposing action items to assure goal achievements as well as designating the trade specialist in charge of the project.

Three trade specialists are assigned for the purpose of fulfilling goals under this RFP. Find below the proposed hours of our team:

Name	Position	Location	Hours per week	Hours per month
Efren Flores	Director	Queretaro	22.5 hours	90
Silvia Alonso	Commercial Director	Guadalajara	40 hours	160
Horacio Anell	Trade Specialist	Mexico City	40 hours	160
Fernanda Perez	Trade Specialist	Guadalajara	40 hours	160
Haide Cardenas	Trade specialist	Queretaro	20 hours	80
Total hours per month				650

All staff of GBP Mexico included in this proposal are key for success since we work as a team to achieve the success of our customers.

Each employee has proven experience in the field of international trade development, customs regulations, logistics (Import and Export), cultural awareness of how to conduct business in Mexico, and U.S. and FDI attraction. GBP Mexico has not had any personnel turnover for the last 10 years. This gives our clients stability and quality security on all our services. All our staff members have valid US visas and passports for any US or international travel. ***Please refer to Annex E for resumes of staff proposed to work on this contract.***

### 7) SUBCONTRACTORS

GBP Mexico will not use the services of any subcontractors to accomplish the work required by this RFP; our team is fully capable of performing every task described in this proposal. GBP Mexico feels



## GSGP Mexico Trade Office

confident of its staff expertise and capabilities; we do not like to jeopardize the quality of our deliverables to subcontractors. The only subcontractors that we use are for logistic purposes and interpreters when these are needed.

### **8) BIDDERS AUTHORIZED EXPEDITOR**

The Great Lakes & St. Lawrence Governors and Premiers is authorized to expedite contracts on behalf of Global Business Partners Mexico S.C for purposes of this RFP.

Contact: Zoë Munro, Program Director

Telephone: +1 614 -507-39-89

Email: zmunro@gsgp.org

### **9) Additional Information/ References:**

***Please refer to Annex G for GBP Mexico references.***



**“Additional Market” Coverage:**

The following trade offices can provide MSF with per project pricing for market research, partner searches, b2b meetings in country or virtual, translation, general assistance, and trade missions. For ease of reading and proposal length, information for the “Additional Market Trade Offices” has been compressed but still addresses all the required elements of the RFP. Items 2 and 3 in the RFP are covered in the GSGP section above. Further information is available on request.



### **Zurcom International (Pty) Ltd**

Ground Floor, Kingfisher Office Park

Mount Edgecombe 4302

Phone: +27-76-104-7735

Email: [zurcom@zurcom.net](mailto:zurcom@zurcom.net) / [gsgp@gsgp.africa](mailto:gsgp@gsgp.africa)

South Africa / Reg. # 2004 /011272/07

VAT # 4170214987

**Opened in January 1999** in Johannesburg, the structure of the GSGP Africa Trade Office includes representation for trade of the states of Michigan, Minnesota, New York, Ohio, Pennsylvania and Wisconsin. The office also represents the US states of Delaware, Maryland and Virginia. The office has been the authorized trade office for Michigan as well as having hosted many Michigan firms on multi-state trade missions since commencement in 1999 under the Michigan Department of Commerce and later resuming under the MEDC until present. The office has also worked extensively with many other US states not included in the Great Lakes region including Florida, Indiana, Iowa, Maine, Mississippi, Montana others. Zurcom International, the contracted company under GSGP, also represents all four State Regional Trade Associations representing all 50 US state departments of agriculture (or equivalent) and 7 territories for trade in Africa.

**The GSGP Africa Trade Office excels in promoting trade opportunities in developing markets to company executives** who have not previously recognized these markets. Encouraging full participation in regional opportunities and providing a level of confidence to company representatives, ultimately resulting in sales, is our goal. Presentations state-side are world class and, considering the developing nature of the region, represent opportunities truthfully and energetically. The office has a wide range of industry specific and regional/national information directories and is a member of five chambers. The Director sits on the American Chamber of Commerce Trade committee. Relationships with other USG offices are very cooperative. This is so with the State Department, USTR, USFCS, USAID (through the regional USAID Trade Hub office in South Africa).

### **4. Technical Work Plans**

GSGP Africa are familiar with existing MEDC project formats and timelines. A combined ADS, Market Visit would entail the three stages as set out below. GSGP Africa can arrange for personal accompaniment, depending on circumstances and company requirements. Translation is often not required as almost all meetings are conducted in English, although GSGP Africa has staff in French and Portuguese speaking countries who can assist.

### **Customized Market Research**

GSGP Africa support American exporters through bespoke market research, focused on a particular sector in a particular geographical region or country. Market research is generally completed to indicate that a certain market is open for a particular product or service. Market research reports can be of differing lengths and may focus on a particular geographic market location across sectors, or a certain sector in a specific market.

GSGP Africa always includes a market brief of approximately 8 – 10 pages which will include many of the points below. This is to acquaint company decision-makers with the market prior to discussions with potential buyers.

Topics in a Custom Market Research document may contain:

Current trends in the sector

## GSGP Africa Trade Office

Key players

Competitor analysis

Market structure and access- Including details on major spending - procurement channels – current and future procurement opportunities

Roadmap for market entry

Key regulatory requirements

Major industry events & industry associations

**Time Required:** Generally two weeks from start to completion.

**Lead Time:** Generally two weeks after authorization of project by MEDC.

### **Prequalification of Agent, Distribution Partner, End-User:**

#### **Stage 1: Research and Identification of Unqualified Leads: Private / Governmental Sector Contacts**

GSGP Africa will create a list of corporates / institutional entities appropriate to MEDC's client company offering in the selected African market(s). Each listed contact in the unqualified, potential leads, list will have appropriate corporate contact details for the firms/entities listed. This will entail potential contact companies within the corporate industries that would have high potential for: 1) participation as a client, or 2) direct buyers depending on the needs of the MEDC client company. The MEDC client company will be able to review the unqualified company listing prior to commencement of interviews and qualification of such list.

- 1) Brief summary of the particular sectors in Africa, noting where opportunities may exist. (6+ pages)
- 2) Summary of associations, business journals etc. relating to appropriate industry sectors in the country/ countries under study (2 pages) and other countries as applicable.
- 3) Any qualification levels required from government regulatory resources for particular Africa country if necessary.

**Time Required:** Generally two weeks from start to completion.

**Lead Time:** Generally two weeks after authorization of project by MEDC

#### **Stage 2: Research / Identification: Survey – Private / Governmental Sector Contacts**

GSGP Africa will survey by telephonic interview potential decision-makers/buyers based on list of contacts provided by the GSGP Africa contractor in Stage 1 using criteria provided by MEDC client company. Contact information including interested respondents will be provided in a structured report to the MEDC client company. This will include decision-makers/key personnel, company address, telephone numbers, website as available. Further company information, as available, will be provided.

- 1) GSGP Africa will report the information obtained via phone or face-to-face interviews, and will provide direct quotations from interested counterpart companies or other contacts in the African country. A level of interest being indicated at the interview stage, our staff will ensure this is communicated in the written report in the company description.
- 2) A list of unresponsive and declined interest companies will be created on a spreadsheet. Where possible, a reason for declining interest will be noted.

**Time Required:** Generally two weeks from start to completion.

**Lead Time:** Immediately after completion of Stage 1 (Unqualified Leads Stage).

#### **Stage 3: Further Meetings in African Country / Region**

This stage may be completed either in-person or virtually. If virtually, date and time requirements will be set by mutual agreement with the MEDC trade advisory staff, the MEDC company client and the GSGP Africa trade advisory staff.

## GSGP Africa Trade Office

An itinerary of interested and confirmed meetings will be provided to the MEDC company client. A written itinerary of all meetings will be completed prior to arrival / commencement of meetings in-country (or virtually) and provided in electronic form to MEDC trade advisory. A list of declined / unresponsive contacts will be provided in an addendum to the itinerary.

During the period in-country, support for meetings including confirmations, re-scheduling where possible of changed meetings, cancellations and other back-office support will be offered.

**Timing Required:** Completion will be approximately 2-3 weeks after completion for Stage 2, Completion of Stage 3 will be done at the close of the meetings or in-market visit.

**Lead Time:** Immediately after completion of Stage 2 (Qualified Leads Stage).

### Stage 4: Follow up Support African Country / Region

GSGP Africa will assist with reasonable follow up requirements post-meetings. The standard is 90 days, although GSGP Africa staff frequently disregard this in the interests of MEDC client company needs and extend this, assisting at any time later during the contract period.

**Background checks** are also offered as part of the GSGP Africa service offering at an additional modest charge. The staff team presently have three legally trained persons, two of which are full members of the bar in Nigeria and Tanzania, to assist with due diligence requirements should these be requested.

### 5. Prior Experience / References

**This office has advanced State's interests** as well through over 90 governmental US trade missions, including many multi-state GSGP-led trade missions since 2000, company in-country visits, presentations to local businesses and a host of other activities. Notably, this office provides a flexible service to companies – no two companies will have exactly the same requirements and meeting the very different needs of companies in the market is important. Each year, the office currently handles over 120 full agent/distributor searches from a variety of Economic Development Organization clients, market research or other large-scale projects. A large number of general requests, including tariff/duties questions, assistance with locating accountants, legal contacts and local visits are also covered.

**Regional coverage** is currently within the *entire* African continent, covering the African Continental Free Trade Area (AfCTFA), a common market with 54 national government signatories. The GSGP Africa staff is presently located in 16 countries of Africa and has done projects in 35 different countries in Africa, only limited by American client company interest and warzone limitations in some countries.

**Project Completion:** The GSGP Africa contract rests with Zurcom International (Pty) Ltd, a firm registered in South Africa. Over 4,000 different company individual projects, including projects for firms participating on trade missions, have been completed since 1999. Over 130 government trade missions have been completed in Africa since that time.

The table below indicates a rant of recent MEDC projects, with pricing. Two of the projects occurred during a recent GSGP Africa trade mission in February 2023, where a central administrative fee was added. GSGP Africa has modest pricing and is aligned with state government standards in terms of the price range for its services.

<b>Selected MEDC Company</b>	<b>Country / Project Description</b>	<b>Date</b>
<b>Anderson Paint</b>	<b>Ghana:</b> market brief, unqualified list, qualified list of leads, appointment setting in paint distribution.	February 2023
<b>SenShipping</b>	<b>Senegal:</b> market brief and list of service providers in website design and warehousing to assist with direct export of automotive spare parts.	May, 2022



## GSGP Africa Trade Office

<b>Optimal Systems</b>	<b>Business</b>	<b>Nigeria:</b> market brief, unqualified list of potential leads, qualification, appointments for consultancy services.	June 2022
<b>VS Aviation LLC</b>		<b>South Africa / Kenya:</b> Participation in GSGP Africa multi-state trade mission, aviation maintenance services.	February 2023
<b>Curriculum Services</b>		<b>South Africa / Kenya:</b> Participation in GSGP Africa multi-state trade mission, education management system services	February 2023

**Additional Costs:** Trade mission activity and in-country company visits where accompaniment is requested can be arranged and these costs will be negotiated in advance with MEDC. Travel to Michigan and/or other locations at the requirement of MEDC is not included in this proposal price and would be expensed at cost to MEDC per usual administrative procedure.

### References:

**State of Maryland:** The Maryland Department of Commerce has been represented in Africa since 2013. The state has conducted three trade missions, the last, an in-person mission with 8 companies in **September 2022**.

**Brian Castleberry**, Regional Manager - Middle East, Africa and India, Office of Intl Invt and Trade  
Tel: 410.294.8761 / [brian.castleberry@maryland.gov](mailto:brian.castleberry@maryland.gov)

**State of Michigan:** The Michigan Economic Development Corporation has been a participating state in our office since 1999 (first under the Michigan Department of Commerce, now under the MEDC with some transitional disruptions). The most recent direct mission trade mission was in **November 2021**, had 8 companies with all meetings being conducted virtually. Through GSGP Africa, MEDC has participated in several multi-state missions, the most recent in February 2023.

**Alyssa Tracey**, Director International Trade  
Tel: +1 517 243 4523 / [traceya@michigan.org](mailto:traceya@michigan.org)

**State of Iowa:** The IEDC has had three missions, one in 2007 and in May 2014 and April 2018. The 2014 mission focused on the agricultural sector. Other missions were multi-sectoral including power and communication. .

**Peggy Kerr**, Executive Director, Iowa Economic Development Authority  
Tel: (515) 725-3143 / Email: [peggy.kerr@iowa.gov](mailto:peggy.kerr@iowa.gov)

**Commonwealth of Pennsylvania:** Pennsylvania has been a retained state in the GSGP Southern Africa Trade Office since inception in January 1999 to September 2014 and again since July 2021. Amongst many trade missions: South Africa, Botswana and Zambia in May 2013 and one to South Africa and Tanzania in March 2014. Pennsylvania participated in the Appalachian Regional Council Mining Equipment trade mission in 2018. Pennsylvania companies have participated as recently as the GSGP Africa trade mission in **February 2023**.

**Jen Black**, Executive Director, Center for Trade Development  
Tel: (717) 720-7366 / Email: [jblack@pa.gov](mailto:jblack@pa.gov)

**Commonwealth of Virginia:** The Virginia Economic Development Partnership has contracted with Zurcom International since 2009 and committed to its sixth trade mission with our office to Morocco and South Africa in **November 2021**.

**Lindsey Bertozzi**, Assistant Vice President of International Trade  
Tel: (804) 545-5767 / Email: [LBertozzi@vedp.org](mailto:LBertozzi@vedp.org)

**State of New York:** New York Empire State Development has been a retained state in the Great Lakes St Lawrence Governors & Premiers Africa Trade Office since inception in January 1999. Amongst many participatory trade missions New York had a trade mission in March 2014 to South Africa and Namibia and the

## GSGP Africa Trade Office

Global NY Trade Mission to South Africa, June 2017, and a *virtual* trade mission to Africa with 10 companies in February/March 2021.

**Lennox Ruiz**, Director, International Division Empire State Development  
Tel: (212) 803-2344 / Email: [lr Ruiz@esd.ny.gov](mailto:lr Ruiz@esd.ny.gov)

**Great Lakes St. Lawrence Governors & Premiers:** GSGP has been a key contract since 1999 and has done many multi-state trade missions, the most recent in February 2023. GSGP is an administrative centre for State members shared trade offices globally. GSGP is the agency for which Zurcom International contracts six US state governments for trade in Africa.

**Zoe Munro**: Project Director  
Tel: (312) 407-0177 / Email: [zmunro@gsgp.org](mailto:zmunro@gsgp.org)

### 6. Project Staffing / Coverage

**Southern Africa:** This office will designate a dedicated management professional within its Pretoria office solely for Michigan. **Nathan Le Roux has been working as the Michigan trade advisor, and will continue to do so, overseeing communication between companies and MEDC regional specialists and others to ensure that all avenues for increasing exports from the state are explored. Supervision of all projects is done by the office Director. Other staff are called in to assist as required across Africa.** The Durban office will operate as the central point for all projects for Africa. Time inside Michigan to promote this market to exporters will be enabled through selected staff, approved by MEDC as well as the Director. The Director's time, shared by other states will be limited to about one week in state per year or as required by mutual consent. The GSGP Africa staff is located in 16 African countries, not all employees and contracted staff are listed.

### **RICHARD ZURBA**

#### **DIRECTOR OF ZURCOM INTERNATIONAL (PTY) LTD**

Richard Zurba has over 20 years of experience assisting companies into the global markets. He is the Director of Zurcom International (Pty) Ltd, which is the contracted representative for the GSGP serving in Africa, as well as other state governments, Delaware, Maryland and Virginia. Zurcom's experience includes supporting companies from around the world entering the Africa. Richard came to Africa in 1993, working in the D. R. Congo for World Vision Relief. He moved to South Africa in 1996, as an export manager for a South African firm, selling into 20 African countries. In January 1999, Richard opened the GSGP Africa Trade Office in Johannesburg representing several US state governments. The team assists in areas such as locating distributors/buyers for American products, trade missions and market research. Richard is the Co-Chair for the IBG Global partnership, servicing over 200 country markets. Since inception, Zurcom has worked with over 4,000 different company projects in relation to international trade. Staff are in 21 countries covering Africa and the Caribbean. Richard has a B.A. (Alberta, International Relations), an M.A. (London School of Economics, International History) and an M.B.A. (Western Ontario, International Business).

### **NATHAN LE ROUX**

#### **TRADE ADVISOR (DURBAN, SOUTH AFRICA)**

Nathan Le Roux grew up in the coastal city of Durban, KwaZulu – Natal, South Africa. After his matriculation from high school, Nathan worked as a photographer for a Durban based photographic company for three years before finding opportunities further afield in the international arena. At the beginning of 2011, Nathan began his merchant shipping career in Abu Dhabi, U.A.E. whilst working as a volunteer seafarer, for an international German N.G.O. Following his term as a seafarer, Nathan went on to work for the same N.G.O. as a team leader and project manager within their 'advanced preparation division'. He managed multicultural teams tasked with the project of events planning and coordination, strategic marketing, public affairs, networking, fundraising, crowd management, recruiting, and strategic planning in cross-cultural environments. He was based, by project, within various countries in the Middle East, Asia and Africa for this multi-million-euro effort.

## GSGP Africa Trade Office

Nathan has been working as a trade advisor for Zurcom International (Pty) Ltd since 2017. He has led seven trade missions to South Africa, including multi-country visits. He has experience working with companies in industries that include telecommunications, rail, automotive, security, defence, information and communications technology, transport, energy, mining, manufacturing, and healthcare to name a few. Nathan has undergone training in the merchant shipping academy and has completed courses in Fire Prevention & Fire Fighting at the Gulf Technical & Safety Training Centre L.L.C. Furthermore, he became duly qualified under the provisions of the Merchant Shipping Regulations, 2001.

### BRIAN CHIPA

#### TRADE ADVISOR (PRETORIA, SOUTH AFRICA)

Brian Chipa has a legal background, graduating from the University of Pretoria with a master's degree in International Trade and Investment Law in Africa. He began working at Zurcom International (Pty) Ltd. in August of 2019 and has since worked on projects for the United States, Netherlands, Germany, Brazil, Spain, and other countries. Brian has completed projects for companies in the construction, engineering, information technology, agriculture, transportation, and logistics industries. He has conducted comprehensive market research, agent/distributor searches, company background checks, and qualified appointment setting, as well as participating in trade missions. Brian has gained experience in the transportation and logistics industry, where he has been involved in market research and agent/distributor search projects. He has worked on railway maintenance projects and has engaged with rail safety with industry stakeholders, including the Railway Safety Regulator (RSR). Brian is well-versed in the logistics industry, with experience from projects involving tracking systems, semi-trailers, courier services, and freight forwarding.

**North Africa:** The GSGP Africa has had a staff person in North Africa since 2015. Rebeka manages projects ranging geographically from Egypt to Morocco. GSGP Africa has managed projects in the region on behalf of various state interests.

### NORTH AFRICA KEY STAFF

#### REBEKA GLUHBEGOVIC

##### TRADE ADVISOR (TUNISIA)

Rebeka joined Zurcom International (Pty) Ltd in 2012 as an international trade advisor. She was the Southern Africa representative for New York Empire State Development and the Wisconsin Economic Development Corporation. Alongside, she worked on and managed several market research projects and trade missions for clients from Switzerland, the Netherlands, India and USA. In 2015, she left to travel and pursue other endeavours (academic research; programme management in NGOs) but continues to consult for Zurcom. She is now based in Tunisia, where she managed programmes on social/impact entrepreneurship and is currently pursuing a doctorate. Rebeka holds a B.A. in Law and a Master's degree in International Relations, both from the University of Pretoria.

**East Africa:** The East Africa Community with the leading economies of Kenya and Tanzania is thought to be the fastest growing global region over the next two decades by Ernst & Young. This region encompasses nearly 300 million people and is moving toward being a middle income region, with a fast growing middle class. Tanzania is a key country for mining, while Kenya is an important agricultural country. This region has two people located in Tanzania and two in Kenya at present, one in Ethiopia, one in Rwanda. The team also has a team managed in Tanzania with seven people who function as an internal business support team. Key persons are listed.

### EAST AFRICA KEY STAFF

#### FAITH OKAALET

##### TRADE ADVISOR (KENYA)

Faith is originally from Uganda and is fluent in Swahili and English. Faith has worked with Zurcom International since January 2015. Faith has past experience working with World Relief Kenya, an NGO that deals with relief and development, as well as Dynamic Business Start Up,

## GSGP Africa Trade Office

a microfinance company. Faith has worked on over 50 market research project reports and over 15 trade missions for, the State of New York, the State of Illinois, State of Wisconsin, the State of Maryland, the State of Michigan, State of Iowa and the State of Virginia, Germany, Portugal, Qatar, Wales and India. Faith has a broad experience in the healthcare sectors of medical devices, medical furniture, medical consumables as well as medical technology and software. She also has significant experience in the food processing and packaging sector having managed trade missions funded by the German Ministry of Economic Affairs and Energy for East Africa, both virtual and in person. Faith has also worked in the education, IT/software sector as well as water and energy for companies entering the Sub-Saharan African market. She has a B.A. degree in International Relations and Psychology from the University of Pretoria and a Masters in Project Planning and Management from the University of Nairobi.

### **NAMALA TABARO**

#### **TRADE ADVISOR (TANZANIA)**

Namala Tabaro is an expert in business matchmaking, market research, trade mission management as well as administrative tasks tied to objectives in pursuit of international trade and development outcomes. She has worked with Zurcom International (Pty) Ltd for 10 years in her capacity as a consultant for the East African Region. Namala has assisted numerous companies from various industries to identify business opportunities in the region and locate business partners, agents, and distributors. Namala has contributed directly to commercial successes for companies from the US states of Illinois, New York, Ohio, Pennsylvania and Virginia, Michigan as well as companies from South Africa, the Federal Republic of Germany, the Kingdom of the Netherlands and the Republic of India. On part-time basis, Namala consults for the International Trade Center (a UN organisation) which focus on enabling SMEs, in developing and transition economies, become more competitive and connect to international markets for trade and investment. Namala is also an Advocate of the High Courts of Tanzania and holds a Master's degree (LLM) in Corporate Law from the University of Pretoria. She incorporates her legal background into her trade facilitation activities providing a thorough market entry support to international companies wishing to do business in Tanzania.

**West Africa:** is comprehensively covered from our key staff persons in Cote d'Ivoire, Ghana and Nigeria covering all of West Africa. Support staff in Accra, Ghana are two and in Lagos, Nigeria three for our key staff persons.. West Africa is keystone with Nigeria, Africa's largest economy. Other important markets are in Cameroon and Senegal. West Africa has become important to US interests not least because of its energy. Approximately 10% of US imported energy requirements originate in Nigeria. Ghana is more diversified with mining, agriculture, energy and light manufacturing and arguably has the best business culture in West Africa.

### **WEST AFRICA KEY STAFF**

#### **CEPHAS NIKOI KOTey**

#### **TRADE ADVISOR (GHANA)**

Cephas Nikoi Kotey has been working with Zurcom as a Trade Advisor since April 2020. He has offered international trade and investment support to US & European firms operating in various industries including business consulting, technology, healthcare, food & agriculture, construction and many more. Cephas has years of customer service and public relations experience in the telecommunications, banking and event management industries, having worked with multinationals such as Airtel, Fidelity Bank Ghana Limited, and Vodafone. He is presently building capacity in key areas of digital marketing & data analytics. Cephas holds a Diploma in Civil Engineering; a Bachelor's degree in Communication Studies, and a Master's degree in Public Relations, from the Ghana Institute of Journalism (GIJ).

## **GSGP Africa Trade Office**

### **GETH MAIGA**

#### **TRADE ADVISOR (CÔTE D'IVOIRE)**

Geth Maiga speaks English and French, an asset he has been using to connect foreign companies to industries in the Francophone African zone. He has 5 years of experience in the West African entrepreneurial and business ecosystem. Having worked as an entrepreneur with investment funds, international institutions and technology companies on the continent, he has a good overview of the business development environment in the zone. Since 2020 he has worked as a trade advisor at Zurcom International (Pty) Ltd. He has already assisted more than 10 companies in various and complex sectors such as technology, construction, public works, agribusiness and energy. Geth holds a degree in Logistics and Transport Engineering from the Institut National Polytechnique Félix Houphouët-Boigny in Côte d'Ivoire. He is currently doing an MSc in Entrepreneurship and Innovation at Swansea University.

### **KAYODE ADENIJI**

#### **SENIOR ADVISORY (NIGERIA)**

Kayode has over 14 years' experience as a corporate commercial lawyer, offering investment advice to local and international companies doing business in Nigeria. Kayode acted as Head of Dispute Resolution for one of the 100 Fortune companies in Nigeria for several years where he was involved in trade and investment assignments across sectors such as; consumer goods, manufacturing, hospitality, energy, fintech, banking, maritime and telecommunication. Kayode is currently the Senior Partner at Lawracles Legal Practitioners. Lawracles offer bespoke legal services to start-up, fintech and established companies in various sectors of the economy. Kayode holds a Bachelor of Laws from Lagos State University and he is a member of the Nigerian Bar Association.

### **7. Sub-Contractors**

It is not anticipated that GSGP Africa will be sub-contracting any work to outside companies during forthcoming years of service for MEDC projects. At present staff are either employees based in South Africa, or personal services contractors, based outside of South Africa in other African countries. In the recent past, up to 2022, Zurcom International did occasionally contract for services to a company in Morocco, Indegate Consulting, for services in Morocco and Algeria. These are the only countries that Zurcom International would need to sub-contract for, however, our staff person in Tunisia is capable of managing such projects and we have found our own staff preferable to managing outside consultants.

### **8. Bidders Expediter**

The Great Lakes & St. Lawrence Governors & Premiers is authorized to expedite contracts on behalf of Zurcom International (Pty) Ltd for purposes of this RFP.

Contact: Zoë Munro  
Telephone: +1 614-507-3989  
Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

## Australia and New Zealand

### A. Technical Proposal

#### 1. Business Organisation and History:

Foley and Associates (**Foley**) is a private company based in Sydney, Australia. It was established in 2002, has a team of ten employees and is located at:

Suite 25.01, Level 25, 25 Bligh Street, Sydney NSW 2000, Australia.

Ph: +61 2 8222 0016 | W: [www.foley.com.au](http://www.foley.com.au)

For more than 20 years has assisted international organisations from a wide range of sectors to successfully do business in Australia and New Zealand. Foley has an extensive network of business and government contacts, across industry sectors in the territory.

Foley advises more than 15 international economic development agencies across North America, Europe and Asia. The company's first and oldest client is Great Lakes St. Lawrence Governors & Premiers (formally known as the Council of Great Lakes Governors).

#### 2. Technical Work Plans:

We understand that while MEDC may request a variety of 'International trade advisory' services from our office over the life of the project there will a particular focus on three key services which may be required on an on-going basis by MEDC:

- ✓ **Market Research**
- ✓ **Prequalification of Agents, Distributors, Partners or End Users**
- ✓ **Combined ADS & Market Visit**

Noted also that there may be a requirement to support **Trade Missions** from Michigan to our territory in the period.

For each of the above our office will follow a specific methodology. All Foley staff spend considerable time researching industry sectors, current trends, and the economic environment in our territory. Any project work completed by our office is based on 20 years of market research and business intelligence gathering plus access to our extensive database of contacts (importers, distributors, agents, end-customers etc. across industry sectors). However, we view each new project request with fresh eyes and always ensure that primary market research is completed for each project to ensure that all intelligence gathered is current and relevant to our clients. Similarly, for each new project we expand our outreach to ensure we cover all key players in each industry sector and do not simply rely on contacts already present in our internal database. Regarding how we deliver each of the key services we have highlighted below the methodology applied. This will be tailored to suit the specific service request.

**Methodology (Overview):** Projects may be delivered in several stages and as part of the process we include regular 'check-ins' with the client to discuss our findings and refine our areas of focus.

**Project 1: Customised Market Research:** The purpose of this service is for the client to gain a clearer understanding of the current market and future opportunities in Australia. Pending the outcome of the market study the client can then decide if they wish to allocate resources to identify/appoint/support an in-country representative to grow their business in Australia.

#### • Methodology:

- Foley first engages directly with the exporter to better understand their company background and their specific requirements for market research in our territory.
- We then prepare a scope of work and submit to the client for approval.
- Once approval has been received the project is added to the Foley pipeline and the client is provided with a timeframe for delivery.



## GSGP Australia and New Zealand Trade Office

- To complete the project, Foley uses a combination of primary and secondary research (desktop research and targeted industry interviews).
  - The majority of the market research will be completed using desktop research, utilising secondary resources including company websites, media, industry publications, government websites and announcements and 3<sup>rd</sup> party subscription-only industry research databases etc.
  - If required we also conduct a limited number of industry interviews to better inform our research, confirm our findings and arrive at recommendations for the exporter.
  - Once the project has been completed a written report (in soft-copy format) is submitted to the client for review.
  - At this stage Foley also schedules a time to discuss our findings and next steps with the client.
- **Outcomes of the report:**
    - Overview of the current economic climate in Australia.
    - Market trends across the specific industry sector being researched.
    - Key international/domestic competitors already active in the market.
    - Major potential customers.
    - Regulatory environment.
    - Recommendations on market access based on the above.
    - Industry publications and events relevant to this sector.
  - **Estimated Timeline:**
    - Foley generally requires **25 business days** to complete a project from the time of approval. Timeframe may vary pending project scope.
    - Please note date of completion may vary should this project take place over December/January (traditional holiday period in Australia with decision makers away from the office).

**Project 2: Partner Search and Appointment Scheduling (Prequalification of agents, distributors, partners, or end-users and scheduling appointments with interested and suitable prospective partners):** The main objective of this project will be to assist the client in identifying and pre-qualifying prospective partners and facilitating meetings with the short-listed organizations. Note: meetings will be virtual but can be in-person if the exporter plans to visit the market.

- **Methodology:**
  - Foley first engages directly with the exporter to better understand their company and their specific requirements relating to appointing a partner in our territory.
  - We then submit a scope of work to the client for approval. This will contain details of our understanding of the ideal partner that the client is seeking to appoint in our region (i.e., an 'ideal partner profile').
  - Once approval has been received the project is added to the Foley pipeline and the client is provided with a timeframe for delivery.
  - At this stage the client is also requested to provide suitable market collateral which we use as part of our outreach.
  - Foley then commences the project.
  - **Phase 1:** our office researches and compiles an initial unqualified list of prospects (Long List) to submit to the client for review and feedback.
  - **Phase 2:** based on the feedback provided Foley pre-qualifies the prospects to identify their interest in and suitability to act as an in-country partner for our client. The outcome will be a 'Short List' of suitable candidates which we will submit to the client for consideration.
  - **Phase 3:** our office schedules a series of 1:1 virtual (or in-person) meetings between our client and the qualified short-listed prospects in our territory.
  - Note: while completing the above our office also includes any market intelligence gathered on the sector.

## GSGP Australia and New Zealand Trade Office

- **Outcomes of the research:**
  - A brief overview of the market based on intelligence gathered during the project.
  - A short-list of qualified and interested prospective partners in our territory that not only meet the 'ideal partner profile' but who also have reviewed our client's offering and indicated their interest in entering into direct discussions with the client about representation in our territory.
- **Estimated Timeline:**
  - Foley generally requires 30 to 60 business days to complete this project from the time of approval pending project scope.
  - Please note date of completion may vary should this project take place over December/January (traditional holiday period in Australia with decision makers away from the office).

**Project 3: Trade Mission:** The main objective of this project will be to assist MEDC by facilitating an in-country trade mission to our territory by a group of exporters from the State.

- **Methodology:**
  - Advance Planning: Foley participates in joint stakeholder meetings facilitating the identification of roles and responsibilities for the project. Foley also collaborates with the client (e.g., MEDC) to agree on suitable dates for the visit along with assisting MEDC to prepare the collateral required to assist with recruiting companies.
  - Foley provides input with regard to mission budget and logistics.
  - Preparation: Once companies have been recruited Foley participates in 1:1 teleconferences with each delegate to learn more about their organization and their reason for participation. A scope of work is then submitted to the participating company for approval. On approval Foley moves into mission delivery stage.
  - Delivery: Foley prepares a Long List of prospects which is submitted to the client for consideration. Pending their feedback Foley qualifies those prospects with the objective of arriving at a short list of qualified and interested prospects who have expressed interest in meeting with the participating company during mission week. Based on our outreach each mission participant will receive a tailored business program from Foley in advance of their departure for Australia. At the same time Foley engages with the economic development office to organize an in-country briefing, dinners, and other networking events during mission week and to coordinate all logistics for the delegation.
  - In-Country Support: On arrival in country a member of the Foley team meets 1:1 with each mission participant to discuss their schedule and to respond to any queries they may have regarding their specific program or mission week in general. Foley will also have arranged a briefing for the group on day one which provides them with an overview of the local economic, business and cultural climate. Throughout mission week a member of the Foley team will accompany the delegation to each mission city. Furthermore, individual members of the team are available to refine schedules, if required, and to respond to any queries that arise as mission participants conduct their meetings in the territory.
- **Outcomes of the project:**
  - MEDC and their participating companies have a successful visit to our territory – usually over 4-5 days where each participating company meets with a series of prospective partners in country that have been pre-qualified by our office.
  - Mission participants meet their specific objectives of the visit (e.g. to appoint a suitable in-country partner – to meet with key customers – to make actual sales).
- **Estimated Timeline:**
  - Foley recommends that all mission companies have been recruited between 10 and 12 weeks prior to 'mission week'. This timeframe then allows us time to finalize a scope of work with each mission participant and conduct the outreach required to ensure successful tailored programs can be scheduled for each company. Foley also offers follow-up support post mission if required to assist



## GSGP Australia and New Zealand Trade Office

participants to capture specific opportunities or progress partnership discussions with specific candidates etc.

### 3. Prior Experience:

Foley provides market research, partner search and trade mission services to fifteen international economic development agencies out of the US and Europe. **Relevantly, Foley has represented the Pennsylvania Department of Community & Economic Development for more than 20 years and the Virginia Economic Development Partnership for more than 15 years.** A list of our clients by continent has been included below for reference:

In the US:

- Colorado Office of Economic Development & International Trade
- Commonwealth of Pennsylvania
- Export Delaware
- Great Lakes St. Lawrence Governors & Premiers (**GSGP**)
- Maryland Department of Commerce
- Michigan Economic Development Corporation (**MEDC**)
- Minnesota Trade Office
- Ohio Development Services Agency
- Virginia Economic Development Partnership (**VEDP**)
- Wisconsin Economic Development Corporation (**WEDC**)

In Europe:

- Basque Trade and Investment (**Spain**)
- Business Finland (**Finland**)
- Invest Northern Ireland (**UK**)
- Switzerland Global Enterprise (**Switzerland**)
- West Midlands Growth Company (**WMGC**)

Foley's business model is **focused on delivering export-related support to international economic development agencies and businesses seeking to expand their international presence.** We believe this specialised business focus is a core driver for our long-term relationships with international economic development agencies and places us in an ideal position to continue working with the **Michigan Economic Development Office (MEDC)** in Australia and New Zealand.

Foley believes that Australia and New Zealand offer strong export market potential for MEDC and its SMEs. Our specialised skills in economic analysis, business development and our history of delivering successful trade and investment programmes for US and European economic development agencies is why Foley is confident we can continue to act as a successful partner to MEDC in our territory.

**Foley provides the majority of its services to SMEs from the US (~75%).** Over the past 12 months Foley has provided export related advisory services to over 100 SMEs from the US. We have also facilitated a number of trade delegations from the US. As previously mentioned, Foley works with several US economic development agencies and delivers a range of export services to their predominantly SME clients.

## GSGP Australia and New Zealand Trade Office

### 4. Project Staffing:

We propose the following key personnel from Foley to be involved in the delivery of this project:

- **Angela Foley, Founding Director**
- **Giovanni Munoz, Director**
- **Chris Evans, Principal Consultant**
- **Jenny O’Sullivan, Principal Consultant**
- **Mirna Sarihodzic, Principal Consultant**
- **Laurie Price, Senior Consultant,**
- **Declan White, Consultant**
- **Nathan Ho, Consultant**
- **Jordan True, Consultant**
- **Bodhi Oliver, Consultant (Part-time)**
- **Colette O’Sullivan, Executive Assistant**

Angela and Giovanni will take the lead in managing new projects and on-boarding new clients in collaboration with MEDC. Both will be actively involved in all aspects of the project from the moment an introduction is made by MEDC to our office.

Once a new project has been approved and accepted by MEDC a Principal Consultant will be appointed to manage project delivery. The three Principal Consultants who will work with MEDC are: Chris Evans, Jenny O’Sullivan, and Mirna Sarihodzic. They will take the lead in conducting the primary and secondary research associated with the project delivery. This group will also play a lead role in analyzing research findings and writing the final reports for submission.

Chris, Jenny, and Mirna will be supported in all projects by Laurie Price (Senior Consultant), Declan White (Consultant), Nathan Ho (Consultant), Jordan True (Consultant) and Bodhi Oliver (Consultant).

Giovanni Munoz, Director, will manage this contract, and the overall pipeline of the projects being handled at any one time by the firm on behalf of MEDC. As such Giovanni will be first point of contact on matters of contract delivery, new project requests and deadlines relating to projects already underway at Foley.

Colette O’Sullivan, Executive Assistance, will manage invoicing and submission of expenses related to this contract.

Foley’s staff turnover rate is generally low. The Principal Consultants have been with the company between 7 and 12 years. Holden Frisoli, former General Manager, resigned after completing five years with the company.

#### **Angela Foley, Founding Director**

- Foley & Associates was founded by Angela in 2002 backed by **over 30 years’ experience** in international business and economic development.
- Prior to establishing her own firm, Angela was Senior Group Manager, Trade & Commercial Services with the New South Wales State Chamber of Commerce in Sydney, and previously acted as the Senior Marketing Analyst for a British-American supply chain software company in the Asia-Pacific region.
- **Angela is a respected member of the Australian business community.** She has previously sat on the board of the Finland Australia Chamber of Commerce, Inc, is a regular speaker for the American Chamber of Commerce in Australia, engages at the political level on behalf of clients and has a C-level professional network that has been built up in Australia over the past 25 years.

#### **Giovanni Munoz, Director**

- Over **20 years in a director role focused on business development, media, marketing, financial services,** and professional development.

## GSGP Australia and New Zealand Trade Office

- Giovanni has a Bachelor of **Medical Science (Neuro and Cardio pharmacology)** from the University of Sydney and is currently enrolled in a **Masters in Medical Device and Development from the University of Sydney**.

### Jenny O’Sullivan, Principal Consultant

- Joined Foley in 2012. Over **20 years corporate experience in business development, market analysis** and key account management roles in Australia and the UK across banking, insurance and trade and investment advisory consulting.
- Specializes in inbound trade and investment missions, **leading over 7 foreign trade delegations to Australia**.

### Chris Evans, Principal Consultant

- Joined Foley in 2016. Chris manages **multiple US Government clients**, leads inbound delegations to the region and is active at major industry events.
- He also works closely with his private sector clients across infrastructure, defense, food & beverage, advanced manufacturing, and ICT amongst others.
- Chris has worked overseas in both China and Japan and excels at developing deep commercial relationships with overseas clients.

### Mirna Sarihodzic, Principal Consultant

- Joined Foley in 2012. Mirna has **over 12 years’ experience** in international trade & investment advisory and consulting in Europe and Australia.
- Mirna has led numerous projects for US and European clients (from Finland, Spain, and Northern Ireland) across various industry sectors, including mining, construction, waste management, ICT, healthcare.
- She also assists her clients on their business development activities in this region, focusing on market analysis, opportunity identification and partner search projects.

### Laurie White, Senior Consultant

- Joined Foley in 2023. Laurie is a highly experienced business manager with several years working in international business roles.
- Laurie holds a Master of Development Studies from University of New South Wales and a Bachelor of Arts from the Manchester Metropolitan University, UK.

### Declan White, Consultant

- Declan joined Foley in 2022 as a Junior International Trade and Investment Advisor.
- Qualifications and accreditations in Bachelor of International Business, Queensland University of Technology

### Nathan Ho, Consultant

- Nathan joined Foley in 2023 as a Consultant with a passion for helping clients make informed international business decisions.
- Nathan holds a Bachelor of Commerce, majoring in Business Strategy and Management, from the University of New South Wales.

### Jordan True, Consultant

- Jordan joined Foley in 2023 as a Consultant with a strong interest in strategy, transformation, and global business initiatives.
- Jordan holds a Bachelor of Interdisciplinary Studies (Government and Business focus)

## GSGP Australia and New Zealand Trade Office

### Bodhi Oliver, Consultant

- Bodhi joined the team in 2022 as an International Trade and Investment intern, as part of his degree in Commerce and Economics at University of New South Wales in Sydney.

### Colette O'Sullivan, Executive Assistant

- Colette is a dynamic administrator with experience in various roles across a diverse range of industries including the administration and legal sectors.

### 5. Subcontractors

N/A

### 6. Bidder's Authorized Expeditor

The Great Lakes St. Lawrence Governors & Premiers is authorized to expedite contracts on behalf of **Foley and Associates** for purposes of this RFP.

Contact: Zoë Munro  
Telephone: +1 614-507-3989  
Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

### 7. Additional Information and Comments

## 1. Business Organization and History

Corporate Name: **Tomaselli & Associados Consultoria Ltda. (TA Consulting)**

Registered in Brazil under the Registration Number: 48.529.176/0001-09

Municipal Registration Number: 7.508.058-3

Trading as: **Great Lakes St. Lawrence Governors and Premiers Brazil Trade Office**

Address: Al. Lorena, 307 ap64

01424-001 São Paulo, SP - Brazil

Phone: + 55 11 3042-6682

Tomaselli & Associados Consultoria Ltda. (TA Consulting) is an international business development firm that provides personalized trade consulting and business facilitation services to companies that are interested in entering or expanding their operations in Brazil. TA Consulting was founded on the experience and connections of its founders Claudia Maria Tomaselli, and Renata Armonia who have over 25 year-experience consulting with US Economic Development Organizations and international private companies seeking export success in Brazil.

TA is a one-stop shop where clients will find a qualified team ready to assist international companies with their export expansion and business development tasks. Each member of the international trade advisory team that constitutes TA Consulting is known for its hands-on approach and excellence in helping clients navigate culture and business barriers, develop strategic plans, and build a strong base in Brazil.

TA Consulting covers the entire national territory from the two offices located as detailed below:

### **São Paulo Office**

Rua do Rocio 10th floor

04552-000 São Paulo , SP - Brazil

Tel: +55 11 3042-6682

With a population of over 12 million people São Paulo is the largest city in Brazil and most important economic center and financial hub. The city is home to many multinational corporations and has a well-developed infrastructure to support business activities. It is also a major center for trade and commerce. The city's economy is diverse and plays a crucial role in Brazil's economic development attracting many investors and entrepreneurs. Renata Armonia runs this office from where she also manages all the administrative and human resources activities.

### **Vale do Paraíba Office**

Rua Praia Vermelha, 86

11694-280 Ubatuba, SP - Brazil

Tel.: +55 11 98122-5226

The Vale do Paraíba's region, one of the most industrialized regions of Brazil is where the aviation cluster is located due to the presence of Embraer. This socio-economic region covers part of the eastern region of the State of São Paulo and the southern region of the state of Rio de Janeiro. It stands out by concentrating a considerable share of the Brazilian industry. Major industries located in the region are: Johnson & Johnson, Ache, General Motors, Volkswagen, Ford, Eaton, Pilkington, LG, Alcan, White Martins, CSN, to name some. TA's Vale do Paraíba office is managed by Claudia Tomaselli.

**4. Technical Work Plans:** Claudia Tomaselli brings to the company several years' experience directing the Michigan Brazil Center and has designed an administrative process and methodology to meet clients' expectations. To accomplish that she makes sure clients are kept up to date with the project development, and that pre-established deadlines are fulfilled.

When a request for assistance is submitted, TA's director acknowledges receipt within a 24 hour timeframe. On this occasion the scheduling of a kick-off call with client is suggested. As part of the company's commitment to establishing a relationship of trust with clients, the project manager

TA CONSULTING

Proposal to the Michigan Strategic Fund  
Contracts and Grants Unit

## GSGP Brazil Trade Office

participates in every call making sure that client needs, interests and expectations are understood so that the services rendered are tailored accordingly.

A scope of work detailing the request, methodology, deliverables, timeframe, and quotation is then prepared and sent to the MEDC's International Trade Manager (ITM) for revision and approval. TA's directors consider this step as crucial for ensuring that the clients' inquiries are addressed before the project starts.

Upon ITM's feedback, the Project Manager assigns the business development assistant that is more familiar with client's market to carry out the research. This assistant keeps direct communication with the Project Manager during the development of the research to obtain necessary guidance to complete the project and keep realistic expectations regarding the results and duration of the research. TA Consulting team also keeps close contact with the client and ITM throughout the project keeping them up to date on its progress.

MEDC Project Manager reviews the final report to ensure the content is consistent, the quality of service is maintained, and the report is compliant with the standards and or templates requested by the MEDC.

Listed below are the main services TA Consulting currently renders to MI companies through the MEDC export program using the process and methodology described above.

**Customized Market Research:** This is a tailored service performed on behalf of companies seeking market-specific in-depth research. Therefore, the initial conversation with the client is fundamental for defining the objective of the research and determine what information is needed and why it is needed. To guarantee a complete comprehension MEDC Project Manager in Brazil will be present at this call and will prepare the scope of work for ITM and client's review and approval. A combination of both, primary and secondary fact-finding methods will be used for the gathering of information. This process may involve conducting surveys and interviews, depending on the research objectives, and TA director will assign the most qualified business development assistant or contractor to conduct the search. After the data has been collected, the assistant meets with Project manager to present the findings and jointly analyze aiming at drawing conclusions and making the necessary recommendations to guide the client's decision-making. A final report is then created following MEDC's template. This in-depth research usually takes 4 to 6 weeks to be completed. Depending on the client's interest, this report may also include the pre-qualification of potential partners in Brazil.

**Pre-Qualification of agent, distributor, partner, or end users:** The methodology for conducting this qualified partner search is very similar. The business development assistant assigned for this project will initially use a secondary fact-finding method to identify potential agents or distributors following client's pre-established criteria discussed during the initial call. An unqualified list of contacts will then be sent for client's revision and screening. The selected companies will then be contacted by the assistant or contractor through phone calls that are often followed by an email. For this qualification process, a presentation letter is carefully prepared by the Brazil team - in the local language - and is sent to the interested parties together with any technical or promotional material the MI company may have provided. The qualification process involves many follow up calls and e-mail exchanges. It usually takes 2 to 3 weeks to be completed. A list of prospective partners ranked in order of interest is created. This list includes company name, address, person of contact, a brief introduction on the company's activity and the conversation notes outlining the level of company's interest in the opportunity presented by the Brazil office. A final report with a brief market/sector overview,



## GSGP Brazil Trade Office

pertaining trade show information and the qualified lists of contacts is created and sent to client and MEDC ITM in charge of the project. The average time to complete the final report including the qualified list is 6-8 weeks.

Depending on client interested this qualified contact research can followed up with a market visit. Ideally such visit should be held within a month after the qualification is concluded so that client can take advantage of the momentum to meet face to face with the interested parties.

In addition to the scheduling of appointments the MEDC Brazil office also provides all the necessary In-market services. Those are services that are usually generated after completion of a Market or Partner Search but can also be provided upon submission of a similar list of potential candidates by MEDC's clients and include:

**Business Meeting Facilitation:** MEDC team can coordinate a series of virtual or in person face to face meetings. Such arrangements may include creating a schedule of appointments, sending meeting invites, coordinating the hiring of interpreters and drivers, making lodging arrangements among others. A 40 to 60 day advance notice prior to the in-country visit is required for TA / MEDC office to start working on the business meeting facilitation.

For clients visiting São Paulo, MEDC Project Manager will meet with client to discuss the agenda, offer local business culture advice including tips on business meeting protocol, negotiating strategies, and emergency contact information.

**Trade Missions/Governor Lead Mission:** Such ventures are usually led by the GSGP or MEDC's managers but may also be led by a state official. It typically involves four to ten firms and up to 15 to 20 travelers from one or multiple industry sectors.

Under this service our team conducts combined Market Assessment, Partner Search, and Business Meeting Facilitation projects for the participants. During a multi-day in-market visit (usually 5 business days), each participating company will meet with 6 to 12 companies. The group or participants might visit multiple cities, depending on their industry sector. Scheduling are customized to their needs and industry cluster.

The Brazil team will make recommendations on lodging, and group activities and coordinate the hiring of interpreters and driver in each of the cities visited by the group or business delegates.

Draft meeting schedules are provided to each participating company 2 weeks prior to the visit. Conference calls may be arranged during the pre-mission period to discuss unfolding of each agenda. In addition, the project manager will accompany the official and/or business delegation group throughout the in-country visit. In the case of an official visit, the Brazil team works closely with the US Department of Commerce to ensure that the protocol is being followed accordingly.

A wrap up evaluation meeting is usually carried out by the Brazil office director and client and is followed by a Final Mission Report. The trade missions may be scheduled to coincide with a major trade show or other event. A 120-day advanced noticed prior to the group in-country visit is required for TA to start working on a Trade Mission.

Considering Brazil is a dynamic but complex market, the MEDC Brazil office is constantly requested to provide export counseling services. Through these services this office's team answers questions with its existing knowledge of the market or limited research such as basic market entry questions,

## GSGP Brazil Trade Office

product viability, tariff check, import regulation clarification, licensing requirements, description of typical distribution channels, etc.

**5. Prior Experience:** TA's principals gained their education in commercial diplomacy and international trade throughout the 25+ years that they have been building their career in these fields. They bring to the company extensive local knowledge, high-level relationships, and industry-focused business experience to the task of business development in Brazil.

Claudia Tomaselli began her career in international business development and commercial diplomacy with the US Commercial Service in São Paulo during the early 90s working at the Trade Events Department managing the US Pavilions at major trade shows. In 1997, she joined the Council of Great Lakes Governors (now GSGP) Trade Office in Brazil where she served as Business Development Assistant, Deputy Director, and Director. In 2004, Claudia founded TVZ International, a business facilitation company she directed until founding TA Consulting in November 2022. Her interpersonal skills, solid network of contacts and cross-cultural competence are one of the company's main assets and for that she continues to serve as the primary point of contact for the GSGP and its member States in Brazil, directing the Michigan Brazil Center.

As a senior partner at the FCR Law Firm, Renata Armonia brings to TA Consulting an extensive experience in International Business Law. She is an expert in Business Contracts and Labor Law, M&A, Private Equity, and Civil Litigation. Throughout her career, Renata has worked as a senior lawyer at DirecTV (currently SKY) and as a legal manager at IOB Thomson (currently Sage Group), giving her the credibility to translate legal frameworks into commercial and corporate settings. Most recently, Renata was given recognition in the publication *The Legal 500 Latin America 2023* as an expert in the Energy Sector and M&A transactions.

In the course of their careers, Claudia and Renata have developed strong communication channels and methodologies aimed at establishing clear expectations and building mutually beneficial relationships with clients, and partners. These along with their attention and dedication to the services rendered led clients and associates - such as the Empire State Development (ESD), the Great Lakes St. Lawrence Governors & Premiers (GSGP), the International Business Development Group (IBDG), the Michigan Economic Development Corporation (MEDC), the Minnesota Department of Employment and Economic Development (DEED), Neighbors International Business Development, the Ohio Department of Development (ODOD), Pennsylvania Department of Community & Economic Development (DCED), South Bridge Consulting and the Wisconsin Economic Development Corporation (WEDC) - to keep TA Consulting as their main contact in Brazil.

While handling international business development and trade promotional activities in a great range of industry sectors TA partners have also developed a strong network of contacts in a grate range of sectors including Advanced Manufacturing; Aerospace and Aviation; Agriculture, Automotive; Bioscience and Bio products; Chemical and Oil & Gas; Defense; Energy and Renewable Energy; Environmental Technologies; Food & Beverages; Food Processing; Healthcare; IT; Instruments, Controls & Electronics; Safety& Security, Transportation & Logistics, among others.

During the 10 years that Claudia has been directing the Michigan Brazil Center, she has established an outstanding relationship with the MEDC's team leaders and ITMs, and with Michigan and the Brazil business communities promoting the State's export program to the MI companies, and divulging State and the Michigan Center in Brazil. Throughout this period, Claudia gained an invaluable knowledge of Michigan's business culture, interests and practices an asset that she brings to her newly formed company.



## GSGP Brazil Trade Office

The Michigan Export Program establishes aggressive sales goals for the foreign offices. Export sales are tracked through quarterly surveys. It is true that not all the companies respond in a timely manner, but according to program's statistics since the establishment of the MEDC office in Brazil in FY2013, the Michigan Brazil Center, directed by Claudia Tomaselli, assisted 450 Michigan companies and as a result US\$ 47.2 million in export sales-directly have been attributed to this office. This number would amount to around 250 Michigan jobs created or sustained as a result of Michigan Brazil Center's activities on Michigan's behalf in Brazil.

The annual visits to Michigan have demonstrated to be a great promotional tool for the International Trade Program and the outreached markets. In the first six months of the FY18 contract, the Brazil office received requests for assistance reaching approximately 70% of the FY18 goal in terms of work orders. Some of these projects resulted from the meetings Claudia Tomaselli held during the annual visit. That was the last time that the GSGP Brazil office director traveled to MI to participate in MEDC export promotion actions.

Although virtual events, such as the webinars organized by the GSGP, were held in the following years the Pandemic had a great impact in the number of projects sent to the Brazil office. Nonetheless, we believe that the almost US\$ 22MI in facilitated sales achieved during the FY19-FY23(Q1) period demonstrates that this is an important market for MI.

The recent announcement made last month regarding GM's Brazilian branch involvement in electric car development has already raised the interest of MI companies seeking export opportunities in this market. According to the company's president for the SA region, Brazil is a strategically important market for GM's electrification plan. São Paulo is home to the company's testing center and engineering development center for electric vehicle development. In addition to exporting services to other countries, the Brazilian subsidiary will focus on energy efficiency and connectivity. New plans are already under development for preparing local factories to produce electric cars by 2030. GM announced that Brazil could become a hub for electric vehicle and technology production, given the market conditions, which include abundant raw materials for battery production, qualified engineers, a well-developed industrial park, and a large consumer base.

With a track record of a solid background in matching prospective partners, in the trade and business community and successful trade missions, Claudia Tomaselli is confident in her capability to continue assigned as MEDC Project Manager for Brazil. The following is a brief list of current and past contracts where Claudia Tomaselli acted as the principal contact or Project Manager, and that attest her qualifications:

### **Great Lakes St. Lawrence Governors and Premiers**

Principal contact for Brazil since 2004 to present.

Provision of trade consulting services and trade mission management

### **Michigan Brazil Center**

Project manager since 2012

Provision of trade consulting services and trade mission management

### **Virginia Economic Development Partnership - International Trade Division**

Principal Contact for Brazil from January 1, 2009, to October 31, 2022

Provision of trade consulting services and trade mission management

### **Colorado Office of Economic Development and International Trade**

Principal Contact for Brazil from November 24, 2020, to October 31, 2022

Provision of trade consulting services and trade mission management

### **Minnesota Trade Office - Department of Employment and Economic Development**

TA CONSULTING

Proposal to the Michigan Strategic Fund

Contracts and Grants Unit

## **GSGP Brazil Trade Office**

Principal Contact for Brazil from March 14, 2014, to June 30, 2017  
Provision of trade promotion and foreign investment attraction services

### **Ohio Department of Development**

Principal Contact for Brazil from June 2009 to June 2017  
Provision of trade consulting services and trade mission management.

### **Columbus 2020 TM to Brazil**

Project Manager from April to June 2015  
Organization, execution, and supervision of a Trade Mission lead by Commissioner Marilyn Brown (Franklin County) to São Paulo and Curitiba.

### **Growing Iowa's Global Partnerships Trade Missions to Brazil**

Project Manager from December 2014 to April 2015, and from June to September 2012. Organization execution and supervision of IOWA's Trade Mission to Brazil lead by Lt. Governor Kim Reynolds that attended the Agrishow in 2015 and by Governor Terry Branstad that visited Sao Paulo and Porto Alegre leading a group of 15 to 25 state officials and businesspeople respectively. On both occasions personalized schedule of appointments was arranged to mission delegates.

### **IL Pavilion at major Trade Shows**

Project Manager from March to November 2014  
Organization Execution and Supervision of the IL Pavilion at the Hospitalar Trade Show - May 2014 and the Int'l Industrial Environment and Sustainability Fair (FIMAI) - November 2014.  
On both occasions customized market research and scheduling of appointments and logistical Support was provided for the exhibitors.

### **Michigan Lieutenant Governor Brian Calley Trade Mission to Brazil**

Project Manager from March to May 2013  
Organization Execution and Supervision of the Lieutenant Governor Brian Calley's Trade Mission to Brazil which included business leaders from 09 MI companies. Personalized schedule of appointments and logistical support was arranged for every the official and business executives.

### **US Commercial Service, São Paulo, Brazil**

Project Manager from August 1 to October 31, 2011  
Export Promotion services for the identification of potential partners and scheduling of appointments on behalf of 10 companies visiting the market during the Florida Trade Mission to Brazil.

### **Greater Des Moines Partnership and the Iowa Department of Economic Development**

Project Manager from August 1 to October 10, 2008  
FDI Director Visit to Brazil scheduling of appointments and meeting accompaniment.

## **Professional References**

### **Virginia Economic Development Partnership**

<https://www.exportvirginia.org/>

Contact: Lindsey Bertozzi, Assistant Vice President, International Trade

Tel.: 804-545-5767

Email: [lbortozzi@vedp.org](mailto:lbortozzi@vedp.org)

### **Iowa Economic Development Authority**

<https://www.iowaeda.com/>

Contact: Peggy Kerr, International Trade Office Team Lead

Tel.: 515-348-6242

Email: [peggy.kerr@iowaeda.com](mailto:peggy.kerr@iowaeda.com)

### **Illinois Department of Commerce & Economic Opportunity**

[www.illinois.gov/dceo](http://www.illinois.gov/dceo)

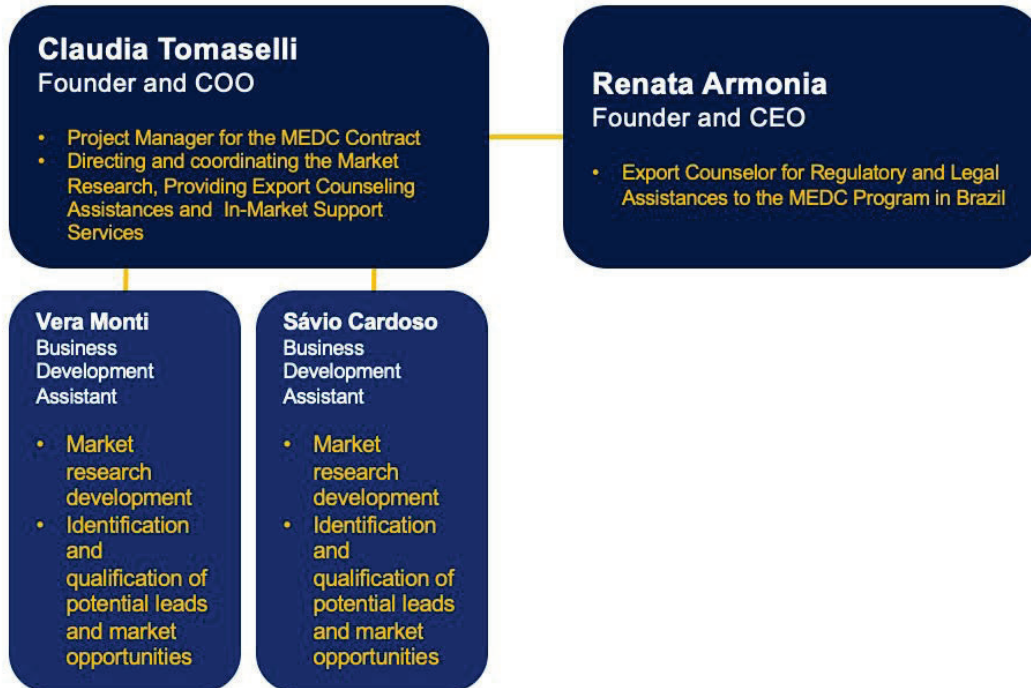
TA CONSULTING

Proposal to the Michigan Strategic Fund

Contracts and Grants Unit

Contact: Margo Markopoulos, Director, Office of Trade & Investment  
Tel.: 312-814-3116  
E-mail: [Margo.Markopoulos@illinois.gov](mailto:Margo.Markopoulos@illinois.gov)

**6. Project Staffing:** TA’s team is comprised by 4 international trade experienced professionals: 2 partner directors and 2 business development assistants. In addition, according to the workflow, the office contracts with trade and industry experts counting also with the support of its strategic associates. The organizational chart below identifies the Project Manager and TA staff assigned to attend the MEDC’s projects being proposed.



**Claudia M. Tomaselli’s** excellent interpersonal and communication skills, and attention to detail led her to the management of the Commercial Department of the company. She is an expert in International Trade Promotion and New Businesses Development, and also manages the trade events and commercial intelligence activities of the company monitoring, coaching, and guiding the in-house and associated business analysts from day one to the end of each project, guaranteeing the standard and quality of the customized services offered by TA Consulting.

Prior to founding TA, Ms. Tomaselli held such positions as: Founder and Commercial Director of TVZ International; Director of the Michigan Brazil Center, Interim Director and Deputy Director of the Council of Great Lakes Governors Brazil Office; Special Assistant to the US Commercial Center’s Director at the US & Foreign Commercial Service (US Consul General); Trade Event Assistant at the USFCS; Founder and Director at CMT Design, a Trade Promotion Event company.

In 1990, Ms. Tomaselli received her Bachelor of Arts degree in Visual Communication and Industrial Design from Fundação Armando Alvares Penteado (FAAP) in São Paulo, Brazil. Graduated at Cambridge First Certificate in English (FCE) in 1984, Ms. Tomaselli is fluent in English and has Portuguese as her native language. Ms. Tomaselli also has conversational and reading skills in French and Italian in addition to Spanish understanding skills. She has two nationalities--Brazilian and Italian.

## GSGP Brazil Trade Office

As the Project Manager for the MEDC contract, Claudia Tomaselli will be responsible for supervising each of the projects conducted by the Brazil Office. She is the one guiding the staff and subcontractors throughout the search, making sure each search is on track and that the project is concluded in a timely manner. All the projects pass through her revision before being sent to the company and MEDC's staff. She is therefore key individuals to the successful completion of the work, dedicating herself full-time to the management of all the export promotion activities performed in this office.

**Renata Armonia**, TA Consulting founder and CEO, is also a senior partner at the FCR Law firm, a dynamic Brazilian law firm specialized in advising national and international businesses, entrepreneurs and investors on almost all aspects of Brazilian law. Renata is the firm's partner responsible for Energy Law, Business Law, Labor Law, M&A and Private Equity, and Civil Litigation. For many years Renata worked as a senior lawyer at the pay TV company DirectTV (today SKY) and then as a legal manager at IOB Thomson (now Sage Group). Most recently, Renata was given recognition in the publication *The Legal 500 Latin America 2023* as an expert in Energy Sector and M&A transactions.

Renata is a Bachelor of Law at the Pontifícia Universidade Católica de São Paulo – Brazil, a Postgraduate in Mergers and Business Acquisitions at the Centro de Extensão Universitária do Instituto Internacional de Comunicação Social – Brazil, Civil Procedure Law at the Centro de Extensão Universitária do Instituto Internacional de Comunicação Social – Brazil, in Business Law and Contracts at Fundação Getúlio Vargas – Brazil, and in Business in the Energy Sector.

With this credentials Renata is TA's Export Counselor for Regulatory and Legal compliance, a service that she has been rendering to MI companies since the establishment of the Michigan Brazil Center.

**Vera Monti Rocha**, Business Development Assistant, is based at the Vale do Paraiba office. She has been working as Claudia Tomaselli's assistant since August 2009. She has been engaged with the Michigan Brazil Center since its establishment in the country, identifying and contacting potential local leads for the MI companies willing to explore market opportunities. She brings to TA Consulting experience with call center and public relation activities, having worked at many hotels in the Vale do Paraiba region. Prior to that, Ms. Rocha owned a catering firm, which enriched her business network in the region. Her experience and communication skills certainly add values to the TA's team.

**Savio Cardoso**, Business Development Assistant, is also based at the Vale do Paraiba and has been assisting Claudia Tomaselli since 2004 producing paper clippings and market updates, conducting market and partner searches. He has been engaged with the Michigan Brazil Center since its establishment in this market in 2012 identifying and contacting potential local leads for the MI companies willing to increase their exports into Brazil. A certified real estate agent he is also responsible for assisting companies that are establishing a presence in Brazil. Mr. Cardoso has also worked as a promotional event producer in renowned companies such as HVA, PH Arcangeli, LVMH and Vivara, which provided him with an extensive network and excellent communication skills. Savio is based in the Vale do Paraiba office.

**7. Subcontractors:** On the occasion that a great number of projects are conducted simultaneously, TA counts with independent contractors that have been working with the directors on this basis for years. They are experienced in international trade and business development and familiar with TA's methodology. Below we are listing the three independent contractors that have worked with Claudia Tomaselli on projects for the MI Brazil Center in the last 10 years.

**Sandra Greenwald** is a professional who has worked in various industries throughout her career. She began her career at the US Trade Center in São Paulo, Brazil, as an event and trade fairs manager until

## GSGP Brazil Trade Office

she moved overseas and continued her professional pursuits. Sandra holds a degree in translation and interpretation, which has likely aided her in her international endeavors. Currently she works as a community service coordinator at the Graded American School in São Paulo. Throughout her career Sandra has demonstrated strong work ethic and a commitment to excellence. Sandra assists TA with the coordination of trade missions and the scheduling of appointments.

E-mail: [sandratgreenwald@gmail.com](mailto:sandratgreenwald@gmail.com)

Phone: + 55 11 99636-1827

**Nathalia Medina Norman**, former Business Development Assistant to Claudia Tomaselli at TVZ International (2007-2010). Nathalia graduated in Global Affairs in 2009. Passionate about the intercultural business environment, Nathalia has been working in the multi-sector consultancy area since 2010 when she moved to the US, having acquired expertise in different sectors such as construction, high-tech and medical industries. Back in Brazil for a year, Nathalia worked with the medical registry company Vera Rosas until her return to the US in February 2014 from where she remotely renders business development services and provides registry compliance counseling.

Email: [medina.consultancy@gmail.com](mailto:medina.consultancy@gmail.com)

Phone: + 1 (415) 320- 9937

**Eng. Fernando Rietra Pereira's** career has included extensive work for the United States Consulate in São Paulo, Brazil, and he is recognized for expertise in dealing with foreign corporations entering the Brazilian market. His twenty years of experience in the aluminum and steel industry has provided substantial contacts in many areas of manufacturing throughout Brazil. He has worked with manufacturers involved with refinery operations, energy, petrochemicals, foundry products, automotive industry, construction materials, mining, power tools and high-tech equipment. Mr. Pereira's Bachelor of Science Degree in Metallurgical Engineering provides the knowledge necessary to properly analyze complex production processes and define the criteria required to achieve success with potential suppliers or partners. He has been a lifelong resident of São Paulo and Rio de Janeiro, and has also lived for periods of time in the United States. He is fluent in English and Portuguese, and is considered a substantial asset at negotiating business deals that must conform to the Brazilian culture, customs and laws.

Email: [fernando.rietra@terra.com.br](mailto:fernando.rietra@terra.com.br)

Mobile: +5511 99718-7718

### 8. **Bidder's Authorized Expediter**

The Great Lakes & St. Lawrence Governors and Premiers is authorized to expedite contracts on behalf of **TA Consulting** for purposes of this RFP.

Contact: Zoë Munro, Program Director

Telephone: +1 614-507-3989

Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)



### **Zurcom International (Pty) Ltd**

Ground Floor, Kingfisher Office Park

Mount Edgecombe 4302

Phone: +27-76-104-7735

Email: [zurcom@zurcom.net](mailto:zurcom@zurcom.net) / [gsgp@gsgp.africa](mailto:gsgp@gsgp.africa)

South Africa / Reg. # 2004 /011272/07

VAT # 4170214987

**Opened in January 1999** in Johannesburg, the GSGP team expanded into the Caribbean in 2020 with GSGP Caribbean state contracts commencing in 2021. The structure of the GSGP Caribbean Trade Office includes representation for trade of the states of Michigan, Minnesota, New York, Ohio and Pennsylvania. The office also represents the US states of Delaware and Virginia through Zurcom International's shared state trade operations. *The office has been the authorized trade office for Michigan as well as having hosted many Michigan firms on multi-state trade missions since commencement in 1999 under the Michigan Department of Commerce and later resuming under the MEDC until present.*

**The GSGP Caribbean Trade Office excels in promoting trade opportunities in developing markets to company executives** who have not previously recognized these markets. Encouraging full participation in regional opportunities and providing a level of confidence to company representatives, ultimately resulting in sales, is our goal. Presentations state-side are world class and, considering the developing nature of the region, represent opportunities truthfully and energetically. The Caribbean team are active in different business communities in their local countries, as well as regionally and are well networked in the Caribbean Basin. The team covers the entire Caribbean Basin, 49 countries in all, assisting firms to enter the Caribbean Community (CARICOM), Dutch and French Caribbean, Central America, Dominican Republic, Colombia and Venezuela.

### **4. Technical Work Plans**

GSGP Caribbean are familiar with existing MEDC project formats and timelines. A combined ADS, Market Visit would entail the three stages as set out below. GSGP Africa can arrange for personal accompaniment, depending on circumstances and company requirements. For the Caribbean Community (CARICOM) countries, translation is not required as almost all meetings are conducted in English, while for Central America and the Dominican Republic translation services are available either through staff or professional translators.

### **Customized Market Research**

GSGP Caribbean support American exporters through bespoke market research, focused on a particular sector in a particular geographical region or country. Market research is generally completed to indicate that a certain market is open for a particular product or service. Market research reports can be of differing lengths, and may focus on a particular geographic market location across sectors, or a certain sector in a specific market.

GSGP Caribbean always includes a market brief of approximately 8 – 10 pages which will include many of the points below. This is to acquaint company decision-makers with the market prior to discussions with potential buyers.

Topics in a Custom Market Research document may contain:

Current trends in the sector



## GSGP Central America/Caribbean Trade Office

Key players

Competitor analysis

Market structure and access

Including details on major spending - procurement channels – current and future procurement opportunities

Roadmap for market entry

Key regulatory requirements

Major industry events & industry associations

**Time Required:** Generally two weeks from start to completion.

**Lead Time:** Generally two weeks after authorization of project by MEDC.

### **Prequalification of Agent, Distribution Partner, End-User:**

#### **Stage 1: Research and Identification of Unqualified Leads: Private / Governmental Sector Contacts**

GSGP Caribbean will create a list of corporates / institutional entities appropriate to MEDC's client company offering in the selected African market(s). Each listed contact in the unqualified, potential leads, list will have appropriate corporate contact details for the firms/entities listed. This will entail potential contact companies within the corporate industries that would have high potential for: 1) participation as a client, or 2) direct buyers depending on the needs of the MEDC client company. The MEDC client company will be able to review the unqualified company listing prior to commencement of interviews and qualification of such list.

- 1) Brief summary of the particular sectors in Caribbean, focusing on the sector under study, Noting where opportunities may exist. (6+ pages)
- 2) Summary of associations, business journals etc. relating to appropriate industry sectors in the country/ countries under study (2 pages) and other countries as applicable.
- 3) Any qualification levels required from government regulatory resources for particular Caribbean country if necessary.

**Time Required:** Generally two weeks from start to completion.

**Lead Time:** Generally two weeks after authorization of project by MEDC

#### **Stage 2: Research / Identification: Survey – Private / Governmental Sector Contacts**

GSGP Africa will survey by telephonic interview potential decision-makers/buyers based on list of contacts provided by the GSGP Africa contractor in Stage 1 using criteria provided by MEDC client company. Contact information including interested respondents will be provided in a structured report to the MEDC client company. This will include decision-makers/key personnel, company address, telephone numbers, website as available. Further company information, as available, will be provided.

- 1) GSGP Africa will report the information obtained via phone or face-to-face interviews and will provide direct quotations from interested counterpart companies or other contacts in the Caribbean country. A level of interest being indicated at the interview stage, our staff will ensure this is communicated in the written report in the company description.
- 2) A list of unresponsive and declined interest companies will be created on a spreadsheet. Where possible, a reason for declining interest will be noted.

**Time Required:** Generally two weeks from start to completion.

**Lead Time:** Immediately after completion of Stage 1 (Unqualified Leads Stage).

#### **Stage 3: Further Meetings in African Country / Region**

This stage may be completed either in-person or virtually. If virtually, date and time requirements will be set by mutual agreement with the MEDC trade advisory staff, the MEDC company client and the GSGP Africa trade advisory staff.

## GSGP Central America/Caribbean Trade Office

An itinerary of interested and confirmed meetings will be provided to the MEDC company client. A written itinerary of all meetings will be completed prior to arrival / commencement of meetings in-country (or virtually) and provided in electronic form to MEDC trade advisory. A list of declined / unresponsive contacts will be provided in an addendum to the itinerary.

During the period in-country, support for meetings including confirmations, re-scheduling where possible of changed meetings, cancellations and other back-office support will be offered.

**Timing Required:** Completion will be approximately 2-3 weeks after completion for Stage 2, Completion of Stage 3 will be done at the close of the meetings or in-market visit.

**Lead Time:** Immediately after completion of Stage 2 (Qualified Leads Stage).

### **Stage 4: Follow up Support African Country / Region**

GSGP Caribbean will assist with reasonable follow up requirements post-meetings. The standard is 90 days, although GSGP Caribbean staff frequently disregard this in the interests of MEDC client company needs and extend this.

**Background checks** are also offered as part of the GSGP Caribbean service at an additional modest charge. The staff team presently have a legally trained persons who is a full member of the bar in Guyana to assist with due diligence requirements should these be requested at a legal level.

### **5. Prior Experience / References**

**Operational in January 1999 in Johannesburg**, South Africa, the same Director, Richard Zurba, partnering with IBG Global LLC ([www.ibgglobal.com](http://www.ibgglobal.com)) partner Gedeth Network, Director Juan Millan, opened a service to state government clients for export trade promotion in the Caribbean. The structure of the GSGP Caribbean Trade Office includes representation for trade of the states of Michigan, Minnesota, New York, Ohio, Pennsylvania. The office also represents the US states of Delaware and Virginia. The office has been the authorized trade office for Michigan as well as having hosted many Michigan firms on multi-state trade missions since commencement in 2021 under the Michigan Economic Development Corporation until present. Each year, the office currently handles approximately 20 - 30 full agent/distributor searches, market research or other large-scale projects such as a New York trade mission in July/August 2022, a GSGP trade mission in November 2022 and a future Eastern Trade Council mission in November 2023. A large number of general requests, including tariff/duties questions, assistance with locating accountants, legal contacts and local visits are also covered.

**The GSGP Caribbean Trade Office excels in promoting trade opportunities in developing markets to company executives** who have not previously recognized these markets. Encouraging full participation in regional opportunities and providing a level of confidence to company representatives, ultimately resulting in sales, is our goal. Presentations state-side are world class and, considering the developing nature of the region, represent opportunities truthfully and energetically.

**This office has advanced State's interests** as well through two governmental US trade missions into the Caribbean in the past year with more planned.

**Regional coverage** is currently within the *entire* Caribbean Basin region, covering the Caribbean Community (CARICOM), a common market with 20 national government signatories as well as Caribbean Free Trade Area (CAFTA) including all Spanish speaking countries in Central America as well as the Dominican Republic. The GSGP Caribbean staff is presently located in 4 countries of CARICOM (Bahamas, Barbados, Guyana, Trinidad) with personal services contractors in 4 countries of Central America (Costa Rica, Guatemala, Panama, Dominican Republic) as well as supporting work in Colombia and Venezuela for state clients upon request, covering all 47 different countries in the Caribbean, only limited by American client company interest.

**Project Completion:** The GSGP Caribbean contract rests with Zurcom International (Pty) Ltd, a firm registered in South Africa. Over 4,000 different company individual projects, including projects for firms participating on trade missions, have been completed since 1999. Over 130 government trade missions have been completed in



## GSGP Central America/Caribbean Trade Office

Africa since that time. The GSGP Caribbean team work closely with the GSGP Africa team, creating a supportive whole in terms of experience and dedication to client requirements.

The table below indicates a rant of recent GSGP projects.

<i>Selected Company</i>	<i>State</i>	<i>Country / Project Description</i>	<i>Date Completed</i>
<b>Ryan Industries</b>	MEDC	<b>Costa Rica, Dominican Republic:</b> participated in GSGP Caribbean trade mission along with other Michigan companies.	November 2022
<b>U.S. Bridge</b>	OH	<b>Barbados, Guyana:</b> qualified in-person meetings held in two CARICOM countries. Bridge manufacturers.	December 2022
<b>Latrobe Foundry</b>	PA	<b>Panama:</b> completed unqualified, qualified and appointment phases.	February 2023
<b>MHR</b>	MEDC	<b>Venezuela:</b> completed unqualified leads list.	February 2023
<b>Eriez</b>	PA	<b>Belize, Jamaica, Guyana, Honduras:</b> qualified virtual meetings in four countries for recycling systems.	February 2023
<b>DRR L&amp;R Racing</b>	OH	<b>Belize, Jamaica, Costa Rica, El Salvador:</b> qualified virtual meetings in four countries for off road vehicles	July 2022
<b>Kohilo Wind</b>	NY	<b>Bahamas, Jamaica, Guyana:</b> qualified in-person meetings in CARICOM with renewable wind systems,	September 2022
<b>Liberty Pumps</b>	NY	<b>Barbados, Jamaica, Trinidad:</b> qualified in-person meetings in the CARICOM countries for specialty pumps.	September 2022
<b>RCare</b>	NY	<b>Barbados, Bahamas:</b> qualified in-person meetings in the CARICOM countries for senior institution monitoring.	September 2022

**Additional Costs:** Trade mission activity and in-country company visits where accompaniment is requested can be arranged and these costs will be negotiated in advance with MEDC. Travel to Michigan and/or other locations at the requirement of MEDC is not included in this proposal price and would be expensed at cost to MEDC per usual administrative procedure.

### Selected References:

**State of Michigan:** The Michigan Economic Development Corporation has been a participating state in GSPG Africa office since 1999 and then the GSGP Caribbean office since 2021 (first under the Michigan Department of Commerce, now under the MEDC with some transitional disruptions). Through GSGP Caribbean, MEDC has participated the most recent Caribbean mission in November 2022 to Costa Rica and Dominican Republic where Michigan firms had meetings across many sectors.

**Alyssa Tracey**, Director International Trade  
Tel: +1 517 243 4523 / [traceya@michigan.org](mailto:traceya@michigan.org)

**State of Ohio:** The Ohio Department of Development (ODOD) has been a participating state in the GSPG Africa office since 1999 and then the GSGP Caribbean office since 2021. Through GSGP Caribbean, ODOD has participated the most recent Caribbean mission in November 2022 to Costa Rica and Dominican Republic where Ohio firms had meetings across many sectors. Ohio has completed projects in Panama, Guatemala, Guyana and other Caribbean destinations.

**Danny Finfrack** International Market Support Administrator  
Tel: (614) 287-3850 / Email: [Danny.Finfrack@development.ohio.gov](mailto:Danny.Finfrack@development.ohio.gov)

## GSGP Central America/Caribbean Trade Office

**Commonwealth of Pennsylvania:** Pennsylvania has been a retained state in the GSGP Southern Africa Trade Office since inception in January 1999 to September 2014 and again since July 2021. Amongst many trade missions: South Africa, Botswana and Zambia in May 2013 and one to South Africa and Tanzania in March 2014. Pennsylvania participated in the Appalachian Regional Council Mining Equipment trade mission in 2018. Pennsylvania companies have participated as recently as the GSGP Africa trade mission in **February 2023**.

**Jen Black**, Executive Director, Center for Trade Development  
Tel: (717) 720-7366 / Email: [jblack@pa.gov](mailto:jblack@pa.gov)

**Commonwealth of Virginia:** The Virginia Economic Development Partnership has contracted with Zurcom International since 2009, and has been contracted since 2021 in the Caribbean office operations, not involved in the GSGP but as an independent state contract. Virginia has completed projects in the CARICOM region.

**Lindsey Bertozzi**, Assistant Vice President of International Trade  
Tel: (804) 545-5767 / Email: [LBertozzi@vedp.org](mailto:LBertozzi@vedp.org)

**State of New York:** New York Empire State Development has been a retained state in the Great Lakes St Lawrence Governors & Premiers Africa Trade Office since inception in January 1999. New York conducted a trade mission to the CARICOM countries in August/September 2022. Companies traveled to six countries for individualized appointment schedules. New York has conducted projects in the Dutch Caribbean, CARICOM and other areas of the Caribbean under the GSGP Caribbean banner.

**Lennox Ruiz**, Director, International Division Empire State Development  
Tel: (212) 803-2344 / Email: [lruiz@esd.ny.gov](mailto:lruiz@esd.ny.gov)

**Great Lakes St. Lawrence Governors and Premiers:** GSGP has been a key contract since 1999 and has done many multi-state trade missions, in the Caribbean recently in November 2022. GSGP is an administrative center for State members shared trade offices globally. GSGP is the agency for which Zurcom International contracts five US state governments (NY, OH, MI, MN and PA) for trade in the Caribbean as well as others in the Africa market which GSGP also serves.

**Zoe Munro**: Program Director  
Tel: (614) 507-3989 / Email: [zmunro@gsgp.org](mailto:zmunro@gsgp.org)

### **6. Project Staffing / Coverage**

**Caribbean Community:** This office will designate a dedicated management professional within its Caribbean office solely for GSGP Caribbean. **Kemi Linton has been working as the GSGP trade advisor, and will continue to do so, overseeing communication between companies and GSGP regional specialists and others to ensure that all avenues for increasing exports from the state are explored. Supervision of all projects is done by the office Director. Other staff are called in to assist as required across the Caribbean.** The Barbados office will operate as the central point for all projects for the Caribbean, although management decisions will be made from the Director, Richard Zurba. Time inside Michigan to promote this market to exporters will be enabled through selected staff, approved by MEDC as well as the as well as the Director. The Director's time, shared by other states will be limited to about one week in state per year or as required by mutual consent. The GSGP Caribbean staff is located in 8 Caribbean countries, not all employees and contracted staff are listed.

#### **RICHARD ZURBA**

##### **DIRECTOR OF ZURCOM INTERNATIONAL (PTY) LTD**

Richard Zurba has over 20 years of experience assisting companies into the global markets. He is the Director of Zurcom International (Pty) Ltd, which is the contracted representative for the GSGP serving in Africa, as well as other state governments, Delaware, Maryland and Virginia. Zurcom's experience includes supporting companies from around the world entering the Africa. Richard came to Africa in 1993, working in the D. R. Congo for World Vision Relief. He moved to South Africa in 1996, as an export manager for a South African firm, selling into 20 African countries. In January 1999, Richard opened the GSGP Africa Trade Office in

## **GSGP Central America/Caribbean Trade Office**

Johannesburg representing several US state governments. The team assists in areas such as locating distributors/buyers for American products, trade missions and market research. Richard is the Co-Chair for the IBG Global partnership, servicing over 200 country markets. Since inception, Zurcom has worked with over 4,000 different company projects in relation to international trade. Staff are in 21 countries covering Africa and the Caribbean. Richard has a B.A. (Alberta, International Relations), an M.A. (London School of Economics, International History) and an M.B.A. (Western Ontario, International Business).

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### **KEMI LINTON**

#### **TRADE ADVISOR (BARBADOS)**

Kemi is an experienced International Trade and Development Professional with over a decade of experience in the areas of business development, sales, international trade and project management. Kemi has worked extensively with the Caribbean Private Sector, playing a leading role with the launch of the Network of Caribbean Chambers of Commerce (CARICHAM), a grouping of now 21 Chambers across the region. Added to the foregoing, Kemi has managed a number of donor projects funded by the Commonwealth Secretariat, the European Union (EU), Caribbean Development Bank (CDB) and the International Trade Center (ITC). Kemi is also currently a Trade Specialist, advising the Port of Bridgetown on matters relating to trade facilitation, logistics and improving the doing business environment in Barbados. Kemi has worked on a number of international projects, including managing multiple trade missions, helping small and medium sized enterprises (SMEs) penetrate new and existing markets for both products and services. Since August 2020 she has worked with Zurcom International on globally oriented projects. Kemi possesses a BSc degree in International Relations and a MSc in International Trade Policy from the University of the West Indies.

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### **BRANDON KEMP**

#### **TRADE ADVISOR (BAHAMAS)**

Brandon has focused on project management and business consultancy in his early career. He began his project management career working for an international N.G.O., based onboard their vessel which during his 4.5 years of service travelled across Asia, Africa, the Caribbean, and Latin America. While working in their 'advanced preparation division' he led multicultural teams, worked with port and government authorities, led advertising campaigns, and coordinated the social development projects. He then returned to his home in The Bahamas, and launched two start-up companies; an event management company focused on community development and supporting local food creators, and a cultural immersion and language learning agency. His work with these companies earned him the prestigious award of "Top 48 Millennial" and granted him participation in the US State Department of Foreign Affairs' Young Leaders of the Americas Initiative. He is also pursuing studies in economics and finance, focusing on small island economies.

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### **NYALA ALI**

#### **TRADE ADVISOR (TRINIDAD & TOBAGO)**

Nyala Ali has more than 10 years of experience in the provision of investment promotion and trade facilitation services in Trinidad and Tobago to local and international clients. In her capacity as the Senior Facilitation and Aftercare Officer at InvestTT, the national Investment Promotion Agency of Trinidad and Tobago, Nyala led her team on 12 incoming trade missions to Trinidad and Tobago from India, China and the USA. Deliverables included conducting market research and analysis, scheduling B2B meetings with participating businesses, and company matching for companies across the country's priority sectors. She represented the country at a combined total of over 10 trade fairs at home and internationally in the USA and China. Additionally, Mrs. Ali was instrumental in providing aftercare services to local businesses in the manufacturing, transshipment and retail sectors securing reinvestment in the country of over US\$59 million over her time in investment promotions. Prior to her career in Investment Promotions her experience includes provision of business services to

## **GSGP Central America/Caribbean Trade Office**

commercial customers at the national telecommunications company of Trinidad & Tobago, TSTT. Nyala holds a B.A. in Economics / History from the University of the West Indies and an M.B.A. from Heriot-Watt University, Scotland.

### **YUBORN ALLICOCK**

#### **TRADE ADVISOR (GUYANA)**

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Yuborn is based in Georgetown, Guyana. He has worked within the CARIFORUM-EU EPA Implementation Unit on various donor projects; based on the Economic Partnership Agreement. The CARIFORUM-EU Economic Partnership Agreement (CARIFORUM EU-EPA) was signed in October 2008; an agreement for trading in goods and directing foreign investments between the European Union and the CARIFORUM States. Yuborn is currently the CEO & Founder of the Legal Minds Initiative (LMI): The LMI provides legal services and informs and engages the wider populace, be it regional or international, on legal issues, seeking to inculcate and cultivate an academic and economic appreciation of the legal framework of various societies. Yuborn has a Bachelor's of Laws from the University of Guyana and recently completed his Legal Education Certificate at the Sir Hugh Wooding Law School in Trinidad and Tobago. He presently supports GSGP Caribbean projects as a personal services contractor, and he also owns/operates an independent law firm which assists directly with regulatory requirements and due diligence when required.

### **TIANA MORA-RAMIS**

#### **TRADE ADVISOR (DOMINICAN REPUBLIC)**

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Taiana has over 30 years of experience in International Business. She has previous experience as the Executive Director of Caribbean Export <https://www.carib-export.com>, the regional trade and investment promotion organization of the 15 countries of the CARIFORUM countries (CARICOM countries +Dominican Republic and Cuba). She is also Vice President of CSRD, a platform for the promotion of services export in the Dominican Republic. It is a member of the Caribbean Network of Services Coalition (CNSC) and the Latin American Service Exporters Association (ALES).

### **JUAN MILLAN**

#### **SPANISH SPEAKING MARKETS LEADER**

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Founder of Gedeth Network with many years of experience in managing operations among Latin American clients, with more than twenty years of experience. As MD of Gedeth he manages a professional network of International consultants in Latin America and Spain. Juan has worked for PromoMadrid, regional trade and investment promotion organization of the Government of Madrid, where he was responsible for attracting investment and worked as a Senior business development consultant. Prior to PromoMadrid, he worked in Risk Control and Internal Auditing at multinationals such as Avaya, Pfizer, and Carrefour. Juan is a registered lawyer with an Advanced Degree in International Law from IE Business School and a Master's Degree in Administrative Law from CEU San Pablo University. Juan is a lecturer for Masters of International Trade and Supply Chain Management at various business schools and a regular panelist in Internationalization. He speaks English and Spanish. Juan is also the Legal representative in Spain and External member of the Board of Synerjoy BPO (<https://www.synerjoy.com/>), a Colombian company with over 800 employees that provides services of telemarketing and credit operations to Large and SME's in the LATAM markets (i.e covering Booking.com credit operations for Central America and the Caribbean).

### **7. Sub-Contractors**

All projects are overseen by Zurcom International, with Gedeth Network providing expert on-the-ground staff persons in the Spanish speaking side of the Caribbean Basin, particularly Central America, Dominican Republic, Colombia, Venezuela. Gedeth only assists with the Spanish speaking locations due to its core competency.

#### **Gedeth Network**

**Director, Juan Millán**

**Calle Doctor Esquerdo 18, Esc A, 1º 3**

## **GSGP Central America/Caribbean Trade Office**

**28028 Madrid , Spain**

**Tel: +34 910 747148 / 512442**

**Tel/Mobile: +34 687 558393**

**E-mail: [juanmillan@gedeth.com](mailto:juanmillan@gedeth.com)**

**Website: <http://www.gedeth.com>**

Gedeth Network, SLU , founded in 2013, but with executive experience in Latin America reaching to the 1990s, is an internationalization consulting firm whose team has assisted with more than 1,000 internationalization projects. Gedeth Network will be the sole sub-contractor to Zurcom International for the Caribbean Spanish Speaking countries, the region where Gedeth is a leading firm in new-to-market entry for Latin America. Gedeth benefits from the experience of a skilled, multilingual team, composed primarily of economic and trade development consultants with over 20 years of experience, mainly in promotion agencies (such as ICEX-INVEST IN SPAIN, ProColombia or PromoMadrid). Gedeth's international network spans all countries in the Spanish speaking world with vast experience in the Caribbean Basin region reaching in Colombia, Venezuela, Dominican Republic, Panama, Costa Rica, Guatemala and other important countries in the region. Gedeth was founded by Juan Millan who is an active member of IBG Global LLC who along with Zurcom International has partnered to open up the Caribbean / Central American region to American state EDOs and their company clients. Gedeth Network also represents other US state interests such as Virginia Economic Development Partnership (VEDP) for the Spanish speaking Caribbean Basin region.

Gedeth has, and will continue to assist Zurcom International in supporting GSGP Caribbean to fulfill all requirements such as market research, qualified and unqualified partner searches, company appointments, trade missions when these event intersect with Spanish speaking countries, and other project types.

### **8. Bidders Expediter**

The Great Lakes St. Lawrence Governors & Premiers is authorized to expedite contracts on behalf of Zurcom International (Pty) Ltd for purposes of this RFP.

Contact: Zoë Munro, Program Director

Telephone: +1 614-507-3989

Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

## A. Business Organization and History

Company legal name in China	<b>Tractus Investment Consulting (Shanghai) Co. Ltd.</b>
Company physical address	Suite A, 22 <sup>nd</sup> Floor, No. 1800 Zhongshan West Road, Xuhi District, Shanghai 200235 CHINA
Local registration or ID number	91310000662416902F
Tel Phone	+86.21.6440.0990
Principal Contact, address, telephone number, email address, skype name	Mr. Herminio Andres Address: Suite A, 22 <sup>nd</sup> Floor, No. 1800 Zhongshan West Road, Xuhi District, Shanghai 200235 CHINA, Mobile tel: +86 13801913311 Skype: <a href="mailto:Herminio_andres@hotmail.com">Herminio_andres@hotmail.com</a> Team: <a href="mailto:Herminio.andres@tractus-asia.com">Herminio.andres@tractus-asia.com</a>
Full name of parent organization	Tractus Asia Limited
Description of organization	Tractus Asia Limited is the parent company of Tactus Investment Consulting (Shanghai) Co Ltd. The percentage of Tractus' business that is export related is roughly 40% of our annual revenue.
Business type	Limited Liability Corporation
Address	Suite 1701-2A 625 King's Road, North Point Hong Kong S.A.R
Phone	+825.3108.7300
Principal Contact information	John J. Evans Title: Managing Director and Co-Founder Director in Charge of China Email: <a href="mailto:john.evans@tractus-asia.com">john.evans@tractus-asia.com</a> Mobile tel: +66.81.825.7368
Other important data	Tractus in partnership with GSGP has been serving as MEDC's trade representative in China since 2021

### ***Tractus China - Brief Overview***

Tractus began working in China in the mid 1990's and established a full time Shanghai presence in 1999. Through our Shanghai office, we have been able to support countrywide projects by employing staff from different regions in China as well as having staff travel throughout the country. We have a long history of successfully undertaking economic development work in China,

giving us extensive networks and access to the Chinese business community and relevant government agencies.

## **B. Technical Proposal**

### **1. General inquiries, Support Requests, Trade Servicing requests:**

The Tractus China office will respond to questions posed by the MSF (MEDC) staff on behalf of their constituent Michigan firms. Tractus' understanding is that many of these inquiries may include basic market entry questions such as market viability, distribution channels, import regulatory framework and government requirements, business legitimacy and registration checks, and/or licensing requirements. Tractus' two plus decades of market knowledge in China give our team the ability to answer such questions. However, if inquiries require more research than Tractus is able to provide in more than a few hours of time, an estimate of the completion time and rate will be submitted to MEDC via email including receipt of confirmation prior to beginning any work or incurring any charges. In addition, Tractus will provide qualified referrals to local firms that provide legal, translation, advertising, employment services, credit and other professional services.

**Typical time to complete:** Less than one day

**Deliverables:** Timely and substantive email and/or video conference communication, or other necessary documentation, answering general inquiries about the China market

### **2. Customized Market Research: In depth research**

Tractus utilizes a multi-faceted approach to our Economic Development practice which leverages skills and experience gained from our Strategic Consulting (including our site selection practice), SME-focused Business Incubator® and Corporate Finance practices. These synergies benefit our economic development organization (EDO) clients and increase our efficiency conducting in-depth market research by leveraging our existing business and government networks and/or previous or existing industry sectoral work in China.

Tractus is well versed in providing customized market research and has delivered reports to hundreds of SMEs across a wide range of industry sectors. Tractus will offer this service outlining the potential for Michigan firms' product(s) or service(s) based upon information supplied in a *Service Request Form*. Tractus understands that the MSF (MEDC) staff will organize and participate in the initial kick-off conference call between the firm and Tractus to discuss the firm's goals and existing information that may have an impact affect, past or present, on the project. Following the kick-off call, the representative of the Michigan firm will sign a statement agreeing to the project scope of work and projected hours as well as acknowledge work beyond what is specified will be charged on an hourly basis.

The format of the Custom Research Report will follow the template below and our research will address each of the following in the report:

- Market size
- Growth & forecast for the sector
- Typical distribution channels
- Major players in the industry - including domestic or foreign competitors or influencers
- Import tariffs & other taxes
- Labeling, licensing, and other regulatory issues



- Major industry trade events
- Trade associations and publications
- Recommendations on viability of the market and next steps to be taken

Tractus will provide an electronic version to MSF (MEDC) and the firm for which the service was performed. The project will conclude with a closeout interview between the firm and a MSF (MEDC) Market Development Director or person of equivalent title. Tractus may participate in that interview.

**Typical # Hours:** 40

**Typical time to complete:** 3 weeks

**Deliverable:** Customized Market Research report in MS word

### **3. Potential Partner Search:**

After completion of a Market Assessment or upon submission of other research showing the viability of the Chinese market, Tractus may conduct a search for candidates that match or come closest to the needs of MSF (MEDC) and the Michigan firm seeking to sell their products or services in the China market. If no Market Assessment or similar research has been completed, that information can be included in the Potential Partner Search at MSF (MEDC) or the client firm's request (please note that additional hours spent will be charged accordingly and added in the scope of work). A MSF (MEDC) member staff will arrange an initial kick-off conference call between the firm and Tractus to discuss the firm's goals and existing information that can affect the project. The firm will sign a statement agreeing to the project scope and hours spent as well as acknowledge work beyond what is specified will be charged on an hourly basis. The Unqualified Partner Search will include:

- a list of potential candidates with contact information and description of the company; and
- recommendations on best methods for contacting potential candidates and next steps to be taken.

Tractus will screen the potential candidates against U.S. and Canadian government lists of individuals and entities with whom U.S. firms cannot conduct business. MSF (MEDC) will not need to specify the method to be used to conduct U.S. export compliance screening, but Tractus will provide appropriate documentation that the screening was completed. Tractus will provide an electronic version to MEDC and the submitting firm.

The project will conclude with a closeout interview between the Michigan firm and a MSF (MEDC) Market Development Director or person of equivalent title. Tractus may participate in that interview.

**Typical # Hours:** 20 to 30

**Typical time to complete:** 2 to 3 weeks

**Deliverable:** A unqualified agent/distributor report detailing a list of top partners/distributors, contact information, and suggested recommendation / next steps

### **4. Qualified Partner Search**



Our experienced Tractus China team has broad experience across the MEDC's focus sectors and will allow us to quickly identify qualified distribution channels for specific Michigan products and services. We have developed report formats honed and adjusted over time that will allow us to quickly communicate potentially good distribution channels to our clients.

When we undertake searches for distribution channels for individual clients, Tractus begins with a clear understanding of company's products and/or services in which it is seeking distribution in China, the type of partnership desired, whether it is a joint venture, distributorship, agency, broker, wholesaler, dealer, or other model of cooperation and the critical and important characteristics of the potential representative as determined by the Michigan company. We then advise, based on our experience, what channel(s) may be the best fit for the company's and its products or services. We then utilize secondary research, our in-house database of industry information and informed industry contacts, to identify a long-list of companies that fit the search profile. Special focus will be made on developing distribution channels in China's untapped regional markets and underpenetrated sectors.

Next, we contact the all of the prospective Chinese representative companies on the long-list to determine whether they would be interested in becoming a distribution channel for a Michigan company. Then, any data we are unable to obtain independently will be collected about the prospective representative. This is done at the request of the Michigan SME. This is typically done without revealing the name of the Michigan company. If the prospective representative shows potential interest in working with the Michigan-based company, we would next undertake reference checks by contacting the potential representative's principals with whom it already does business in the U.S. or other countries. We investigate if they represent more than one non-competing product or service, and determine how satisfied these principals are with their representative's services.

Tractus' conducts high level reference checks when investigating a potential agent/distributor. Finding company documentation and information is not a simple process in China, and if a company is lacking experience with using Chinese online resources and search methods, or cannot understand Chinese, finding accurate information can almost be impossible. "Trust but Verify" is particularly true when evaluating potential distributors, channel partners and agents in new markets as the wrong partner can damage even the best company's reputation. We help minimize this risk for Michigan companies.

Based on this initial screening and reference checks we will create a short-list of firms with whom the Michigan company can choose to begin to make contact and introduce the parties. The search deliverable report is typically in MS Word or Excel format with potential partner company name and overview, contact information, as well as any comments from or about the companies identified based on the results of our reference checks. When the Michigan Company has decided to visit (in person or virtually) with its prospective representatives, we can then coordinate communications, travel arrangements, and support the company on its initial visit to meet the candidate representatives and explain common business practices of the targets with Michigan companies as a follow-up.

As discussed above, market research assistance may be requested by MEDC. Companies need to be selective about markets in which they choose to do business, especially when exporting, Tractus' can conduct research to identify markets, trends, and sectors of highest priority. Furthermore, Tractus can quickly conduct opportunity assessments to determine the viability of a

potential product, technology and/or service and identify even identify potential end-users within target markets so Michigan SMEs have the necessary tools to position themselves effectively in China.

**Typical # Hours:** 40 to 60 hours

**Typical time to complete:** 4 to 5 weeks

**Deliverable:** A qualified agent/distributor report customized to client needs detailing a list of top distributors, contact information, and suggested recommendation / next steps

### **5. Virtual Match Making**

For Michigan companies unable or not desiring to visit China, Tractus can arrange virtual match making. This process would involve the same steps as outlined above in our qualified partner search, but with the only difference being that all meetings would be arranged via video conference. A Tractus team representative would coordinate the meeting(s) between the Michigan company, and a MEDC representative as well if required.

\*Tractus can facilitate informal translation services during the call(s) as necessary, and additionally provide meeting notes and action items in a short report following the call. These additional services will need to be discussed and added into the scope of work with MEDC and the client prior to project execution.

**Typical # Hours:** 40 to 60 hours

**Typical time to complete:** 4 to 5 weeks

**Deliverable:** A qualified agent/distributor report customized to client needs detailing a list of top distributors, contact information, and suggested recommendation / next steps and arranged video conference call(s) with vetted potential partners.

**Note: Additional services including translation services and recap meeting notes and a next steps report are not included as part of the general Virtual Match Making work. Should MEDC require these additional services either translation and/or recap meeting report, Tractus will provide hours can costs for these service as a part of scope of work to be agree to and signed off on by MEDC and the client. While the China Tractus team is fluent in the Chinese language, if official translation services for business documents and/or official transcripts are required, Tractus can provide a 3<sup>rd</sup> party translation service provider and outline the additional costs should they be required by MSF (MEDC) and the Michigan firm.**

## **C. Prior Experience**

### **China project execution**

Working in collaboration with GSGP as a sub-contractor, Tractus has been MEDC's trade representative in China since May 2021. Over the course of our engagement, our China team has successfully executed several custom research projects, two unqualified partner searches, and

participated in a webinar as a guest speaker. Below is a brief overview of the work that was complete for the various Michigan companies.

**1. Market assessment and distribution partner search for a dried fruit company**

Project description: Graceland Fruit Inc. wanted to increase their sales and explore potential distribution partnership opportunities in China. Tractus has completed one market research report, and two rounds of unqualified distributor searches for their China representative to contact, and a background check for two potential distributors.

Starting and completion dates: 2022-5-6 ~ 2023-2-28

Contact information from the company:

Jason Whitman, Senior Director of Sales of Graceland Fruit, Inc. [JWhitman@gracelandfruit.com](mailto:JWhitman@gracelandfruit.com)

Clare Chen, China Representative of Graceland Fruit, Inc. [CChen@gracelandfruit.com](mailto:CChen@gracelandfruit.com)

**2. Tariffs and fees related to export to China and third-party registration vendors for a pet food addictive brand**

Project description: Videka LLC wanted to gain a better understanding of the cost, timeframe, details around taxes and tariffs, and any other fees to import their products to China. Videka also expressed interest in connecting with a few potential service providers.

Starting and completion dates: 2022-5-19 ~ 2022-6-15

Contact information from the company: (no direct contact from the company)

MEDC project oversight: Weiwei Lu, International Trade Development Manager, [luw@michigan.org](mailto:luw@michigan.org)

**3. Customs issue investigation for a manufacturing company**

Project description: Nexthermal Corporation received the investigation notice from Humen Customs of China, they wanted Tractus to help investigate the reasons and collect some specialized attorneys in China for them in case of future needs.

Starting and completion dates: 2022-7-29 ~ 2022-8-5

Contact information from the company: (no direct contact from the company)

MEDC project oversight: Weiwei Lu, International Trade Development Manager, [luw@michigan.org](mailto:luw@michigan.org)

**4. Trademark issue investigation for a musical instrument company**

Project description: Black Swamp percussion requested investigation of its trademark issue in China – whether the brand has been registered or not, and understand the next best step for them to take in China.

Starting and completion dates: 2022-7-29 ~ 2022-8-12

Contact information from the company: (no direct contact from the company)

MEDC project oversight: Weiwei Lu, International Trade Development Manager, [luw@michigan.org](mailto:luw@michigan.org)

**5. Joint-venture setup requirements in China**

Project description: JEMMS-Cascade, Inc. intends to set up a joint venture with its Chinese partner in China, and wanted to understand what types of registration forms needed and certain registration process requirements.

Starting and completion dates: 2022-9-9 ~ 2022-10-25

Contact information from the company:

Mike Galat, the Owner of JEMMS-Cascade, Inc., [Mike.Galat@Jemms-Cascade.com](mailto:Mike.Galat@Jemms-Cascade.com)

MEDC project oversight: Weiwei Lu, International Trade Development Manager, [luw@michigan.org](mailto:luw@michigan.org)














**6. “Navigating China” webinar for Grand Valley State University:**

Tractus participated in the online webinar set up by Grand Valley State University as the guest speaker, China trade representative of MEDC, to give a China overview presentation and insights of Chinese business culture knowledge.

**Tractus in-market trade mission experience**

In recent years, it has been very challenging, and even or not allowed by the China’s Government, for EDO’s and their constituent companies to travel to and participate trade missions to China. The increased political tensions began with the US-China tariffs disputes, and then continued through the Covid pandemic. As evident, the number of trade missions from US-led EDOs to China dramatically declined. The on-going political tensions between China and US continue to persist and thus our Tractus China team has not had the opportunity to assist with many trade missions in the last 3+ years. That said, our China team has a tremendous amount of experience in organizing and executing high-level VIP delegation and trade missions over the years in China. Below are select examples of our China trade mission experience which we have successfully completed for multiple Economic Development organizations:

Client Organization	Description
	Reverse trade mission for leading Chinese aerospace companies COMAC and AVIC to the WA Aerospace and Defense Summit.
 <p><b>Department of Commerce</b> Innovation is in our nature.</p>	Mission support to the Zhuhai Air Show in China for WA COM companies trying to expand exports into China.
 <p><b>USA Dry Pea &amp; Lentil Council</b></p>	Represent USADPLC in China, organizing annual trade and reverse trade missions, training Chinese industry members, marketing, and market research. Every year from 2004 to 2016
	Trade promotion representation for the state of New York State in China including organizing trade missions F&B Beijing and Tangshan (Hebei) Sept 2015 and China Food and Drinks Fair in 2016

 <b>Empire State Development</b>	Trade promotion representation for the state of New York State in China including organizing trade missions to China Import Export (CIE), May 2015 & 2016
	Organized an international business attraction mission to China for a multisector delegation from Canada. Provided In-market consulting and business attraction lead generation to support SREDA’s mission Sept 2016
	Led missions for companies from Lethbridge, Alberta, Canada and Zhengzhou, Henan province, ago-foods sector-related projects. Feb 2017
 <b>Empire State Development</b>	Trade promotion representation for the state of New York State in China including organizing trade missions to China International Optoelectronic Expo (CIOE) Sept 2017 and 2018
	Developed / executed a food services’ mission to China & organized presentations with ecommerce giants Kaola and Alibaba. Set up one-on-one meetings with potential distributors. May 2018
	Trade mission organization to China overseeing preparations including transportation, on-the-ground support, and site visits to F&B operations to learn on productivity in May 2018.
 <b>Empire State Development</b>	Trade promotion representation for the state of New York State in China including organizing inbound and outbound trade missions. MedTec 2019
 	Supported the Marine and Fisheries Division of the Welsh Government during their trade mission to Seafood Asia Expo in Hong Kong, Sept 2018
	Organized the trade mission for the Secretary of State by contacting 81 companies, arranging 17 meetings, 3 media interviews, and one press conference with only two weeks prior to the mission.
 	Supported the Marine and Fisheries Division of the Welsh Government during their trade mission to China Fisheries and Seafood Expo (CFSE) Ching Dao, Oct 2019
 <b>Empire State Development</b>	Trade promotion representation for the state of New York State in China including participation in the Chengdu ATO Trade Show in April 2021



### D. Project Staffing

Since Tractus began as MEDC trade representative in China in May 2021, Herminio Andres, China Country Manager, and Miranda Dai, research analyst, have successfully managed and executed all work orders and trade requests.

#### China Team – Project Execution

##### Herminio Andres, Manager China



Mr. Andres joined Tractus in 2005 as the Manager of the Business Incubator™ practice. He currently manages the Tractus China office, responsible for overseeing a full-time and interim staff of 16, manage corporate support issues and leading client projects in China.

**Education:** Industrial Engineering from Spanish University and MBA from Finland; Competitive Strategy course in LMU Munich-Germany. CPP, Scrum certified & Lean Six Sigma black belt.

**Project Experience:** Mr. Andres has been involved in strategy and feasibility studies of multinational manufacturing investments in Asia including site selection and market research projects. He has worked in a variety of sectors, including garments, electronics, automotive, consumer goods, minerals, and manufacturing, among others. Prior to joining Tractus, Mr. Andres worked in the leadership role of various multinational companies across European, Soviet Union and Chinese plants, mainly in the chemical and food and beverage production sectors. Mr. Andres served as the VP of the Spanish Chamber of Commerce and assisted several foreign investors looking to enter the Chinese market and structure their local businesses.

##### Miranda Dai, Research Analyst



Miranda Dai joined Tractus Shanghai office as a Research Analyst in September 2021. Miranda has one and a half years of consulting project research experience and half year experience in relationship building at Development Bank of Singapore (DBS Bank).

**Education:** Ms. Miranda received her Master's degree in Finance from Tulane University in United States.

**Project Experience:** Miranda has executed all trade work orders for MEDC since the contract began in 2021. Prior to joining Tractus, Ms. Miranda worked as a business analyst mainly in projects of market entry, market size, investments and profitability. She conducted extensive secondary market research analysis for consultants from a leading management consulting company in broad areas, such as retail, consumer, manufacturing, artificial intelligent, digital finance, private equity, pharmaceutical and medicines, etc. Ms. Miranda also had work experience at private banking sector, involving in relationship building and maintaining with High-Net-Worth clients.

Full Name	Role in the organization	Education Degree	Major
Herminio Andres Alija	General Manager	Master	Industrial Engineering, Specialty Machines 工业工程
Miranda (Zhengzheng) Dai	Research Analyst	Master	Finance

Full Name	Industry sector and/or geographic experience or specialization	Language skills (Native, fluent or conversational in reading, writing speaking)	Total years of experience	International experience
Herminio Andres Alija	Manufacturing Processes - China	Spanish (Native); English (Fluent R,W,S); French (conversational R,W,S)	33	31
Miranda (Zhengzheng) Dai	China	Chinese (Native); English (Fluent R,W,S)	3	3

**US Team - Project Oversight and Support**

In the US, Andrew Clutz, Head of Economic Development, will continue to provide project oversight with Michael Hirou providing project support as needed.



**Andrew Clutz, Head of Economic Development**

Andrew Clutz joined Tractus in April 2021, managing Tractus’ global Economic Development activities including trade development, foreign direct investment attraction and economic development strategy. Mr. Clutz has over 28 years of experience working internationally in economic development with a focus on trade and foreign direct investment attraction strategy and implementation with both growing companies and government agencies.

Education: Mr. Clutz has an MBA in International Business from Northeastern University in Boston and a Bachelor’s degree in European History from Hobart & William Smith Colleges in Geneva, New York. He has also done graduate course work at École Supérieure de Commerce in Reims, France and Concordia University in Montréal, Canada as well as undergraduate studies in Norway.

Project Experience: Andrew has experience advising investment promotion agencies from around the world on investment attraction strategy and implementation including: Connecticut, New Haven, Hartford-Springfield Corridor, Greater Houston, Columbus 2020, US Virgin Islands, Invest in Denmark, Business Finland, Invest in Norway, ProPanama, DR Free Zones, Invest Saudi, CINDE Costa Rica, Netherlands Foreign Investment Agency, Invest Northern Ireland, Bahrain, Qatar, JETRO Japan, BOI Thailand, and many others.



**Michael Hirou, Country Manager North America**

Mr. Hirou joined Tractus in 2017 with a unique background combining entrepreneurial endeavors with Wall Street experience. He is based on the West Coast and serves as Country Manager in North America. Mr. Hirou continues to serve as a liaison in the United States to support Tractus’ economic development activities and increased communication with US based staff, as well as outreach to companies enhancing the valuable services that Tractus provides.

Education: Mr. Hirou graduated from Princeton University in 1991 with a Bachelor of Arts degree in American History with a concentration in Economics.

Project Experience: Mr. Hirou is actively involved with on several current economic development clients both on trade and FDI projects. He currently is the project manager for the State of Ohio – ODSA for trade in China. He also supports the State of New York – ESD for trade and FDI in China, as well as FDI in India. In ASEAN, Mr. Hirou provides project execution and support for trade promotion and FDI for the State of Minnesota, the State of Maryland, and the State of North Carolina. Mr. Hirou works with US based clients on projects in real time and undertaking Business Development across the Tractus practice areas. Prior to Tractus, Mr. Hirou primarily worked for Green Technology start-ups and early-stage companies with applications in a wide range of industries.

**E. Bidder’s Authorized Expediter**

The Great Lakes St. Lawrence Governors & Premiers is authorized to expedite contracts on behalf of **Tractus Investment Consulting (Shanghai) Co. Ltd.** for purposes of this RFP.

<b>Contact</b>	Zoë Munro, Program Director
<b>Telephone</b>	+1 614-507-3989
<b>Email</b>	<a href="mailto:zmunro@gsgp.org">zmunro@gsgp.org</a>

**A) TECHNICAL PROPOSAL**

**1. Business Organization and History:**

SRK Affiliate (established in 2001) and SRK and Associates (established in 2002) are sister firms providing services to clients for international trade development and investment attraction ([www.srkibconsultants.com](http://www.srkibconsultants.com)). 80% of SRK's business is related to providing export promotion services and about 20 % is related to inward investment attraction into client market.

Company Physical Address:

SRK Affiliate, #201 Infantry Court, # 130 Infantry Road, BENGALURU -560 001, INDIA Phone +91-80-22868732

[Please see Annexure for more details on Business History.](#)

**2. Technical Work Plan:**

**Proposed Work Plan (1<sup>st</sup> October 2023 to 30th September 2024)**

- Considering the growing opportunities for trade between Michigan based companies and Indian companies in various industry sectors, we have provided the following work plan for consideration.
- In this proposed work plan, we have provided a variety of export promotion / business development services, referral services and trade event support services to Michigan companies : 1)To Identify new opportunities for products and services of Michigan companies in the Indian market 2) To create new or additional channels to sell products and services of Michigan companies to businesses in India.
- We have also provided proposed trade mission dates and outline of itinerary.
- Overall objective is to increase exports from the State of Michigan to India as well as number of Michigan companies exporting to Indian market.

Sr. #	Service receiver from Michigan	Types of Services provided by the contractor incl. timeline
1	New to Indian Market MI companies	Customized Market Research (over 5 to 6 weeks)
		Prequalification of Agent, Distributor, Partner or End users (8 to 9 weeks)
		Combined Agent Distributor Search & Market visit (10 to 12 weeks)
		Meetings with potential Agents, Partners, Buyers in country / business meeting facilitation (3 to 4 weeks)
		Trade Mission &/ Trade Show (6 to 8 month from planning to implementation)
2	Exporting in small quantities to India and wanting to export more to India	Prequalification of Agent, Distributor, Partner or End users (8 to 9 weeks)
		Due Diligence (usually 1 week, but express service available)
		Referral Services
		Trade leads and industry contacts ( 2 to 3 weeks)
		Trade Mission &/ Trade Show
3	Exporting to Indian market, but need specific assistance to boost export	Additional sector specific Agent, Distributor, Rep Search (7 to 9 weeks)
		Meetings with Senior Government Officials ( 2 to 3 weeks)
		Assistance with regulatory requirements with recent changes (2 to 3 weeks)
		Referral Services
		Trade Leads & Industry contacts
		Due Diligence
		Trade Mission &/ Trade Show
4	Stakeholders, policy makers, legislators, MEDC International Trade Officials	Annual State Trip To provide information on economic situation in India from time to time



## GSGP India Trade Office

		To follow SOPs (Standard Operating Practices) with regard to Virtual Meetings with MI companies, Scope of Work, timeline and deliverables. To provide monthly reports of activities To provide annual report of activities.
5	Proposed Trade Mission from State of Michigan to India: January 29-February 2, 2024	Sunday, Jan. 28: midnight arrival in Chennai; Rest day Monday, Jan. 29: Business Briefing, B2B meetings in Chennai Tuesday, Jan. 30: B2B meetings in Chennai Wednesday, Jan. 31: B2B meetings in Chennai in morning; travel to New Delhi in afternoon Thursday, Feb. 1: B2B meetings in New Delhi/ visit to ACMA AutoMechanika Trade Show and B2B meetings at the show Friday, Feb 2: B2B meetings in New Delhi / visit ACMA AutoMechanika; depart in late evening for USA Saturday, Feb. 3 : Arrival in Michigan

Please find below a detailed description of services with methodology adopted:

### 1. Agent/Distributor Searches & Matchmaking:

- Typically, Market Assessment/ Market Research report precedes the Agent/Distributor search which indicates the potential opportunities and viability for products for client company. If Market Assessment is not conducted, then we include a brief report on market viability to establish a context.
- Agent/Distributor search is conducted based on the profile of potential partner provided by the client company. A long list of potential companies is developed through research and is shared with the client company for their review and feedback. The list includes company information such as name of the company, city, website, brief profile, current products/companies represented, geographical coverage, annual turnover, number of employees, co-ordinates of the decision makers. At this stage while contacting the potential partner companies telephonically, we do not divulge the client's name. These phone calls are to gather information about their operations.
- We request the client to review the long list and provide us feedback as A, B and C (A- Most potential, B- some opportunities possible, C – do not contact). Based on the feedback, we contact the companies in A and B category with client details and product literature for their review. The E mails are followed up by phone calls to collect the responses from potential companies. Typically, we run 3 to 5 rounds of follow up (by email and phone calls).
- On completion of the follow up, we provide our report which includes the feedback / comments received from the potential companies contacted e.g., interested in exploring partnership opportunities / need time to discuss internally / not interested etc. along with our observations and recommendation on best methods to contact potential candidates and next steps to be taken which include E-introductions, virtual meetings or in-person meeting.
- Depending on client's availability meetings are set up with interested potential partners.

**End-User Searches:** Depending on the clients' requirements, SRK conducts end user searches and also set up meetings with potential customers using the similar methodology.

### 2. Trade Events:

- Industry specific trade events are identified based on the client's industry focus. Once the participation in a specific trade event is determined in consultation with the client, SRK conducts all functions such as – space reservation, booth design, designing and printing of catalogues, dissemination of information about participating companies, invitations to visitors, preparation, and printing of enquiry forms, managing the booth, collating enquires and sharing them with the client.
- The booth space is selected at a prominent location at the exhibition center/hall that would attract visitors. Depending on the nature of the event – catalogue show or in person client participation, the booth is designed. Booth set up is done a day prior to the event inauguration.
- Each participating company gets a panel to display their company and product information. Copies of specially printed catalogues (for the exhibition) of participating companies are on display for distribution. Participating companies can also share company literature separately for distribution.

## GSGP India Trade Office

- E-catalogues of companies are used for pre-event publicity. The information is circulated to potential customers/end users/agents/distributors, industry associations, Chamber of Commerce etc.
  - Invitations for the visitors are also emailed/couriered prior to the event.
  - Printed Enquiry forms are prepared and made available to collect visitors feedback/interest in client.
  - SRK's staff manages the booth in case of a catalogue show. If the trade event is being attended by client companies, then SRK's staff is available to assist the client to manage the booth and collect enquires.
  - Pre- scheduled meetings are set up for client companies participating in the trade event in person. Client companies are briefed about event and meetings schedule in the orientation prior to the event.
  - At the end of the show, all enquires are compiled and shared with the client companies.
  - **Timeline:** preparation of in person trade event requires about 6 months of advance planning e.g. reservation of booth space, recruitment of companies and in market promotion about 6 to 8 weeks in advance. For a catalogue show - in market promotion of 4 weeks.
3. **Referrals:** SRK has excellent network of contacts with professional service providers such as Law firms & Attorneys, Chartered Accountants, Advertising & PR agencies, Translation services, Human Resource agencies, Credit and other professional services that it can connect with client companies based on their requirements.
  4. **Database of Trade Contacts:** SRK maintains an updated database of local companies in key industry sectors across different categories such as agents, distributors, manufacturers, retail outlets, international trade service providers such as law firms, accounting firms, translation agencies, PR and advertising agencies etc. SRK maintains access to various online research tools such as India's Foreign Trade policy, Custom Tariff, Export -Import data, Goods & Services Tax, Reserve Bank of India, Exchange Management Rules and Regulations as well as market intelligence reports and corporate information. SRK also maintains latest member directories of various industry associations, Chamber of Commerce etc. SRK also works very closely with various Central (Federal) and State government agencies and departments in India and maintains the contact details of government officials.
  5. **Development of Trade Contacts and Leads:** SRK from time to time updates the contact details and adds the newly acquired contacts from various business sectors that would be useful for the client companies.
  6. **Business Appointments and Assistance:** SRK assists business executives from client region visiting the market in setting up business appointments and developing itineraries.
  7. **Annual State Trip:** SRK would visit Client location in the US to participate in the conferences, programs, training sessions as well as company meetings arranged by the client.
  8. **Trade Missions:** SRK has extensive experience of organizing Trade Missions. SRK assists client organization in recruiting companies for Trade Mission by speaking at Seminars/webinars on 'Doing business in India' that updates client companies about growing market opportunities in India and accessing those opportunities. Virtual meetings are organized with companies interested in the Trade Mission. During the virtual meeting, SRK provides a snapshot of potential opportunities for the company in the specific market. Once participation in the Trade Mission is confirmed, SRK requests the company to provide a form (developed by SRK) to capture the Trade Mission objective and profile of potential partner/end user.
- I) **Business Matchmaking:** Based on the company objective of agent/distributor/end user partner search is conducted. The process and steps described in the earlier section of ADR search are followed to conduct the process of Business Matchmaking and suitable appointments are lined up for each Trade Mission participants. The research is conducted pan-India and potential companies across India are identified and selected for meetings. If potential companies are from outside trade mission cities, they are encouraged to travel to travel mission cities, or virtual meetings are set up with mutual convenience. Depending on the distances, client company gets about 3 to 4 meetings per day and 2 meetings when there is travel involved to next destination. SRK holds orientation sessions for Trade Mission participants prior to Trade Mission's arrival into India.
  - II) **In- country Business Briefings:** SRK organizes In-Country Business Briefing on the first day of Trade Mission. All arrangements for conducting business briefing e.g., venue reservation, speakers selection and coordination with speakers is done by SRK. Briefing includes economic outlook, emerging opportunities, leading sectors, legal considerations, information on distribution/sales channels, business culture, dos, and don'ts. SRK works in close association with US Commercial Services and invites speakers from UCSC industry specialists as well as expert speakers from legal, tax and accounting firms to present their outlook. SRK usually presents business culture and dos and don'ts while conducting the meetings.

## GSGP India Trade Office

- a. **In-Country Staff Support:** SRK provides support for trade mission participants in preparing them for the business meetings, by going through individualized itineraries/meetings schedule as the companies arrive in India. SRK's staff accompanies the trade mission participants for business meetings and helps in navigating.
  - b. SRK's Directors travel with the delegation throughout.
  - c. SRK also provides follow up support to trade mission participants after the TM travel is over.
  - III) **Ground Transportation:** SRK provides logistical support and coordinates with the logistical provider ground transportation, the group airport picks and drops as well as logistics for the business meetings. The support includes selecting an appropriate car rental agency, negotiation related to rates, billing and payment.
    - a. **Group- rate Accommodation** – SRK provides inputs on logistically convenient and safe hotel accommodation in each city for visiting delegates and also assists in getting negotiated group rates for the delegation.
  - IV) **Other Services:** SRK is available to provide suitable recommendations and necessary support for any additional services or service providers such as drivers, interpreters or any other business services.
9. **Information:** SRK's leadership will keep itself updated with the economic developments in the State of Michigan, its business interest and will relay any significant developments, policy changes in Indian market that would affect the business relationship with State of Michigan and would have impact on Michigan Exporters.
  10. **General Conduct:** SRK would provide detailed scope of work, timeline, and deliverables on each project to set realistic expectations for each Michigan company. The discussion/virtual meetings with Michigan companies would be held with mutual convenience, during the business hours for MI companies.
  11. **Monthly & Annual Reports:** Expenses incurred on the request of MSF (outside the contract) would be submitted for reimbursements with supporting documentation via email to MSF Contract Manager.  
SRK would also provide Monthly report to MSF that would include:
    - 1) Summary of conference calls – with information on company, contact details, notes and project scope of work.
    - 2) Summary of meetings with companies during annual trip to Michigan
    - 3) Contracted projects – information on start/end date of the project, type of activity, country, number of meetings (if the project is business matchmaking), notes and final deliverables.
    - 4) Final Reports: SRK would provide MSF annual report summarizing all business development and other activities performed by SRK in India on behalf of Michigan companies.
3. **Prior experience:** SRK has capabilities and a proven track record in providing export promotion services (required under this contract) to the State of Michigan. Here is the information about SRK's work with various public sector clients which demonstrates the experience of performing the same type of services as requested in this RFP.

<b>Description of Qualifying Experience</b>	
<p><b>Department of Community &amp; Economic Development (DCED), Pennsylvania</b></p> <ul style="list-style-type: none"> <li>• SRK Affiliate has been providing export promotion services to the Department of Community and Economic Development (DCED), Commonwealth of Pennsylvania, USA since July 2001. As an authorized representative in India, SRK offers trade promotion services to PA companies interested in exporting to India. The services include but are not limited to: Business Development Services (product review, market assessment, market research, entry strategy, partner search/agent/distributor/end user, background check), Trade Event support services, organizing Trade Missions, Referral Services and any other services required by PA company for exporting to India.</li> <li>• SRK Affiliate also provides inward investment attraction services to DCED since July 2008. SRK assists Indian companies looking to expand and set up their presence in Pennsylvania.</li> <li>• In past 22 years, SRK completed over 4200 projects for Pennsylvania businesses in export development and organized high level (Secretary led) multi sector and sector specific Trade Missions to India.</li> </ul>	
<p><b>Responsible Official: Trade</b> Jennifer Black, Executive Director, Export Development PA Department of Community &amp; Economic Development, Office of International Business Development, Commonwealth Keystone Building 400 North Street, 4<sup>th</sup> Floor, Harrisburg, PA 17120-0225 Phone: +1-717-720-7472   jblack@pa.gov</p>	<p><b>Responsible Official: FDI</b> David Briel, Deputy Secretary, Office of International Business Development, Department of Community &amp; Economic Development, Commonwealth of Pennsylvania. 400 North Street, 4<sup>th</sup> Floor, Harrisburg, PA 17120-0225, Cell: 717-329-3918   <a href="mailto:dbriel@pa.gov">dbriel@pa.gov</a></p>

## GSGP India Trade Office

Description of Qualifying Experience		
<p><b>Great Lakes St. Lawrence Governors and Premiers (GSGP):</b> SRK Affiliate has been contracted by following government economic development agencies to provide export promotions services through GSGP since July 2019:</p> <p><b>Michigan Economic Development Corporation (MEDC)</b> SRK has assisted numerous companies from the State of Michigan in their business development efforts and strategy planning to enter/ expand into Indian market. The services provided include but are not limited to: Market Research, Agent/ Distributor/ Partner Search, due diligence on potential partners, information of regulatory requirements, in-country assistance &amp; B2B meetings and more. Since October 2019, SRK has assisted 28 Michigan companies (apart from the trade mission) and successfully completed 36 projects. SRK has also assisted MEDC supported Trade Missions to India (organized by Automation Alley) – 2 in person Trade Missions and 1 virtual trade mission.</p> <p><b>Wisconsin Economic Development Corporation (WEDC)</b> SRK has assisted various Wisconsin companies for exporting their products, services to India. The services provided to Wisconsin companies include Market Research, Agent/ Distributor/ Partner Search, setting up B2B meetings, market entry strategy consulting, regulatory assistance and due diligence conducted confidentially. Since July 2019, SRK has been providing quarterly Market Intelligence Reports and Industry updates as required to WEDC in addition to the above-mentioned services to Wisconsin companies.</p> <p><b>Responsible Officials:</b></p>		
<p>Zoë Munro, Program Director Great Lakes St. Lawrence Governors &amp; Premiers (GSGP) Cell phone: +1- 614-507-3989 Email: <a href="mailto:zmunro@gsgp.org">zmunro@gsgp.org</a></p>	<p>Alyssa Tracey, Director International Trade, Michigan Economic Development Corporation 300 N. Washington Square, Lansing, MI 48913 Cell: +1 517.243.4523 Email: <a href="mailto:traceya@michigan.org">traceya@michigan.org</a></p>	<p>Chad Hoffman, International Market Development Director, Wisconsin Economic Development Corporation 247 Freshwater Way, Suite 430 Milwaukee, WI 53204 Phone: 608.210.6890 Email: <a href="mailto:chad.hoffman@wedc.org">chad.hoffman@wedc.org</a></p>
<p><b>Automation Alley's Trade Missions to India</b> SRK has been assisting Automation Alley's Trade Missions to India since February 2020. Automation Alley has organized 2 In-Country Trade Missions (February 2020, January 2023) and 1 Virtual Trade Mission in April 2021. All the 3 Trade Missions were supported by MEDC.</p> <p><b>Trade Mission in Feb 2020:</b> 11 companies (8 companies, 2 sponsors and 1 Economic Development agency), 2 MEDC Staff, 4 Automation Alley Staff participated in the Trade Mission. Trade mission visited 3 cities viz. Chennai, Pune and New Delhi. Additional meetings were set up before and after the TM for individual companies in Mumbai, Coimbatore, Bangalore, Indore, and Chandigarh. SRK also organized: Welcome dinner – 1 (Chennai), Market Briefing session with USCS – 1 (Chennai), Networking receptions – 3 (Chennai, Pune, and New Delhi), Total B2B meetings for companies (in person) – 158, Total One on one meetings for Officials – 15.</p> <p><b>Virtual Trade Mission in April 2021:</b> 5 Michigan companies participated in the virtual Trade Mission in April 2021. SRK provided 9 to 11 B2B meetings for every company. Total meetings 45. Due to time difference, there were limitations in conducting meetings during business hours, however, Trade Mission participants were pleased with the results. SRK's staff was present for every virtual meeting and facilitated the discussion.</p> <p><b>Trade Mission in January 2023:</b> 10 companies and 1 Economic Development agency, 1 MEDC Staff, 4 Automation Alley Staff participated in the Trade Mission. Trade Mission visited 3 cities – New Delhi, Pune and Bengaluru. SRK also organized: Market Briefing session with USCS – 1 (New Delhi), Networking reception – 1 (Bengaluru), Coordinated networking event: 1 (Pune), Total B2B meetings for companies (in person) – 182</p> <p><b>Responsible Official:</b> Noel Nevshehir, Director, International Business Services and Global Strategic Partnerships 2675 Bellingham, Troy, MI 48083.Tel: 248-457-3288, Cell: 248-462-3643,Email:<a href="mailto:nevshehirn@automationalley.com">nevshehirn@automationalley.com</a></p>		

## GSGP India Trade Office

Description of Qualifying Experience
<p><b>Montana Department of Commerce</b></p> <ul style="list-style-type: none"> <li>SRK assisted Montana Department of Commerce in organizing 2 multi-sector Virtual Trade Missions:               <ol style="list-style-type: none"> <li>8 Montana Companies participated in the VTM conducted during April 30th to June 30<sup>th</sup>, 2021.</li> <li>3 Montana companies participated in the VTM conducted during April 22<sup>nd</sup> to June 30<sup>th</sup>, 2022. (Due to time difference, there was limited availability of business hours, hence VTM was spread over).</li> </ol> </li> <li>SRK assisted MDC in recruiting VTM companies by addressing a webinar, conducting virtual meeting with companies on visibility and possible opportunities, and providing condense market research.</li> <li>7 to 9 B2B match making virtual meetings were set up for each company during trade mission.</li> <li>SRK's staff conducted virtual meetings and was present to facilitate every meeting.</li> </ul> <p><b>Responsible Official:</b> Canon Luerkens, International Marketing Officer, Montana Department of Commerce Telephone: 406.841.2724 , Mobile: 406.461.5000, Email: <a href="mailto:CLuerkens@mt.gov">CLuerkens@mt.gov</a></p>
<p><b>Mississippi Development Authority:</b></p> <ul style="list-style-type: none"> <li>SRK assisted Mississippi Development Authority (MDA) in organizing their Trade Delegation to India in May 2017. 5 Companies from diverse sectors participated and visited Mumbai, Pune, and Bangalore.</li> <li>SRK also assisted 2<sup>nd</sup> Trade Mission led by the Governor in September 2017 for B2B business meetings for the participating companies. TM companies visited New Delhi and Mumbai. 6 Companies participated in the business delegation that accompanied the Governor.</li> <li>In February 2018, SRK assisted one Aviation company from Mississippi in conducting a primary survey in MRO services. The project was supported by MDA.</li> <li>In September and October 2018, SRK also assisted MDA's clients in Individual trade projects – in country B2B match making meetings. SRK arranged B2B meetings and provided in-country assistance, accompaniment, and logistical support to both the companies that travelled to India. Meetings were conducted in Mumbai, Pune and Bangalore. One of the companies also visited Kochi, Kerala.</li> </ul> <p><b>Responsible Official:</b> Rosario Boxx, Director, International Trade &amp; Affairs Office, Mississippi Development Authority, Jackson, Mississippi. <i>Note: Rose Boxx left MDA in 2000 and Currently works with Taylore International.</i></p>
<p><b>Finpro / Business Finland</b></p> <ul style="list-style-type: none"> <li>SRK assisted Finpro/ Business Finland in February 2005 and January 2013 in hosting 2 Trade Delegations in Bengaluru. Both delegations were led by Ministers.</li> <li>The Delegation in February 2005 was led by Ms. Paula Lehtomäki, Foreign Trade Minister and comprised 2 groups -Official Delegation and Business Delegation. SRK set up B2B meetings for the Business Delegation (multi sector), organized site visits for Official as well as Business delegation. Site visits to Indian companies that have Finnish Collaboration (JV) were organized. SRK also organized Press Conference for the Minister. SRK organized and supported entire logistics for Official as well as Business delegation including hotels, ground transportation and official protocol for Minister and Ambassador.</li> <li>The Focus of the Delegation in February 2013 was on 'Exploring Cooperation in developing Smart Cities in the State of Karnataka'. This delegation was led by Krista Kiuru, Minister of Housing and Communication, Ministry of Transport &amp; Communication. SRK assisted in setting up B2B meetings, site visits to Finnish companies based in Bangalore and seminar on the theme of the visiting delegation.</li> </ul> <p><b>Responsible Official:</b> Kirsti Tarvainen, Team Leader, Manager, Finpro, Porkkalankatu 1 - FI-00180 Helsinki – Finland. <i>Note: Kirsti Tarvainen retired from Finpro in 2019</i></p>
<p><b>Export Promotional Councils, Ministry of Commerce, Government of India</b></p> <p>SRK has worked with following Indian Export Promotion Councils and assisted their members in B2B Match making and Buyer- Sellers Meet: Chemexcil (Basic Chemicals, Cosmetics &amp; Dyes Export Promotion Council), Council for Leather Export (CLE), Sports Goods Export Promotion Council (SGEPC).</p>
<p>In addition to public sector organizations, SRK also supports other consulting firms who either refer their clients to us for assistance in market entry projects in India or work with them jointly as their partner on the project e.g., Fenetre Partners, Japan; Zurcom International, South Africa.</p>
<p>SRK also provides support to projects of Pennsylvania companies that utilise "fee-based services" which are varied in nature, from organizing events to registering a subsidiary in India. Fee based services are those services which are not covered by DCED's export assistance program.</p>



## GSGP India Trade Office

### 4. Project Staffing:

**Project Management:** The Michigan project will be managed by Sushama R. Kanetkar and Supriya Kanetkar, Co-owners of SRK who have extensive experience in the field of international trade development and investment attraction arena (Bios provided).

**Management time:** The Owners will provide 100% of their time for Michigan project.

**Staff Support:** Sushama Kanetkar and Supriya Kanetkar will be assisted by their team members (brief bios provided). SRK's staff has experience of working with Foreign Government's trade offices, Chamber of Commerce & industry associations in different parts of India with extensive industry contacts which is effective in B2B match making. The senior staff is with SRK for more than a decade.

**Location:** SRK is headquartered in Bengaluru with 1885 SqFt spacious office in Central Business District.

**Facilities:** In Bengaluru office, SRK has 3 telephone lines, wi fi high speed broadband internet, 2 printing stations, 1 photocopier and scanner. There is 8 seater conference room.

SRK has personnel working in Mumbai, Pune, New Delhi. In Hyderabad SRK has an associate.

### BIOS: Management

**Sushama R. Kanetkar:** Sushama provides leadership and direction to the overall activities of both the firms viz. SRK Affiliate and SRK and Associates. Both firms are involved in providing services to clients for international trade development and investment attraction. Sushama has 28 years of experience in the international trade development arena. She has a bachelor's degree in commerce with distinction from Shivaji University, and a Master's Degree in Economics from Jawaharlal Nehru University, New Delhi. Her areas of academic interest include: International Trade, Aid and Development Policies, International Monetary System and Capital Markets, International Economic Relations and Public Administration with special emphasis on Comparative and Development Administration.

She has worked with clients from a broad range of industries with various stages of internationalization. Her special expertise is in healthcare -pharma, medical device, nutraceuticals, engineering, new technologies to name a few. She is well versed with regulatory issues, government relations, Indian taxation and accounting. Prior to 2001, Sushama headed Finpro's Mumbai Office, Finland Trade Center from November 1996 to July 2001. Before Finpro, she worked as Assistant Director of International Division at Bombay Chamber of Commerce and Industry from February 1995 to November 1996. Sushama is involved in several social and voluntary activities directed towards students, youth, and women entrepreneurs in micro and small industry sectors in the State of Karnataka and Maharashtra.

**Supriya Kanetkar:** Supriya has a diverse professional experience of 27 years. Her international business experience spans over 22 years. As a part of her work with Export Development Organizations, Supriya has been assisting over 100 companies from varied industry sectors each year resulting in increased export sales and increased number of exporting companies to Indian market. As a point of contact for FDI for client, Supriya interacts with Indian companies and creates awareness about investment opportunities in client location, understands the requirements of potential companies and works with client to provide them with necessary inputs, site visits and driving them to set up business in client location. Supriya has a Bachelor's degree in Arts from prestigious Lady Shri Ram College at Delhi University, a Master's degree in Political Science and M. Phil. from Jawaharlal Nehru University, New Delhi. In 2006, she completed the Global Village for Future Leaders of Business and Industry<sup>®</sup> program offered by Iacocca Institute at Lehigh University, USA.

Prior to July 2001, Supriya worked as a Project Coordinator at Business & Community Foundation, a New Delhi based business coalition (the Indian arm of Prince of Wales International Business Leaders Forum UK), which works towards promoting the practice of Corporate Social Responsibility (CSR). During 1996 to April 2000, she was a Lecturer in Political Science in Senior College at Mumbai University and freelanced as political analyst for print media. Her articles were published regularly in newspapers such as Free Press Journal and academic weekly viz, Economic & Political Weekly.

**Staff Bios:** Staff bios are provided in annexure.

## GSGP India Trade Office

**7. Subcontractors:** SRK conducts all work related to every project internally and does not outsource any work to any subcontractors.

**8. Bidder's Authorized Expediter:**

The Great Lakes St. Lawrence Governors & Premiers is authorized to expedite contracts on behalf of SRK Affiliate for purposes of this RFP.

Contact: Zoë Munro, Telephone: +1 614-507-3989. Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

**9. Additional information & Comments:** SRK's strength lies in understanding clients' requirements correctly, providing appropriate and customized solutions and effectively implementing every project...small or big! SRK has in-depth knowledge of Indian market, business culture and industry expertise. SRK has excellent network with regional, national industry bodies, trade associations, Chambers of Commerce, Indian States and Central Government. SRK works in close co-operation with US Commercial Service posts, US Department of Agriculture posts and Select USA.

Japan, Fenetre Partners

## 1. Business Overview

Company Name	: Fenetre Partners, Ltd. (K.K. in Japanese)
Established	: June, 2008
Address	: INAC Bldg. 4F, 5-18-23, Roppongi, Minato-ku, Tokyo 106-0032
Tel	: +81 3 6697 4871
Fax	: +81 3 4496 6035
E-mail	: info@fenetre.co.jp
Website	: <a href="http://www.fenetre.co.jp/">http://www.fenetre.co.jp/</a>
Representative	: Yasushi Hasegawa, Managing Director
Staff	: 34 (1 representatives, 22 employees and 11 contractors)
Tax number	: 1010403007045

Fenetre Partners is a leading consulting company of trade, investment and international marketing, based in Tokyo, Japan. Its main services are provided to clients aspiring to enter Japan with market research, market entry strategy, local partner & distributor search, trade mission support, investment promotion and representatives for marketing & sales. Founded in 2008, Fenetre Partners has 34 staff members and has conducted over 400 international projects in the past 15 years.

Most of its clients are private companies in the US, Europe and Japan but the firm also has a great track record in the public trade and investment sector. The firm worked for the Commonwealth of Pennsylvania from 2010 to 2022 on investment promotion in Japan and has worked for Virginia Economic Development Partnership as an authorized Japan trade consultant since 2013. The firm also has experiences to work for Iowa and Mississippi on their trade mission to Japan in 2016 and 2018 respectively. The firm has started working for The Great Lakes St. Lawrence Governors & Premiers as its Japan trade office in 2019 and for Enterprise Florida on both trade and investment in 2020. Aside from the US, Fenetre Partners worked for EU Japan Center, Business Birmingham, Sprits Slovenia, Basque Trade and Investment, Swiss Embassy in Tokyo, Embassy of Lithuania in Japan, Enterprise Greece, etc. on investment promotion or trade support.



### **4. Technical Work Plans**

#### **a. Customized Market Research**

This research is provided for a market entrant to study the market overview which includes economy, culture, industry, market trends, competition, distribution channel, laws & regulations and possible market entry options. The research is mainly conducted on secondary data basis with a few interviews with industry experts. A report is delivered in 3-4 weeks in approx. 10 pages.

More in-depth research based on primary data which includes customer needs in detail and bench-marking of major competitors can be delivered with extra costs and time.

#### **b. Prequalification of agent, distributor, partner or end users**

This service consists of the two stages which are 1) research to identify appropriate targets and 2) contact for prescreening targets. At the stage 1, research is conducted on secondary data such as industry directory, industry association, business media, websites, etc. to choose appropriate potential partners for a client and an unqualified list consisting of 20-30 companies is prepared. Upon a review of the list by a client, target companies are contacted for prequalification with confirming the level of their interests in cooperation with a client at the stage 2. Finally, a qualified list is delivered with brief market overview. This process requires 6-8 weeks.

This service is usually not valid with end users especially in a case of selling technical products to big manufacturers such as Toyota, Sony, Panasonic, etc. because it's not realistic to find and reach a key person from tens of thousands of engineers in their organizations on a project base.

#### **c. Meeting with potential buyers/agents/partners (In-Country)**

Market visit is usually planned on 2-3 days in Japan and 2-3 meetings with qualified target companies are arranged per day depending locations. Advices relating to selection of hotels; details on location of each appointment and distance from hotel plus recommended means of travel is provided beforehand. A shot briefing is also provided before visiting target companies. One of our staff can accompany a client for facilitating a meeting, providing translation if needed and giving an advice of cultural interpretation and how to proceed discussion with each potential partner with extra costs.

## **GSGP Japan Trade Office**

### **5. Prior Experience**

Fenetre Partners has worked on export support projects for the following clients, public economic development organizations mainly in the US and Europe.

- Trade Consultant for Virginia Economic Development Partnership (2013-)
- Market Research for EU-Japan Centre for Industrial Cooperation (2015)
- Trade Mission Support for Iowa Economic Development Authority (2016)
- Trade Support Projects for Swiss Embassy in Tokyo (2016-)
- Trade Mission Support for Mississippi Economic Development Council (2018)
- Trade Mission Support for SPIRIT Slovenia (2018)
- Japan Trade Office for Michigan Economic Development Corporation (2019-)
- Japan Office for Enterprise Florida (2019-)
- Trade Support Projects for Empire State Development (2021-)
- Trade Support Projects for PA Department of Community & Economic Development (2021-)
- Japan Trade Office for Basque Trade and Investment (2021)
- Trade Support Projects and Trade Mission Support for Embassy of Lithuania in Japan (2022)
- Trade Mission Support for Enterprise Greece (2023)
- E-commerce Support for Embassy of Canada to Japan (2023-)

Please find the references as follows.

Ms. Tina Lukan

Senior Advisor - Internationalisation and Foreign Direct Investment Division

Spirit Slovenia – Public Agency of the Republic of Slovenia

Verovškova ulica 60, SI-1000 Ljubljana, Slovenia

Tel: +386 1 589 18 70, Email: Tina.Lukan@spiritslovenia.si

Mr. Athanasios Karapetsas

Minister Plenipotentiary for Economic & Commercial Affairs

Embassy of Greece in Japan

3-16-30 Nishi Azabu, Minato-ku, Tokyo Japan 106-0031

Email: karapetsas@mfa.gr

Phone: +81 3 3404 1195

## **GSGP Japan Trade Office**

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Global Research Manager, International Trade  
Virginia Economic Development Partnership  
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Email: zjkulenovic@enterpriseflorida.com  
Tel. +1-305-808-3588 | Mobile/WhatsApp +1-786-423-8403

Rokas Danilevičius  
Second Secretary  
Embassy of Lithuania in Japan  
rokas.danilevicius@urm.lt  
Tel.: +81 33408 5091

### **6. Project Staffing**

Fenetre Partners assigns the following staff, all Japanese, bilingual and based in Tokyo, Japan. All the members below have 30-40 years' experience in international businesses between Japan and the global market.

#### **Senior Advisor**

Mr. Yasushi Hasegawa  
Managing Director, Fenetre Partners, Ltd.  
He is a co-founder of Fenetre Partners which was established in 2008. He currently manages market entry and trade projects between Japan and the global market and has worked on over 150 projects with deep experience in both inbound and outbound business in wide industries such as IT, telecommunication, energy, manufacturing, consumer

## **GSGP Japan Trade Office**

goods, food & beverage, food service, etc. He is also an authorized trade consultant of Virginia Economic Development Partnership, principle of Japan trade office, Great Lakes St. Lawrence Governors & Premiers and senior advisor to Enterprise Florida Japan.

### **Account Manager**

Mr. Satoru Doi

Trade Manager, Fenetre Partners, Ltd.

He is a senior manager, trade promotion of Fenetre Partners and account manager for Virginia Economic Development Partnership and The Great Lakes St. Lawrence Governors & Premiers. He has deep experience in electronic device and ICT fields. He has worked for over 50 trade and business development projects mainly in IT, electronics and machinery since he has joined the firm in 2018.

### **Trade Consultants**

Mr. Carl Inoue

Trade Manager, Fenetre Partners, Ltd.

He is a trade manager of Fenetre Partners and has been consistently dealing with import and export businesses for over 30 years. He is originally from the wood industry but has covered wide sectors such as consumer goods, logistics, marine, food, agriculture, etc. mainly from the US and Europe since he has joined the firm in 2015. He is also directly involved in import administration work for our clients who sell on E-commerce sites in Japan.

Mr. Toshikazu Ominami

Trade Manager, Fenetre Partners, Ltd.

He is a trade manager of Fenetre Partners and has been working with electric components and industrial machinery fields for more than 30 years. He joined the firm in 2022 and worked as a project manager for the delegations led by the prime minister from Lithuania and Greece in 2022 and 2023 respectively.

### **Advisors**

Ms. Naoko Takei

Advisor in Pharmaceutical & Lifescience, Fenetre Partners, Ltd.

## **GSGP Japan Trade Office**

She is a trade consultant of Fenetre Partners. Before joining the firm, she worked at British Embassy Tokyo for 18 years as a Senior Trade & Inward Investment Adviser in life-science/chemicals fields. She assisted UK and Japanese companies with identification of Japanese partners, giving advices on a market entry/business in Japan and encouraging Japanese companies to set up their operations into the UK.

Mr. Takao Yamamoto

Advisor in Food and Beverage, Fenetre Partners, Ltd.

He is a trade and investment specialist in the food sector and currently is working as a consultant for Fenetre Partners and senior officer of overseas business development for Miyoshi Oil & Fat KK as well. He used to work as a senior officer in JETRO for investment projects with facilitating the building of factories/R&D centers in Japan and also supporting JV and M&A.

### **8. Bidder's Authorized Expediter**

The Great Lakes St. Lawrence Governors & Premiers is authorized to expedite contracts on behalf of Fenetre for purposes of this RFP. Contact: Zoë

Munro, Program Director

Telephone: +1 614-507-3989

Email: zmunro@GSGP.org

### 1. Business Overview

BusinessHub is an international business development consulting firm that provides a wide range of business development and investment services to foreign companies and governments interested in doing business in Latin America. In total, the executives of BusinessHub have over 60 years of experience in international business development and investment. In Chile, BusinessHub has a partnership with Alcalde & Cía, a prestigious Chilean law firm, with over 90 years of experience in the market, specializing in public/private partnership projects and foreign investment.

With headquarters in Santiago, Chile; a full-time office in Lima, Peru; part-time employees in Bogota, Colombia and Buenos Aires, Argentina, BusinessHub can provide ample coverage of South America and be at the forefront of new opportunities.

Our team of multifaceted professionals distinguish ourselves through the quality of our work, dedication to service, and ability to innovate to achieve the business objectives of our clients. We believe that we are a part of our client's team and that the successes achieved by them are also ours. These foundations allow us to establish solid and lasting professional relationships. All our staff have expertise in complex, long-term sales, and international business development.

BusinessHub currently has the following regional representations:

From the U.S.A.:

- ▶ Conference of Great Lakes and St. Lawrence Governors and Premiers (USA) in Chile
- ▶ Georgia Department of Economic Development (USA) in Argentina, Chile, and Peru
- ▶ Michigan Economic Development Agency (USA) in Chile, Argentina, Colombia, Ecuador, Peru, and Uruguay
- ▶ Minnesota Trade Office (USA) in Chile, Argentina, Colombia, Ecuador, Peru and Uruguay
- ▶ New York Empire State Development (USA) in Chile, Argentina, Colombia, Ecuador, Peru, and Uruguay
- ▶ Ohio Development Services Agency (USA) in Chile, Argentina, Colombia, Ecuador, Peru, and Uruguay
- ▶ Pennsylvania Department of Community and Economic Development (USA) in Chile, Argentina, Colombia, Ecuador, Peru, and Uruguay
- ▶ Virginia Economic Development Partnership (USA) in Chile, Colombia, Argentina, Ecuador, Peru & Uruguay
- ▶ Wisconsin Economic Development Corporation (USA) in Chile, Colombia, Argentina, Ecuador, Peru & Uruguay
- ▶ 1<sup>st</sup> West Mergers and Acquisitions (USA) in Chile and Peru

From Europe:

- ▶ Invest Northern Ireland (UK) in Argentina, Chile, and Peru
- ▶ Foreign Promotion Agency for Andalucía (Spain) in Chile
- ▶ Society of Foreign Promotion for Asturias (Spain) in Chile and Peru

From Asia:

- ▶ Invest Hong Kong in South America, excluding Brazil
- ▶ Indonesia Trade Promotion Center in Chile, Peru, Ecuador, and Bolivia

The objectives of the government contracts are to assist companies across all industry sectors in the process of penetrating their respective markets. With our representation, we then help them to increase their exports to these markets. The contract with Invest Hong Kong focuses on the identification of companies in South America, excluding Brazil, that are interested in setting up a

## GSGP South America Trade Office

company in Hong Kong.

The industries of focus are countless: agriculture, advanced manufacturing, energy, and renewable energy; food and beverage; construction and infrastructure; ICT, fintech, health, biotechnology, mining, and environmental technologies including water and clean technology. The main services provided to them are distributor and representative searches, market sector reports, market entry strategies, organizing incoming and outgoing missions, organizing matchmaking meetings, organizing seminars, organizing participation in international trade shows, and providing trade leads among many others. Due to this work, 75% of our business activity is export-related support.

#### 4. Technical Work Plans

##### a. Customized market research:

The final content required will have to be decided with the client but following is the methodology applied to research reports:

##### ▶ Sourcing Information and Research Phase:

1. Research will be done from primary and secondary sources, which are reliable and relevant. Sources will include government institutions, industry associations, industry and specialized magazines, interviewing industry executives, and newspaper articles, among others.
2. Analysis of the harmonized code retrieved from local customs:
  - a. This HS code analysis aims to identify the countries of origin, importers, brands, ports of entry, total imported volumes during the past 5 years.
  - b. From this data, a table of the largest and most relevant importers is created and divided into categories such distributors, representatives, customers.
3. For services we will apply the same research methodology as point a.1.
4. In terms of local supply, contacting and researching business associations, industry directories, specialized magazines, and local stores will provide information on competition and trends.
  - a. We will establish the presence of domestic production of the same or similar products
5. Obtain local pricing of products and services (if required).
6. Distribution channels for the product/service will be analyzed and reported.
7. Identify the specific import duties, quotas, or domestic regulations for the product. This information is obtained from a variety of sources, including local governmental bodies.

##### b. Prequalification of agent, distributor, partner, or end users

The key to a successful business partner identification is to ensure that the local company meets the objectives of the client, is ready to import, has the experience required, has a solid network of contacts and is financially secure. Taking these factors into consideration, we screen the market for local counterparts that are not only interested in the client's products/services, but that are also sound partners in terms of their infrastructure, financial capacity, experience, expertise, and human resources, among others.

Following are the steps taken to identify suitable local counterparts and to arrange successful meetings:

#### 1.1 To review the registration form and any other relevant information of the Client.

It will be key for the company form to have relevant information such as:

- ▶ the harmonized code for the product
- ▶ the objectives for the market such as meeting with distributors, end clients, or others
- ▶ current contacts in the market, including existing clients





## GSGP South America Trade Office

- ▶ experience in South America

1.2 To have an initial conference call with the Client to understand their products, it's application(s), and specific needs and interests in the local market.

Aside from clarifying doubts on the client's product and objectives, we will also discuss:

- ▶ how South American markets work
- ▶ relevant experience in South America
- ▶ contacts in the region
- ▶ profile of the executives the participants are interested in meeting with ie. General manager, technical personnel, operations manager, procurement manager, etc.
- ▶ profile of the companies the participants need to meet with
- ▶ request an elevator pitch.

1.3 Preliminary lists to identify relevant local contacts.

Once the company form has been reviewed and the conference call has taken place, we will create a preliminary list utilizing primary and secondary sources. This list will contain potential local contacts based on the objectives identified by the client. This list will include the company name, web site and a brief description. The client must indicate the level of interest for each company on the list and send it back to us.

1.4 Creation of specific databases for each participant

Once we receive the feedback regarding the preliminary lists, we will begin to create the database. This database will have the contact details of decision makers and/or the specific position requested by the client such as general manager, technical executives, operations managers, etc. In addition, the database will have the company address, web site, telephone number (fixed and mobile, if provided), and email address.

The databases will be created utilizing various sources: customs, members of relevant industry associations, industry directories, specialist magazines, in-house databases, and network of contacts, among others.

1.5 Creation of dissemination letters

BusinessHub will create a dissemination letter which will contain a company description and objectives.

The elevator pitch sent will be included in this letter. The letter will be sent to the contact databases created in point 1.4.

1.6 Continuous follow-up

Once the dissemination letters have been sent to each of the contacts in the databases, our team will continually follow-up via email and telephone to gauge the interest of the local companies

1.8 To prepare a draft meeting schedule

For the local companies that show interest, we will set up a virtual meeting with the client.

1.7 Elaborate the corporate profile of each local company

The corporate profile will include company information including year of establishment, geographic coverage, years of experience in the industry, product lines, and current representations, and contact details of the executive(s) participating in the meetings.

1.8 Make all necessary arrangements for each meeting



## GSGP South America Trade Office

We will ensure that the participant and local companies are properly informed about the meetings. We will confirm the meeting via phone and email, as well as sending a calendar invitation to each participant to ensure that meetings are clearly registered.

1.9 BusinessHub will confirm all the meetings 48 and 24 hours prior to the visit, making the necessary adjustments if changes occur.

1.10 Have a weekly call with the client to discuss the project progress.

A bi weekly call will allow us to discuss the progress of the project and address any potential barriers that may arise.

The timelines for developing the projects are the following:

Customized Market Research	6 to 8 weeks
Prequalification of agent, distributor, partner or end users	4 to 6 weeks
Combined ADS & Market Visit	6 to 8 weeks
Meeting with potential buyers/agents/partners (In-Country)	3 to 5 weeks

### 5. Prior Experience

BusinessHub professionals have over 60 years of experience in international business development and investment and our first-rate clients are a testament to the high quality of work that we do and the professionalism of our staff. Attached you will find our experience document which provides details on approximately 500 projects that we have worked with including but not limited to industry market research reports, customized reports for clients in multisectors, government-led and business-led incoming trade missions (to South America), outgoing government and business orientated missions (to South and North America), business partner searches, end client searches, identification of business and investment opportunities, and entry strategy recommendations, among others. Please keep in mind that this project list is not exhaustive.

We have assisted:

- ▶ 3,000 SMEs (sales less than US\$ 50 million) in the identification of distributors, representatives, joint venture opportunities, partnerships, technology transfers mainly in Argentina, Chile, Colombia and Peru;
- ▶ more than 600 companies in identifying investment and cooperation activities;
- ▶ approximately 1,500 companies in selling their product/service into the region;
- ▶ over 50 institutions (governmental, NGOs, etc.) in reaching memorandum of understandings, identifying R&D and technology transfer projects; among others.
- ▶ More than 3,000 Latin American companies in finding partners in Canada, the EU, the UK, and the USA, sourcing products and services from these localities, and assisting them in identifying business opportunities in six of the seven continents of the world, except for Antarctica.

We have arranged and elaborated:

- ▶ more than 2,000 market entry and sector reports;
- ▶ more than 33,500 meetings between foreign and local (Chile, Peru, Argentina, Bolivia, Colombia, Uruguay, Paraguay and Ecuador) companies and institutions. These meetings have been organized during governmental- and private- led trade missions (inbound and outbound), conferences, trade shows, inter- governmental agendas, and independent company's visits.
- ▶ Virtual trade missions and visits between our foreign clients and local companies.

#### a. Databases of Contacts

The databases we work with are a crucial component of our job. We constantly create and update, easily



## GSGP South America Trade Office

searchable, in-house databases that are classified by industry codes and include information as to when we worked with a particular database. These databases contain contacts of decision makers in companies in innumerable industry sectors such as private companies, associations, ministries, entrepreneur organizations, universities, and research and development entities, to name just a few.

On average, we assist approximately 300 companies a year to penetrate our markets. Our objective is to help these companies access local contacts for them to secure business transactions. This means that the databases that we have are specifically targeted to the requirements of our clients. We are therefore creating over 300 databases a year in specific sectors. Each individual company database will have anywhere between 20 to 100 contacts. For the investor roundtables and seminars that we constantly organize, some databases can have over 4,000 contacts each. In terms of industries, since our customers do not typically sell the exact same product/service, the industry sectors that we work are countless.

We use the following sources for the creation of our databases: Customs databases from Colombia, Chile, Ecuador, Peru, Uruguay, Paraguay, and Argentina; research which companies are exporting / importing from/to the USA; Exhibitors at trade shows; Latin America Database providers; Industrial Clusters; Internet research; Industry Associations; Government Export Agencies; In-house databases; Constant networking; Startup organizations, accelerators, incubators, and VCs

Because of the market reports and meetings that we do for our foreign clients, the local contacts in the databases have been rated by us. They are rated according to interest, relevance to the foreign company, infrastructure, projects undertaken, representations currently held, and financial stability, among others.

We maintain constant communication with this network of contacts because they are our source of information and the pulse of target industries. This constant communication as well as our physical presence in Chile, Colombia, and Peru (which allows us face to face time and the opportunity to run into these contacts at networking events and seminars) allow us to be updated on changes within these organizations so we can adequately update our databases in real time as required.

Although we have an extremely large number of databases, we are also still able to make cold calls when we do not have a contact in a public or private institution to get the contact required for our clients.

### 6. Project Staffing

BusinessHub's team of multifaceted/multilingual professionals bring the following key elements to this project:

- ▶ Excellent understanding and extensive knowledge of business development and investment not only in Latin America, but also in Canada, the USA, Asia, Europe, the Middle East, and Africa. From this worldwide experience, we bring a wealth of knowledge to our clients regarding the advantages of doing business in our markets, tips for being successful, pitfalls to watch out for, and lessons learned. The objective is to work with our clients as a team to ensure they reach their business goals.
- ▶ Our team members are both analysts and hands-on professionals with a proven track record of successfully assisting companies in the expansion of their business. The full scope of services we provide allows our clients the support that they need to focus on their prospects and the clients that we have provided to them.
- ▶ Extensive experience in networking with not only the business community, but also government institutions, which are often the drivers behind many opportunities that we present to our clients.
- ▶ Expertise in market research and experience in complex long-term projects and industries such as food and beverage, agriculture, environmental, ICT, innovation & technology, mining, construction, fintech, biosciences, infrastructure, and energy, among others
- ▶ Providing sound research, analysis, and recommendations so that our clients can make informed business decisions.

## GSGP South America Trade Office

The proposed team for this proposal is formed by:

### ***Verónica Medina, CEO***

Veronica is Chilean and founded BusinessHub in 2014 and brings more than 25 years of experience in international business development. She has helped companies expand their businesses by increasing exports to markets such as Canada, Europe, South America, and the US. In South America, Verónica has focused her business development skills on Argentina, Colombia, Chile, and Peru. Veronica has also worked in international business in London, England and Denver, Colorado. This work has been multisectoral, but the focus has been on industries such as biotechnology, environmental, energy and renewable energy, food, health, manufacturing, mining, ICT, retail, infrastructure, and transportation, among others. Veronica has been a presenter at countless seminars talking about different countries, opportunities, business cultures, and how to do business in destination countries. She has lived and worked in Argentina, Brazil, Chile, Peru, Argentina, England, Italy, Scotland, the United Arab Emirates, and the United States. Veronica is fluent in English and Spanish with a basic knowledge of Portuguese.

### ***Gonzalo Suez, Project Manager***

Gonzalo is Chilean and brings more than four years of experience in the development of sustainable energy projects, financial and tax reports, and international business development. As a Project Development Manager, he has assisted different countries and their governments (the United States, Indonesia, Hong Kong, Northern Ireland) with the expansion of companies located in these countries through B2B meetings and trade missions with potential partners in South America to generate business relationships between both parties. Likewise, Gonzalo has worked on and led the preparation of studies related to the search for potential clients in various industries: food and beverages, software, energy, textile, and oil among others. Gonzalo has lived in Italy, Israel, France, Norway, and Chile. He is fluent in English, is a native Spanish speaker and has a basic knowledge of French and Italian.

### ***Barbara Freitas, Project Director***

Barbara is Brazilian and brings 10 years of political-economic experience to the team, having worked for socio-economic development organizations in Brazil, Argentina, Chile, Uganda, Ethiopia, Rwanda, and South Africa. As a project manager for BusinessHub Consultants, over the past two years, Barbara has supported lead generation and business matchmaking to foreign government entities (US, Canada, Indonesia, Northern Ireland, Hong Kong, etc.) and companies interested in doing business in Latin America. Likewise, he is responsible for the management of the project portfolio that includes leading and managing a team of market analysts who help with the research and execution of projects, such as trade missions, identification of partners, organization of B2B meetings, identification of opportunities. investment in South America, industry reports and market studies, competition analysis, among others. Barbara is fluent in English, Spanish and Portuguese.

### ***Ximena Portillo, Country Manager in Lima, Peru***

Ximena is Peruvian with a master's degree in political and Corporate Communication, with studies in Spain and the United States. She has 8 years of professional experience in the commercial, sales and marketing areas in the foreign trade, telecommunications, and health sectors. Ximena has worked in Peru, the United Arab Emirates and Spain in organizations such as UNICEF Spain, Hapag-Lloyd, Telefónica and Abbott Laboratories. Ximena represents BusinessHub Consultants in Peru and is part of the Projects area, where she has developed studies and connected American companies with different companies in countries such as Peru, Chile, Colombia, and Argentina. Likewise, she has led the organization of several trade missions from North America. Ximena is fluent in Spanish and English.



## GSGP South America Trade Office

All our staff also have access to the following resources to provide the best quality services to our clients: Customs databases from South American countries, Government procurement sites from South American countries, Trade shows where we can reach all the exhibitors, Latin America Databases of suppliers, manufacturers, multipliers, Startup and accelerator associations and VCs, Industry Associations, Government Trade Agencies, Multisector in-house databases, Networking events, and Chambers of Commerce, among others.

Due to the time sensitivity of some of our projects, we will work 7 days a week to meet deadlines. However, we work with strict project timelines which help us avoid unforeseen situations and to ensure that the project runs smoothly.

### 7. Subcontractors

BusinessHub works with inhouse staff for its projects. However, if there is a large project to be developed (for example, a trade mission), BusinessHub has the ability and capacity to hire additional staff for telemarketing and support work for the full-time staff. Most of the staff that we work with when subcontracting is required are professionals that have previously worked with us and have the knowledge and experience of the work to be done.

### 8. Bidder's Expediter

BusinessHub's Authorized Expediter is:

The Great Lakes St. Lawrence Governors & Premiers is authorized to expedite contracts on behalf of your company name for purposes of this RFP.

Contact: Zoë Munro

Telephone: +1 614-507-3989

Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

## **1. Business Organization and History – Orissa International**

Orissa International ([www.orissa-international.com](http://www.orissa-international.com)) has 26 years of experience helping companies develop and implement their market entry and expansion into Southeast Asia. We do this through a range of services that we provide to our clients, including customized market research, identifying customers or in-market partners, arranging business matching meetings, incubation services, lead generation, and various other marketing support services.

Orissa International is headquartered in Singapore. In addition, we have our own offices in Malaysia, Indonesia, Thailand, Philippines and Vietnam.

### **ORISSA INTERNATIONAL SINGAPORE**

1003 Bukit Merah Central  
#05-06 Inno Centre  
Singapore 159836  
SINGAPORE

### **ORISSA INTERNATIONAL - THAILAND**

540 Mercury Tower, Level 11  
Ploenchit Road, Lumpini, Pathumwan  
Bangkok 10330  
THAILAND

### **ORISSA INTERNATIONAL - MALAYSIA**

B1-23A-6, SOHO Suites @ KLCC  
20 Jln Perak  
50450 Kuala Lumpur  
MALAYSIA

### **ORISSA INTERNATIONAL - VIETNAM**

R.E46, Blk E, 4th Floor Fosco Building  
40 Ba Huyen Thanh Quan Street  
Ward 6, District 3, Ho Chi Minh City  
VIETNAM

### **ORISSA INTERNATIONAL - INDONESIA**

Menara Topas, 14th Floor.  
Jl. M H Thamrin Kav. 9  
Jakarta 10350  
INDONESIA

### **ORISSA INTERNATIONAL - PHILIPPINES**

Unit 2410, One Corporate Centre  
Julia Vargas Ave cor. Meralco Ave  
Ortigas Center, Pasig City 1600  
PHILIPPINES

## **2. Technical Work Plans**

We use well-established and consistent methodologies in our work. We draw our experience from working with various trade promotion agencies from around the world. As a result, the methodologies we employ for the provision of various trade advisory services are based on the best practices gleaned from years of working within this industry.

Some of the services we will provide to MEDC and Michigan firms are as follows:

### **i. Service Desk Questions**

We will respond to questions posed by the MEDC and individual companies. Examples of questions include basic market entry questions such as market viability impressions, business legitimacy and registration checks, import regulation clarification, licensing requirements, description of typical distribution channels, or translation or proofing of translations. We will also provide qualified referrals

## **GSGP Southeast Asia Trade Office**

to local firms providing legal, translation, advertising, employment services, credit, and other professional services.

*Time to Respond to Service Desk Questions: Within 48-72 hours unless the request requires further in-depth research. In such cases, we will provide the client with a timeline as to when we can provide them with a response.*

### **ii. Market Research and Business Matching**

If we receive one of the abovementioned service requests from a Michigan firm, we will seek MEDC's assistance to coordinate an initial kick-off conference call between the firm and us to discuss the firm's goals. After the call, we will provide a Scope of Work including an estimated cost and time to complete the research project with the understanding that different projects may require different amounts of time to complete based upon market and industry characteristics.

Our deliverables for the abovementioned services are as follows:

#### **a. Market Assessment**

We will assess the market potential for a Michigan firm's product or service based upon information supplied in the kick-off call or any other supplementary sources. The Market Assessment will include information on:

- market size, growth, & forecast for the sector.
- typical distribution channels
- major players in the industry, including domestic or foreign competitors or influencers.
- import tariffs & other taxes.
- labeling, licensing, and other regulatory issues
- major industry trade events
- trade associations and publications
- recommendations on viability of the market and next steps to be taken.

*Representative Time Needed to Complete a Typical Market Assessment: 22 hours over 4-5 weeks.*

#### **b. Partner Search**

We will conduct a search for partners such as agents or distributors that match or come closest to the needs of a Michigan firm seeking to sell their products or services in the market. The Partner Search will include:

- Market Assessment review or equivalent
- List of potential candidates with contact information and background information
- List of other firms contacted and reasons they were deemed inappropriate.
- Recommendations on best methods to contact potential candidates and next steps to be taken.

*Representative Time Needed to Complete a Typical Partner Search: 25 hours over 8-10 weeks.*

#### **c. Business Meeting Facilitation**

After completion of a Partner Search or upon submission of a similar list of potential candidates, we will coordinate a series of meetings for the Michigan firm, either virtually or face to face. The arrangements may include:

- Creating a schedule of appointments



## GSGP Southeast Asia Trade Office

- Making lodging arrangements with the hotel bill to be paid by the Michigan firm.
- Coordinating transportation and/or interpreters when needed with those costs to be paid by the Michigan firm.

We will offer local business culture advice including tips on business attire, business meeting protocol, negotiating strategies, and emergency contact information. If the Michigan firm will visit a market or city where we have an in-market presence, we will offer to meet in person to discuss the project.

*Representative Time Needed to Prepare a Typical Business Meeting Facilitation: 5 hours over 2 weeks.*

### 3. Prior Experience

Most of Orissa International's business activity is derived from providing export promotion services. A sample list of projects that we have completed across Southeast Asia is shown below. A more extensive list of project references can be found at <https://www.orissa-international.com/project-references>.

We have provided market research and business matching services to at least 10 Michigan companies over the last three years, either individually or during their participation at trade shows like at ITAP that was held in Singapore in 2022. We are currently arranging business matching meetings for a trade mission organized by Automation Alley in May 2023.

SINGAPORE
<p><b>Market research: Regulations for Ultra-Low Temperature Freezers in Singapore</b></p> <p>Our client, a US company providing ultra-low temperature freezers used in pharmaceutical research and clinical trials, was looking to enter the Singapore and Vietnam markets. The company required information on the required testing and certifications for compliance with local electrical and electronic (E&amp;E) equipment standards related to safety, health and environmental protection, as well as medical device registration requirements in the two countries. Orissa International contacted the regulatory authorities to obtain clarification and further details to supplement findings from published sources.</p>
<p><b>Individual trade project: Business Matching for a Torque Measurement Systems Developer</b></p> <p>Our client is a US-based leader in the design, production and supply of patented rotating-to-stationary data communication systems. The client was looking for a partner that could sell its torque measurement products into the marine sector in Singapore and provide technical support and/or training to customers. Orissa International identified 21 companies and set up video-conference meetings with 6 distributors that are not only suppliers of marine-related equipment and general engineering consultants and have expertise in industrial test instrumentation and equipment integration. Our client was able to sign an agent agreement with a power monitoring and management solutions company for the marine and building industries and is eyeing another potential distributor of electronic and mechanical products to the marine industry.</p>
<p><b>Trade mission/show: Aerospace Trade Mission to Singapore</b></p> <p>Orissa International supported a US state economic development agency by providing logistical and representation services to four US companies participating in the Singapore Airshow 2022 in February. We liaised with the US Pavilion booth contractors to coordinate onsite logistical support for the</p>

## GSGP Southeast Asia Trade Office

<p>participating companies, provided dedicated representation for a company that manufactures FAA-certified composite aircraft floats and supported three other companies in their efforts to connect with appropriate and potential leads. These three companies offered a diverse range of aerospace sector products and services, including LED navigation and anti-collision lighting, night vision imaging systems and Counter Unmanned Aircraft System (CUAS) and security solutions. The participating companies were very satisfied with the quality of the meetings with potential customers and government officials at the event.</p>
<b>MALAYSIA</b>
<p><b>Market research:</b></p> <p>Orissa International performed a feasibility study for a leading consumer electronics manufacturer which was considering setting up a manufacturing site in Malaysia. The study focused on labor and covered the availability of skilled, semi-skilled and unskilled labor, labor costs such as base wage and mandatory social security contributions, as well as future trends in skills shortage and labor wage rates. In addition, we provided detailed information on capital investment regulations, machinery import procedures and restrictions, environmental regulations and requirements, government subsidies and incentives, the competitive landscape, logistics and fixed costs. We conducted over 30 in-depth interviews with industry players, including national and state-level government investment promotion agencies, industrial estate developers/managers, and electronics manufacturing companies currently operating in Malaysia.</p>
<p><b>Individual trade project: Business Matching for a Pet Food Manufacturer</b></p> <p>Orissa International arranged a total of 9 business-matching meetings in the Philippines and Malaysia for a US-based pet food manufacturer that is keen to enter these markets. As a result of the meetings, the US company was able to learn about the two markets and obtain insights on the local pet food industry from distributors and retailers in the two markets. Furthermore, the US company was able to identify potential distributors and retailers that it can work with in Malaysia and the Philippines.</p>
<p><b>Trade mission/show: Business Mission on the Civil Security Sector in Malaysia</b></p> <p>In partnership with our partner from Germany, Orissa International organized a business mission focusing on the civil security sector in Malaysia. The delegation, which consisted of 7 German companies, spent five days in Kuala Lumpur and a day in Johor Bahru. While in Malaysia, the delegation attended a total of 27 meetings that were organized by Orissa International, with local authorities, industry players and German organizations based in Malaysia. The business mission helped to open doors for the German exporters by providing them with new B2B contacts, as well as on-the-ground support, information and tools.</p>
<b>INDONESIA</b>
<p><b>Market research: The Industrial Hose Market in Indonesia</b></p> <p>Orissa International delivered a market research project on the Indonesian industrial hose sector to an Italian company that designs and manufactures specialty technical hoses for various industries that require high-performance hoses. Our client was looking to enter the Indonesian market and looked to us to provide insights that would be useful for their market entry strategies. Our report provided information on three target industries for industrial hoses in Indonesia – the food and beverage manufacturing, cosmetics manufacturing and pharmaceutical manufacturing industries. The report discussed information on the market size, industry characteristics, number of companies, recent developments as well as key manufacturing hubs/clusters for each of the said target industries. The report also gave information on the hose imports of Indonesia and an analysis of the competitive landscape for industrial hoses.</p>
<p><b>Individual trade project: Business Matching for a Manufacturer of Mining Accessories</b></p> <p>A non-profit association in Pennsylvania that manufactures a wide range of export-grade accessories and equipment used for the mining, solar, power utilities, shipbuilding, custom sewing, and assembly</p>

## GSGP Southeast Asia Trade Office

sectors contacted Orissa International for assistance in determining potential buyers and partners in Indonesia. We identified Indonesian companies involved in underground mining and tunneling activities, as well as potential buyers of the client's product offerings that include blasting wire hooks, cable clips, brattice hangers, cable pullers, cable rings and saddles. We provided the client with a list of 29 potential targets, including Indonesian distributors that have an established clientele in the mining industry, in addition to potential end-users of the client's products.

### **Trade mission: CGLSLGP trade mission to Indonesia and Vietnam**

Orissa International organized a week-long multi-sector trade mission to Indonesia & Vietnam for the Conference of Great Lakes and St. Lawrence Governors and Premiers (CGLSLGP). We organized a packed itinerary of business-matching meetings for 10 companies in various sectors, including F&B, industrial, education, mining and infrastructure sectors. We set up a total of 57 and 53 business matching meetings for the delegates in Indonesia and Vietnam, respectively.

## THAILAND

### **Market research: The Medical Technology Sector in Thailand**

Orissa International delivered a market report on the medical technology sector to the Canadian Embassy in Thailand. The report provided a market overview of the country's medical technology sector, specifically the medical devices, digital health and biotechnology segments. The report covered information on key healthcare statistics, the structure of the healthcare systems, including public and private healthcare, key market trends and drivers of the medical technology markets, as well as trade statistics. It also provided up-to-date information on the regulatory framework and procurement policies in Thailand and a summary of opportunities, challenges and market entry recommendations for Canadian companies that are looking to explore the market.

### **Individual trade project: Business Matching for a Manufacturer of Dry Eye Treatment Devices**

Orissa International helped a leading French provider of medical equipment for dry eye treatment to find distributors in Thailand. Our client is already established in many countries through its worldwide network of sales partners in Austria, Russia, Turkey, Australia, Morocco, Italy, Germany, Finland, China, and other countries. It was seeking to market its product line for dry eye treatment devices to professionals in the ophthalmology field in Thailand. Our local team identified 32 distributors who supply medical equipment to clinics, such as LASIK centers, hospitals, and medical professionals such as optometrists and ophthalmologists. From the meetings arranged with eight potential distributors via video conference, the client is now considering entering an official partnership with three of these companies.

### **Trade mission: Ohio-Pennsylvania Stateline Export Initiative Trade Mission to Thailand & Vietnam**

Orissa International arranged a trade mission to Thailand and Vietnam for the Ohio-Pennsylvania Stateline Export Initiative. The participants were from various industries, including agriculture, transportation, logistics and supply chain, among others. After Thailand, the delegation spent three days in Ho Chi Minh City in Vietnam, learning about market opportunities. The schedule of the trade mission for both countries was packed with meetings and site visits.

## PHILIPPINES

### **Market research: The Forestry Sector in the Philippines**

Orissa International delivered a report on wood in the Philippines to a Canadian provincial government export promotion agency. The report analyzed domestic timber production, imports and exports of wood products and the domestic wood processing industry and covered the usage of wood in the construction and furniture manufacturing sectors in the country. In addition, the report provided

## GSGP Southeast Asia Trade Office

information on the tariff and non-tariff barriers to the imports of softwood from Canada and the costs of getting wood to the end-user, including in-country logistics. Finally, the study recommended a market expansion strategy for the client.

### **Individual trade project: Business matching for a US Manufacturer of 3D Printers**

We helped a US-based company that develops and manufactures affordable metal powder-bed fusion 3D printers to find potential partner distributors in the region. Our client, which exports its products internationally, was looking to expand its exports to the Philippines and Vietnam. Our in-country teams in each market pre-qualified potential partner distributors who could provide sales, installation and maintenance support to local customers on behalf of our client. We were able to generate interest from four 3D printer distributors in Vietnam and one of the biggest industrial printer distributors in the Philippines. All the local companies met our client through video conference meetings and had very good discussions on the prospects for potential collaboration soon.

### **Trade mission: Delaware Trade Mission to Singapore, Vietnam and the Philippines**

Orissa International arranged a multi-country trade mission to Singapore, Vietnam and the Philippines for a delegation of companies from the US state of Delaware. The delegation included several providers of ICT products and services with applications in healthcare, smart infrastructure, retail, and a chromatography column manufacturer. During the trade mission, Orissa International's in-country trade consultants arranged business matching meetings for the Delaware companies with C-suite and high-level managers from local companies that are potential distributors and end-users of their products in the three markets. Orissa International serves as the Authorized Trade Consultant for the State of Delaware in Southeast Asia.

## VIETNAM

### **Market research: On-site Wastewater Treatment in Vietnam**

Orissa International conducted a market study for a US-based company that designs, manufactures and installs scalable wastewater treatment and handling systems. Our analysts provided an overview of wastewater treatment capacity, practices, systems and regulations in Vietnam. We focused on potential applications of the client's on-site treatment products in the residential, commercial and industrial segments and in tourist resorts. In addition, the report provided a snapshot of the competitive landscape in the target market.

### **Individual trade project: Business Matching for a US Biomedical Company**

Orissa International assisted a medical device company in Pennsylvania that manufactures patented medical cyanoacrylate products or skin adhesives used in the treatment of wound closure, wound management, intravenous device securement and infection prevention. Our client was looking to find a partner distributor in Vietnam that would help it register the product with the Vietnamese regulator and market and sell the products to public and private hospitals and clinics in the country. Our in-market team in Vietnam undertook business matching for our client and arranged video-conference meetings with potential distributors in Vietnam that supply to key hospitals in major cities such as Da Nang, Hanoi, and Ho Chi Minh City.

### **Trade mission: Illinois Trade Mission to Vietnam**

Orissa International arranged a trade mission to Vietnam for a delegation of companies from the US state of Illinois. The multi-industry delegation included a chemical, water and wastewater treatment solutions provider, a company involved in machinery and tools for precision engineering, an industrial equipment supplier, an education equipment supplier and a medical equipment company. We set up a total of 23 meetings for these 5 companies with partners, distributors and end-users in Vietnam. In addition, we also assisted 9 universities from Illinois in meeting up with local Vietnamese Universities

## GSGP Southeast Asia Trade Office

and Colleges as well as Vietnamese education consultants for potential collaboration. For this, we arranged 136 meetings and 2 site visits for the delegation.

Many of the projects that we have completed have been referred to us by trade promotion agencies (TPAs). Listed below are some of the agencies we currently work with. A comprehensive list of our public and private sector clients can be found here: [www.orissa-international.com/our-clients/](http://www.orissa-international.com/our-clients/).

Government Clients	Since
<p><b>Department of Community &amp; Economic Development (DCED), Pennsylvania</b></p> <p>Orissa International is the current Authorized Trade Representative for the US state of Pennsylvania. We provide trade promotion services to PA companies interested in exporting to Southeast Asia.</p> <p>Contact: Ms.Linda Foerster, Senior Program Manager, Export Development Address: Commonwealth Keystone Building, 400 North Street, 4th floor, Harrisburg, PA 17120-0225 Telephone: +1 717-214-5306 Email: lfoerster@pa.gov</p>	1997
<p><b>Great Lakes and St. Lawrence Governors and Premiers</b></p> <p>We have worked as a Trade Consultant for the Council for 10 years now, and through them, we have provided market research and business matching services to companies from the states of Illinois and Michigan interested in the Southeast Asian market.</p> <p>Contact: Ms. Zoë Munro, Program Director, GSGP Address: 20 N Wacker Dr, Suite 2700, Chicago, IL 60606 Telephone: +1 614-507-3989 Email: zmunro@GSGP.org</p>	2012
<p><b>Virginia Economic Development Partnership (VEDP), Virginia</b></p> <p>VEDP has selected Orissa International as their in-market trade consultant in Southeast Asia to assist Virginia companies that need trade advisory services. We have also organized several trade missions for them, including a Governor-led mission to Singapore in 2016.</p> <p>Contact: Ms. Lindsey Bertozzi, Assistant Vice President, International Trade Address: 901 E Cary St, Richmond, VA 23219, USA Phone Number: +1 804-545-5767 Email: <a href="mailto:LBertozzi@vedp.org">LBertozzi@vedp.org</a></p>	2012
<p><b>Wisconsin Economic Development Corporation (WEDC), Wisconsin</b></p> <p>In July 2015, WEDC selected Orissa International as their Authorized Trade Representative in Southeast Asia to help WI companies seeking export assistance in Southeast Asia.</p> <p>Contact: Mr. Fanfu Li, International Business Development Director Address: 247 Freshwater Way, Suite 430, Milwaukee, WI 53204 Phone Number: +1 312-905-3492 Email: <a href="mailto:fanfu.li@wedc.org">fanfu.li@wedc.org</a></p>	2015

## GSGP Southeast Asia Trade Office

Government Clients	Since
<p><b>Iowa Economic Development Corporation (IEDA), Iowa</b></p> <p>In 2016, Orissa International was selected by IEDA as its Authorized Trade Representative in Southeast Asia. We assist all Iowa businesses with market research and business matching in the ASEAN region.</p> <p>Point of Contact: Peggy Kerr, International Trade Office Team Lead, IEDA            Address: 1963 Bell Ave, Suite 200, Des Moines, IA 50315            Telephone: +1 515-348-6242            Email: <a href="mailto:Peggy.Kerr@iowaeda.com">Peggy.Kerr@iowaeda.com</a></p>	2016

### 4. Project Staffing

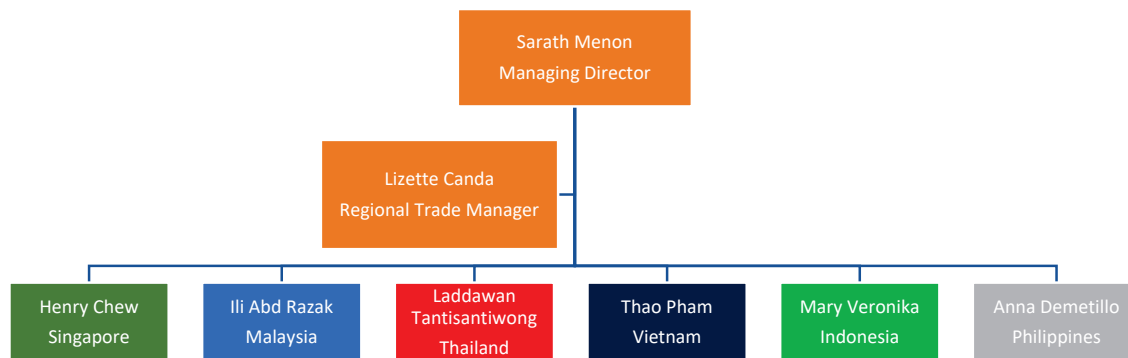
We have assembled a strong team across SE Asia to support MEDC and to provide the services that Michigan companies require when they want to expand into the SE Asian market. This team has:

- Many years of experience in providing market research and business services and organizing trade events such as trade missions as well as trade shows.
- Handled projects across various sectors, such as agriculture, aerospace & defense, ICT, healthcare, food and beverages, etc.
- Prior experience in working with MEDC, Automation Alley and individual Michigan companies in their respective countries and works well together to handle multi-country projects for our clients.
- Deep knowledge of the markets they cover and can provide strategic advice, practical assistance, and creative solutions to our clients' trade needs. They can also speak in both English and in their local language.

**Sarath Menon**, the Managing Director of Orissa International, will act as the **Key Account Manager** and will have strategic oversight of the MEDC account. He will be responsible for ensuring that the MEDC is kept updated on all events and activities undertaken by Orissa International by way of emails, regularly scheduled telephone conference calls as well as in person during visits to Michigan.

The **Regional Trade Manager** responsible for the MEDC Account will be **Lizette Canda**, who is based in the Philippines. She already has prior experience in providing these services to MEDC in our current and past contracts. Supporting her will be the Country Managers or Trade Managers in Singapore, Malaysia, Thailand, Vietnam, Indonesia and in the Philippines.

## GSGP Southeast Asia Trade Office



These in-country trade managers and consultants will report to Lizette and will keep her updated on all significant activities and developments relating to the MEDC account. They will be responsible for achieving the specific targets, such as identifying in-market distributors, organizing in-market visits and trade missions, as well as researching market reports.

The bios of each staff member are provided below.

### **Sarath Menon, Managing Director**

Sarath founded the company as Orissa Associates in 1997 and rebranded it to form Orissa International in 2009. Over the last 26 years, he has helped over three thousand local and foreign companies in the industrial, commercial and services sectors to successfully break into new export markets within Southeast Asia.

Prior to founding the company, Sarath was the Country Director of the US-Asia Environmental Partnership (USAEP) program in Singapore, a USAID-funded program that focused on trade development, regulatory policy and business facilitation within the environmental industry in Southeast Asia. His achievements in the USAEP program were recognized in 1997 when he received the Distinguished Service Award from the US Government for his work in promoting the exports of American products and services to Asia.

He is an active member of the Singapore business community. He conducts export strategy workshops on a regular basis for Singapore companies on behalf of Enterprise Singapore, the Singapore Government's export promotion agency, He has served as a member of the Board of Governors of the American Chamber of Commerce, and he was also Co-Chair of the Entrepreneur Committee within the chamber, which was active in helping its SME members. He is also a past President of the American States & Ports Association (ASPA).

Sarath has a Chemical Engineering degree from the National University of Singapore.



## **GSGP Southeast Asia Trade Office**

### **Lizette Canda, Trade Manager, Philippines**

Lizette will be the Regional Trade Manager for this project. She will be the main liaison between MEDC, the Michigan companies, and Orissa International's offices in the region.

Lizette's current responsibilities include providing trade and research support for Orissa International's foreign government and private sector clients in the Philippines. Some of her experiences involve managing trade missions for our trade promotion agency clients for their companies engaged in several industries. She also manages Orissa International's in-house distributor and end-user database, and has become a specialist in profiling companies, associations, and government agencies, and in obtaining and verifying key contact information. She has strong attention to detail and can identify potential distributors, end-users, competitors, as well as interviewees for our projects.

Prior to joining Orissa International, Lizette worked as a specialist in the International Trade Affairs Department of the Philippine Chamber of Commerce and Industry, handling both inbound and outbound trade and business missions to and from various countries.

She has a Bachelor of Arts degree on International Studies from the University of the East in Manila and is fluent in both English and Tagalog.

### **Henry Chew, Senior Trade Consultant, Singapore**

Henry Chew Zi Cun, who is based in Singapore, will manage trade projects for various projects relating to partner searches, business meeting facilitation and trade missions. He has undertaken numerous business matching projects across multiple sectors successfully over the last three years, including one for MEDC in Singapore in 2022.

Before joining Orissa International, Henry worked as a grant consultant in Singapore, where he helped businesses re-align, re-strategize, and guide them through the different grants being offered by the government. He also has an Advanced Certificate in Training and Assessment (ACTA) and has conducted numerous synchronous trainings.

Henry holds a 2nd Upper bachelor's degree in economics and finance from the London School of Economics and Political Science.

### **Ili Salsabila, Country Manager, Malaysia**

Ili Salsabila is responsible for the management of Orissa International's Malaysia office – she oversees the team's activities and ensures that projects are executed smoothly. Over the past ten years, she has undertaken various market research and business-matching projects for our clients in Malaysia.

Ili also plays a significant role in market research projects for our clients, as she has a strong research background, having previously spent five years in a research capacity at Universiti Utara Malaysia

## **GSGP Southeast Asia Trade Office**

before joining Orissa International. She has undertaken research in sectors such as environment, mining, healthcare, energy, ICT, and consumer, among others. Ili has also managed multi-sector trade missions and customised business-matching projects for our various clients. She also has prior trade advisory experience in the ICT and the banking and finance sectors.

Ili has a Master of Science in International Business, as well as a bachelor's degree in international business and management from Universiti Utara Malaysia.

### **Mary Veronika, Country Manager, Indonesia**

Mary Veronika is the Country Manager of Orissa International's office in Indonesia. Her key responsibilities include providing trade and investment promotion services to Orissa's foreign government and private sector clients and managing Orissa International's operations in that country.

Mary has, with the support of our team in Indonesia, managed several trade and study missions for a variety of trade promotion agencies. She has been instrumental in organising entire trade missions to Jakarta and other key cities in Indonesia and is accomplished in creating strong itineraries of meetings with local government agencies, distributors, importers, retailers, and end-users in the country.

Prior to joining the company, Mary worked in a variety of roles, which include sales and marketing, account management, as well as new project development and management.

Mary holds a bachelor's degree in business from the University of Krisnadwipayana in Jakarta.

### **Laddawan Tantisantiwong, Manager, Thailand**

Our Trade Manager in Thailand, Laddawan, has extensive experience in supporting companies with their market entry into Thailand. She manages trade projects in Thailand, including identifying potential agents/distributors, partners, or end-users, and arranging pre-screened business matching meetings. She also helps to gather export market research specific to a client's business and target market, including undertaking interviews with industry players and government agencies and identifying new opportunities. She has strong experience in food and wine, agriculture, education and training, healthcare, infrastructure, and advanced manufacturing sectors.

Laddawan has several years of experience working with trade promotion agencies in Thailand. She has previously worked as an Investment and Trade Manager at the Australian Trade and Investment Promotion Agency, and as a Business Services Manager with the British Chamber of Commerce in Thailand.

Laddawan holds a Master of Business Administration degree from the Mount Eliza Business School, the University of Queensland in Australia, and a Bachelor of Arts degree from Thammasat University in Thailand.

## **GSGP Southeast Asia Trade Office**

### **Thao Pham, Country Manager, Vietnam**

Thao is based in Ho Chi Minh City and heads our operations in Vietnam. She works closely with our foreign clients looking to do business in Vietnam. She has undertaken various projects, both business matching and research, for our clients in Vietnam, and has proven to be highly capable. She has successfully supported our clients with their market entry into Vietnam and has extensive experience in sectors ranging from tech and industrial to consumer and agriculture.

Before joining Orissa International, Thao worked for the French insurance brokerage company Insurance Gras Savoye Willis Vietnam as an Account Executive. Her experience has significantly enhanced her client account management skills, as well as her ability to reach out successfully to prospective local partners, as well as undertake in-depth interviews for projects.

Thao has a Bachelor of Arts degree in International Economics from the Ho Chi Minh City Foreign Trade University.

### **Anna Demetillo, County Manager, Philippines**

Anna Demetillo, who is Orissa International's Country Manager in the Philippines, will jointly manage the Iowa account with Sarath Menon. She will cover the Philippines market, while coordinating the activities of the various offices across the region.

She has undertaken trade and research projects across various sectors in Southeast Asia, such as personal care, food and beverage, healthcare, oil and gas, building and construction, ICT, environmental technologies, etc. Anna develops contacts quickly, has excellent interviewing and analytical skills, and is rigorous with fact-finding.

In her previous role as a senior mergers and acquisitions analyst for EMIS, a Euromoney Institutional Investor Company, Anna was responsible for managing a team of M&A analysts in the Philippines and has acquired a strong knowledge of emerging markets and emerging industries. Anna has a Bachelor of Science in Business Administration, with a major in Financial Management, from the University of Santo Tomas in the Philippines. Languages (written and spoken): English, Tagalog

## **5. Subcontractors**

We will not be working with any subcontractors since we have direct employees in all key markets of Southeast Asia.

## **6. Bidder's Authorized Expediter**

The Great Lakes & St. Lawrence Governors is authorized to expedite contracts on behalf of Orissa International Pte Ltd for the purposes of this RFP.

Contact: Zoë Munro  
Telephone: +1 614-507-3989  
Email: [zmunro@GSGP.org](mailto:zmunro@GSGP.org)

Section II PROPOSAL FORMAT – South Korea

A) TECHNICAL PROPOSAL

1. Business Organization and History

**KOREA BUSINESS SERVICES, INC. (or KBSI)**, incorporated in December 1999 as a market development firm in Seoul, South Korea, has been successfully assisted overseas clients, both public and private, in promoting their products and services to South Korea with providing a wide range of business development services, including international partner search, trade and investment, market research, financial & investment advisory, management of trade show and trade mission, PR & communications, and promotion of agricultural and food products.

**Contact Information**

Phone: +82-2-786-7701  
Fax: +82-2-786-7704  
E-mail: [kyang@kbsinc.co.kr](mailto:kyang@kbsinc.co.kr)  
Address: 8<sup>th</sup> Floor, Yulchon Building  
20, Gukjegeumyung-Ro, Yeongdeungpo-Gu  
Seoul 07327, SOUTH KOREA  
Tax ID Number: 107-81-74966  
DUNS Number: 688240246

4. Technical Work Plans

4-1. Here are the general steps to do the research outline and timeline:

- A. Define the task or work order in 24 hours: Clearly identify the given task from the Michigan Economic Development Corporation (MEDC) or companies from Michigan to understand the scope of the work and create a work plan:
- B. Conference Call in 2 days: Set-up conference call with MEDC and Michigan companies to understand the project, product and services that work order covers.
- C. Submit proposal and set timelines in 2-3days: Prepare a proposal based on given information and the feedback obtained from the conference call with the client. This proposal includes the developed timeline for each step of the research, will help to stay on track and to ensure the work progress with the given timeline.
- D. Research & Execution in 4 weeks ~ 8 weeks subject to the work scope: Gather all the necessary information related to the task or work order. This will include existing research, data and the relevant information and make commitment of the task.
- E. Report and communicate in 1-2 weeks: Report the research and communicate with the clients.

## GSGP South Korea Trade Office

- F. Follow-Ups in 6 months: After the completion of the research, within the 6-month period, follow-up contact made to back-up the project and obtain relevant outcomes.

### Timeline



4-2. Individual Methodology and Services are as follows. Qualification of agent, distributor search services and market visit would be combined from time to time, subject to requirement of clients

#### A. Customized Market Research:

- KBSI sets up an initial kick-off call with a client to discuss business' goals and existing information that can affect the project.
- Based upon information provided by the client, KBSI conducts market research for the client's product or service.
- Market size, growth and outlook for the sector; distribution channels; major players in the industry including domestic or foreign competitors or influencers; import tariffs and other taxes; regulatory issues; major industry trade events; trade associations and publications; and recommendations on viability of the market and next steps to be taken will be covered in the market report.
- Brochures and other relevant information sheets of the client's product should be delivered / emailed to KBSI in advance of the beginning of the project.

#### B. Prequalification of agent, distributor, partner, or end users

## GSGP South Korea Trade Office

- KBSI sets up a conference call with a client to discuss business' goals, products/services and ideal business partners.
- KBSI creates a list of potential partners (distributors/agents/trading partners/prospective customers) in Korea based on given search criteria, including specific points of contacts.
- KBSI searches and reviews each potential partner's profile such as product distribution, existing product lines and publicly available information.
- KBSI pre-screens and conducts phone interviews with those potential partners one-by-one with inquiring about their interests in developing partnership with the client. And/or conduct face-to-face meetings with those pre-screened companies to have a better understanding of their capability and interest levels as final candidates for the client's target products.
- KBSI develops company profiles of those potential distributors who are likely doing business with the client.
- KBSI submits a final report based on the research on those potential partners.
- Samples, brochures and other relevant information sheets of the client's product should be delivered at the client's cost to KBSI in advance of the beginning of the project.

### C. Market Visit & Business Meeting Facilitation

- After completion of a partner search, KBSI coordinates a series of face-to-face meeting for a client traveling to Korea. Total number of meetings depends on the number of identified potential distributors. Three meetings per day are expected to be conducted.
- KBSI provides a draft meeting schedule for the client 2 weeks prior to the visit and a final schedule with the company profiles a week prior to the visit.
- KBSI assists with identifying hotels, car/driver and interpreter services as needed.
- KBSI offers local business culture advice including tips on business attire, business meeting protocol, and emergency contact information.
- The client is responsible for bringing samples, brochures and all relevant information for meetings with potential partners.

## 5. Prior Experience

KBSI has track record of successful business assistance services for the State EDOs and international over the last 25 years clients in the various industry sectors such as chemical, environmental, industrial machinery, information technology, biotechnology, electric and electronic, instrumentation, health and medical, pharmaceutical, consumer goods, foods and agricultural products, HRI, hardwoods, and technology transfer.

With the direct assistance of KBSI and its team members, the total annual sales achieved/reached to US\$110million in 2022, which include US\$30 million for the State EDOs and US\$80 million for agricultural and food related associations and cooperators.

The examples of completed projects are as follows:

## GSGP South Korea Trade Office

- A. KBSI team assisted with market research and one-on-one business meetings for a client selling high-quality cooking and baking products. With the aid of market research and one-on-one business meeting arrangement, the client signed on distributor agreement with a local company and the client made its shipment to Korea in March 2023.
- Contact Name: Margaret Hedlund
  - Phone Number: 612-616-3778
  - Project Starting/Completion Dates: From December, 2021 - June 22, 2022
  - Project: Market Research, Unqualified potential/qualified and market visit
- B. KBSI team provided services to a U.S client that is involved in the logistical support of aircraft and advanced military defense system. The company commented that, “We have already secured a couple of orders; KBSI was extremely helpful and knowledgeable. We are very pleased with the prospects!”
- Contact Name: Jay Rodriguez
  - Phone Number: 703-502-8300
  - Project Starting/Completion Dates: From March to July, 2021
  - Project: Market Research, Unqualified potential/qualified and virtual one-on-one business meetings
- C. A US client that provides state-of-the-art ‘Back and SI joint support to help prevent and heal back pain attended a trade mission to South Korea in 2019, and KBSI team assisted the client with one-on-one business meetings and logistics supports. During the trade mission, the client was able to sign a contract with a local company that KBIS introduced, and the product has been well-established in South Korea, with sales currently taking place at hospitals and through e-commerce channels in Korea.
- Contact Name: Stephen Kadamian
  - Phone Number: 815-636-2780
  - Project Starting/Completion Dates: From Feb to April, 2019
  - Project: Trade Mission to South Korea
- D. One of the most respected breweries in the U.S. has a distributor in Korea; however, they would like to expand their business by utilizing KBSI consulting service. KBSI team conducted research on the craft brewery market in South Korea and had a meeting with their current distributor in Korea to identify issues and determine how best to provide service. With the market research, KBSI was able to introduce the brewery to one of South Korea’s leading convenience stores, and their products are now set to be displayed at the stores.
- Contact Name: Patrick Murtaugh
  - Phone Number: 804-397-1392
  - Project Starting/Completion Dates: From Jan to March, 2023



## GSGP South Korea Trade Office

- Project: Market Research
- E. KBSI supported the WI Governor’s trade mission to South Korea. The mission included 8 U.S. companies and government officials, and KBSI organized one-on-one business meetings for these 8 participants in three days visit, resulting in approximately 55 business meetings being arranged. Additionally, KBSI’s office also organized one-on-one business meetings for the governor with local government officials and companies, as well as held a seminar.
- Contact Name: Fanfu Li
  - Phone Number: 608-210-6868
  - Project Starting/Completion Dates: From July to September, 2017
  - Project: Governor’s Trade Mission
- F. KBSI team provided consulting service to the F&B franchise company that wanted to open the stores in South Korea. KBSI helped to find a business partner and worked together with the U.S. client to meet with the local rules and regulations in Korea, including its manufacturing facility registration. The company commented that “For helping us to make this success story a reality. In particular, I would like to extend my deepest gratitude to Ken Yang (KBSI) for his tireless efforts on our behalf in Korea.”
- Contact Name: Michael Strange
  - Phone Number: 215-864-2771
  - Project Starting/Completion Dates: From October 21, 2016 - June 7, 2017
  - Project: Market Research, Partner Search, Market Visit, Certifications/Standards/Regulatory Requirements, Conclusion of Agreement

The highlights of activities and projects that KBSI has been offered during the past 5 years are, among others, as follows:

### A. **Outbound Trade Mission to South Korea:**

- ✓ Food Export Association Trade Mission, March 2017
- ✓ Delaware Trade Mission to Korea, April & June 2017
- ✓ USPGC Educational Seminar on the US Pecan Industries, April 2017
- ✓ Wisconsin Economic Development Trade Mission to Korea, September 2017
- ✓ VEDP Trade Mission to Korea, October 2017
- ✓ WUSATA Trade Mission to Korea, October 2017, 2019
- ✓ Food Export Trade Mission to Korea, November 2017, 2019
- ✓ Food Export Association Seoul Food & Hotel Korea, May 2018
- ✓ The US Pecan Bakery Technical Seminar, September 2018
- ✓ Atlantic Canada Ocean Technology Mission October 2018
- ✓ USDA Agribusiness Trade Mission, November 2018

## **GSGP South Korea Trade Office**

- ✓ The State of Illinois Trade Mission to Korea, April 2019
- ✓ Food Export Association Buyer Education Seminar June 2019, 2020, 2021
- ✓ Delaware Trade Mission to Korea, August 2019
- ✓ Korea-US Cut Flower Development Seminar, October 2019
- ✓ Pennsylvania High-tech Trade Mission to Korea, February 2020
- ✓ US Pet Food Virtual Trade Mission to Korea, October 2020
- ✓ WUSATA Virtual Buyers Meeting to Korea, October 2020
- ✓ VEDP Trade Mission to Korea, October 2020
- ✓ Wisconsin Virtual Trade Venture to Korea, November 2020
- ✓ Food Export Virtual Trade Mission to Korea, November 2020 & 2021
- ✓ WUSATA Virtual Korea Trade Mission, December 2020, June 2021, December 2022
- ✓ Pennsylvania Virtual Trade Mission to Korea, April 2021
- ✓ New Snacks USA Virtual Trade Event, August to September 2021
- ✓ VEDP Virtual Trade Mission to Korea, November 2021
- ✓ GSGP Trade Mission to Korea, June 2022
- ✓ Wisconsin Trade Venture to Korea, October 2022
- ✓ Food Export Trade Mission to Korea October 2022
- ✓ WUSATA Outbound Mission to Korea November 2022
- ✓ WUSATA Animal Feed Outbound Mission to Korea 2022
- ✓ Illinois Trade Mission to Korea December 2022
- ✓ Iowa Agriculture Trade Mission to Korea February 2023
- ✓ Virginia Governor-led Marketing Mission to Korea April 2023

### **B. Trade Show/Exhibition Participation**

- ✓ Bio Korea 2017 ~ 2019
- ✓ KIMES (Medical and Hospital Equipment) 2017 ~ 2018 & 2022
- ✓ Seoul Food & Hotel 2017 ~ 2021
- ✓ Seoul Café Show 2019 ~ 2022
- ✓ Trade Winds 2017 & 2018
- ✓ Seoul ADEX 2019 & 2021
- ✓ Busan Seafood Show 2017~2022
- ✓ Solar, Wind & Earth Energy Trade Fair 2017 & 2018
- ✓ BioPLUS+Interphex Korea 2020-2022
- ✓ Smart Factory+ Automation World 2022

### **C. Market Study Services**

KBSI has been offered extended market research services for its clients and followings are some of examples that KBSI conducted:

- ✓ Defense Market & Procurement Process 2017
- ✓ Functional Foods and Ingredient Market 2019
- ✓ Pet Food Market in Korea 2020
- ✓ Korea's Tree Nuts Market 2020

## **GSGP South Korea Trade Office**

- ✓ Korea's Alcoholic Beverage Market 2020
- ✓ Korea's Fresh Fruits Market 2021
- ✓ Korean E-Commerce Market 2021
- ✓ Korea's Healthcare and Bio-Pharmaceutical Market 2021
- ✓ Korea's Higher Education Market 2021
- ✓ Korean Bio-Pharma Industry Update 2022
- ✓ Materials Handling Equipment Market 2022
- ✓ Korean Lifestyle & Consumer Products 2022

### **D. Social Media Marketing**

- ✓ Northwest Cherry Growers 2017~2022
- ✓ US Highbush Blueberry Council 2017~2022
- ✓ Temple University 2017~2021
- ✓ Wild Blueberry Association of the North America 2017~2021
- ✓ US Pecan Growers Council 2017-2021
- ✓ Cherry Marketing Institute's Montmorency Cherries 2020-2022

### **6) Project Staffing**

KBSI has in-depth experiences in various industry sectors, and its staff members are fluent both in English and Korean, and highly talented in providing customized services. They are enthusiastic, goal-oriented, and creative in performing tasks that given.

#### **A. Managing Director and Representative**

Managing Director and Representative will oversee overall management of the office, establishment of marketing strategy, consultation on market development, and establishment of business network with local business associations, cooperatives, and government officials.

#### **Ken Yang, Managing Director, Representative & President**

Ken Yang has been offered his professional market development services for worldwide businesses. He has over 29 years of experience in international trade, investment promotion, business development, market research, food & agricultural product promotion, and investment advisory services. Ken has been working with global businesses with professional knowledge in the various industry sectors including advanced manufacturing, biotechnology, chemical, environmental & industrial machinery, information technology, alternative energy, electric and electronic, instrumentation, healthcare and medical, pharmaceutical, life science, consumer goods, foods and agricultural products, hardwoods, and technology transfer.

#### **B. Project Manager**

A project manager is a full-time and dedicated staff for the MEDC, and oversees day-to-day trade development, contacts with clients, trade show participation and trade mission organization, communication with clients, market research and in-country visit assistance.

## **GSGP South Korea Trade Office**

### **Sophia Lee, Project Manager 1**

Sophia Lee holds a bachelor's degree in international affairs and communication from Marquette University, Milwaukee, Wisconsin. She started her career as a communication coordinator at Unione Communications in where she organized various exhibitions, conferences, promotional pop-up stores and government supported national events both in Korea and Europe. Sophia works for 7 years in KBSI with offering pre-event market analysis, market entry strategy, management of trade show and trade mission, organization of seminar, in-country visit assistance, client relations, and global business development services.

### **Min Lee, Project Manager 2**

Min Lee graduated with a major in Urban Design and Planning from University of Melbourne, Australia. Min has developed his career at 'Weathernews Inc.' and 'KOTRA London' for business development, market research, government & customer relations. Min works for 5 years with covering industry analysis, market entry strategy, competitive analysis & supply chain, pricing evaluation, trade show management and market visit.

### **Hajung Kim, Project Manager 3**

Hajung Kim graduated from University of Alabama, USA with a major in Public Relations and Communications. Hajung has developed her career as a PR consultant at Rainbow Communications by participating various campaign projects with the Korean government. She has been in KBSI for 6 years with covering industry analysis, on-line survey, customer analysis, social media marketing, due diligence, seminar and education and in-country visit assistance.

## 7) Subcontractors

For the associate service providers, KBSI works with following South Korean companies for the translation/interpretation service, ground Transportation and PR& communications. They are all under the supervision of KBSI when conduct the services.

### A. Interpreter and Translation

#### **Green Service**

Ms. Eun-Na Oh, Manager  
Room 340, Triplace Bldg.,  
Soonae-dong, Bundang-ku,  
Sungnam-si, Kyunggido, Korea  
Phone: 82-31-715-3426  
Fax: 82-31-711-4032  
Established Year: March 1989  
No. of interpreters: 530  
No. of translators: 100

### B. Ground Transportation

#### **AirportHelp Center Int'l**

## GSGP South Korea Trade Office

Mr. Kwang- Kyun Kang  
Manager  
59 Shingyo-dong, Jongro-ku,  
Seoul Korea  
Phone: 82-2-723-7873  
Fax: 82-2-723-8353  
E-mail: [kang7016@hanmail.net](mailto:kang7016@hanmail.net)  
Established Year: March 2001

### C. Media Contacts and PR/Communications

#### **WIZ Communication**

Ms. Mi-Hyun Kim,  
CEO  
5<sup>th</sup> Floor, Hana Building  
414-15, Dogok-dong, Kangnam-ku  
Seoul 135-270, Korea  
Phone: 82-2-563-5143  
Fax: 82-2-563-5532  
E-mail: [sophia@wiscomm.net](mailto:sophia@wiscomm.net)  
Established Year: October 2000

### 8) Bidder's Authorized Expediter:

Zoë Munro, Program Director  
**Great Lakes St. Lawrence Governors & Premiers**  
Cell: 614-507-3989  
Email: [zmunro@gsgp.org](mailto:zmunro@gsgp.org)

### 9) Additional Information and Comments

KBSI currently represents Pennsylvania Department of Community and Economic Development, Global Delaware, Virginia Economic Development Partnership, Wisconsin Economic Development Corporation, Great Lakes St. Lawrence Governor and Premiers, Food Export Association of the Midwest USA/Food Export USA-Northeast, Western United States Agricultural Trade Association, Cherry Marketing Institute Northwest Cherry Growers, and US Highbush Blueberry Council in Korea.

KBSI is a full regular member of following organizations, Korea Chamber of Commerce and Industry, American Chamber of Commerce in Korea, Korea International Trade Association, Korea Importers Association, Korea-US Economic Council, Association of American State Offices in Korea, Institute of the Future Urban Development, Korean Peninsular Future Forum, Kangnam Management Forum, Korea Bio Forum, and Human Development Institute

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2023-157**

**INTERNATIONAL TRADE CENTERS  
REQUEST FOR PROPOSALS – AWARD RECOMMENDATIONS**

**WHEREAS**, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

**WHEREAS**, pursuant to Section 88b(2)(c) of the MSF Act, MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the MSF Act as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

**WHEREAS**, pursuant to Section 7(i) of the MSF Act, MCL 125.2007(i), the MSF has the power to engage the services of private consultants, managers, counsel, auditors, engineers, and scientists for rendering professional management and technical assistance and advice;

**WHEREAS**, pursuant to Resolution 2014-122, the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under MCL 125.2088b;

**WHEREAS**, on March 28, 2023, the MSF reviewed a scope of work and eligibility requirements for soliciting proposals from qualified entities for the purpose of providing trade promotion services to Michigan-based companies seeking to export in certain target markets (the “International Trade Centers RFP”);

**WHEREAS**, on March 28, 2023, by Resolution 2023-062, the MSF approved issuance of the International Trade Centers RFP, appointed a Joint Evaluation Committee (“JEC”) to review proposals received in response to the International Trade Centers RFP, and adopted scoring and evaluation criteria for use by the JEC in reviewing proposals received in response to the International Trade RFP;

**WHEREAS**, eight proposals were received in response to the International Trade Centers RFP, which were reviewed by the JEC in accordance with the approved scoring and evaluation criteria; and

**WHEREAS**, pursuant to the JEC’s review of the proposals received for the International Trade Centers RFP, the JEC and the MEDC recommend the MSF Board award \$650,000 to Great

Lakes St. Lawrence Governors and Premiers for an initial one-year term, with the option to extend the term for up to an additional four years (the “International Trade Centers RFP Award”).

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the International Trade Centers RFP Award.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023





STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen

## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Alyssa Tracey, Director, International Trade

**Subject:** FY24 Funding Allocation – Michigan Israel Business Accelerator (MIBA)

---

### **Request**

The Michigan Economic Development Corporation (the “MEDC”) requests that the Michigan Strategic Fund (the “MSF”) Board approve the Scope of Work and allocate \$900,000 in funding to support the Michigan Israel Business Accelerator (the “MIBA”) for the term of January 1, 2024 – December 31, 2024, with the option to extend up to four additional years (the “Request”).

### **Background**

On March 28, 2023, MSF approved \$449,500 in FY23 funding to support MIBA operations for a six-month period through December 31, 2023. These services included targeted engagement between Michigan and Israeli counterparts to support Michigan small businesses and increase Michigan’s competitiveness in key industry sectors including mobility, defense, and medical technology among others. MIBA was founded in 2017, with a mission of “accelerating Michigan’s economic growth, one Israeli innovation at a time”. MIBA facilitates opportunities for business-to-business interactions through events, trade missions and curated connections.

During the term of the agreement, MIBA will directly support Foreign Direct Investment efforts, International Trade, the Office of Future Mobility and Electrification (“OFME”), and other critical market development sectors through its work in executing trade missions and other significant bilateral engagements. This work will impact MEDC strategic industries, including mobility/automotive, advanced manufacturing, defense, health/life sciences, and technology. A full list of deliverables is found in Exhibit A – 2024 Statement of Work. Specific deliverables for FY24 include: export development, operating The Elevator landing zone for Israeli firms interested in entering the U.S. market, inbound and outbound delegations to Israel and Michigan, and consulting services. Through MSF support, MIBA will continue to grow economic activity between Michigan and Israel in 2024 by creating \$4 million in economic impact and building upon a pipeline of opportunities currently valued at \$98.6 million. In 2023, MIBA has facilitated 1,115 meaningful connections between Michigan and Israeli entities with 14 confirmed collaborations valued at nearly \$2 million. Michigan now ranks sixth in the country for Israeli Foreign Direct Investment (FDI) by number of projects and is positioned to climb further.

The longstanding, strategic relationship between leaders in Michigan and Israel supports technological and economic advancement. Renowned for its national expenditure on civilian R&D and startup density, Israeli innovation augments Michigan’s edge in critical industries. Further, Michigan businesses benefit from MIBA’s guidance into strategic Israeli networks leading to profitable connections and collaborations.

**Recommendation:** MEDC staff recommends that MSF Board approve the Request.

# Exhibit A



407 E. Fort Street, Suite 205  
Detroit, MI 48226  
[MichiganIsrael.com](http://MichiganIsrael.com)  
[MIBA@MichiganIsrael.com](mailto:MIBA@MichiganIsrael.com)

## Michigan Israel Business Accelerator

### **2024 Statement of Work**

Submitted August 2023

Prepared for: Alyssa Tracey  
Director, International Trade

Natalie Chmiko  
Senior Vice President, Small Business Solutions



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION



August 2023

Dear Michigan Strategic Fund Board of Directors:

It is with a great sense of gratitude that I submit the following Statement of Work for your consideration. This document details the array of services and activities that the Michigan Israel Business Accelerator (MIBA) performs on behalf of, and for the benefit of, the state of Michigan. Furthermore, it defines the specific metrics the MIBA will deliver during this grant period.

2024 will be a transformative year in defining the future of the MIBA and is therefore a critical year in its funding. With the recent launch of The Elevator, a first-of-its-kind landing zone in the US exclusively for Israeli companies, we have an important attraction tool we can leverage to help Michigan compete as a destination for innovative technology companies from Israel as they consider locations in the United States.

The MIBA will also continue to deliver and expand on our established and effective programming and services that you have come to expect. Combining The Elevator with our expert matchmaking, import and export services, and our world-class delegations to and from Israel, we will continue to drive increased economic prosperity and job creation in Michigan.

On behalf of our Board of Directors, I would like to extend our sincere thanks to the state for its partnership throughout the years. We look forward to building on our foundation to deliver extraordinary economic development results in the future.

Thank you in advance for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Hiipakka". The signature is fluid and cursive, with a large initial "S" and a long, sweeping underline.

Scott Hiipakka  
CEO, Michigan Israel Business Accelerator

## Description

The Michigan Israel Business Accelerator (MIBA) serves as the state of Michigan's lead for all economic development activities related to the country of Israel with the stated goal of job creation and economic prosperity in Michigan.

## Duration

The duration of this agreement will be from January 1, 2024, through December 31, 2024 with the option to extend up to four additional years.

## Request Amount

\$900,000

## MIBA Impact

The MIBA accomplishes its mission of “accelerating Michigan’s economic growth, one Israeli innovation at a time” by creating an assortment of opportunities for Business-to-Business interactions through trade missions, events, curated connections, and through our newest initiative: The Elevator – the first-of-its-kind landing zone in the US exclusively for Israeli companies of all sizes and startups.

Since being founded in 2017, the MIBA has created hundreds of connections between Michigan and Israeli businesses. These connections have resulted in over 50 collaborations between Michigan and Israeli companies that brought over \$6 million in direct economic activity into our state since 2021. Michigan now ranks sixth in the country for Foreign Direct Investment (FDI) from Israel by number of projects and is positioned to move higher on that list.

With the launch of The Elevator in June 2023, the MIBA has a new asset to leverage as part of a broadened attraction strategy. Not only does The Elevator provide no cost office space and landing zone amenities to Israeli startups/businesses that choose to scale in Michigan, but it also allows us to expand programming to provide educational and networking opportunities to help Israeli companies succeed in Michigan.

## Why Israel?

Popularly known as “Start-Up Nation,” Israel invests heavily in, and has become a world leader in innovation across a variety of sectors. Israel is home to the most tech startups per capita in the world and, despite its small size, boasts the third most companies on the NASDAQ, behind only the US and China.

Israel’s foreign direct investment (FDI) into the US measures over \$30 billion annually and the US provides \$3.8 billion in military aid (foreign military financing) annually with the stipulation that it be spent in the US. These are just two factors that begin to quantify the extraordinary opportunity for Michigan’s economic growth to “Make it in Michigan!”

It is important to recognize that the complexities of the Israeli economic and political ecosystem require a tailored approach to take advantage of this opportunity. As the state of Michigan’s lead, the MIBA has succeeded in developing and nurturing relationships with partners in Israel that include the Israel Innovation Authority, Startup Nation Central, the SIBAT of the Israel Ministry of Defense, EcoMotion, among many others. We have dedicated immense effort to elevate Michigan's status from being perceived as a mere flyover state, often overshadowed by locations like California or New York, to being established as a significant and attractive location for expanding business in the US.

## MIBA Services and Programming

The MIBA recognizes that economic development efforts represent months, if not years, of engagement that drive outcomes. Further, to be successful, it takes focused action in the short term to achieve the long-term goals previously stipulated. To achieve the long-term outcomes of 2024 and beyond, we believe the following services will ultimately lead to measurable outputs in the form of partnerships, connections, and successful business interactions:

- The Elevator – Taking Israeli Innovation to the Next Level
  - First of its kind landing zone and co-working office space in the US dedicated solely to supporting Israeli companies to accelerate their business expansions in Michigan.
  - Provides programming and access to professional business services that will assist Israeli companies in establishing their US presence in Michigan.
  - A dedicated Israeli business community designed for exchanging ideas, customized programming, and sharing best practices to address the business requirements of the Israeli companies coming to Michigan.
- Import and Export Services, focused on bilateral engagements
  - Matchmaking opportunities between Michigan and Israeli companies
    - Pre-qualification of agent, distributor, partner, or end users
    - Facilitate meetings with potential buyers/agents/partners
  - Customized market research
  - Consultative services on navigating relevant approvals and certifications between Israel and/or the United States and Michigan
- Delegations – curated trips designed to create and deepen business and governmental relationships between the Michigan and Israel ecosystems.
  - Outbound to Israel across multiple sectors.
  - Inbound to Michigan across multiple sectors.
- Consulting Services
  - Educate Michigan businesses on how shared innovation with Israeli companies can provide opportunities that accelerate growth
  - Educate and consult Israeli businesses on US business practices

## How We Measure Success

Our customized approach to Israeli opportunities focuses heavily on attraction. We leverage a simple yet effective “3 C’s” approach: we CONNECT with both public and private organizations to facilitate CONNECTIONS within our growing network that will ultimately drive economically beneficial COLLABORATIONS to Michigan.

## Proposed Grant Cycle Deliverables

During the term of this agreement, the MIBA will work toward delivering the following outcomes:

- Leveraging the MIBA's proven 3 C's approach of "Connect, Connections, and Collaborations", during the 12-month period between January 1, 2024 and December 31, 2024, the MIBA will:
  - Generate 200 new unique Connects (contacts within the Michigan and Israel ecosystems)
  - Create 1,500 new Connections (introductions between 2 or more MIBA connects)
  - Facilitate \$4,000,000 in measurable Collaborations (The MIBA measures the value of the economic activity between Michigan and Israeli organizations that we facilitate - which does not include the ancillary economic benefits that are assumed or expected from the transaction or investment.)
    - The MIBA will make a reasonable effort to ensure that the technologies being introduced to Michigan from Israel are additive to the ecosystem and do not represent direct competition to technologies currently developed or sold by a Michigan company.
- Continue to leverage The Elevator as a principal attraction piece as a landing zone and co-working space for Israeli companies coming to Michigan. During the agreement period, the MIBA will:
  - Onboard a minimum of six (6) new member Israeli companies by December 31, 2024. Members receive access for regular or ad hoc use of the space and can take advantage of the resources made available through the space.
  - Conduct a minimum of four (4) educational seminars by December 31, 2024, designed to assist Israeli companies in establishing business operations in Michigan.
  - Conduct a minimum of four (4) networking events by December 31, 2024, designed to connect Israeli companies with potential Michigan customers, partners, or investors.
- Execute a minimum of three (3) delegations from Michigan to Israel by December 31, 2024, connecting Michigan business and government leaders to economic opportunities in Israel.
  - A minimum of one delegation per year will be in the mobility sector and will include representation from the state at the cabinet level or other non-economic development individuals from state government.
  - The MIBA will assume responsibility for the costs of one sponsorship/exhibition booth at EcoMotion or an agreed upon event in Israel in collaboration with MEDC.
  - For each delegation the MIBA executes, the MIBA will be responsible for all delegation land expenses (hotel, meals, travel in Israel, etc.) for up to one (1) staff member of MEDC per delegation. The MEDC will bear responsibility for the air travel costs for that staff member as well as the air and land costs for any additional MEDC staff.



- Execute a minimum of one (1) inbound trade mission from Israel to Michigan by December 31, 2024, connecting Israeli business leaders to economic opportunities in Michigan and showcasing the state’s strengths and advantages as locations for their US or North American operations.
  - The MIBA will organize and assume responsibility for the costs of one Israel sponsorship/exhibition booth at an MIBA and MEDC agreed upon event in Michigan.
- Serve as the state of Michigan’s International Trade Center to Israel, providing comprehensive export services to Michigan companies in accordance with the expectations of MEDC’s International Trade Team through December 31, 2024.

**2024 Budget**

<b>2024 Proposal</b>	
Proposed Grant Amount	\$900,000
Expenses	
Grant-specified Expenses	
Three (3) Delegations Attendance for MEDC staff *	\$16,500
Israel Conference Sponsorship (EcoMotion) **	\$50,000
Israel Pavilion at agreed upon Michigan conference ***	\$50,000
MIBA Operations Expenses	
General & Administrative (Rent, Utilities, Office Costs, Equipment, Furniture & Fixtures, Leasehold Improvements for The Elevator)	\$81,500
Program Services**** (Events, Marketing, PR and Website, Printing, International Travel, Conferences, Client Hosting/Entertainment, Sponsorships)	\$202,000
Personnel***** (Direct employees, independent contractors, associated costs, recruitment costs)	\$500,000
<b>Total</b>	<b>\$900,000</b>

\*Assumes 3 delegations attended by one MEDC staff member at \$5,500 for each trip to cover all delegation land expenses (hotel, meals, travel in Israel, etc.) The MEDC will bear responsibility for the air travel costs for that staff member.

\*\*Assumes Gold Level or equivalent sponsorship at EcoMotion or agreed upon conference in Israel. 2023 published price for Gold Sponsorship at EcoMotion was \$30,000 not including booth buildout, refreshments, and staffing. Expecting price increase in 2024.

\*\*\*Assumes sponsorship level pavilion booth at to be determined conference in Michigan with exhibition space for 10-12 companies, meeting space, refreshments, and staffing.

\*\*\*\* Expanded events programming planned in 2024 to include partner networking events (e.g., MichBio, Centrepolis, OFME Mobility Meetups, NDIA, NAMC, etc.); Expanded conference and sponsorship programming to potentially include CES, SelectUSA, AUSA, BIO, etc. to increase visibility and awareness of Michigan’s economic opportunities and resources.

\*\*\*\*\* Expected increase in personnel expenses to potentially include additional staff supporting defense market opportunities and prospecting services in both Michigan and Israel.

## Programmatic CY 2024 Timeline

	2024 CY Q1	2024 CY Q2	2024 CY Q3	2024 CY Q4
Outbound Delegations		Mobility (EcoMotion) Defense (ISDEF)		Sustainability (Climate Tech)
Inbound Delegations		Defense (MDEX) Mobility (AutoTech)	Mobility (NAIAS)	AgTech (GL Expo)
Events & Programs	Networking/ Professional Development Event Doing Business in Michigan Webinar Experience Innovation Webinar	Networking/ Professional Development Event MIBA Networking event Experience Innovation Webinar	Networking/ Professional Development Event Doing Business in Michigan Webinar Experience Innovation Webinar	Networking/ Professional Development Event MIBA Networking event Experience Innovation Webinar
Other	CES		SelectUSA (tentative)	AUSA Annual MIBA Fundraising/ Awards Event

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023-158**

**MICHIGAN ISRAEL BUSINESS ACCELERATOR GRANT AWARD**

**WHEREAS**, the Michigan legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “MSF Act”), to enable the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans and other economic assistance for the development and improvement of Michigan’s economy, including through blight removal and job creation;

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

**WHEREAS**, pursuant to MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF act shall be expended or invested for activities authorized under the act, as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

**WHEREAS**, pursuant to MCL 125.2007(c), the MSF has, among other things, the power to make grants and investments;

**WHEREAS**, the MEDC recommends that the MSF Board approve a grant to the Michigan Israel Business Accelerator (“MIBA”) with an initial allocation of \$900,000 and in accordance with the terms and conditions set forth in the attached Exhibit A (the “MIBA Grant”); and

**WHEREAS**, the MSF Board wishes to approve the MIBA Grant.

**NOW THEREFORE, BE IT RESOLVED**, the MSF Board approves the MIBA Grant; and

**BE IT FURTHER RESOLVED**, the Fund Manager is authorized to negotiate the final terms and conditions of the MIBA Grant and to execute all documents necessary to effectuate the MIBA Grant, consistent with the terms of this Resolution.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

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Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

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Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023  
**To:** MSF Board Members  
**From:** Michelle Grinnell, Senior Vice President Marketing and Communications  
**Subject:** Business Marketing/Talent Marketing Funding

---

### **REQUEST**

This request is for the MSF Board to approve the following allocations to MEDC's existing contract with Lambert:

- FY24 business marketing allocation of \$5,782,500 for activities that attract, retain and grow businesses that deliver economic opportunity.
- FY24 talent marketing allocation of \$10 million for activities that retain and attract talent for in-demand and high-growth occupations statewide.

### **BACKGROUND**

On July 31, Public Act 119 of 2023 was signed into law setting the FY24 appropriated budget for the state, including \$100 million for Business Attraction and Community Revitalization and \$15.6 million for Entrepreneurship and Innovation – of which up to five percent may be used for business marketing efforts. An additional \$10 million from the Business Attraction and Community Revitalization budget would be allocated to talent marketing efforts.

Previous MSF Board actions related to business and talent marketing efforts through the existing contract with Lambert include:

- September 28, 2021: the Board authorized an initial allocation of \$7.1 million to Lambert for the initial year of a three-year contract term, after a competitive RFP process.
- August 23, 2022: the Board authorized the FY23 allocation of \$5,782,500 for business marketing to Lambert for the second year of the contract term.
- October 25, 2022: the Board authorized the FY23 allocation of \$10 million for talent marketing to Lambert. This talent marketing campaign represented an expansion of the agency's scope of work at the time, but remained consistent with MEDC business marketing objectives to promote Michigan as a world-class business destination and the objectives set out in the RFP and subsequent competitive process.

Today's request is to authorize \$5,782,500 for business marketing and \$10 million in talent marketing to Lambert for the third contract year toward initiatives to promote Michigan as a world-class business destination and support and grow our talent. Lambert was selected in September 2021 as the business marketing agency of record for the MEDC through a competitive RFP process.

## **COMPANY BACKGROUND**

Lambert is a well-known and Michigan founded communications and marketing firm working with full-service international branding and advertising agency Gravity Global on business and talent marketing efforts on behalf of the MEDC. Since being named advertising agency of record for MEDC, Lambert and Gravity have continued to expand their presence and teams in Michigan.

In the past year, Lambert/Gravity has supported the efforts of the MEDC marketing and communications team to take a bold approach to marketing Michigan as the home of opportunity for all. This includes the reimagined Pure Opportunity business marketing campaign and the creation of the state's first national talent attraction campaign, set to launch at the end of September 2023.

Together, alongside MEDC's iconic Pure Michigan campaign, these efforts address head-on changes in business operations, migration patterns and travel behaviors that were fundamentally altered, and accelerated, by the global pandemic, offering a Michigan-first approach to changing perceptions and attracting and growing the businesses, visitors and talent to create long-term economic opportunity across the state.

## **KEY OUTCOMES**

Key outcomes from the Pure Opportunity campaign in 2023 include:

- A re-imagined and relaunched Pure Opportunity business marketing campaign that takes a bold approach to marketing Michigan as a destination for business growth. The Pure Opportunity campaign runs across TV, digital, connected TV, print, social, search, radio, podcast, and out of home. Print ads will appear in national publications such as Forbes and Inc. and in-state outlets Crain's Detroit Business and MiBiz. Radio spots can be heard on Sirius and NPR. The campaign also touts Michigan's skilled labor pool, freshwater resources, and top ranking in Climate Change Preparedness, which set the state apart from much of the country.
- More than 35,848 leads generated in the form of emails to be leveraged for future marketing and outreach efforts.
- Targeted digital campaigns around key project and industry wins including semiconductor projects and electric vehicle/battery projects, delivering an average of 4 million impression each.
- A support local paid campaign, in coordination with Pure Michigan, to motivate Michiganders to support small businesses by shopping, eating and traveling locally during the holiday season, delivering nearly 6.5 million impressions.
- Billboard activations in Cincinnati for Black Tech Week; Washington, DC for Select USA Summit, San Antonio for Site Selector Guild Conference, Kansas City for the 2023 NFL Draft, Lansing for 2023 State of the State and downtown and metro Detroit for Detroit Auto Show/National Battery Show.

Key outcomes of talent marketing efforts in 2023 include:

- Development and production of an entirely new national campaign to help build the Michigan workforce by intriguing and inspiring job seekers to consider Michigan as the

ultimate destination to work, play and thrive. Development of the campaign included market research, creative testing, and stakeholder input at every step.

- Creative testing to understand the effectiveness of proposed campaigns relative to existing campaigns and competitor states. This testing found creative concepts for this new talent campaign outperformed existing campaigns in competitive states, while providing direction on the concept that resonated best with target audiences.
- An initial in-state talent retention campaign targeting students at Michigan State University, University of Michigan, Michigan Tech), skilled professionals in Michigan, and tech professionals in the San Francisco market generated more than 234,000 clicks to the michiganevjobs.org microsite and more than 1,700 prospect leads generated.

### **RECOMMENDATION**

Staff recommends approval of:

- The award of \$5,782,500 for year three of the current three-year contract with Lambert to continue business marketing efforts that support and help drive MEDC's efforts to attract, retain and grow businesses that deliver economic opportunity to Michigan.
- The award of \$10 million for year three of the current three-year contract with Lambert for activities that retain and attract talent for in-demand and high-growth occupations statewide.



**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023-159**

**LAMBERT CONTRACT FOR BUSINESS MARKETING**

**WHEREAS**, Public Acts 215 and 225 of 2005 established the 21st Century Jobs Trust Fund initiative within the Michigan Strategic Fund Act, Public Act 27 of 1984, as amended (the “Act”);

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the Michigan Strategic Fund (“MSF”) for the 21<sup>st</sup> Century Jobs Trust Fund initiative;

**WHEREAS**, Section 88b(4) of the Act, allows for not more than five percent of annual appropriations as provided by law from the Act may be used for business development and business marketing costs;

**WHEREAS**, on September 28, 2021, the MSF approved the selection of Lambert as the vendor for the development and implementation of the marketing and advertising efforts for business marketing campaigns for the period of three years, with the option for two additional one-year extensions and allocated an initial amount of up to \$7,100,000;

**WHEREAS**, on August 23, 2022, the MSF Board approved an additional allocation of \$5,782,500 to Lambert the development and implementation of the marketing and advertising efforts for business marketing campaigns; and

**WHEREAS**, the MEDC recommends allocating an additional \$5,782,500 to Lambert for the development and implementation of the marketing and advertising efforts for business marketing campaigns; and

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board allocates \$5,782,500 to Lambert for the development and implementation of the marketing and advertising efforts for business marketing campaigns.

**BE IT FURTHER RESOLVED**, the MSF Board authorizes the MSF Fund Manager to execute the agreement with Lambert consistent with the terms of this resolution.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

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Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

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Randy Thelen

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023-160**

**LAMBERT CONTRACT FOR TALENT MARKETING**

**WHEREAS**, Public Acts 215 and 225 of 2005 established the 21st Century Jobs Trust Fund initiative within the Michigan Strategic Fund Act, Public Act 27 of 1984, as amended (the “Act”);

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the Michigan Strategic Fund (“MSF”) for the 21<sup>st</sup> Century Jobs Trust Fund initiative;

**WHEREAS**, pursuant to Section 88b(2)(c) of the MSF Act, MCL 125.2088b(2)(c), funds appropriated to the MSF for purposes of carrying out the MSF Act shall be expended or invested for activities authorized under the MSF Act as long as those activities provide for repayment for breach of the written agreement or the failure to meet measurable outcomes;

**WHEREAS**, pursuant to Section 7(a) of the MSF Act, MCL 125.2007(a), the MSF has the power to make, execute, and deliver contracts, conveyances, and other instruments necessary or convenient to the exercise of its powers;

**WHEREAS**, on September 28, 2021, the MSF approved the selection of Lambert as the vendor for the development and implementation of the marketing and advertising efforts for business marketing campaigns for the period of three years, with the option for two additional one-year extensions;

**WHEREAS**, on October 25, 2022, the MSF approved award of \$10,000,000 for marketing and advertising efforts for talent marketing campaigns to Lambert consistent with MEDC business marketing objectives to promote Michigan as a world-class business destination and the objectives set out in the original business marketing RFP and subsequent competitive process;

**WHEREAS**, the MEDC recommends allocating an additional \$10,000,000 to Lambert for the development and implementation of the marketing and advertising efforts for talent marketing campaigns; and

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board allocates \$10,000,000 to Lambert for the development and implementation of the marketing and advertising efforts for talent marketing campaigns.

**BE IT FURTHER RESOLVED**, the MSF Board authorizes the MSF Fund Manager to execute the agreement with Lambert consistent with the terms of this resolution.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen



## **MEMORANDUM**

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Valerie Hoag

**Subject:** Request to Extend Administrative Services Memorandum of Understanding

---

### **REQUEST**

The Michigan Economic Development Corporation (“MEDC”) requests that the Michigan Strategic Fund (“MSF”) extend the term of the Memorandum of Understanding (“MOU”) for administrative services to September 30, 2024 and allocate up to four percent (4%) of the Annual Appropriation from the 21st Century Jobs Trust Fund to the MEDC to provide administrative services to the MSF for fiscal year 2024. Additionally, the MEDC requests approval to seek reimbursement or payment for administrative expenses it incurs in connection with administration of various federal programs, including the State Small Business Credit Initiative 2.0 (“SSBCI 2.0”), the SSBCI Technical Assistance Program, the Michigan State Trade Expansion Program (“MI-STEP”), the Community Development Block Grant (“CDBG”) Program, the Revitalization and Placemaking Program (“RAP”), and other programs and activities that may be authorized under the American Rescue Plan Act (“ARPA”) (collectively, the “Request”).

### **BACKGROUND**

On January 25, 2006, the MSF and the MEDC entered into a MOU for the purpose of specifying responsibilities between the MSF and the MEDC in administering the 21st Century Jobs Trust Fund initiative and other programs operated and/or created by the MSF. The MOU was amended each successive year to our current fiscal year.

Every year, the MSF Board is asked to accept and allocate funds appropriated by the Legislature to programs and activities of the MSF pursuant to the MSF Act and any boilerplate language contained within the Appropriations Act for the fiscal year. These funds are to be used for business attraction and community development programs and activities, the entrepreneurship ecosystem, the Pure Michigan campaign, State Small Services Credit Initiative (SSBCI) 2.0 programs and activities, American Rescue Plan Act (ARPA) programs and activities as well as business marketing and administration.

### **RECOMMENDATION**

MEDC staff recommends approval of the Request.



**MICHIGAN STRATEGIC FUND BOARD**

**RESOLUTION**

**2023-161**

**EXTENSION OF MEMORANDUM OF UNDERSTANDING BETWEEN THE MICHIGAN STRATEGIC FUND AND THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION**

**WHEREAS**, the Michigan Legislature passed legislation establishing the 21st Century Jobs Trust Fund initiative that was signed into law;

**WHEREAS**, at its January 25, 2006 meeting, the Michigan Strategic Fund (the “MSF”) Board approved the Memorandum of Understanding (subsequently amended at its July 13, 2006, September 26, 2007, September 24, 2008, September 30, 2009, September 22, 2010, September 21, 2011, September 27, 2012, October 23, 2013, September 17, 2014, September 22, 2015, September 27, 2016, September 26, 2017, August 28, 2018, September 24, 2019, September 22, 2020, August 24, 2021, and September 27, 2022 meetings), between the MSF and the Michigan Economic Development Corporation (the “MEDC”) describing the administrative services associated with the 21st Century Jobs Trust Fund programs and other authorized state and federal programs and activities to be provided by the MEDC to the MSF (the “MOU”);

**WHEREAS**, consistent with the terms of the MOU, the MEDC and MSF desire to extend the effective date of the MOU through September 30, 2024;

**WHEREAS**, to appropriately and fully fund such administrative expenses, the MSF Board believes it is reasonable to exercise its discretion pursuant to MCL 125.2088b(3), and as otherwise may be provided under the MSF Act, MCL 125.2001 et. seq., as may be amended from time to time (the “MSF Act”) to authorize an expenditure of four percent (4%) of the annual appropriation from the 21st Century Jobs Trust Fund for administrative expenses for fiscal year 2023-2024; and

**WHEREAS**, the MSF Board also believes it is reasonable to allow the MEDC to seek reimbursement or payment for administrative expenses it incurs in connection with administration of various federal programs, including the State Small Business Credit Initiative 2.0 (“SSBCI 2.0”), The State Small Business Services Technical Assistance Program, the Michigan State Trade Expansion Program (“MI-STEP”), the Community Development Block Grant (“CDBG”) Program, the Revitalization and Placemaking Program (“RAP”), and other programs and activities that may be authorized under the American Rescue Plan Act (“ARPA”) from time to time, provided that such administrative expenses are allowable under the applicable program and made in accordance with any time-keeping and reporting requirements of the applicable federal program (collectively, the “Federal Program Administration Allocation”).

**NOW, THEREFORE, BE IT RESOLVED**, subject to the control and direction of the MSF Board, the MEDC shall provide administrative services through September 30, 2024 for all 21st Century Jobs Trust Fund programs, SSBCI 2.0, MI-STEP, the CDBG Program, RAP, and other programs and activities administered by the MSF, and programs and activities additionally included and described in the Michigan Strategic Fund Act;

**BE IT FURTHER RESOLVED**, that the MSF Fund Manager is authorized to sign an amendment to the MOU extending the term of the MOU to September 30, 2024;

**BE IT FURTHER RESOLVED**, that the MSF Board, acting pursuant to the MSF Act, authorizes four percent (4%) of the annual appropriation from the 21st Century Jobs Trust Fund to be incurred for administrative costs related to the administration of programs and activities authorized under the MSF Act for fiscal year 2023-2024; and

**BE IT FURTHER RESOLVED**, the MSF Board authorizes the Federal Program Administration Allocation.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

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Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

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Randy Thelen



**MEMORANDUM**

**Date:** September 26, 2023

**To:** Michigan Strategic Fund (“MSF”) Board Members

**From:** Erik Wilford, Strategic Project Advisor

**Subject:** Reauthorization of Performance-based Grant Request  
Michigan Business Development Program (“MBDP”)  
Lear Corporation (“Company” or “Applicant”)

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**Background**

On December 13, 2022, the MSF approved a MBDP performance-based grant in the amount of \$4,500,000 for the Company. The MBDP approval required that an Agreement be entered into within 120 days of the date of the approval, and may be extended for an additional 60 days with approval from the MSF Fund Manager.

Due to administrative limitations, all parties have been unable to enter into the Agreement within the allowable 180 days. Resolution of signing authority was not obtained prior to the 180 day expiration. This has since been resolved. It is anticipated the Company will be in a position to execute the agreement within the allotted reauthorization timeline.

**Recommendation**

MEDC Staff recommends the following (collectively, “Recommendation”):

- a) Reauthorization of the MBDP Proposal as outlined in the attached term sheet (collectively, “MBDP Proposal”);
- b) Closing the MBDP Proposal, subject to available funding under the MBDP at the time of closing (“Available Funding”), satisfactory completion of due diligence, (collectively, “Due Diligence”), finalization of all MBDP transaction documents; and
- c) Commitment will remain valid for 120 days with approval for the MSF Fund Manager to extend the commitment an additional 60 days.

## MICHIGAN STRATEGIC FUND

### RESOLUTION 2023-162

#### REAUTHORIZATION OF A MICHIGAN BUSINESS DEVELOPMENT PROGRAM GRANT LEAR CORPORATION

**WHEREAS**, the Michigan legislature passed legislation establishing the 21<sup>st</sup> Century Jobs Trust Fund initiative that was signed into law;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the Michigan Strategic Fund (the “MSF”) for 21<sup>st</sup> Century Jobs Trust Fund programs;

**WHEREAS**, pursuant to MCL 125.2088r, the MSF shall create and operate the Michigan Business Development Program (the “MBDP”) to provide grants, loans and other economic assistance to qualified businesses that make qualified investments or provide qualified new jobs in Michigan;

**WHEREAS**, on December 21, 2011, by Resolution 2011-184, the MSF Board (i) created the MBDP, and (ii) adopted the guidelines for the MBDP, as later amended on December 8, 2020 by Resolution 2020-146 (the “MBDP Guidelines”);

**WHEREAS**, pursuant to SFCR 125.2088r-1 (the “Delegation”), the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MBDP in accordance with the Guidelines (the “Transaction Documents”);

**WHEREAS**, the MSF Act, MCL 125.2001 et seq. and the Delegation require that MBDP awards over \$1 million must be approved by the MSF Board;

**WHEREAS**, the MSF Board approved a \$4,500,000 MBDP performance-based grant to Lear Corporation (the “Company”) on December 13, 2022 for the construction of new facilities on the Company’s site and the creation of up to 500 Qualified New Jobs and investment of \$112,486,520 in the Township of Independence, Oakland County, the City of Traverse City, Grand Traverse County and the City of Sterling Heights, Oakland County (the “Project”);

**WHEREAS**, pursuant to the MBDP Guidelines, the Company is a Qualified Business and the Project is eligible as a Standard MBDP because the Company committed to the creation of at least 50 Qualified New Jobs;

**WHEREAS**, the Company requests that the MSF Board approve a reauthorization of the \$4,500,000 MBDP performance-based grant as outlined in the term sheet attached as Exhibit A (the “Term Sheet”) (the foregoing, the “MBDP Grant Request”); and

**WHEREAS**, the MEDC recommends the MSF Board approve the MBDP Grant Request in accordance with the attached Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents within 120 days of the date of this Resolution (the “Time Period”), or this Resolution shall have no effect; provided, however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 60 days (the “MBDP Reauthorization Request”).

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the MBDP Reauthorization Request.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richardson, Charles P. Rothstein, Cindy Warner

Nays: None

Recused: Randy Thelen

Lansing, Michigan  
September 26,  
2023



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

**EXHIBIT A**  
**MICHIGAN BUSINESS DEVELOPMENT PROGRAM**  
**Performance Based Incentive - Term Sheet - Summary**

The following is a summary of the highlights of the project and basic terms for which the Company desires grant support from the Michigan Strategic Fund ("MSF") under the Michigan Business Development Program ("MBDP").

**Date:** November 15, 2022

<b>Company Name:</b>	Lear Corporation and/or its affiliates and subsidiaries.
<b>Project Location:</b>	5600 Bow Point Drive Clarkston (Independence Township), Michigan 48346  1110 South Woodmere Traverse City, Michigan 49686  6450 Dobry Drive Sterling Heights, Michigan 48314
<b>MBDP Incentive Type:</b>	Performance Based Grant
<b>Maximum Amount of MBDP Incentive:</b>	Up to \$4,500,000
<b>Base Employment Level:</b>	At least 3,265, at the time of first disbursement of funds and thereafter
<b>Maximum Number of Qualified New Jobs ("QNJ"):</b>	Up to 500 Full-Time Jobs at the Project Location
<b>Municipality Supporting Project:</b>	Independence Township has agreed to provide staff, financial or economic assistance in support of the project.
<b>Start Date for Measurement of Creation of Qualified New Jobs:</b>	November 16, 2022
<b>Term of the Agreement:</b>	April 30, 2028
<b>Milestone Based Incentive:</b>	Disbursements will be made over a 4 year period and each are contingent upon compliance with the Agreement and performance based on job creation, as follows: \$9,000 per QNJ for the creation of a minimum of 100 jobs up to a maximum of 250 jobs. \$9,000 per QNJ for the creation of a minimum of 250 jobs up to a maximum of 350 jobs. \$9,000 per QNJ for the creation of a minimum of 350 jobs up to a maximum of 425 jobs. \$9,000 per QNJ for the creation of a minimum of 425 jobs up to a maximum of 500 jobs.



The detailed numbers, and statutorily required repayment and reporting provisions, will be reflected in the subsequent transaction documents.

**Acknowledged as received by:**

Lear Corporation

By: *William P. McLaughlin*

Printed Name: William P. McLaughlin

Its: VP Global Tax & Trade

Michigan Economic Development Corporation

By: *Erik Wilford*

Printed Name: Erik Wilford

Its: Sr. Business Development Project Manager



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

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Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

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Randy Thelen

**MICHIGAN STRATEGIC FUND  
RESOLUTION**

**2023-151**

**APPROVAL OF THE SEPTEMBER 26, 2023 CONSENT  
AGENDA FOR THE MICHIGAN STRATEGIC FUND  
BOARD**

**WHEREAS**, on November 20, 2013, Michigan Strategic Fund (“MSF”) approved use of consent agendas at MSF Board meetings, pursuant to defined consent agenda guidelines (the “Consent Agenda”);

**WHEREAS**, on February 25, 2014, the MSF Board approved Guidelines for Preparation and Approval of Consent Agendas for the MSF, which were subsequently amended and restated by the MSF Board on December 13, 2022;

**WHEREAS**, the Michigan Economic Development Corporation (“the MEDC”) provides administrative services to the MSF and

**WHEREAS**, pursuant to the recommendation of the MEDC, the MSF Board wishes to approve the Consent Agenda items listed below.

**NOW, THEREFORE, BE IT RESOLVED**, the MSF approves the Consent Agenda items listed below and identified in the final Consent Agenda for this Board meeting:

Consent Agenda Items:

- a) Proposed Meeting Minutes: August 22, 2023 Meeting Minutes
- b) Veridea Group: Brownfield Act 381 Work Plan
- c) Lofts on Louis: MCRP Amendment
- d) Exchange Building, LLC-The Exchange: MCRP Amendment
- e) Billerud: APRZ Amendment
- f) Contractual Small Business Solutions/Services: FY24 Funding Allocations
- g) International Trade Centers: JEC Recommendations and FY24 Funding Allocations
- h) Michigan Israel Business Accelerator (MIBA): New Contract Approval
- i) Business Marketing Lambert Contract Amendment
- j) FY 2024 Memorandum of Understanding MSF & MEDC
- k) Lear Corporation: Reauthorization of Performance-Based Grant Request

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: 0

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
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Michigan Strategic Fund Office  
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Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
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The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

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Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Julius L. Edwards, Director, Commercial Real Estate Investment  
Jake Winder, Manager, Community Development Incentives

**Subject:** Request for Approval of a Michigan Community Revitalization Program (MCRP)  
Direct Loan Award for Henry Street Renaissance, LLC– Henry Street  
Redevelopment

### Project Summary & Request

The project is a part of the overall Henry Street Redevelopment which will include the renovation of 170 residential units into a mixed-use, mixed-income project in the Midtown neighborhood of Detroit. The Henry Street Redevelopment is made up of seven properties. Of the 170 units, 84 of them, spread over 3 buildings, will be reserved for households at 60% of Area Median Income using Low Income Housing Tax Credits. The remaining 86 units at market rate rents will occupy the remaining 4 buildings. Staff is recommending support for the 86 market rate units with a \$6,493,000 MCRP performance-based direct loan.

<b>PROJECT SUMMARY</b>	
Project Eligibility (Facility/Historic/F.O./Blighted/Other)	Historic
Total Approximate Square Feet Revitalized	80,930
Total Approximate Acres Activated	0.64
Estimated # of Residential Units	86
Current Taxable Value	\$346,544
Projected Taxable Value at Completion	\$3,312,528
Total Anticipated Capital Investment	\$40,533,876
MCRP Direct Loan	\$6,493,000

The overall project includes the historic rehabilitation of 7 underutilized buildings, of which two are partially occupied and the other two are vacant, located just steps from Little Cesars Arena. Of those 7 underutilized buildings, 4 will be used for market-rate apartments. The project includes resident amenities and greenspace that will support residents quality of life. SHPO has reviewed the project design and determined it will have no negative impact. The rehabilitation of the historic resource will meet the federal Secretary of the Interior's standards for rehabilitation and guidelines for rehabilitating historic buildings (36 CFR 67).

### **Demonstrated Needs**

Market conditions in the City of Detroit continue to make development challenging. Market rate rents have continued to lag construction inflation costs. Stabilized values are less than construction costs making a traditional 75% loan to value equivalent to less than 50% of project costs. The project is further burdened by the higher-than-average costs of historic rehab. The development team has secured senior debt from Comerica and HTC equity for the project. Additionally, the development team is contributing over \$13,750,000 in equity to the project. Despite the significant equity investment, a financing gap remains. Even with the anticipated MCRP loan it is not anticipated the development team will be able to achieve a positive return from operational cash flow.

### **Local Support**

The City of Detroit is supporting the project with \$2.5 million in local HOME funds for the affordable portion of the project.

### **Applicant Background / Qualifications**

The overall project is led by a partnership between Cinnaire Solutions and Olympia Development of Michigan. Cinnaire offers services including technical expertise and financing tools to bring transformative development projects to life. Olympia Development of Michigan is the real estate services arm of Ilitch Holdings, Inc which controls leading brands in food, sports, entertainment, including Little Caesars. The portion of the overall project that the MCRP request will support will be owned by a single-purpose entity, Henry Street Renaissance LLC., which is controlled entirely by Olympia Development of Michigan. The lists below provide examples of the development partners' experience on comparable development projects.

#### **Cinnaire Projects**

- River Crest Apartments
- Transfiguration Place Apartments
- La Joya Gardens
- Anchor at Mariners Inn

#### **Olympia Development of Michigan Projects**

- Columbia Street
- 2715 Woodward Ave
- Women's City Club
- Residences at Eddystone

An Organizational Chart for *Henry Street Renaissance, LLC* is provided in Appendix A. The background review process was completed in accordance with the MSF Background Review Policy on September 7, 2023.

### **Financial Highlights**

- Construction cost is \$386 per square foot
- The average rental rate per square foot is \$3.14
- The developer is contributing over \$13 million in equity to the project
- It is anticipated that the average debt service ratio will be above 1.20 to 1.00
- The project is being constructed through a Line of Credit from Comerica Bank. It is anticipated that the project upon reaching stabilization will be able to secure permanent financing with a 30 amortization and a lower interest rate. Staff is comfortable with this approach as the MCRP loan would mature prior to the project transitioning to permanent debt.

From the materials received and reviewed, staff considers the project to be financially and economically sound. A detailed Sources and Uses and financial terms for the market-rate portion of the project, which is receiving the MCRP Incentive, are included in Appendix C.



**Recommendation**

MEDC staff recommends approval of an MCRP Performance Based Direct Loan of up to \$6,493,000.

## APPENDIX A – Organizational Chart

### Organizational Structure

Company Name: Henry Street Renaissance, LLC (DE)

Employer Identification Number: 93-2140817

Incentive Manager: John Matthew Valentine

	Member	Ownership Interest Totals	EINs -No Soc Sec numbers	State of Organization
Henry Street Renaissance, LLC (DE)			93-2140817	Delaware
Henry Street Managing Member, LLC (DE)		100.00%	93-2224970	Delaware
		100.00%		

**APPENDIX B – Site Photos and Renderings**



### APPENDIX C – Financial Terms

**Summary of Development Sources:**

Permanent Debt	\$	13,816,400	34.09%
MCRP Loan	\$	6,493,000	16.02%
HTC Equity	\$	5,803,709	14.32%
Deferred Developer Fees	\$	669,000	1.65%
Developer Equity	\$	13,751,767	33.92%
<b>TOTAL</b>	<b>\$</b>	<b>40,533,876</b>	<b>100.00%</b>

**Summary of Development Uses:**

Acquisition	\$	2,531,252
Hard Construction Costs	\$	31,243,916
Eligible Soft Costs	\$	1,222,986
Other	\$	5,535,722
<b>TOTAL</b>	<b>\$</b>	<b>40,533,876</b>

**Loan Terms**

<b>MSF Incentive:</b>	MCRP Direct Loan
<b>Borrower:</b>	Henry Street Renaissance or a Related Entity
<b>Total Capital Investment:</b>	Currently estimated at \$40,533,876
<b>MSF Eligible Investment:</b>	Currently estimated at \$32,466,902
<b>Minimum Eligible Investment:</b>	Currently estimated at \$25,974,000
<b>MSF Share:</b>	Up to the lesser of 20% of “Eligible Investment” or \$6,493,000
<b>Term:</b>	Shall match that of the senior lender not to exceed 60 months
<b>Amortization:</b>	Currently anticipated to be up to 360 months
<b>Interest Rate:</b>	1.0% per annum
<b>Repayment Terms:</b>	Currently anticipated to be monthly interest only payments for 36 months, followed by equal monthly payments of principal and interest for 12 months. Remaining principal balance due at maturity.
<b>Collateral:</b>	To reasonably match that of the senior lender, currently anticipated to be a mortgage interest in the underlying real estate. MSF share of collateral will be subordinated to that of the Lender.
<b>Guarantee:</b>	To be determined.

<b>MSF Fees:</b>	The MSF shall be paid a one-time fee equal to one percent of the MSF's share of the loan. Additionally, the Borrower will be responsible for any third-party costs incurred by the MEDC to close the project.
<b>Reserves/Contingencies:</b>	Anticipated to be approximately \$4,142,000.
<b>Deferred Developer Fees:</b>	The developer and related-party fees equal to \$1,338,000 of which \$669,000 will be deferred until such time that the project is producing cash flow in excess of that required for priority debt and other operating obligations.
<b>Funding:</b>	MSF will fund up to \$6,493,000 to be disbursed following Certificate of Occupancy and completion of other performance criteria.
<b>Other Conditions:</b>	<p>The MSF's investment will be contingent upon the following:</p> <ul style="list-style-type: none"><li>- Receipt of final construction documents, including a "Guaranteed Maximum Price" construction contract</li><li>- Receipt of final National Park Service Part 2 approval</li><li>- Evidence of local approval of tax abatement(s)</li><li>- Minimum owner equity investment equal to the lesser of 20% of the total development cost or \$13,750,000</li></ul>

## **MCRP Programmatic Requirements**

### **MCRP Program and Guidelines**

On December 21, 2011, the MSF Board approved the Michigan Community Revitalization Program (MCRP) and on January 25, 2022, the MSF Board approved its restated program guidelines. The primary intended objective of the MCRP is to provide incentives to persons that make eligible investments on eligible property in Michigan. It is the role of the MEDC staff to review for eligibility, completeness, and adherence to the program, the information provided by the applicant and to manage the MSF's investment. As required under the MCRP, all statutory criteria for the project have been considered. The project meets the MCRP Guidelines, and a financial review has been completed.

As required under the MCRP, the following statutory criteria have been reviewed:

**A. The importance of the project to the community in which it is located:**

The project is important to the City of Detroit due to the historic significance of the buildings. The project offers important mixed of affordability immediately adjacent to Little Caesars Arena and surrounding businesses ensuring that those employed in the Midtown area have affordable options to call home. The project is one of many projects planned for the immediate area and the delivery of these projects will create a mixed-use district connecting Midtown and the North End to Downtown Detroit.

**B. If the project will act as a catalyst for additional revitalization of the community in which it is located:**

The project will be a part of a larger development effort by the Olympia Development in Mid Town Detroit.

**C. The amount of local community and financial support for the project:**

The Henry Street Redevelopment anticipates securing \$2.5 million in local HOME funds as part of a Low Income Housing Tax Credit request supporting the affordable portion of the project.

**D. The applicant's financial need for a community revitalization incentive:**

Market conditions in the City of Detroit continue to make development challenging. Market rate rents have continued to lag construction inflation costs. Stabilized values are less than construction costs making a traditional 75% loan to value equivalent to less than 50% of project costs. The project is further burdened by the higher-than-average costs of historic rehab. The development team has secured senior debt from Comerica and HTC equity for the project. Additionally, the development team is contributing over \$13,750,000 in equity to the project. Despite the significant equity investment, a financing gap remains. Even with the anticipated MCRP loan it is not anticipated the development team will be able to achieve a positive return from operational cash flow.

**E. The extent of reuse of vacant buildings, reuse of historical buildings, and redevelopment of blighted property:**

Five of the seven buildings included in the project scope are currently vacant, all of which are historic and located in the Cass-Henry local historic district.

**F. Creation of jobs:**

There are ten anticipated full-time equivalent jobs estimated to be created as part of this development project. Roles will include property management, leasing personnel, maintenance, landscaping and cleaning personnel. The average hourly wage is estimated to be \$15.

**G. The level of private sector and other contributions, including, but not limited to, federal funds and federal tax credits:**

The development team has been able to secure \$13.8 million in debt financing and anticipates an historic tax credit equity investment of \$5.8 million.

**H. Whether the project is financially and economically sound:**

Upon reaching stabilized occupancy it is anticipated that the project will be able to achieve a debt service coverage ratio of greater than 1.20 to 1.00. Additionally, the project will be supported financially by Olympia Development.

**I. Whether the project increases the density of the area:**

The Henry Street Redevelopment will see five out of service buildings put back into productive use as well as upgrade currently occupied properties. The redevelopment will add almost 200 new residents to the area creating increased residential density and commercial activity in the neighborhood.

**J. Whether the project promotes mixed-use development and walkable communities:**

The Henry Street Redevelopment renovation plans to include the addition of greenspace, amenity space and community space. The preservation of the existing buildings will preserve the street wall and be of a scale appropriate to the neighborhood.

**K. Whether the project converts abandoned public buildings to private use:**

The project does not convert abandoned public buildings into private use.

**L. Whether the project promotes sustainable development:**

The project does not currently anticipate any green components or plan to seek any third-party green certification. However, the rehabilitation of an existing building instead of demo and infill is inherently more sustainable.

**M. Whether the project involves the rehabilitation of a historic resource:**

This project rehabilitates a historic resource and the State Historic Preservation Office has been consulted and determined that the project will have no adverse effect.

**N. Whether the project addresses area-wide redevelopment:**

The Henry Street Redevelopment is a campus-style project that will create a new center of activity in the Midtown neighborhood providing walkability to the Lower Cass Neighborhood. The mixed-income residential units offer important attainable units for the many businesses located in Midtown and downtown.

**O. Whether the project addresses underserved markets of commerce:**

The project is located in a geographically disadvantaged area and will fulfill a well-documented housing demand.

**P. The level and extent of environmental contamination:**

The project is comprised of 14 tax parcels occupied by six residential buildings, one commercial building and gravel lots. Former uses included dry cleaning and contamination was found near surface fill soil including heavy metals typical of urban areas.

**Q. If the rehabilitation of the historic resource will meet the federal Secretary of the Interior's standards for rehabilitation and guidelines for rehabilitating historic buildings (36 CFR 67):**

Yes, the development team plans to meet the federal Secretary of the Interior standards for rehabilitation in order to leverage Federal Historic Tax Credits.

**R. Whether the project will compete with or affect existing Michigan businesses within the same industry:**

The project will not compete with or affect an existing Michigan business.

**S. Any other additional criteria approved by the board that are specific to each individual project and are consistent with the findings and intent of this chapter:**

No other additional criteria were identified.



**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023 - 163**

**APPROVAL OF A MICHIGAN COMMUNITY REVITALIZATION PROGRAM  
PERFORMANCE BASED DIRECT LOAN  
AWARD TO**

**WHEREAS**, the Michigan legislature amended the Michigan Strategic Fund Act, MCL 125.2001 et. seq. (the “Act”), to add Chapter 8C (being MCL 125.2090 – MCL 125.2090d), to enable the Michigan Strategic Fund (the “MSF”) to create and operate the Michigan Community Revitalization Program (the “MCRP”) to provide incentives in the form of grants, loans and other economic assistance for redevelopment of communities in Michigan;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the MCRP;

**WHEREAS**, on December 21, 2011, by Resolution 2011-185, the MSF (i) created the MCRP and (ii) adopted the guidelines for the MCRP, as later amended on January 25, 2022 (the “Guidelines”);

**WHEREAS**, pursuant to SFCR 125.2090-1 (the “Delegation”), the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MCRP, (the “Transaction Documents”);

**WHEREAS**, the Act and the Delegation require that MCRP awards over \$1 million must be approved by the MSF Board;

**WHEREAS**, Henry Street Renaissance, LLC (“Company”) has requested a performance based direct loan of up to \$6,493,000 (the “Award Request”), along with other general terms and conditions which are outlined in the term sheet attached as Exhibit A (the “Term Sheet”);

**WHEREAS**, the MEDC has recommended that the MSF approve the Award Request in accordance with the Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents within 240 days of the date of this Resolution (the “Time Period”), or this Resolution shall have no effect; provided however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 90 days (collectively, the “MCRP Award Recommendation”)

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the MCRP Award Recommendation;

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan  
September 26, 2023

**EXHIBIT A**  
**“TERM SHEET”**

**Loan Terms**

<b>MSF Incentive:</b>	MCRP Direct Loan
<b>Borrower:</b>	Henry Street Renaissance or a Related Entity
<b>Total Capital Investment:</b>	Currently estimated at \$40,533,876
<b>MSF Eligible Investment:</b>	Currently estimated at \$32,466,902
<b>Minimum Eligible Investment:</b>	Currently estimated at \$25,974,000
<b>MSF Share:</b>	Up to the lesser of 20% of “Eligible Investment” or \$6,493,000
<b>Term:</b>	Shall match that of the senior lender not to exceed 60 months
<b>Amortization:</b>	Currently anticipated to be up to 360 months
<b>Interest Rate:</b>	1.0% per annum
<b>Repayment Terms:</b>	Currently anticipated to be monthly interest only payments for 36 months, followed by equal monthly payments of principal and interest for 12 months. Remaining principal balance due at maturity.
<b>Collateral:</b>	To reasonably match that of the senior lender, currently anticipated to be a mortgage interest in the underlying real estate. MSF share of collateral will be subordinated to that of the Lender.
<b>Guarantee:</b>	To be determined.
<b>MSF Fees:</b>	The MSF shall be paid a one-time fee equal to one percent of the MSF’s share of the loan. Additionally, the Borrower will be responsible for any third-party costs incurred by the MEDC to close the project.
<b>Funding:</b>	MSF will fund up to \$6,493,000 to be disbursed following Certificate of Occupancy and completion of other performance criteria.
<b>Other Conditions:</b>	The MSF’s investment will be contingent upon the following: <ul style="list-style-type: none"><li>- Receipt of final construction documents, including a “Guarantee Maximum Price” construction contract</li><li>- Receipt of final National Park Service Part 2 approval</li><li>- Evidence of local approval of tax abatement(s)</li><li>- Minimum owner equity investment equal to the lesser of 20% of the total development cost or \$13,750,000</li></ul>



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



## MEMORANDUM

**Date:** September 26, 2023

**To:** Michigan Strategic Fund Board

**From:** Paula Holtz, Managing Director, Regions 7/9, Regional Prosperity  
Gregory West, Program Manager, Community Development Block Grant Program  
Amy Schlusler-Schmitt, Senior Program Specialist, Community Development Block Grant Program

**Subject:** *Community Development Block Grant Program  
2023 Public Gathering Spaces Initiative Grants*

---

### **Request**

Sixteen (16) units of general local government (UGLG) are requesting a total of \$20,000,000 in Community Development Block Grant (CDBG) funds for the expansion and creation of public gathering spaces in their communities. In addition, MEDC staff is requesting up to \$800,000 in CDBG funds to provide administrative services to assist these communities with the compliance and administrative requirements of the awards.

### **Background**

In February of 2023, the CDBG Program opened the 2023 Public Gathering Spaces Initiative (PGSI) competitive funding round with a budget of \$20,000,000. The PGSI is funding improvements intended to increase the usability, accessibility, and seasonality within new or existing community spaces on publicly owned property in communities on the MEDC's Low and Moderate Income Community Customers list. Examples of projects recommended for funding include the creation of/improvements to parks, town squares, amphitheaters, plazas, waterfronts, and playgrounds. The initiative received 25 eligible applications, totaling over \$30 million in requests.

Program specific requirements and screening guidelines are addressed in **Appendix A**.

A list of the sixteen (16) recommended projects is attached as **Appendix B** to this resolution and totals \$20,000,000. The list includes the CDBG applicants, percentage of low-and moderate-income people living in the community, grant amount requested and local match commitment. A map showing the location of the projects is also included as **Appendix C**. A more detailed description of the projects recommended for funding can be found in **Appendix D**.

### **Recommendation**

MEDC Staff recommends the MSF to authorize:

- A total of \$20,000,000 for construction of public gathering spaces; and
- Up to \$800,000 for administrative services.

## APPENDIX A – Programmatic Requirements & Screening Guidelines

### **Program Requirements**

The projects were evaluated utilizing the CDBG requirements. It has been determined that the projects meet the following requirements to qualify as an eligible project under the CDBG program:

- **National Objective:**  
The projects qualify for CDBG funding as the project’s activities will benefit all residents of the project area and at least 51 percent of the residents of the community are low- and moderate-income persons as determined by census data provided by the U.S. Department of Housing and Urban Development, or an income survey previously approved by staff. The projects meet a national objective by providing benefit to at least 51 percent low- and moderate-income persons.
- **Eligible Activity:**  
The projects involve eligible activities identified in Section 105(a) of Title I of the Housing and Community Development Act of 1974, as amended.

### **Screening Guidelines**

All recommended projects have met the following criteria:

- Located in a Community listed on the CDBG Low-Moderate Income Community Customer list, and the project benefits the entire community.
- Shall be to install permanent infrastructure or amenities required for the successful creation and/or operation of a public gathering space.
- Incorporates the basic tenets of Universal Accessibility design elements that enable public spaces to exceed Americans with Disabilities Act (ADA) requirements and create welcoming public spaces for residents of all abilities.
- Located on municipally owned property that demonstrates the ability to meet the LMI Area-Wide Benefit National Objective.
- Community is contributing a minimum cash match equal to 10% of total project costs.
- Community has demonstrated maintenance and marketing plans for the proposed project for its useful life.
- Timeline of project to be completed by December 31, 2025.
- Grant request between \$750,000 and \$2,000,000. (One grant request per community)

The MEDC staff has concluded that the projects meet the minimum program requirements and screening guidelines to be eligible under the CDBG program.

**Background Check:** A background check has been waived for the municipalities recommended for funding, pursuant to the Background Review Policy via Resolution 2019-063, which permits the MSF President and the MSF Fund Manager to exempt the applicant, the applicant’s key individuals and the applicant’s key owners of any applicant that is a non-profit organization, municipality, or institution of higher education. The projects may proceed for MSF consideration.

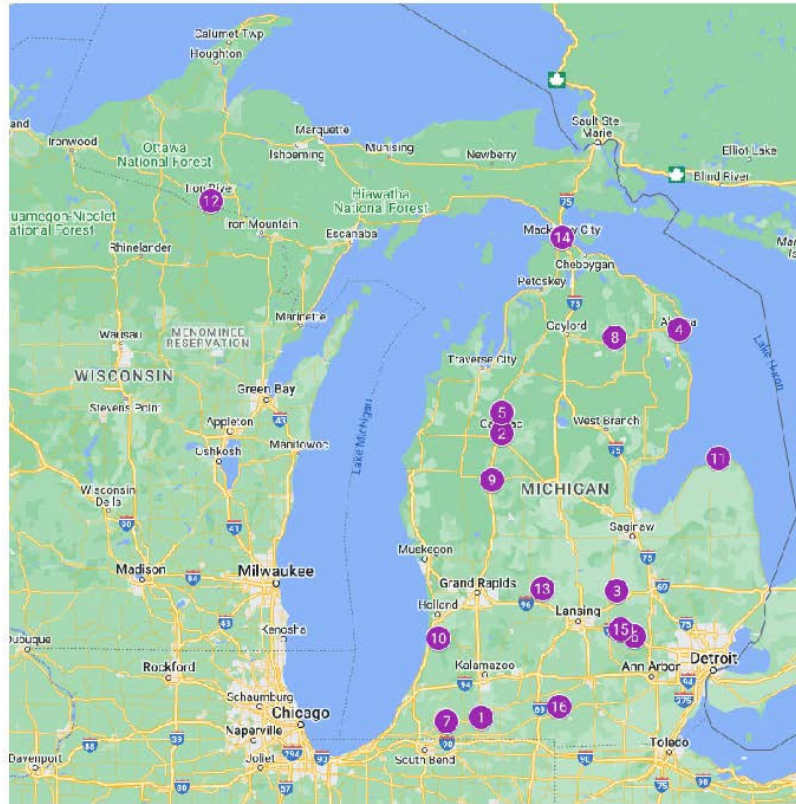
### Appendix B - Recommended Projects

Applicant/Communities	Percent Low/Mod	CDBG Request	Total Local Match
City of Three Rivers	52.33%	\$1,748,100	\$195,345
City of Cadillac	58.8%	\$750,000	\$120,000
City of Corunna	55.89%	\$750,000	\$280,000
City of Alpena	52.49%	\$991,995	\$118,555
City of Manton	55.28%	\$1,010,800	\$113,150
City of Howell	64.86%	\$2,000,000	\$4,935,000
Village of Cassopolis	61.68%	\$2,000,000	\$334,000
Briley Township	52.78%	\$753,300	\$83,700
City of Reed City	63.28%	\$1,000,000	\$150,000
City of Fennville	71.83%	\$1,108,170	\$123,133
Village of Port Austin	54.35%	\$2,000,000	\$1,423,300
City of Caspian	56.55%	\$963,000	\$107,000
Village of Muir	58.96%	\$1,255,100	\$150,000
Village of Mackinaw City	57.55%	\$750,000	\$86,550
Village of Fowlerville	63.54%	\$2,000,000	\$500,000
City of Litchfield	52.16%	\$919,535	\$241,780
		<b>\$20,000,000</b>	<b>\$8,961,513</b>

## Appendix C – Projects Location Map

### Projects

- 1 Downtown Ampitheater Project
- 2 Market at Cadillac Commons
- 3 McCurdy Park Gathering Space
- 4 Culligan Plaza Reconstruction
- 5 Railroad Park
- 6 Howell Depot Lot
- 7 Stone Lake Improvements
- 8 Briley Township Park
- 9 Reed City Splash Pad
- 10 City of Fennville Paradise Park Phase II
- 11 4 Season Pavillion Town Ctr. Farmers Market
- 12 Caspian Community Park Improvements
- 13 Muir Sensory Park
- 14 Old School Park
- 15 Community Park Improvements
- 16 Children's Park



## **Appendix D – Description of Projects Recommended for Funding**

### **Three Rivers – Region 8**

#### **Downtown Amphitheater Project**

The project will build an outdoor amphitheater near the Portage River in downtown Three Rivers with new unisex ADA-accessible restrooms and six-foot wide accessible pathways linking park facilities. The total project cost is \$1,953,445 with a CDBG Request of \$1,748,100. The project will activate over 74,000 square feet of public *space*. The City of Three Rivers is providing a match of \$195,345 and has leveraged \$10,000 in outside funding to complete the project.

### **Cadillac – Region 2**

#### **Market at Cadillac Commons**

Requested CDBG funds will enhance the Market at Cadillac Commons in downtown Cadillac. The project will provide an overhead door system and glass store fronts for the building, two new public restrooms, and many other amenities. These improvements will greatly enhance the seasonality and usability of this existing community space in the heart of downtown Cadillac. Cadillac is requesting CDBG funds in the amount of \$750,000, with a total project cost of \$870,000.

### **Corunna – Region 6**

#### **McCurdy Park Improvement Project**

Funds will be used for improvements to McCurdy Park, a community asset located in the downtown district of Corunna. The City is requesting \$750,000 in CDBG funding to construct accessible bathrooms, construct trails, install new playground equipment, a new firepit, a mural and to make other improvements to McCurdy Park. The City will support the project with \$280,000 in local funding for the project.

### **Alpena – Region 3**

#### **Culligan Plaza Reconstruction**

The City of Alpena has plans to reconstruct Culligan Plaza in downtown Alpena. The \$1,185,550 project will be funded using \$991,995 in CDBG funds and will renovate nearly 31,000 square feet in the heart of downtown Alpena. The project will include eliminating a recessed fountain, the creation of a natural water feature, construction of an events stage, a fire pit, and new public restrooms, all of which will be accessible to everyone regardless of ability. The City of Alpena is providing a match of \$118,555 toward the project.

### **Manton – Region 2**

#### **Railroad Park Improvements**

The project will activate 72,000 square feet of Railroad Park in downtown Manton, utilizing \$1,010,800 in CDBG funding. Amenities planned include a splash pad with water recirculation system, new playground equipment with poured rubber surface, a walking path and more. The total project cost is \$1,131,200 with the community providing a \$113,150 match.

### **Howell – Region 9**

#### **Howell Depot Lot**

At total of \$2 million in CDBG funding has been requested by the City of Howell to create a public gathering space in the heart of downtown Howell with a 12,800 sq. ft. pavilion that will seasonally house a public ice rink with restroom facilities, and will create a splash pad, fountain, and year-round fire pit. The total project cost is \$7,685,000. The City of Howell has committed \$4,935,000 and has leveraged an additional \$750,000 to complete the project.



## **Cassopolis – Region 8**

### **Stone Lake Improvements**

The Village of Cassopolis will make significant improvements to the waterfront area along Stone Lake within the community's downtown area. The total project cost is \$3,340,000. The community has committed \$334,000 in local funds and has leveraged an additional \$1,006,000 in outside funding. The Village is requesting \$2 million in CDBG funding for the project, which will include a new and expanded beach area, the removal of invasive species, the construction of retaining walls, new sidewalks, stairs and ramps for improved accessibility and connectivity, new turf and permanent riser eating, a fully accessible kayak/canoe floating launch, pavilion seating and more.

## **Briley Township – Region 3**

### **Briley Township Park Revitalization Project**

The Briley Township Park project will include the renovation of an enclosed pavilion, installation of pickleball courts, a green infrastructure bioswale, a rubberized playground surface, an open-air pavilion wind protection and other amenities in this well-loved park. The Township is requesting \$753,300 in CDBG funds to complete the project and has committed \$83,700 in local funding for a total project cost of \$837,000.

## **Reed City – Region 4**

### **Reed City Splash Pad**

The City of Reed City is requesting \$1,000,000 in CDBG funding to create a downtown pocket park that will include a water feature, lighting, and other amenities within Reed City's downtown. The city has committed \$150,000 toward the project, with a total project cost of \$1,150,000.

## **Fennville – Region 4**

### **Paradise Park Phase II**

This project, with a total cost of \$1,231,329, will include an updated, accessible playground, a fitness station, a restroom with a drinking water station, improved parking areas, a monarch butterfly waystation, and improved walkways and trails. The community has committed \$123,133 toward the project and is requesting \$1,108,170 in CDBG funding to complete the project.

## **Port Austin – Region 6**

### **Four Season Pavilion Town Center Farmers Market**

This project seeks to revitalize an underutilized area in Port Austin's downtown district with the construction of a permanent farmers market/town center structure with year-round restrooms, public drinking fountains, and a winter ice rink for the public. Port Austin is requesting \$2 million in CDBG funds and will allocate \$1,423,300 toward the project. The total project cost is \$3,423,300.

## **Caspian – Region 1**

### **Caspian Community Park Improvements**

The City of Caspian is requesting \$963,000 in CDBG funding to reconstruct the basketball, tennis, and pickleball courts, parking area, and fencing at Caspian Park. The project will provide barrier free parking and will include accessible paths connecting city sidewalks and site amenities, as well as fund the construction of a new playground area with universally accessible surfacing, a sheltered pavilion, and other amenities. The City is providing a match of \$107,000. The total project cost is anticipated to be \$1,070,000.

#### **Muir – Region 4**

##### **Muir Sensory Park**

The Village of Muir will construct an all-inclusive/universally designed Sensory Park on an underutilized 43,910-square-foot parcel of land. The project will include an exploratory/development play area, electronic interactive play equipment, fitness play area, zip line, artificial turf hillside slide, fireplace and more. The Village of Muir has committed \$150,000 toward the project, and the Village is requesting \$1,255,100 in CDBG funding for a total project cost of \$1,405,100.

#### **Mackinaw City – Region 3**

##### **Old School Park**

A total of \$750,000 in CDBG funds is being requested to construct a new universally accessible bathroom and pavilion facility at Old School Park in Mackinaw City. The project will include the replacement of an outdated playground structure with a new universally accessible structure, the construction of a new multi-use sports court, wayfinding signage, irrigation, and parking upgrades. The total space being improved is nearly 75,000 square feet. The total project cost is \$836,550 and the Village of Mackinaw City is providing a match of \$86,550 to complete the project.

#### **Fowlerville – Region 9**

##### **Community Park Improvements**

The Village of Fowlerville is requesting \$2 million in CDBG funding to complete improvements to Community Park in downtown Fowlerville. The project includes the construction of a recreation pavilion with restrooms and concessions, two new playgrounds, a splash pad, eight pickleball courts, outdoor exercise equipment, a shaded picnic area, fenced dog run area, relocated band shell with ice skating rink, shade canopies in activity areas, and park furnishings. The total project cost is approximately \$2.5 million, and the Village has committed \$500,000 in support of the project.

#### **Litchfield – Region 9**

##### **Children's Park Improvements**

The City of Litchfield will make improvements to Children's Park using \$919,535 in CDBG funding. The total project cost is \$1,161,315 and the community will need to commit to a \$241,780 match and has leveraged an additional \$6,105 in funding to complete the project. Improvements to the park will include a new splash pad, band shell, renovated bathrooms and concession space, and all-inclusive play equipment for children ages 5-12.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023-164**

**APPROVAL OF 2023 PUBLIC GATHERING SPACES PROJECTS**

**WHEREAS**, Executive Order 1999-1, issued pursuant to Article V of the Michigan Constitution of 1963 and the laws of the State of Michigan, consolidated the State’s economic development functions and programs and their accompanying powers in the Michigan Strategic Fund (the “MSF”).

**WHEREAS**, Executive Order 1999-1 transferred from the Michigan Jobs Commission to the MSF all authority, powers, duties, functions, grants, and responsibilities, including the functions of budgeting, procurement, personnel, and management related functions, of the Community Development Block Grant (the “CDBG”) program.

**WHEREAS**, the MSF, by Resolution 2020-062, 2020-093 and 2020-145 authorized and approved amendments to the 2019 CDBG Action Plan policies, criteria and parameters related to the CDBG Coronavirus Aid, Relief and Economic Security Act (CARES) funding.

**WHEREAS**, the CDBG program has policies, criteria, and parameters that are enumerated in the 2022 Program Year Funding Guide, as amended (the “Criteria”). The MSF, by Resolution 2022-143, authorized and approved the 2022 Action Plan and the 2022 Program Year Funding Guide Excerpt which includes guidelines for CDBG grants.

**WHEREAS**, the MSF Board, by Resolution 2022-152 authorized and approved a CDBG annual allocation to fund projects via funding rounds considered and evaluated based on the MSF’s approved 2022 Program Year Funding Guide.

**WHEREAS**, the CDBG program staff received and reviewed the twenty-five (25) proposed projects in light of the Criteria and HUD regulations and concluded the activities are eligible.

**WHEREAS**, staff recommends approval by the MSF Board of the sixteen (16) projects (Exhibit A) and up to \$800,000 for administration of the approved projects (the “Projects”); and

**WHEREAS**, pursuant to SFCR 10.1-1(3), the MSF approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards or decisions approved under the CDBG program.

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the Projects subject to available CDBG funding.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan  
September 26, 2023

**Exhibit A**

<b>Applicant/Communities</b>	<b>Percent Low/Mod</b>	<b>CDBG Request</b>	<b>Total Local Match</b>
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City of Litchfield	52.16%	\$919,535	\$241,780
		<b>\$20,000,000</b>	<b>\$8,961,513</b>



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MEMORANDUM**

**Date:** August 28, 2023

**To:** Michigan Strategic Fund (“MSF”) Board Members

**From:** Terri Fitzpatrick, EVP | Chief Real Estate & Global Attraction Officer

**Subject:** Incentive Request

**Marshall Area Economic Development Alliance (“MAEDA”) Request– Strategic Site Readiness Program (SSRP) Grant Request**

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**Request Summary**

This is a request from the Marshall Area Economic Development Alliance, “MAEDA”, (the “Applicant”) for incentive assistance for site readiness activities to support land acquisition and site and infrastructure development activities at the Marshall mega site in the City and Township of Marshall, Calhoun County, Michigan.

To support this project, the Applicant is requesting a Strategic Site Readiness Program, “SSRP”, performance-based Grant in the amount of \$65 million that will be used for land acquisition, site studies and preparation, water and wastewater upgrades, road enhancements, professional fees, administration and other necessary public infrastructure improvements (“SSRP Request”).

**Background**

On December 20, 2021, Governor Gretchen Whitmer, in collaboration with the Legislature, labor leaders, economic development agencies and various business groups, signed a package of economic incentives, including the SSRP, that will allow Michigan to compete for, and win, transformational projects that will bring long-term economic opportunity and security to regions and communities across the state.

On October 4, 2022, the Governor signed Public Act 194 of 2022 into law, which authorized \$350M be deposited in the Strategic Outreach and Attraction Reserve Fund, of which \$75M was directed to mega sites, which is the source for this request.

Before mega-site funding can be distributed, the Act required the development of a mega-strategic site strategic plan to be delivered to the Governor, Speaker of the House and Senate Majority Leader not later than 180 days of the enactment of the Act. The plan was completed and delivered pursuant to the Act.

Legislative approval of the transfer of funds from SOAR to MSF was completed on June 28, 2023.

**Project Description**

The Marshall site land control and development has been in process for several years. The site is bisected by 13 Mile Road. Much of the land to the east of 13 Mile Road is the successful site of the Ford BlueOval Battery Park Michigan. The land to the west of the site is approximately 800 acres and is being assembled for potential use as a supplier park and infrastructure improvements – water, sewer, roads – which will benefit the entire site and surrounding area.

To support the development, MAEDA has undertaken activities to advance the infrastructure improvements and own and control land. Because this site has been actively pursued for several years, it is also necessary to purchase land as option terms run out and renegotiating would cost the state millions more than

anticipated due to the attractiveness of the site with now a major user adjacent. In an effort to further bolster Michigan's competitiveness, MAEDA will use the funds as described to support business expansion or development opportunities for future, not identified projects.

### **Applicant History**

MAEDA is a non-profit economic development alliance in the city of Marshall, Michigan that is responsible for attracting new business and industry, retaining businesses, and promoting tourism in the Marshall area.

A background check has been completed in accordance with the MSF Background Review Policy, and the project may proceed for MSF consideration.

### **Demonstrated Need**

MAEDA has been working collaboratively with the MEDC to develop the Marshall site for several years. It is the most advanced large-scale site in Michigan, in the highly competitive market for mega sites across the country. Funding the land assemblage and infrastructure improvements while the BlueOval project is in process reduces costs and creates a more attractive site for business attraction and expansion opportunities.

### **Funding**

The SSRP will be funded through the Strategic Outreach and Attraction Reserve ("SOAR") Fund's transfer to the MSF, which occurred June 28, 2023.

**Appendix A** addresses programmatic considerations.

### **Recommendation**

MEDC Staff recommends approval of the SSRP Request as outlined in the attached resolution.

## APPENDIX A – SSRP Programmatic Considerations

### Key Statutory Criteria

Per section 88t of the MSF Act, to the extent reasonably applicable as reasonably determined by the MSF board to the type of project proposed, the MSF shall consider and document at least all of the following criteria for all SSRP awards before entering into a written agreement:

- **The importance of the project or Eligible Activities to the community in which is located and Michigan;**  
The project will be significant to the area by enhancing the existing Marshall site to create a land base for further business opportunities and enhancing public infrastructure at the site and the broader community.
- **If the project will act as a catalyst for additional revitalization of the community where it is located and Michigan;**  
The project will result be a catalyst for additional revitalization by offering a site or sites for business development or expansion, capitalizing on opportunities presented by the adjacent Ford BlueOval Battery Park Michigan.
- **The amount of local community and financial support for the project;**  
This is proactive site readiness work without a specific project in mind requesting financial support. The City and Township of Marshall and Calhoun County have been active partners in promoting the site and taking actions necessary to attract businesses to the area.
- **The amount of any other economic assistance or support provided by Michigan for the project;**  
Not applicable
- **The amount of any other economic assistance or support provided by the federal government for the project, including without limitation, federal appropriations or tax credits;**  
Not applicable
- **The amount of any private funds or investments for the project, including the Eligible Applicant's own investments in the project;**  
Not applicable
- **The Eligible Applicant's financial need for a grant, loan, or other economic assistance under the SSRP;**  
MAEDA does not have funding for the site development and has relied solely on state grants to prepare the entire site for business attraction.
- **The extent of reuse of vacant buildings, public or private, reuse of historic resources and redevelopment of blighted property;**  
Not applicable
- **Creation or retention of Qualified Jobs as a result of a technological shift in product or production at the project location and within Michigan;**  
Not applicable
- **Whether and how the project is financially and economically sound;**  
The acquisition of property and infrastructure improvements are economically efficient at this time as a result of current work on-going on the adjacent site and agreements in place for land control.
- **Whether and how the project converts abandoned public buildings to private use;**  
Not applicable
- **Whether and how the project promotes sustainable development;**  
This is a proactive site readiness effort and the promotion of sustainable development is not known at this time.
- **Whether and how the project involves the rehabilitation of a historic resource;**  
Not applicable
- **Whether and how the project addresses areawide redevelopment;**



The acquisition of property and infrastructure improvements create greater opportunities for redevelopment beyond its borders.

- **Whether and how the project addresses underserved markets of commerce;**  
Unknown at this time, but is likely to be related to EV production occurring on the adjacent site.
- **The level and extent of environmental contamination;**  
An environmental assessment of the site has been completed and shows soil conditions are suitable for construction of the planned facility.
- **Whether and how the project will compete with or affect existing Michigan businesses within the same industry;**  
Not applicable
- **Whether and how the project's proximity to rail and utility will impact the performance of the project and will maximize energy and logistics needs in the community in which it is located, and in Michigan;**  
Not applicable
- **The risk of obsolescence that the project, products, and investments in the future;**  
Michigan is years behind other states in strategic site readiness and proactively preparing sites is critical to attracting jobs and investment in Michigan.
- **The overall return on investment to Michigan;**  
Unknown
- **Whether the proposed Strategic Site is incorporated into a strategic plan of a political subdivision of Michigan;**  
The Marshall Township Master Plan explicitly identifies the Marshall Megasite and speaks to the unique development opportunities afforded to the site due to its size and location. The Marshall Megasite is recognized in the City of Marshall Master Plan as an industrial zoned area just west of the City between Michigan Avenue and the railroad, and one of the largest single parcels zoned industrial between Detroit and Chicago. This area is subject to the Master PA 425 Conditional Land Transfer agreement between the City of Marshall and Marshall Township and identified for collaborative industrial development between the two local units of governments.
- **Funding shall be allocated to eligible applicants applying based on a site assessment and investment proposal developed pursuant to the Michigan strategic site readiness program.**  
This funding request is consistent with the Michigan strategic site readiness program.

Additionally, under Section 88t of the MSF Act, since the end user of the mega-strategic site is not identified, the MSF Board shall also consider:

- **Whether the proposed mega-strategic site is supported by a strategic analysis that supports the demand for the site;**  
Demand for the site is confirmed by the mega-strategic site that was prepared by an independent, third-party firm specializing in mega-strategic site development and recurring interest from companies and site selectors in the site.
- **The feasibility of the proposed land acquisition;**  
Land acquisition is feasible with many property option agreements being in place for several years and prior to the announcement of the Ford BlueOval plant.
- **Utility and transportation availability, and the feasibility of necessary utility and transportation improvements;**  
The site meets utility and transportation needs and is most feasible treating the entire site as a whole and developing at one time.

- **Workforce availability and training capability;**  
The site meets workforce screening criteria, as identified in the mega-site strategic plan.
- **Environmental and topographical conditions, and the feasibility of necessary site improvements to address environmental and topographical conditions;**  
Necessary environmental and topographical conditions are feasible and being addressed.
- **Has the fund, working in collaboration with the eligible applicant, prepared a mega-strategic site investment strategy and spending plan that details the sequence and cost of anticipated investments in the selected mega-strategic site, the benchmarks for bringing the mega-strategic site to a marketable condition, and the marketing strategy for the mega-site, with the objective of establishing a certified mega-strategic site under a nationally recognized third party certification program?**  
Yes
- **Has the fund developed and delivered a mega-strategic site strategic plan pursuant to Public Act 194 of 2022?**  
Yes

**MICHIGAN STRATEGIC FUND  
RESOLUTION 2023-149**

**APPROVAL OF MICHIGAN STRATEGIC SITE READINESS PROGRAM  
GRANT TO MARSHALL AREA ECONOMIC DEVELOPMENT ALLIANCE**

**WHEREAS**, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

**WHEREAS**, pursuant to Section 88t of the MSF Act, MCL 125.2088t, the MSF shall create and operate the Michigan strategic site readiness program to provide grants, loans, and other economic assistance for eligible applicants to conduct eligible activities for the purpose of creating investment-ready sites to attract and promote investment in this state for eligible activities on, or related to, strategic sites and mega-strategic sites (the “Strategic Site Readiness Program”);

**WHEREAS**, on January 11, 2022, the MSF Board created the Strategic Site Readiness Program and approved the guidelines, which have been updated from time to time, for the implementation and operation of the Strategic Site Readiness Program (the “Strategic Site Readiness Program Guidelines”);

**WHEREAS**, pursuant to Public Act 194 of 2022 (“2023 Supplemental”), among other things, funds were appropriated to Strategic Outreach and Attraction Reserve (“SOAR”) Fund created by Public Act 137 of 2021;

**WHEREAS**, under Section 408 of the 2023 Supplemental, an aggregate of \$350 million is to be used for the Strategic Site Readiness Program (“\$350 million 2023 SSRP Supplemental”), subject to the transfer of SOAR funds by the legislature;

**WHEREAS**, under Section 408(4) of the \$350 million 2023 SSRP Supplemental, \$75 million is to be used for SSRP activities for mega-strategic sites;

**WHEREAS**, on June 28, 2023, the legislature approved the transfer of \$250 million of the \$350 million 2023 SSRP Supplemental to the MSF for the Strategic Site Readiness Program;

**WHEREAS**, Marshall Area Economic Development Alliance submitted an application seeking a Strategic Site Readiness Program grant in the amount of \$65,000,000 to conduct site assessment activities, site development activities, land assembly and site improvement activities for portions of the Marshall mega-strategic site where an end-user has not been identified as permitted under Section 408(4) of the 350 million 2023 SSRP Supplemental, and in accordance

with the Strategic Site Readiness Program and the Strategic Site Readiness Program Guidelines (the “Grant Request”);

**WHEREAS**, the MEDC recommends the MSF approve the Grant Request; and

**WHEREAS**, the MSF Board wishes to approve the Grant Request.

**NOW THEREFORE, BE IT RESOLVED**, the MSF Board approves the Grant Request;

**BE IT FURTHER RESOLVED**, the MSF Fund Manager is authorized to negotiate final terms and conditions of the Grant Request and to execute all documents necessary to effectuate the Grant Request.

Ayes: Britnay Affolter-Caine, Director Corbin, Treasurer Eubanks, Dimitrius Hutcherson, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner

Nays: Wesley Ecklund

Recused: 0

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



**MEMORANDUM**

**Date:** September 26, 2023  
**To:** Michigan Strategic Fund Board  
**From:** Terri Fitzpatrick, EVP|Chief Real Estate & Global Attraction Officer  
**Subject:** Approval of Strategic Site Readiness Program Grant to 10 Prosperity Regions Economic Development Organizations

**Request**

The Michigan Economic Development Corporation (the “MEDC”) requests the Michigan Strategic Fund (the “MSF”) board approve a Strategic Site Readiness Program (“SSRP”) grants to 11 economic development organizations located within the 10 prosperity regions. The total amount of the 11 SSRP grants will equal \$25,000,000. This request will exhaust the funds allocated to the MSF in Section 408(2) of Public Act 194 of 2022 (“PA 194 of 2022”).

Region	Grant Recipient	Population	% State Population	Funding Allocation
1	InvestUP	300,111	3%	\$752,244
2	Northwest Michigan Council of Governments	334,614	3.4%	\$838,728
3	Northeast Michigan Council of Governments	173,812	1.7%	\$435,669
4	The Right Place	1,604,427	16.1%	\$4,021,581
5	Saginaw Future	560,152	5.6%	\$1,404,050
6	Flint & Genesee Chamber of Commerce	847,173	8.5%	\$2,123,484
7	Lansing Economic Area Partnership	479,610	4.8%	\$1,202,168
8	Southwest Michigan First	501,755	5.0%	\$1,257,674
8	Cornerstone Alliance	281,504	2.8%	\$705,605
9	Ann Arbor Spark	1,011,408	10.1%	\$2,535,147
10	Detroit Regional Partnership	3,879,292	38.9%	\$9,723,650
	<b>Total</b>			<b>\$25,000,000</b>

**Background**

On December 20, 2021, Governor Gretchen Whitmer, in collaboration with the Legislature, labor leaders, economic development agencies and various business groups, signed Public Act 134 of 2021 (“PA 134”), a package of economic incentives that enhanced Michigan’s position to compete for, and win, transformational projects that will bring long-term economic opportunity and security to regions and communities across the state. The SSRP was included in PA 134 and its purpose was to create a state-wide inventory of investment-ready sites to attract and promote investment in Michigan for activities on, or related to, strategic sites and strategic mega-sites.

On October 4, 2022, the Governor signed PA 194 of 2022 into law, which authorized \$350M be deposited in the Strategic Outreach and Attraction Reserve Fund, of which \$25M was directed to regional and local economic development corporations, which is the source for this request.

Legislative approval of the transfer of funds from SOAR to MSF was completed on June 28, 2023.

On August 22, 2023, the MSF Board approved the SSRP Amended Guidelines (the “SSRP Guidelines”) to include the addition of PA 194 of 2022, to address the grants to local and regional economic development organizations under Section 408(2) of PA 194 of 2022, including in accordance with Section 88t(11) of the MSF Act (“Section 88t(11)”).

Appendix A addresses the programmatic considerations. The background review process was completed in accordance with the MSF Background Review Policy on September 8, 2023.

### **Program Summary**

Under Section 408(2) of PA 194 of 2022 and Section 88t(11), the MSF is authorized to make grants and provide technical assistance to local economic development organizations for the purposes of creating an inventory of development-ready sites, provided that the inventory shall utilize nationally recognized criteria to identify the readiness of those sites for improvement.

As provided by the SSRP Guidelines, grant awards under Section 88t(11) will be distributed by prosperity region using a population-based formula. The table set forth above reflects these requirements. Each site receiving funding under Section 88t(11) shall be submitted to the MEDC for inclusion in a statewide inventory of large strategic sites.

### **Recommendation**

The MEDC recommends the MSF Board:

- Approve the respective SSRP grants to the proposed grantees in their respective proposed grant amounts as set forth in the table above.

**Appendix A**  
**SSRP EDO Programmatic Evaluation Criteria**

Under this program, the MEDC shall consider and document, as reasonably determined by the fund board, at a minimum all of the following:

For a strategic site without an end user identified

1. The degree to which the proposed site demonstrates a high level of competitiveness for future development, considering and documenting all of the following:
  - (i) Whether the proposed site is currently assembled.
  - (ii) Whether the proposed site is under site control.
  - (iii) Whether the proposed site is of a size, configuration, location, and condition that makes the site substantially ready for marketing and competitive for development upon completion of the grant, loan, or other economic assistance proposed to be offered under this program and demonstrated matching contributions.

**Answer:** There will be various stages of strategic sites throughout the 11 organizations receiving funds under the \$25 million EDO allocation. Some organizations have identified strategic sites in their region and can address the three sub-bullets above, while other regions are at the beginning stages of identifying strategic sites. In these regions if awarded the funds will be used to hire a third-party firm to assist with site identification.

2. Whether the proposed investment will result in the elimination of blight and the remediation of environmental contamination.

**Answer:** Some of the 11 organizations have identified brownfields in their regions and if awarded the organizations will use some of the funds to remediate the brownfield.

3. The degree of local matching contributions.

**Answer:** Some of the 11 organizations have the means to provide matching funds due to federal dollars that were awarded for site readiness purposes. Other organizations do not have the means to provide matching funds.

4. Whether the award will promote geographic equity in the distribution of funds between different areas of this state.

**Answer:** Yes, if awarded the funds will be distributed across various regions throughout the state.

5. Whether the eligible applicant has pursued all available cost-containment measures.

**Answer:** Yes, some of the 11 organizations have pursued other cost-containment measures and have been awarded funds. While the rest of the organizations may not have qualified for funds from another source.

For a mega site without an end user identified

1. Whether the proposed mega-strategic site is supported by a strategic analysis that supports the demand for that site.

**Answer:** A few of the organizations have identified mega sites without an end user. The demand for the site is confirmed by the mega-strategic site that was prepared by an



independent, third-party firm specializing in mega-strategic site development and recurring interest from companies and site selectors in the site.

2. The feasibility of proposed land acquisition.

**Answer:** The organizations that has identified a mega site, land acquisition is feasible with many property option agreements being in place for at least one year and being in the top three for site selection against other states.

3. Utility and transportation availability, and the feasibility of necessary utility and transportation improvements.

**Answer:** The organizations that has identified a mega site, the site meets utility and transportation needs and is most feasible treating the entire site as a whole and developing at one time.

4. Workforce availability and training capability.

**Answer:** The organizations that has identified a mega site, the site meets workforce screening criteria, as identified in the mega-site strategic plan.

5. Environmental and topographical conditions, and the feasibility of necessary site improvements to address environmental and topographical conditions.

**Answer:** The organizations that has identified a mega site, necessary environmental and topographical conditions are feasible and being addressed.

The criteria that will be used if an end user is identified is below. No end users have been identified by any of the organizations applying for the \$25 million allocated to the EDOs.

1. The strategic economic importance of the project to the community in which it is located and to this state.
2. Whether the financial assistance is needed to secure the project in this state.
3. The degree to which the project is a priority for the local governmental unit or local economic development corporation in the jurisdiction of which the site is located.
4. The level of creation or retention of qualified jobs as a result of a technological shift in product or production.
5. Whether the qualified jobs created or retained as a result of a technological shift in product or production equal or exceed the average wage for the county in which the project is located.

**MICHIGAN STRATEGIC FUND  
RESOLUTION 2023-150**

**APPROVAL OF MICHIGAN STRATEGIC SITE READINESS PROGRAM  
GRANTS TO REGIONAL AND LOCAL  
ECONOMIC DEVELOPMENT CORPORATIONS**

**WHEREAS**, the Michigan Legislature enacted the Michigan Strategic Fund Act, MCL 125.2001 et. seq., (the “MSF Act”) to authorize the Michigan Strategic Fund (“MSF”) to provide incentives in the form of grants, loans, and other economic assistance for the development and improvement of Michigan’s economy;

**WHEREAS**, the Michigan Economic Development Corporation (“MEDC”) provides administrative services to the MSF;

**WHEREAS**, pursuant to Section 88t of the MSF Act, MCL 125.2088t, the MSF shall create and operate the Michigan strategic site readiness program to provide grants, loans, and other economic assistance for eligible applicants to conduct eligible activities for the purpose of creating investment-ready sites to attract and promote investment in this state for eligible activities on, or related to, strategic sites and mega-strategic sites (the “Strategic Site Readiness Program”);

**WHEREAS**, on January 11, 2022, the MSF Board created the Strategic Site Readiness Program and approved the guidelines, which have been updated from time to time, for the implementation and operation of the Strategic Site Readiness Program (the “Strategic Site Readiness Program Guidelines”);

**WHEREAS**, pursuant to Public Act 194 of 2022 (“2023 Supplemental”), among other things, funds were appropriated to Strategic Outreach and Attraction Reserve (“SOAR”) Fund created by Public Act 137 of 2021;

**WHEREAS**, under Section 408 of the 2023 Supplemental, an aggregate of \$350 million is to be used for the Strategic Site Readiness Program (“\$350 million 2023 SSRP Supplemental”), subject to the transfer of SOAR funds by the legislature;

**WHEREAS**, under Section 408(2) of the \$350 million 2023 SSRP Supplemental, \$25 million is to be used for SSRP activities, including as set forth under Section 88(t)(11);

**WHEREAS**, under the Strategic Site Readiness Program Guidelines, Strategic Site Readiness Program awards under Section 88(t)(11) will be distributed by prosperity region using a population-based formula;

**WHEREAS**, on June 28, 2023, the legislature approved the transfer of \$250 million of the \$350 million 2023 SSRP Supplemental to the MSF for the Strategic Site Readiness Program;

**WHEREAS**, the regional and local economic development corporations set forth on the attached Exhibit A have each submitted applications seeking a Strategic Site Readiness Program grant for assistance to bring sites within their respective regions into a state of readiness as permitted under Section 408(2) of the 350 million 2023 SSRP Supplemental, and in accordance with the Strategic Site Readiness Program and the Strategic Site Readiness Program Guidelines (the “Grant Requests”);

**WHEREAS**, the MEDC recommends the MSF approve the Grant Requests to the respective applicants listed on Exhibit A, in the respective allocated amounts listed therein as prescribed by the Strategic Site Readiness Program Guidelines (“Grant Amounts”); and

**WHEREAS**, the MSF Board wishes to approve the respective Grant Requests in the respective Grant Amounts listed on Exhibit A (“SSRP EDO Awards”).

**NOW THEREFORE, BE IT RESOLVED**, the MSF Board approves the SSRP EDO Awards;

**BE IT FURTHER RESOLVED**, the MSF Fund Manager is authorized to negotiate final terms and conditions of the SSRP EDO Awards and to execute all documents necessary to effectuate the SSRP EDO Awards.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Cindy Warner

Nays: 0

Recused: Randy Thelen

Lansing, Michigan  
September 26, 2023

**EXHIBIT A**

<b>Region</b>	<b>Grant Recipient</b>	<b>Population</b>	<b>% State Population</b>	<b>Funding Allocation</b>
1	InvestUP	300,111	3%	\$752,244
2	Northwest Michigan Council of Governments	334,614	3.4%	\$838,728
3	Northeast Michigan Council of Governments	173,812	1.7%	\$435,669
4	The Right Place	1,604,427	16.1%	\$4,021,581
5	Saginaw Future	560,152	5.6%	\$1,404,050
6	Flint & Genesee Chamber of Commerce	847,173	8.5%	\$2,123,484
7	Lansing Economic Area Partnership	479,610	4.8%	\$1,202,168
8	Southwest Michigan First	501,755	5.0%	\$1,257,674
8	Cornerstone Alliance	281,504	2.8%	\$705,605
9	Ann Arbor Spark	1,011,408	10.1%	\$2,535,147
10	Detroit Regional Partnership	3,879,292	38.9%	\$9,723,650
	<b>Total</b>			<b>\$25,000,000</b>



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

September 20, 2023

MSF Fund Manager  
MEDC  
300 N. Washington Square  
Lansing, Michigan

Dear Fund Manager,

This is to advise that I am recusing myself from voting and excuse myself during the discussion of the following items on the Michigan Strategic Fund Board Meeting Agenda on September 26, 2023.

- Contractual Small Business Solutions and Services
- Strategic Site Readiness program

The reason for my recusal is I have a potential conflict with these items due to a potential MSF grant to RPI related to this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Thelen". The signature is written in a cursive style with a long horizontal stroke at the end.

Randy Thelen



## MEMORANDUM

**Date:** September 26, 2023  
**To:** Michigan Strategic Fund (“MSF”) Board Members  
**From:** Brittney Mizer, Business Development Project Manager  
**Subject:** Grant Request  
Michigan Business Development Program (“MBDP”)  
Samsung SDI America, Inc. (“Company” or “Applicant”)

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### Request Summary

- This is a request from the Applicant for a \$5,000,000 MBDP Grant, as outlined in the attached Term Sheet (“MBDP Request”).
- This project involves the creation of up to 368 Qualified New Jobs and a capital investment of up to \$41,000,000 in the City of Auburn Hills, Oakland County.

### Applicant History

The Company was incorporated in San Jose, California in 1988. The Company is a leading manufacturer of lithium-ion batteries that are used in automotive applications, including battery packs for electric vehicles manufactured by automotive OEM’s. The Company currently operates out of its North American headquarters in Auburn Hills, Michigan and an office in San Jose, California, with global headquarters in Yongin, South Korea. As of June 2<sup>nd</sup>, the Company employed 628 individuals in Michigan and expects to employ close to 1,000 workers in the United States by the end of 2025 to support its ever-growing battery business. In 2022, the Company entered into a joint venture to add an additional US facility in Kokomo, Indiana. This facility is anticipated to become operational in 2025.

The background review process was completed in accordance with the MSF Background Review Policy on August 4, 2023, and the request may proceed for MSF consideration.

### Project Description

The Company is considering expanding the two facilities in Auburn Hills which will increase production capacity to meet customer needs in the automotive sector. Between these two sites, the overall space will increase by 218,000 square feet and will be used for production line expansions, employee welfare facilities, and IT upgrades. This project expansion will lead to a doubling of manufacturing capacity with the construction of the second production line, which in turn will add between 300-400 additional employees by the end of 2025.

The Company is considering Auburn Hills for the project and anticipates the project will result in capital investment of up to \$41,000,000. The project will also result in the creation of up to 368 new jobs paying an average wage of \$37.50 per hour plus benefits. The Company pays 100% of employees’ health care costs and marks the wellbeing of their employees as a high priority.

### Demonstrated Need

The Company is considering expanding in Indiana or other states in the mid-west, as well as Michigan. The Company is currently building a new facility in Kokomo, IN that is still early enough in the construction process that it could be retrofitted to include this proposed expansion. Additionally, the Company is considering further expansions in the Midwest United States to broaden their footprint.

In addition to MSF support, the Company is also receiving free advertising from the City of Auburn Hills on electronic billboards along I-75 that will note the Company's reinvestment in the community. Additionally, Oakland County Michigan Works! has pledged significant support for training and workforce development related to this project.

**Request**

In order to secure the project, the Applicant is requesting a \$5,000,000 MBDP performance-based grant. The MBDP Request will help address the cost disadvantage of locating the project in Michigan when compared to the competing sites outside of Michigan. The MBDP funds will help offset the cost of the additional machinery and equipment, and infrastructure updates needed at these two facilities, allowing the Company to ramp up production to meet consumer demand, and become a strong employer in the region.

This project aligns with the MEDC's strategic focus area of supporting a business in the target industry of mobility and builds on the state's work to position itself as the global leader in the future of mobility and vehicle electrification. The proposed project will also impact the local region with immediate job growth with a large and expanding automotive supplier. This facility will result in the creation of up to 368 new jobs and up to \$41,00,000 in capital investment in the City of Auburn Hills, Oakland County. Adding 368 new jobs within a strategic focus industry in the State of Michigan would further solidify the Company's presence and future business in the state.

**Recommendation**

MEDC Staff recommends approval of the MBDP Request, as outlined in the attached resolution.



**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023-167**

**APPROVAL OF A MICHIGAN BUSINESS DEVELOPMENT PROGRAM GRANT TO  
SAMSUNG SDI AMERICA, INC.**

**WHEREAS**, the Michigan legislature passed legislation establishing the 21<sup>st</sup> Century Jobs Trust Fund initiative that was signed into law;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the Michigan Strategic Fund (the “MSF”) for 21<sup>st</sup> Century Jobs Trust Fund programs;

**WHEREAS**, pursuant to MCL 125.2088r, the MSF shall create and operate the Michigan Business Development Program (the “MBDP”) to provide grants, loans and other economic assistance to qualified businesses that make qualified investments or provide qualified new jobs in Michigan;

**WHEREAS**, on December 21, 2011, by Resolution 2011-184, the MSF Board (i) created the MBDP, and (ii) adopted the guidelines for the MBDP, as later amended on December 8, 2020 by Resolution 2020-146 (the “Guidelines”);

**WHEREAS**, pursuant to SFCR 125.2088r-1 (the “Delegation”), the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MBDP in accordance with the Guidelines (the “Transaction Documents”);

**WHEREAS**, the MSF Act, MCL 125.2001 et seq. and the Delegation require that MBDP awards over \$1 million must be approved by the MSF Board;

**WHEREAS**, Samsung SDI America, Inc. (the “Company”) has requested a performance based MBDP grant of up to \$5,000,000 (the “Request”), along with other general terms and conditions which are outlined in the term sheet attached as Exhibit A (the “Term Sheet”) to purchase additional machinery and equipment and expand on two existing facilities, providing additional production line capacity, improved employee welfare facilities and additional office space (the “Project”);

**WHEREAS**, pursuant to the Guidelines, the Company is a Qualified Business and the Project is eligible as a Standard MBDP because the Company committed to the creation of at least 50 Qualified New Jobs and the Project falls within mobility and automotive manufacturing, an innovation industry;

**WHEREAS**, the MEDC has completed the background check in accordance with the MSF policy, and the Project may proceed for MSF consideration; and

**WHEREAS**, the MEDC recommends that the MSF Board approve the Request in accordance with the Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents, within 120 days of the date of this Resolution (“Time Period”), or this Resolution shall have no effect; provided however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 60 days (collectively, the “MBDP Award Recommendation”).

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the MBDP Award Recommendation.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Randy Thelen

Nays: None

Recused: None

Lansing, Michigan  
September 26, 2023



**MICHIGAN ECONOMIC  
DEVELOPMENT CORPORATION**

**EXHIBIT A  
MICHIGAN BUSINESS DEVELOPMENT PROGRAM  
Performance Based Incentive - Term Sheet - Summary**

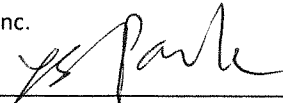
The following is a summary of the highlights of the project and basic terms for which the Company desires grant support from the Michigan Strategic Fund ("MSF") under the Michigan Business Development Program ("MBDP").


**Date: August 18, 2023**

<b>Company Name:</b>	Samsung SDI America, Inc. and/or its affiliates and subsidiaries.
<b>Project Location:</b>	Auburn Hills, MI
<b>MBDP Incentive Type:</b>	Performance Based Grant
<b>Maximum Amount of MBDP Incentive:</b>	Up to \$5,000,000
<b>Base Employment Level:</b>	At least 628, at the time of first disbursement of funds and thereafter
<b>Maximum Number of Qualified New Jobs ("QNJ"):</b>	Up to 368 Full-Time Jobs in Michigan
<b>Municipality Supporting Project:</b>	The City of Auburn Hills has agreed to provide staff, financial or economic assistance in support of the project.
<b>Start Date for Measurement of Creation of Qualified New Jobs:</b>	June 2, 2023 (Date of Signed Offer Letter)
<b>Term of the Agreement:</b>	<b>May 31, 2026</b>
<b>Milestone Based Incentive:</b>	Disbursements will be made over a two-year period, and each are contingent upon compliance with the Agreement and performance based on job creation, as follows: \$13,587 per QNJ for the creation of a minimum of 200 jobs up to a maximum of 250 jobs. \$13,587 per QNJ for the creation of a minimum of 251 jobs up to a maximum of 368 jobs.

*The detailed numbers, and statutorily required repayment and reporting provisions, will be reflected in the subsequent transaction documents.*

**Acknowledged as received by:**

Samsung SDI America, Inc.  
By:   
Printed Name: Yongseok Bak  
Its: CFO

Michigan Economic Development Corporation  
By:   
Printed Name: Brittney Mizer  
Its: BDPM

August 18, 2023 – Samsung SDI America, Inc.



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



## MEMORANDUM

**Date:** September 26, 2023  
**To:** Michigan Strategic Fund (“MSF”) Board Members  
**From:** Sara Bishop, Senior Business Development Project Manager  
**Subject:** Incentives Request  
Michigan Business Development Program (“MBDP”) Grant Request  
State Essential Services Assessment (“SESA”) Exemption Request  
Proton Energy Systems, Inc. dba Nel Hydrogen US (“Company” or “Applicant”)

---

### Request Summary

This is a request from the Applicant for (collectively, the “Incentives Request”):

- Approval of a \$10,000,000 MBDP Grant, as outlined in the attached Term Sheet.
- Approval of a 15-year 100% SESA Exemption with an estimated value of up to \$6,254,078 for its \$299,250,000 eligible investment in Eligible Personal Property (“SESA Request”).
  - In accordance with the SESA and Alternative SESA Program Guidelines (“Program Guidelines”), SESA Exemptions can be considered for those projects locating in an Eligible Distressed Area (“EDA Requirement”). The Program Guidelines also require investment to be made within three years of the commencement of the project (“Commencement Requirement”). As part of the SESA Request, staff is recommending the MSF waive the EDA Requirement and the Commencement Requirement to allow investments made within five years of the commencement of the project (collectively, the “Waiver Request”).
- This project involves the creation of up to 517 Qualified New Jobs and a capital investment of up to \$413,738,400 in Plymouth Charter Township, Wayne County.

### Applicant History

The Company’s parent, Nel ASA, is a global, dedicated hydrogen company, delivering optimal solutions to produce and distribute hydrogen from renewable energy. Nel ASA’s roots date back to 1927, and since then, the company has had a proud history of development and continuous improvement of hydrogen technologies. Today, its hydrogen solutions cover the entire value chain from hydrogen production technologies to hydrogen fueling stations, enabling industries to transition to green hydrogen, and providing all fuel cell electric vehicles with the same fast fueling and long range as fossil-fueled vehicles without the emissions. Nel ASA’s product offerings are key enablers for a green hydrogen economy, making it possible to decarbonize various industries such as transportation, refining, steel, and ammonia. The Company’s parent is headquartered in Oslo, Norway and employs approximately 600 people globally.

The Company was established in 1996 as a spinoff of Raytheon Technologies' aerospace business and was acquired by the Norwegian hydrogen company Nel ASA in 2017. The Company is a world leader in the Proton Exchange Membrane (PEM) hydrogen production technology and has developed its product offering from small scale electrolyzers to megawatt (MW) scale electrolyzers. The Company currently has no employees in Michigan.

The background review process was completed in accordance with the MSF Background Review Policy on July 5, 2023, and the project may proceed for MSF consideration.

### **Project Description**

The Company is establishing a new 507,000 square foot automated gigawatt electrolyzer manufacturing facility in Michigan to manufacture PEM and Liquid Alkaline (ALK) hydrogen electrolyzers. The site chosen is expected to be a full greenfield build constructed specifically for the Company and this project. The Company intends to commit to a fixed term lease of 15 years. The project is expected to generate a total capital investment of over \$400 million, \$300 million alone in machinery and equipment, as well as create 517 good-paying clean energy manufacturing jobs that build on Michigan's leadership in the hydrogen space.

The Company has decided on a location in Plymouth Charter Township for the new gigafactory, which will manufacture equipment for the production of liquid alkaline electrolysis. Through electrolysis, hydrogen can be produced from water and renewable energy. Hydrogen, the most abundant and lightest element in the universe, can play a significant role in accelerating Michigan's clean-energy transition away from fossil fuels.

The Company is considering Plymouth Charter Township for the project and anticipates the project will result in capital investment of up to \$413,738,400. The project will also result in the creation of up to 517 new jobs paying an average wage of \$1,361 per week plus benefits.

### **Demonstrated Need**

Incentive assistance is needed to ensure the project moves forward in Michigan due to the significant capital investment associated with establishing an electrolyzer manufacturing facility. Without assistance from the state, the Company would be forced to accept the entire investment themselves, limiting its ability to create positive economic impact in the form of jobs and up/downstream supply chain investment.

Michigan has also been a part of a competitive bidding process since October 2022, competing against five states with equally competitive incentive packages. Even though the Company is attracted to locating this facility in Michigan due to a key strategic partnership within the automotive industry, incentive assistance is necessary to ensure the project moves forward in Michigan.

In addition to MSF support, Plymouth Charter Township anticipates approval of a real property tax abatement in support of the project. The MEDC also authorized a State Education Tax abatement to be used in conjunction with the locally approved abatement.

### **Request**

In order to secure the project, the Applicant is requesting a \$10,000,000 MBDP performance-based grant and a 15-year 100% SESA Exemption valued at \$6,254,078. The MBDP Request will help address the competing incentive packages the Company received from the five competing sites outside of Michigan. The MBDP funds will help offset the upfront costs of purchasing the necessary machinery and equipment and facility costs allowing the Company to establish its manufacturing presence and become a strong employer in the region.

This project aligns with the MEDC's strategic focus area of supporting a business in the target industry of advanced manufacturing and builds on the state's work to position itself as the global leader in the hydrogen space. The proposed project will also impact the local region with immediate job growth from a growing hydrogen company and a transformational project for the region. This facility will result in the creation of up to 517 new jobs and up to \$413,738,400 in capital investment in Plymouth Charter Township, Wayne County.

**Recommendation**

MEDC Staff recommends approval of the Incentives Request, as outlined in the attached resolution.

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023-165**

**APPROVAL OF A MICHIGAN BUSINESS DEVELOPMENT PROGRAM GRANT TO  
PROTON ENERGY SYSTEMS, INC. dba NEL HYDROGEN US**

**WHEREAS**, the Michigan legislature passed legislation establishing the 21<sup>st</sup> Century Jobs Trust Fund initiative that was signed into law;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the Michigan Strategic Fund (the “MSF”) for 21<sup>st</sup> Century Jobs Trust Fund programs;

**WHEREAS**, pursuant to MCL 125.2088r, the MSF shall create and operate the Michigan Business Development Program (the “MBDP”) to provide grants, loans and other economic assistance to qualified businesses that make qualified investments or provide qualified new jobs in Michigan;

**WHEREAS**, on December 21, 2011, by Resolution 2011-184, the MSF Board (i) created the MBDP, and (ii) adopted the guidelines for the MBDP, as later amended on December 8, 2020 by Resolution 2020-146 (the “Guidelines”);

**WHEREAS**, pursuant to SFCR 125.2088r-1 (the “Delegation”), the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the MBDP in accordance with the Guidelines (the “Transaction Documents”);

**WHEREAS**, the MSF Act, MCL 125.2001 et seq. and the Delegation require that MBDP awards over \$1 million must be approved by the MSF Board;

**WHEREAS**, Proton Energy Systems, Inc. dba Nel Hydrogen US (the “Company”) has requested a performance based MBDP grant of up to \$10,000,000 (the “Request”), along with other general terms and conditions which are outlined in the term sheet attached as Exhibit A (the “Term Sheet”) to establish a new 507,000 square foot automated gigawatt electrolyzer manufacturing facility in Michigan to manufacture Proton Exchange Membrane (PEM) and Liquid Alkaline (ALK) hydrogen electrolyzers (the “Project”);

**WHEREAS**, pursuant to the Guidelines, the Company is a Qualified Business and the Project is eligible as an Innovation MBDP because the Company is committed to the creation of at least 25 Qualified New Jobs and the Project falls within other general-purpose machinery, an innovation industry;

**WHEREAS**, the MEDC has completed the background check in accordance with the MSF policy, and the Project may proceed for MSF consideration; and

**WHEREAS**, the MEDC recommends that the MSF Board approve the Request in accordance with the Term Sheet, subject to: (i) available funding; (ii) final due diligence performed to the satisfaction of the MEDC; and (iii) execution of the Transaction Documents, within 120 days of the date of this Resolution (“Time Period”), or this Resolution shall have no effect; provided however, at the sole discretion of the MSF Fund Manager, the Time Period may be extended for up to an additional 60 days (collectively, the “MBDP Award Recommendation”).

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the MBDP Award Recommendation.



Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan  
September 26, 2023

## **Michigan Business Development Program (“MBDP”) Grant Term Sheet**

This term sheet (the “Term Sheet”) sets forth key terms of a potential grant by the Michigan Strategic Fund (the “MSF”) in favor of Proton Energy Systems, Inc. dba Nel Hydrogen US (the “Company”). The proposed terms and conditions herein will not be construed as binding upon either party until the mutual execution of a written grant agreement. Any obligations that may be deemed to arise under this Term Sheet are contingent on the approval of the MSF Board.

### **PROJECT SUMMARY**

**Scope of the Project:** The Company intends to establish a new 507,000 square foot automated gigawatt electrolyzer manufacturing facility in Michigan to manufacture Proton Exchange Membrane (PEM) and Liquid Alkaline (ALK) hydrogen electrolyzers in Plymouth Charter Township, Wayne County (the “Project Site”). The Company expects to ramp up over the course of the next five (5) years resulting in an expected creation of at least 517 new jobs at the Project Site and a projected investment of \$413,738,400 by December 31, 2028, at the Project Site (collectively, the “Project”).

**Award Amount:** A maximum grant of \$10,000,000 (the “Award”), all or a portion of which is also referred to as the “Grant”).

**Term of the Agreement:** Effective Date of the Grant Agreement through March 31, 2029, (the “Term”).

**Overall Jobs Commitment:** Creation of a minimum of 517 Qualified New Jobs (the “Overall Jobs Minimum”) at the Project Site, above a Statewide Base of zero (0) employees (the “Overall Base”), on December 31, 2028, (the “Jobs Performance Deadline”) (collectively, the “Overall Jobs Commitment”).

- A “Qualified New Job” or “QNJ” is defined as a new, full-time job created by the Company for the Project at the Project Site on or after Date of MSF Approval and maintained continuously for the previous six (6) months, and performed for the Company by an individual who is either (i) a resident of the State of Michigan whose Michigan income taxes are withheld by the Company, or by an employee leasing company or professional employer organization on behalf of the qualified business; or (ii) a nonresident of the State of Michigan who is employed by the Company at the Project Site, provided that the Company certifies in writing at the time of the MSF disbursement that not less than 75 percent of the employees of that Company are residents of Michigan. In both cases, the QNJs must be in excess of the Overall Base.

### **GRANT DISBURSEMENTS**

Grant funds will be disbursed for Eligible Expenses (defined below) and in accordance with the requirements set forth below. Requests for reimbursement will be verified by the MEDC Compliance Unit of the Legal and Compliance division of the MEDC prior to release of any funds.

“Eligible Expenses” means the actual expenditure by the Company on or after Date of MSF Approval for the Project, at the Project Site, in Hard Costs for construction related to the Project, and infrastructure, machinery, equipment, tooling, computers, furniture, fixtures, costs related to talent recruitment and job training including, but not limited to, employee recruitment expenses, development of customized training development plans, and instructor and training materials costs. Certain costs, to be more

particularly described in the grant agreement, such as administrative costs, debt and lease payments, meals and entertainment expense and on-the-job training, are not eligible for reimbursement.

The Company may request disbursements on a reimbursement basis for 35 percent of Eligible Expenses, related to the Project and paid by the Company. The Company shall submit one or more reimbursement requests, at its discretion, but no more frequently than quarterly, no later than September 30, 2028, together with a certification of the Company's compliance with the grant agreement.

In the event that all Grant funds have been disbursed and the Overall Jobs Commitment have been achieved, the MSF Fund Manager may, at its discretion, terminate the Agreement ahead of the Term.

### **CLAWBACK PROVISIONS AND REPAYMENT EVENTS**

The Company may be required to repay all or a portion of the Grant disbursements made under the Award upon the occurrence of one or more of the following events (each resulting in a "Repayment Amount"), and repayment is subject to the highest applicable Repayment Amount if one or more of the same circumstances give rise to such events.

- **Failure to Meet Overall Jobs Commitment:** The Company's failure to satisfy the Overall Jobs Commitment on the Jobs Performance Deadline will result in Company's obligation to repay to the MSF a proportionate amount of the Grant funds received by Company.
- **Default of Project Contracts:** The fully executed written agreement will include repayment and remedy language for events of default in other contracts with the MSF, MEDC, or State of Michigan arising out of the Project.
- **Failure to Submit Commitment Documentation:** If the Company fails to submit, when due, required documentation described in the Agreement to verify achievement of the Overall Jobs Commitment, it will be required to repay all of the Grant funds received by the Company.
- **Mass Relocation:** If the Company transfers to another State more than 50% of the total number of jobs at the Project on or before the end of the Term, it will be required to repay all or a portion of Grant disbursements made under the Award.
- **Project Abandonment:** If the Company abandons Eligible Expense activities or production at the Project at one or more of the Project Sites for a period of one hundred twenty (120) consecutive days after the Award is disbursed and on or before the end of the Term it will be required to repay the amount of Grant disbursements made under the Award.
- **Company Bankruptcy or Insolvency:** If the Company files for bankruptcy or otherwise becomes insolvent on or before the end of the Term, with any such proceedings against the Company not being set aside within sixty (60) calendar days from the date of institution thereof and results in the material reduction to the Company's operations at the Project, it will be required to repay 100% of Grant disbursements made under the Award. The MSF would be entitled to foreclose on any security interest and, in the case of bankruptcy, submit a proof of claim in any such bankruptcy proceedings and seek recovery of the Award.
- **Material Misrepresentation:** If the Company makes any material misrepresentation under the grant agreement, any required submissions thereunder, or any reimbursement request to the MSF on or before the end of the Term, it will be required to repay 100% of grant disbursements made under the Award.
- **Misuse of Funds:** If the Company uses the Award for a prohibited purpose during the Term it will be required to repay 100% of grant disbursements made under the Award.

### **ADDITIONAL STATE REQUIRED TERMS**

- **Annual Progress Report:** During the Term, the Company will be required to submit annual progress reports, which shall include the total number of Qualified New Jobs created at the Project, the average annual salary of both the Base Jobs and the new Qualified New Jobs, and the total investment into the Project. This information will be transmitted to the Legislature as required under Section 9 of the MSF Act, MCL 125.2009.
- **Access to Records & Audit Rights:** During the Term and for a period of three years after the Term, and upon reasonable advance notice, the Company is required to permit the MSF, MEDC, the Office of the Auditor General, the Department of Technology, Management and Budget, and the MSF Chief Compliance Officer to visit the Company, and any other location where books and records of the Company are normally kept, to inspect the books and records, including financial records and all other information and data relevant to the terms of the grant, all at times and locations mutually agreed upon by the parties.
- **Other Provisions:** The grant agreement will include standard representations, covenants, and other provisions required by the MSF, including without limitation, indemnification, non-discrimination and unfair labor practices, termination of funding, any other requirements of the Business Development Program Guidelines, as approved by the MSF, and any requirements of the Michigan Strategic Fund Act.



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File

**MICHIGAN STRATEGIC FUND**

**RESOLUTION 2023-166**

**APPROVAL OF A STATE ESSENTIAL SERVICES ASSESSMENT EXEMPTION TO  
PROTON ENERGY SYSTEMS, INC. DBA NEL HYDROGEN US**

**WHEREAS**, the Michigan Legislature passed legislation, 2014 PA 80, to revise the personal property tax system so as to allow individuals, small businesses, and large businesses to thrive and create jobs in the State of Michigan, but which needed to be approved by the qualified electors of the State of Michigan;

**WHEREAS**, on August 5, 2014, the qualified electors of the State of Michigan approved the legislation to revise the personal property tax system. The approval enacted 2014 PA 92 and 2014 PA 93, the State Essential Services Assessment Act (the “SESA”) and the Alternative State Essential Services Assessment Act (the “Alternative SESA”);

**WHEREAS**, the SESA and the Alternative SESA authorized the creation and operation of the SESA Exemption and the Alternative SESA Exemption Program by the Michigan Strategic Fund (the “MSF”) pursuant to MCL 211.1059;

**WHEREAS**, on October 28, 2014, by Resolution 2014-176, the MSF Board approved (i) the SESA Exemption (the “SESA Program”) and Alternative SESA Exemption Program (the “Alt SESA Program”) (“collectively, the “SESA Exemption Program”) and (ii) program guidelines for the SESA Exemption Program (the “Program Guidelines”);

**WHEREAS**, on October 28, 2014, by Resolution 2014-177, the MSF Board approved the MSF Fund Manager or the MSF President to negotiate the terms and conditions and execute all final documents necessary to effectuate awards and decisions approved under the SESA Exemption Program;

**WHEREAS**, the Michigan Economic Development Corporation (the “MEDC”) provides administrative services to the MSF for the SESA Exemption Program;

**WHEREAS**, Proton Energy Systems, Inc. dba Nel Hydrogen US (the “Company”) is an Eligible Claimant, as defined in MCL 211.1053(d), which will claim an exemption for Eligible Personal Property, as defined in MCL 211.1053(e);

**WHEREAS**, the Program Guidelines require that projects be located in Eligible Distressed Areas, as defined in the Program Guidelines, in order to be eligible for the SESA Program (the “EDA Requirement”);

**WHEREAS**, the Program Guidelines require that qualifying investments be made after MSF approval and within three (3) years of commencement of the project in order to be eligible for the SESA Exemption Program (the “Commencement Requirement”);

**WHEREAS**, the Company has requested that the MSF Board approve a fifteen-year 100% SESA exemption estimated to be worth \$6,254,078 for up to \$299,250,000 in qualified investment in Eligible Personal Property, as defined in the Program Guidelines, in Plymouth Charter Township, Wayne County (“SESA Exemption Recommendation”);

**WHEREAS**, the MEDC is requesting the MSF Board approve a 100% exemption under the SESA Program in a non-Eligible Distressed Area for the project by waiving the EDA Requirement due to the transformational nature of the project (the “EDA Requirement Waiver”);

**WHEREAS**, the MEDC is requesting a waiver to the Commencement Requirement to allow qualified investments to be made up to five (5) years from commencement of the project (the “Commencement Waiver Request”); and

**WHEREAS**, the MEDC recommends the MSF Board approve the SESA Exemption Recommendation, the Commencement Waiver Request, the EDA Requirement Waiver, and require a one-time administrative fee in the amount of \$10,000 payable to the MSF upon completion of the first performance milestone (collectively, the “Request”);

**NOW, THEREFORE, BE IT RESOLVED**, that the MSF Board approves the Request.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Leon Richarson, Charles P. Rothstein, Randy Thelen, Cindy Warner

Nays: None

Recused: None

Lansing, Michigan  
September 26, 2023



STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File





STATE OF MICHIGAN  
OFFICE OF THE CHIEF COMPLIANCE OFFICER  
LANSING

GRETCHEN WHITMER  
GOVERNOR

KEVIN FRANCCART, ESQ.  
CHIEF COMPLIANCE OFFICER

MEMORANDUM

August 4, 2023

TO: Michigan Strategic Fund Board

FROM: Kevin L. Francart, J.D., CFE, CCEP.  
Chief Compliance Officer

RE: Amendments to the MSF Bylaws

The current Bylaws were approved by the MSF Board in 2014. This office, the AG, MEDC Legal, and the MSF Fund Manager identified the need to update the Bylaws to conform to changes in the MSF Act, conform to actual practices of the Board, and to add Rules of Order and Parliamentary Procedure as questions have occurred over the intervening years as to the proper rules and procedures to be used. Attached to this memorandum as Attachment A are the proposed new Bylaws, attached as Attachment B is a full redline of all the changes. The Bylaws require that any proposed amendment or repeal be submitted in writing to you along with a statement describing the nature of the proposed amendments between 15 and 31 days before the regular meeting at which the amendment or repeal is to be first discussed. The proposed amendment are then held over until the next regular meeting before being voted on.

Throughout the new Bylaws the language was updated from Chairperson to President to conform to the statutory language used when the President and Chairperson offices were merged.

Article I changes are primarily non-substantive and are an effort to clean up the language. Section 3 adds provision to account for the hybrid and remote meetings structure.

Article II is new except for the Order of Business portion. Article II adds Rules of Order and Parliamentary Procedure and updates the Order of Business. The Rules of Order and Parliamentary Procedure closely follow traditional Robert's Rules of Order but have been condensed into those rules and procedures the Board is most likely to use. Section 4 also clarifies how voting is accomplished with the hybrid and remote meetings structure.

Articles III, IV, and V changes are primarily non-substantive and are an effort to clean up the language.

Article VI changes the way the Bylaws can be amended or repealed.

# Attachment A

Proposed  
Michigan Strategic Fund Bylaws

Michigan Strategic Fund  
Bylaws  
Amended and Restated  
XXXX ##, 2023

**Article I: Meetings.**

**Section 1: Regular Meetings:**

1. The Board will schedule the dates, times, and places of its regular meetings for the calendar year in accordance with the Open Meetings Act.
2. The date, time, or place of a regular meeting may be changed by the President or by resolution of the Board. If there is a change in the date, time, or place of a regular meeting the change will be posted within three (3) days after the change is made and at least eighteen (18) hours before the meeting in accordance with the Open Meetings Act.
3. A regular meeting may be cancelled by the President or by resolution of the Board. If a regular meeting is cancelled, notice of the cancellation will be posted in the same locations as the meeting's notice was posted and if the meeting was canceled by the President the Board will be notified as soon as possible.

**Section 2: Special Meetings:**

1. A special meeting may be called by either the President or by resolution of the Board.
2. Upon written demand of two (2) or more Board Members, the President shall call a special meeting. A special meeting called pursuant to this subsection is not subject to cancellation by the President pursuant to Section 2, subsection 5, below.
3. If a special meeting is scheduled, notice will be posted at least eighteen (18) hours before the special meeting in accordance with the Open Meetings Act.
4. The Board by resolution may require additional notice of special meetings be given to the Board.
5. A special meeting may be cancelled by the President or by resolution of the Board. If a special meeting is canceled, notice of the cancellation will be posted in the same locations as the meeting's notice was posted and if the meeting was canceled by the President the Board will be notified as soon as possible.

### **Section 3: Attendance and Quorum:**

1. Board Members may be present at a meeting of the Board either in person or by use of telecommunications or other electronic communication devices. In accordance with the Open Meetings Act and the MSF Act, all Board Members must be able to hear and be heard by (1) each other Board Member and (2) all participants physically present at the Board Meeting.
2. If a Board Member joins a meeting after the roll call at the commencement of the meeting, the Board Member should announce their attendance to the Chair at a convenient time. The time of the Board Member's attendance announcement will be reflected in the meeting minutes.
3. A majority of the Board Members appointed and serving constitutes a quorum for the transaction of business at a meeting, notwithstanding the existence of one or more vacancies. A Board Member's recusal from discussing and voting on an item will reduce the number of Board Members present for purposes of a quorum and, if a quorum is lost the item cannot be voted on.

### **Section 4: Presiding:**

1. The President appointed by the Governor will preside, except as otherwise allowed by this Section, at all meetings of the Board.
2. If the President is the Chief Executive Officer of the MEDC or a State Agency Director, the President's Designee may preside at the meeting or a portion of a meeting in the President's place. If the President does not have a Designee or the President and the President's Designee are both unable to preside at a meeting or a portion of a meeting, for any reason, the following Board Member will preside at the meeting or a portion of a meeting in the President's place in the following order of precedence: (1) The Vice-President if Appointed; (2) The Vice-Chairperson if elected; (3) a Member of the Board elected at that time to preside.
3. Whenever the Board Member or Designee presiding over the meeting changes, the vacating presiding Board Member or Designee shall provide notice that (1) they are no longer presiding and (2) which Board Member or Designee will preside.

## **Article II: Rules of Order, Parliamentary Procedure, Order of Business.**

### **Section 1: Principles Governing These Rules of Order and Parliamentary Procedure**

1. The purpose of parliamentary procedure is to facilitate the effective work of the Board and assist in accomplishing the MSF's purposes. The Rules of Order should assist the Board, not inhibit it.
2. The Board can only deal with one matter at a time before it. The various kinds of motions have therefore been assigned an order of precedence.

3. All Board Members have equal rights, privileges, and obligations.
4. All references to voting and the number necessary for a motion to pass refers to the number of Board Members appointed and serving, not the number of Board Members present. For example, a majority vote means a majority of Board Members appointed and serving not merely a majority of Board Members present at a meeting.
5. References to the Chair is a reference to the presiding officer of the meeting, which is usually the President, but could be another Board Member or Designee as provided by law and outlined in Article I, Section 4, above.
6. Although the ultimate decision rests with a majority of the Board, all Board Members have such basic rights as the right to be heard and the right to oppose.
7. Every matter presented for decision should be discussed fully. The right of every Board Member to speak on any issue is as important as each Board Member's right to vote.
8. Every Board Member has the right to understand the meaning of any question presented to the Board and to know what effect a decision will have. A Board Member always has the right to request information on any Resolution or other item they do not thoroughly understand. Moreover, all meetings must be characterized by fairness and by good faith.

## **Section 2: Rules of Order and Parliamentary Procedure**

1. The Agenda. The agenda consists of the items of business to be discussed at a meeting. The President will prepare and distribute an agenda before or at the meeting outlining the matters coming before the Board for each meeting. The agenda becomes official once the meeting is called to order. After the meeting is called to order, a Board Member may add an item to the agenda. The Chair may rearrange the order of items on the official agenda, and the Chair may remove items from the official agenda, subject to a Board Member's objection. Once the agenda is official each item of business will come before the Board unless: (1) A motion and second is not made to dispose of the item, or (2) An item, other than an item removed from the Consent Agenda pursuant to the Consent Agenda Policy, is removed from the agenda without objection. If no motion and second is made concerning an item on the agenda the Chair will continue with the other business before the Board.
2. Debate on Motions. Business is accomplished in meetings by means of debating Resolutions and motions. The word "Resolution" refers to the formal proposal before the Board for action. The word "motion" refers to a formal proposal by a Board Member that the Board take certain action on the Resolution or some other item. Board Members are encouraged to discuss an item or topic before a motion is introduced.
  - (A) All motions made by Board Members require a majority vote of the Board Members appointed and serving to pass.

(B) When a motion has been made by a Board Member and seconded by another, it becomes the property of the Board Members. The mover and seconder cannot withdraw the motion unless the Board Members agree. The Chair may simply ask if the Board Members object to the motion being withdrawn. If no one objects, the Chair will announce that the motion is withdrawn.

3. Point of Order. A point of order is a question as to whether the correct procedure is being followed. This objection permits a Board Member to draw the Chair's attention to what the Board Member believes is an error in procedure or a lack of decorum in debate. The Chair should recognize the Board Member, who will then state the point of order. The Chair is required to make an immediate ruling on the question involved. If the ruling is thought to be wrong, the Chair can be challenged. A point of order can interrupt another speaker, does not require a seconder, is not debatable, is not amendable, and cannot be reconsidered.

4. Challenging a Ruling of the Chair. A ruling of the Chair can be challenged immediately after the ruling. If debate has progressed, a challenge is not in order. A Board Member wishing to appeal the decision of the Chair must immediately voice the appeal. If a Board Member seconds the challenge, the Chair should clearly state the question at issue and the reasons for the decision. If two Board Members (mover and seconder) appeal a decision of the Chair, then the final decision on the matter must be made by a majority vote of the Board. A tie vote sustains the decision of the Chair. The Chair may vote on the final decision. The Appeal may interrupt another speaker, must be seconded, is debatable, is not amendable and cannot be reconsidered.

5. Classification of Motions. Motions are classified into three groups: Main Motions, Secondary Motions, and Motions that bring Business Back Before the Board.

A. Main Motions. Main Motions are motions made to adopt a Resolution or other item on the agenda. Main Motions can only be made when no other motion is pending. When a Main Motion has been stated and seconded, the Board cannot consider any other business until that motion has been adopted, rejected, or otherwise disposed of by a Secondary Motion. A Main Motion is lowest in rank or precedence and cannot be applied to any other motion. A Main Motion may not interrupt another speaker, must be seconded, is debatable, is amendable, and can be reconsidered.

B. Secondary Motions. Secondary Motions are motions that are in order when a Resolution or Main Motion is being debated.

1. Precedence Rules For Secondary Motions. A Secondary Motion takes precedence over a Main Motion. When a Secondary Motion has been made and seconded it becomes the immediately pending question and must be disposed of before the Board resumes action on the Main Motion. Other motions proposed during consideration of a Secondary Motion can be accepted by the Chair only if they are of higher precedence. In voting, the Board proceeds with the various motions in inverse order. The last one proposed, being of highest precedence, is the first one to be decided. Secondary Motions in order of precedence: i) Table; ii) Call the Question; iii) Refer to subcommittee; and iv) Amend.

## 2. Motions

i. Table (Lay on the Table). This motion is used to lay a Main Motion aside temporarily without setting a time for resuming its consideration, but with the provision that the motion can be taken up again whenever the majority so decides. This is accomplished by a motion to table or to lay on the table. The motion has the effect of delaying action on a Main Motion. If a subsequent Board does not lift the question from the table, the effect of the motion to table is to prevent action from being taken on the Main Motion. A motion to Table may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

ii. Call the Question (To Vote Immediately). A Board Member may make a motion to close debate and force an immediate vote on a matter. If the motion to call the question passes, the Chair immediately proceeds to call a vote on the question that was being debated. If the motion is defeated, debate on the question that was being debated continues as if there had been no interruption. A motion to Call the Question may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

iii. Refer to Subcommittee. A Board Member may make a motion to refer a matter to a subcommittee. This motion must be seconded by another Board Member. If a motion to refer is passed, the subcommittee to which the matter is referred should report on the question at a subsequent meeting. The motion may specify the time at which a report from the subcommittee will be required. A motion to Refer may not interrupt another speaker, must be seconded, is debatable only as to the propriety or advisability of referral, is not amendable, and can be reconsidered.

iv. Amend. A Board Member may make a motion to change, add words to, or omit words from an original motion or Resolution being debated. Discussion should be limited to the amendment and not the original motion. The vote is on the amendment only and not on the original motion. If the amendment is defeated, another amendment may be proposed, or discussion will proceed as before the motion to amend was made. If the amendment carries, discussion will proceed on the amended motion. Other amendments may be proposed if they do not alter or nullify the amendments already passed. A motion to Amend may itself be amended by an amendment to the amendment. A motion to Amend may not interrupt another speaker, must be seconded, is debatable if the motion to be amended is debatable, and cannot be reconsidered.

C. Motions that bring Business Back Before the Board. The following motions bring business back before the Board for action: Take from the Table, Discharge a subcommittee, and Reconsider.

i. Take from the Table. If the Board wants to consider a matter that has been tabled, a Board Member must make a motion to take the matter from the table. If a motion to take from the table passes, the Board resumes debate on the original question (or on any amendments to the original question). A motion to Take from the Table may

not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

ii. Discharge a subcommittee. If the Board wants to take a matter sent to a subcommittee out of that subcommittee's hands before the subcommittee makes its final report, a Board Member must move to discharge the subcommittee from further consideration of a topic or subject. A motion to Discharge a Subcommittee may not interrupt another speaker, must be seconded, is debatable, is not amendable, and can be reconsidered.

iii. Reconsider. A motion to reconsider enables a majority of the Board to bring back for further consideration a motion that has already been put to a vote at the same meeting. A motion to reconsider must be seconded by another Board Member. If the motion to reconsider is passed, the original vote on the motion on the matter is canceled and the matter is reopened for debate as if the original vote had never occurred. A motion to Reconsider may not interrupt another speaker, must be seconded, is debatable, is not amendable, and cannot itself be reconsidered.

### **Section 3: Order of Business:**

1. The usual order of business of all meetings is as follows:
  - Call to Order and Roll Call
  - Public Comment
  - Communications
  - Consent Agenda (including the review and approval of prior meetings' minutes)
  - Unfinished Business
  - New Business
  - Adjournment
2. The Board by majority vote may suspend, waive, or modify the usual order of business at any meeting.

### **Section 4: Voting:**

1. Except as otherwise provided in this section, voting on all matters may be by voice vote when all Board Members are physically present. Voting must be by roll call vote on bond issuances and all other authorizations if any Board Member is participating by use of telecommunications or other electronic communication devices.
2. Voting upon action taken by the Board shall be conducted by a majority vote of Board Members appointed and serving.
3. Every Board Member present and eligible to vote must clearly either abstain or cast a vote of Yea or Nay. Board Members may not remain silent when it is their turn to cast a vote. If a Board Member abstains the abstention will reduce the number of Board Members



present for purposes of a quorum and, if a quorum is lost the item cannot be voted on. An abstention does not reduce the number of Board Members appointed and serving for purposes of quorum or voting.

4. If one or more Board Members is participating by use of telecommunications or other electronic communication devices and does not clearly abstain or cast a vote of Yea and Nay, the board liaison will ask for the Board Member's vote three times. If after three times the Board Member does not respond, it is assumed the Board Member has lost connection or is no longer participating by use of telecommunications or other electronic communication devices and will be considered to have left the meeting. The number of Board Members present for purposes of a quorum will be reduced and the minutes will reflect the absence. If a Board Member rejoins a meeting after having been considered to have left, the Board Member should announce their attendance to the Chair at a convenient time. The time of the Board Member's attendance announcement will be reflected in the meeting minutes.

### **Article III: Delegation.**

#### **Section 1: Board Delegation:**

The Board may delegate by resolution those functions and authority it deems necessary or appropriate to one or more Board Members, one or more MSF employees, one or more MEDC employees, the MEDC, or others, unless otherwise prohibited by law.

#### **Section 2: President Delegation:**

The President may delegate a duty, function, or authority, assigned to him or her, by law or the Board, to an MSF or MEDC employee, unless the authority to delegate is otherwise prohibited by law or resolution of the Board.

#### **Section 3. Open Meeting Act Notice Delegation.**

Section 5(1) of the Open Meetings Act requires that a meeting of a public body shall not be held unless public notice is given by a person designated by the public body. The Board delegates authority to an MSF or MEDC Employee, as authorized by the President, to give notices of meetings of the Board in accordance with the Open Meetings Act.

### **Article IV: Official Compilation of Delegated Authority, Processes, or Policies.**

#### **Section 1: Compilation:**

1. The President will provide for compilations of all general delegated authority; standard processes; and standard policies, in force. ("Strategic Fund Compiled Resolutions" or "SFCR").

2. The SFCR will be set forth without alteration from the enacting resolutions. All compilations will include appropriate headings and titles following an organized naming and

numbering convention similar to the Michigan Compiled Laws and Michigan Administrative Code.

3. Before any copies of a volume of the SFCR may be relied on, they must be examined and compared by the President and, if in compliance with this Section, so certified.

4. After the certification, the SFCR will be considered to be the official delegated authority; processes; or policies of the MSF, as each may be amended, replaced or rescinded from time to time. The certification shall be included in each volume.

**Section 2: Immediate effect:**

Resolutions requiring compilation will have immediate effect upon approval unless otherwise provided for by the resolution, subject to reconsideration of the vote at the meeting. Any delay in publishing the compilation is of no effect on the validity or effect of the resolution.

**Article V: Miscellaneous.**

**Section 1: Consent Agenda:**

The Board may adopt by resolution a policy for the use of a Consent Agenda for those items considered routine and not anticipated to prompt deliberations or discussions by the Board in the normal and usual course of business of the MSF.

**Section 2: Conflict of Interest:**

The Board will adopt and at least biennially review a conflict of interest policy to foster public confidence in the integrity of the MSF, promote transparency, and protect the MSF's interests when it is contemplating a matter that might actually or appear to benefit the interest of a Board Member.

**Section 3: Resolutions Immediate Effect:**

Resolutions will have immediate effect upon approval unless otherwise provided for by the resolution, subject to reconsideration of the vote at the meeting.

**Section 4: Public Comment:**

The Board will adopt a Public Comment Policy to govern the Public Comment portion of a meeting and will be administered in accordance with the Open Meetings Act.

**Section 5: Severability:**

If any article, section, subsection, paragraph, clause, or provision of these bylaws are deemed by competent authority to be contrary to law no other article, section, subsection, paragraph, clause, or provision of these bylaws will on account thereof be deemed invalid or ineffective.

**Section 6. Election of Vice Chair:**

The Board may select from its Board Members a Vice Chair. Should the office of Vice Chair become vacant, the Board may appoint a replacement from its membership.

**Article VI: Amendment and Suspension of Bylaws.**

**Section 1: Amendment:**

These bylaws may be amended or repealed, in part or in whole, by the Board at a regular meeting as follows:

1. Any proposed amendment or repeal must first be submitted in writing, with a statement describing the nature of the proposed amendment, to the Board Members at least 15 days, but not more than 31 days, prior to the regular meeting at which the amendment or repeal is to be considered.

2. The bylaws may be amended or repealed by resolution by approval of a majority of the Board Members appointed and serving. The amendment or repeal cannot exceed the scope of the notice given pursuant to Article VI, Section 1, subsection 1, above.

**Section 2: Suspension:**

No part of these bylaws may be suspended or waived except as expressly provided for herein.

# Attachment B

Redline of Proposed Changes  
Michigan Strategic Fund Bylaws

Michigan Strategic Fund  
Bylaws  
Amended and Restated  
~~April 22, 2014~~

XXXX ##, 2023

**Article I: Meetings.**

**Section 1: Regular Meetings:**

1. ~~At the last regular meeting of each calendar year, or as soon thereafter at the next Board meeting, the~~The Board will schedule the dates, times, and places of its regular meetings for the ~~ensuing~~ calendar year in accordance with the Open Meetings Act.

2. The date, time, or place of a regular meeting may be changed by the ~~Chairperson~~President or by resolution of the Board. If there is a change in the date, time, or place of a regular meeting the change will be posted within three (3) days after the change is made and at least eighteen (18) hours before the meeting in accordance with the Open Meetings Act.

3. A regular meeting may be cancelled by the ~~Chairperson~~President or by resolution of the Board. If a regular meeting is cancelled, notice of the cancellation will be posted in the same locations as the meeting's notice was posted and if the meeting was canceled by the ~~Chairperson~~President the Board will be notified as soon as possible.

**Section 2: Special Meetings:**

1. A special meeting may be called by ~~the Chairperson upon at least eighteen (18) hours' notice to the Board and the meeting being posted in accordance with the Open Meetings Act either the President or by resolution of the Board.~~

2. ~~A special meeting will be called by the Chairperson pursuant to Section 2, subsection 1, above upon~~Upon written demand of two (2) or more Board ~~members.~~Members, ~~the President shall call a special meeting.~~ A special meeting called pursuant to this subsection is not subject to cancellation by the ~~Chairperson~~President pursuant to Section 2, subsection 5, below.

3. ~~A special meeting may be scheduled by resolution of the Board.~~If a special meeting is ~~schedules~~scheduled, notice will be posted at least eighteen (18) hours before the special meeting in accordance with the Open Meetings Act.

4. The Board by resolution may require additional notice of special meetings be given to the Board.

5. A special meeting may be cancelled by the ~~Chairperson~~President or by resolution of the Board. If a special meeting is ~~eanceled~~canceled, notice of the cancellation will be posted

in the same locations as the meeting's notice was posted and if the meeting was canceled by the ~~Chairperson~~President the Board will be notified as soon as possible.

### **Section 3: Attendance and Quorum:**

1. ~~Board Members of the Board~~ may be present at a meeting of the Board either in person or by use of telecommunications or other electronic communication devices ~~that enable all participants in the meeting to communicate with each other. In accordance with the Open Meetings Act and the MSF Act, all Board Members must be able to hear and be heard by~~ (1) each other Board Member and (2) all participants physically present at the Board Meeting.

2. ~~The Chairperson may limit the use of telecommunications or other electronic communication devices for~~ If a Board Member joins a meeting and require that to be counted as present after the roll call at the commencement of the meeting the members must attend in person, upon three (3), the Board Member should announce their attendance to the Chair at a convenient time. The time of the Board Member's attendance announcement will be reflected in the meeting minutes.

3. A majority of the Board Members appointed and serving constitutes a quorum for the transaction of business days' notice to the Board at a meeting, notwithstanding the existence of one or more vacancies. A Board Member's recusal from discussing and voting on an item will reduce the number of Board Members present for purposes of a quorum and, if a quorum is lost the item cannot be voted on.

### **Section 4: Presiding:**

1. The ~~Chairperson~~President appointed by the Governor will preside, except as otherwise allowed by this Section, at all meetings of the Board.

2. ~~If the Chairperson is~~ President is the Chief Executive Officer of the MEDC or a State Agency Director, the President's Designee may preside at the meeting or a portion of a meeting in the President's place. If the President does not have a Designee or the President and the President's Designee are both unable to preside at a meeting or a portion of a meeting, for any reason, he or she may designate another the following Board member to preside at the meeting or the portion of a meeting in his or her place. If the Chairperson is the Director of the Department of Licensing and Regulatory Affairs, the State Treasurer, or the Chief Executive Officer of the MEDC, the Chairperson may alternatively designate a designee from within their respective agency to Member will preside at the meeting or ~~the~~ a portion of a meeting in ~~his or her~~ the President's place in the following order of precedence: (1) The Vice-President if Appointed; (2) The Vice-Chairperson if elected; (3) a Member of the Board elected at that time to preside.

3. Whenever the Board Member or Designee presiding over the meeting changes, the vacating presiding Board Member or Designee shall provide notice that (1) they are no longer presiding and (2) which Board Member or Designee will preside.

## **Article II: Rules of Order, Parliamentary Procedure, Order of Business.**

### **Section 1: Principles Governing These Rules of Order and Parliamentary Procedure**

1. The purpose of parliamentary procedure is to facilitate the effective work of the Board and assist in accomplishing the MSF's purposes. The Rules of Order should assist the Board, not inhibit it.

2. The Board can only deal with one matter at a time before it. The various kinds of motions have therefore been assigned an order of precedence.

3. All Board Members have equal rights, privileges, and obligations.

4. All references to voting and the number necessary for a motion to pass refers to the number of Board Members appointed and serving, not the number of Board Members present. For example, a majority vote means a majority of Board Members appointed and serving not merely a majority of Board Members present at a meeting.

5. References to the Chair is a reference to the presiding officer of the meeting, which is usually the President, but could be another Board Member or Designee as provided by law and outlined in Article I, Section 4, above.

6. Although the ultimate decision rests with a majority of the Board, all Board Members have such basic rights as the right to be heard and the right to oppose.

7. Every matter presented for decision should be discussed fully. The right of every Board Member to speak on any issue is as important as each Board Member's right to vote.

8. Every Board Member has the right to understand the meaning of any question presented to the Board and to know what effect a decision will have. A Board Member always has the right to request information on any Resolution or other item they do not thoroughly understand. Moreover, all meetings must be characterized by fairness and by good faith.

### **Section 2: Rules of Order and Parliamentary Procedure**

1. The Agenda. The agenda consists of the items of business to be discussed at a meeting. The President will prepare and distribute an agenda before or at the meeting outlining the matters coming before the Board for each meeting. The agenda becomes official once the meeting is called to order. After the meeting is called to order, a Board Member may add an item to the agenda. The Chair may rearrange the order of items on the official agenda, and the Chair may remove items from the official agenda, subject to a Board Member's objection. Once the agenda is official each item of business will come before the Board unless: (1) A motion and

second is not made to dispose of the item, or (2) An item, other than an item removed from the Consent Agenda pursuant to the Consent Agenda Policy, is removed from the agenda without objection. If no motion and second is made concerning an item on the agenda the Chair will continue with the other business before the Board.

2. Debate on Motions. Business is accomplished in meetings by means of debating Resolutions and motions. The word “Resolution” refers to the formal proposal before the Board for action. The word “motion” refers to a formal proposal by a Board Member that the Board take certain action on the Resolution or some other item. Board Members are encouraged to discuss an item or topic before a motion is introduced.

(A) All motions made by Board Members require a majority vote of the Board Members appointed and serving to pass.

(B) When a motion has been made by a Board Member and seconded by another, it becomes the property of the Board Members. The mover and seconder cannot withdraw the motion unless the Board Members agree. The Chair may simply ask if the Board Members object to the motion being withdrawn. If no one objects, the Chair will announce that the motion is withdrawn.

3. ~~Section 5~~ Point of Order. A point of order is a question as to whether the correct procedure is being followed. This objection permits a Board Member to draw the Chair’s attention to what the Board Member believes is an error in procedure or a lack of decorum in debate. The Chair should recognize the Board Member, who will then state the point of order. The Chair is required to make an immediate ruling on the question involved. If the ruling is thought to be wrong, the Chair can be challenged. A point of order can interrupt another speaker, does not require a seconder, is not debatable, is not amendable, and cannot be reconsidered.

4. Challenging a Ruling of the Chair. A ruling of the Chair can be challenged immediately after the ruling. If debate has progressed, a challenge is not in order. A Board Member wishing to appeal the decision of the Chair must immediately voice the appeal. If a Board Member seconds the challenge, the Chair should clearly state the question at issue and the reasons for the decision. If two Board Members (mover and seconder) appeal a decision of the Chair, then the final decision on the matter must be made by a majority vote of the Board. A tie vote sustains the decision of the Chair. The Chair may vote on the final decision. The Appeal may interrupt another speaker, must be seconded, is debatable, is not amendable and cannot be reconsidered.

5. Classification of Motions. Motions are classified into three groups: Main Motions, Secondary Motions, and Motions that bring Business Back Before the Board.

A. Main Motions. Main Motions are motions made to adopt a Resolution or other item on the agenda. Main Motions can only be made when no other motion is pending. When a Main Motion has been stated and seconded, the Board cannot consider any other business until



that motion has been adopted, rejected, or otherwise disposed of by a Secondary Motion. A Main Motion is lowest in rank or precedence and cannot be applied to any other motion. A Main Motion may not interrupt another speaker, must be seconded, is debatable, is amendable, and can be reconsidered.

B. Secondary Motions. Secondary Motions are motions that are in order when a Resolution or Main Motion is being debated.

1. Precedence Rules For Secondary Motions. A Secondary Motion takes precedence over a Main Motion. When a Secondary Motion has been made and seconded it becomes the immediately pending question and must be disposed of before the Board resumes action on the Main Motion. Other motions proposed during consideration of a Secondary Motion can be accepted by the Chair only if they are of higher precedence. In voting, the Board proceeds with the various motions in inverse order. The last one proposed, being of highest precedence, is the first one to be decided. Secondary Motions in order of precedence: i) Table; ii) Call the Question; iii) Refer to subcommittee; and iv) Amend.

2. Motions

i. Table (Lay on the Table). This motion is used to lay a Main Motion aside temporarily without setting a time for resuming its consideration, but with the provision that the motion can be taken up again whenever the majority so decides. This is accomplished by a motion to table or to lay on the table. The motion has the effect of delaying action on a Main Motion. If a subsequent Board does not lift the question from the table, the effect of the motion to table is to prevent action from being taken on the Main Motion. A motion to Table may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

ii. Call the Question (To Vote Immediately). A Board Member may make a motion to close debate and force an immediate vote on a matter. If the motion to call the question passes, the Chair immediately proceeds to call a vote on the question that was being debated. If the motion is defeated, debate on the question that was being debated continues as if there had been no interruption. A motion to Call the Question may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

iii. Refer to Subcommittee. A Board Member may make a motion to refer a matter to a subcommittee. This motion must be seconded by another Board Member. If a motion to refer is passed, the subcommittee to which the matter is referred should report on the question at a subsequent meeting. The motion may specify the time at which a report from the subcommittee will be required. A motion to Refer may not interrupt another speaker, must be seconded, is debatable only as to the propriety or advisability of referral, is not amendable, and can be reconsidered.

iv. Amend. A Board Member may make a motion to change, add words to, or omit words from an original motion or Resolution being debated. Discussion should be limited to the amendment and not the original motion. The vote is on the amendment only and not on the original motion. If the amendment is defeated, another amendment may be proposed, or

discussion will proceed as before the motion to amend was made. If the amendment carries, discussion will proceed on the amended motion. Other amendments may be proposed if they do not alter or nullify the amendments already passed. A motion to Amend may itself be amended by an amendment to the amendment. A motion to Amend may not interrupt another speaker, must be seconded, is debatable if the motion to be amended is debatable, and cannot be reconsidered.

C. Motions that bring Business Back Before the Board. The following motions bring business back before the Board for action: Take from the Table, Discharge a subcommittee, and Reconsider.

i. Take from the Table. If the Board wants to consider a matter that has been tabled, a Board Member must make a motion to take the matter from the table. If a motion to take from the table passes, the Board resumes debate on the original question (or on any amendments to the original question). A motion to Take from the Table may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

ii. Discharge a subcommittee. If the Board wants to take a matter sent to a subcommittee out of that subcommittee's hands before the subcommittee makes its final report, a Board Member must move to discharge the subcommittee from further consideration of a topic or subject. A motion to Discharge a Subcommittee may not interrupt another speaker, must be seconded, is debatable, is not amendable, and can be reconsidered.

iii. Reconsider. A motion to reconsider enables a majority of the Board to bring back for further consideration a motion that has already been put to a vote at the same meeting. A motion to reconsider must be seconded by another Board Member. If the motion to reconsider is passed, the original vote on the motion on the matter is canceled and the matter is reopened for debate as if the original vote had never occurred. A motion to Reconsider may not interrupt another speaker, must be seconded, is debatable, is not amendable, and cannot itself be reconsidered.

### **Section 3: Order of Business:**

1. The usual order of business of all meetings is as follows:
  - Call to Order and Roll Call
  - ~~○ Review and approval of prior meetings' Minutes~~
  - Public Comment
  - Communications
  - Consent Agenda (including the review and approval of prior meetings' minutes)
  - Unfinished Business
  - New Business
    - ~~▪ Consent Agenda~~
    - ~~▪ General Agenda~~

- ~~Administrative Items~~
- Adjournment

2. The Board by majority vote may suspend, waive, or modify the usual order of business at any meeting.

~~3. The President or designated staff will prepare and distribute an agenda before or at the meeting outlining the matters coming before the Board for each meeting. This agenda is for informational purposes only. The Chairperson or the Board may revise this agenda and remove or take up other matters at the meeting.~~

### **Section 64: Voting:**

~~Voting~~ 1. Except as otherwise provided in this section, voting on all matters except bond issuances and authorizations may be by voice vote unless a member requests a roll call vote. Voting on bond issuances and authorizations when all Board Members are physically present. Voting must be by roll call vote on bond issuances and all other authorizations if any Board Member is participating by use of telecommunications or other electronic communication devices.

2. Voting upon action taken by the Board shall be conducted by a majority vote of Board Members appointed and serving.

3. Every Board Member present and eligible to vote must clearly either abstain or cast a vote of Yea or Nay. Board Members may not remain silent when it is their turn to cast a vote. If a Board Member abstains the abstention will reduce the number of Board Members present for purposes of a quorum and, if a quorum is lost the item cannot be voted on. An abstention does not reduce the number of Board Members appointed and serving for purposes of quorum or voting.

4. If one or more Board Members is participating by use of telecommunications or other electronic communication devices and does not clearly abstain or cast a vote of Yea and Nay, the board liaison will ask for the Board Member's vote three times. If after three times the Board Member does not respond, it is assumed the Board Member has lost connection or is no longer participating by use of telecommunications or other electronic communication devices and will be considered to have left the meeting. The number of Board Members present for purposes of a quorum will be reduced and the minutes will reflect the absence. If a Board Member rejoins a meeting after having been considered to have left, the Board Member should announce their attendance to the Chair at a convenient time. The time of the Board Member's attendance announcement will be reflected in the meeting minutes.

### **Article ~~III~~: Delegation.**

#### **Section 1: Board Delegation:**

The Board may delegate by resolution those functions and authority it deems necessary or appropriate to ~~the President, Vice President, Staff or more Board Members, one or more MSF employees, one or more MEDC employees~~, the MEDC, or others, unless otherwise prohibited by law.

**Section 2: President ~~and Vice President~~ Delegation:**

The President ~~or Vice President~~ may delegate a duty, function, or authority, assigned to him or her, by law or the Board, to an MSF or MEDC employee, unless the authority to delegate is otherwise prohibited by law or resolution of the Board.

**Section 3. Open Meeting Act Notice Delegation.**

Section 5(1) of the Open Meetings Act requires that a meeting of a public body shall not be held unless public notice is given by a person designated by the public body. The Board delegates authority to an MSF or MEDC Employee, as authorized by the President, to give notices of meetings of the Board in accordance with the Open Meetings Act.

**Article ~~III~~IV: Official Compilation of Delegated Authority, Processes, or Policies.**

**Section 1: Compilation:**

1. The President will provide for compilations of all general delegated authority; standard processes; and standard policies, in force. ("Strategic Fund Compiled Resolutions" or "SFCR").

2. The ~~Strategic Fund Compiled Resolutions~~SFCR will be set forth without alteration from the enacting resolutions. All compilations will include appropriate headings and titles following an organized naming and numbering convention similar to the Michigan Compiled Laws and Michigan Administrative Code. ~~The published compilations will contain an index of the delegated authority, processes, or policies contained in the compilations; the programs applicable for each; notes; references; and other materials as the President or the Board consider necessary from time to time.~~

3. Before any copies of a volume of ~~Strategic Fund Compiled Resolutions~~the SFCR may be relied on, they must be examined and compared by the President and, if in compliance with this Section, so certified.

4. After the certification, the ~~Strategic Fund Compiled Resolutions~~SFCR will be considered to be the official delegated authority; processes; or policies of the ~~Michigan Strategic Fund~~MSF, as each may be amended, replaced or rescinded from time to time. The certification shall be included in each volume.

**Section 2: Immediate effect:**

Resolutions requiring compilation will have immediate effect upon approval unless otherwise provided for by the resolution, subject to reconsideration of the vote at the meeting. Any delay in publishing the compilation is of no effect on the validity ~~of~~ effect of the resolution.

## **Article ~~IV~~V: Miscellaneous.**

### **Section 1: Consent Agenda:**

The Board may adopt by resolution a ~~process~~policy for the use of a Consent Agenda for those items, ~~in the normal and usual course of business of the MSF, are considered~~ routine, ~~not anticipated to be controversial, and are~~ and not anticipated to prompt deliberations or discussions by the Board in the normal and usual course of business of the MSF.

### **Section 2: Conflict of Interest:**

The Board will adopt and at least biennially review a conflict of interest policy to foster public confidence in the integrity of the MSF, promote transparency, and protect the MSF's interests when it is contemplating a matter that might actually or appear to benefit the interest of a Board ~~member~~Member.

### **Section 3: Resolutions Immediate Effect:**

Resolutions will have immediate effect upon approval unless otherwise provided for by the resolution, subject to reconsideration of the vote at the meeting.

### **Section 4: Public Comment:**

~~1. Before being permitted~~The Board will adopt a Public Comment Policy to address ~~a meeting during~~govern the Public Comment portion ~~a person must state their name of a meeting and who they represent, if applicable.~~

~~2. A person may not address a meeting for longer than 3 minutes. The Board by majority vote may waive or modify~~will be administered in accordance with the ~~usual 3 minute limitation at any meeting.~~Open Meetings Act.

### **Section 5: Severability:**

If any article, section, subsection, paragraph, clause, or provision of these bylaws are deemed by competent authority to be contrary to law no other article, section, subsection,

paragraph, clause, or provision of these bylaws will on account thereof be deemed invalid or ineffective.

### Section 6. Election of Vice Chair:

The Board may select from its Board Members a Vice Chair. Should the office of Vice Chair become vacant, the Board may appoint a replacement from its membership.

## Article ~~V~~VI: Amendment and Suspension of Bylaws.

### Section 1: Amendment:

These bylaws may be amended or repealed, in part or in whole, by the Board at a regular meeting as follows:

1. Any proposed amendment or repeal must first be submitted in writing, with a statement describing the nature of the proposed amendment, to the ~~members of the~~ Board Members at least 15 days, but not more than 31 days, prior to the regular meeting at which the amendment or repeal is to be ~~first discussed~~considered.

2. ~~At the subsequent regular meeting the proposed amendment or repeal will be placed on the agenda for discussion and deliberation only. Board action on the proposed amendment or repeal must be held over to the following regular meeting. The~~

~~3. At the next regular meeting the~~ bylaws may be amended or repealed by resolution by approval of ~~two-thirds (2/3)~~a majority ~~vote~~ of the ~~members of the~~ Board Members appointed and serving. The amendment or repeal cannot exceed the scope of the notice given pursuant to Article ~~V~~VI, Section 1, subsection 1, above.

### Section 2: Suspension:

No part of these bylaws may be suspended or waived except as expressly provided for herein.

**MICHIGAN STRATEGIC FUND BOARD**

**RESOLUTION 2023-168**

**APPROVAL OF AMENDED BYLAWS**

**WHEREAS**, it is the responsibility of the Michigan Strategic Fund (“MSF”) Board to provide for the management and control of the affairs of the MSF;

**WHEREAS**, it is necessary and appropriate that the MSF Board periodically review their bylaws to ensure compliance with the appropriate statutory requirements; and

**WHEREAS**, the MSF Board has reviewed revised MSF bylaws and wishes to approve the amended MSF bylaws attached to this Resolution.

**NOW, THEREFORE, BE IT RESOLVED**, the MSF Board approves the amended MSF bylaws attached to this Resolution.

Ayes: Britnay Affolter-Caine, Director Corbin, Wesley Ecklund, Treasurer Eubanks, Michael B. Kapp (on behalf of Director Wieferich, designation attached), Quentin L. Messer, Jr., Dan Meyering, Charles P. Rothstein, Randy Thelen

Nays: None

Recused: None

Lansing, Michigan  
September 26, 2023

Michigan Strategic Fund  
Bylaws  
Amended and Restated  
September 26, 2023

**Article I: Meetings.**

**Section 1: Regular Meetings:**

1. The Board will schedule the dates, times, and places of its regular meetings for the calendar year in accordance with the Open Meetings Act.
2. The date, time, or place of a regular meeting may be changed by the President or by resolution of the Board. If there is a change in the date, time, or place of a regular meeting the change will be posted within three (3) days after the change is made and at least eighteen (18) hours before the meeting in accordance with the Open Meetings Act.
3. A regular meeting may be cancelled by the President or by resolution of the Board. If a regular meeting is cancelled, notice of the cancelation will be posted in the same locations as the meeting's notice was posted and if the meeting was canceled by the President the Board will be notified as soon as possible.

**Section 2: Special Meetings:**

1. A special meeting may be called by either the President or by resolution of the Board.
2. Upon written demand of two (2) or more Board Members, the President shall call a special meeting. A special meeting called pursuant to this subsection is not subject to cancelation by the President pursuant to Section 2, subsection 5, below.
3. If a special meeting is scheduled, notice will be posted at least eighteen (18) hours before the special meeting in accordance with the Open Meetings Act.
4. The Board by resolution may require additional notice of special meetings be given to the Board.
5. A special meeting may be cancelled by the President or by resolution of the Board. If a special meeting is canceled, notice of the cancelation will be posted in the same locations as the meeting's notice was posted and if the meeting was canceled by the President the Board will be notified as soon as possible.



### **Section 3: Attendance and Quorum:**

1. Board Members may be present at a meeting of the Board either in person or by use of telecommunications or other electronic communication devices. In accordance with the Open Meetings Act and the MSF Act, all Board Members must be able to hear and be heard by (1) each other Board Member and (2) all participants physically present at the Board Meeting.

2. If a Board Member joins a meeting after the roll call at the commencement of the meeting, the Board Member should announce their attendance to the Chair at a convenient time. The time of the Board Member's attendance announcement will be reflected in the meeting minutes.

3. A majority of the Board Members appointed and serving constitutes a quorum for the transaction of business at a meeting, notwithstanding the existence of one or more vacancies. A Board Member's recusal from discussing and voting on an item will reduce the number of Board Members present for purposes of a quorum and, if a quorum is lost the item cannot be voted on.

### **Section 4: Presiding:**

1. The President appointed by the Governor will preside, except as otherwise allowed by this Section, at all meetings of the Board.

2. If the President is the Chief Executive Officer of the MEDC or a State Agency Director, the President's Designee may preside at the meeting or a portion of a meeting in the President's place. If the President does not have a Designee or the President and the President's Designee are both unable to preside at a meeting or a portion of a meeting, for any reason, the following Board Member will preside at the meeting or a portion of a meeting in the President's place in the following order of precedence: (1) The Vice-President if Appointed; (2) The Vice-Chairperson if elected; (3) a Member of the Board elected at that time to preside.

3. Whenever the Board Member or Designee presiding over the meeting changes, the vacating presiding Board Member or Designee shall provide notice that (1) they are no longer presiding and (2) which Board Member or Designee will preside.

## **Article II: Rules of Order, Parliamentary Procedure, Order of Business.**

### **Section 1: Principles Governing These Rules of Order and Parliamentary Procedure**

1. The purpose of parliamentary procedure is to facilitate the effective work of the Board and assist in accomplishing the MSF's purposes. The Rules of Order should assist the Board, not inhibit it.

2. The Board can only deal with one matter at a time before it. The various kinds of motions have therefore been assigned an order of precedence.

3. All Board Members have equal rights, privileges, and obligations.

4. All references to voting and the number necessary for a motion to pass refers to the number of Board Members appointed and serving, not the number of Board Members present. For example, a majority vote means a majority of Board Members appointed and serving not merely a majority of Board Members present at a meeting.

5. References to the Chair is a reference to the presiding officer of the meeting, which is usually the President, but could be another Board Member or Designee as provided by law and outlined in Article I, Section 4, above.

6. Although the ultimate decision rests with a majority of the Board, all Board Members have such basic rights as the right to be heard and the right to oppose.

7. Every matter presented for decision should be discussed fully. The right of every Board Member to speak on any issue is as important as each Board Member's right to vote.

8. Every Board Member has the right to understand the meaning of any question presented to the Board and to know what effect a decision will have. A Board Member always has the right to request information on any Resolution or other item they do not thoroughly understand. Moreover, all meetings must be characterized by fairness and by good faith.

## **Section 2: Rules of Order and Parliamentary Procedure**

1. The Agenda. The agenda consists of the items of business to be discussed at a meeting. The President will prepare and distribute an agenda before or at the meeting outlining the matters coming before the Board for each meeting. The agenda becomes official once the meeting is called to order. After the meeting is called to order, a Board Member may add an item to the agenda. The Chair may rearrange the order of items on the official agenda, and the Chair may remove items from the official agenda, subject to a Board Member's objection. Once the agenda is official each item of business will come before the Board unless: (1) A motion and second is made to dispose of the item, or (2) An item, other than an item removed from the Consent Agenda pursuant to the Consent Agenda Policy, is removed from the agenda without objection. If no motion and second is made concerning an item on the agenda the Chair will continue with the other business before the Board.

2. Debate on Motions. Business is accomplished in meetings by means of debating Resolutions and motions. The word "Resolution" refers to the formal proposal before the Board for action. The word "motion" refers to a formal proposal by a Board Member that the Board take certain action on the Resolution or some other item. Board Members are encouraged to discuss an item or topic before a motion is introduced.

(A) All motions made by Board Members require a majority vote of the Board Members appointed and serving to pass.

(B) When a motion has been made by a Board Member and seconded by another, it becomes the property of the Board Members. The mover and seconder cannot withdraw the motion unless the Board Members agree. The Chair may simply ask if the Board Members object to the motion being withdrawn. If no one objects, the Chair will announce that the motion is withdrawn.

3. Point of Order. A point of order is a question as to whether the correct procedure is being followed. This objection permits a Board Member to draw the Chair's attention to what the Board Member believes is an error in procedure or a lack of decorum in debate. The Chair should recognize the Board Member, who will then state the point of order. The Chair is required to make an immediate ruling on the question involved. If the ruling is thought to be wrong, the Chair can be challenged. A point of order can interrupt another speaker, does not require a seconder, is not debatable, is not amendable, and cannot be reconsidered.

4. Challenging a Ruling of the Chair. A ruling of the Chair can be challenged immediately after the ruling. If debate has progressed, a challenge is not in order. A Board Member wishing to appeal the decision of the Chair must immediately voice the appeal. If a Board Member seconds the challenge, the Chair should clearly state the question at issue and the reasons for the decision. If two Board Members (mover and seconder) appeal a decision of the Chair, then the final decision on the matter must be made by a majority vote of the Board. A tie vote sustains the decision of the Chair. The Chair may vote on the final decision. The Appeal may interrupt another speaker, must be seconded, is debatable, is not amendable and cannot be reconsidered.

5. Classification of Motions. Motions are classified into three groups: Main Motions, Secondary Motions, and Motions that bring Business Back Before the Board.

A. Main Motions. Main Motions are motions made to adopt a Resolution or other item on the agenda. Main Motions can only be made when no other motion is pending. When a Main Motion has been stated and seconded, the Board cannot consider any other business until that motion has been adopted, rejected, or otherwise disposed of by a Secondary Motion. A Main Motion is lowest in rank or precedence and cannot be applied to any other motion. A Main Motion may not interrupt another speaker, must be seconded, is debatable, is amendable, and can be reconsidered.

B. Secondary Motions. Secondary Motions are motions that are in order when a Resolution or Main Motion is being debated.

1. Precedence Rules For Secondary Motions. A Secondary Motion takes precedence over a Main Motion. When a Secondary Motion has been made and seconded it becomes the immediately pending question and must be disposed of before the Board resumes action on the Main Motion. Other motions proposed during consideration of a Secondary Motion can be accepted by the Chair only if they are of higher precedence. In voting, the Board proceeds with

the various motions in inverse order. The last one proposed, being of highest precedence, is the first one to be decided. Secondary Motions in order of precedence: i) Table; ii) Call the Question; iii) Refer to subcommittee; and iv) Amend.

## 2. Motions

i. Table (Lay on the Table). This motion is used to lay a Main Motion aside temporarily without setting a time for resuming its consideration, but with the provision that the motion can be taken up again whenever the majority so decides. This is accomplished by a motion to table or to lay on the table. The motion has the effect of delaying action on a Main Motion. If a subsequent Board does not lift the question from the table, the effect of the motion to table is to prevent action from being taken on the Main Motion. A motion to Table may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

ii. Call the Question (To Vote Immediately). A Board Member may make a motion to close debate and force an immediate vote on a matter. If the motion to call the question passes, the Chair immediately proceeds to call a vote on the question that was being debated. If the motion is defeated, debate on the question that was being debated continues as if there had been no interruption. A motion to Call the Question may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

iii. Refer to Subcommittee. A Board Member may make a motion to refer a matter to a subcommittee. This motion must be seconded by another Board Member. If a motion to refer is passed, the subcommittee to which the matter is referred should report on the question at a subsequent meeting. The motion may specify the time at which a report from the subcommittee will be required. A motion to Refer may not interrupt another speaker, must be seconded, is debatable only as to the propriety or advisability of referral, is not amendable, and can be reconsidered.

iv. Amend. A Board Member may make a motion to change, add words to, or omit words from an original motion or Resolution being debated. Discussion should be limited to the amendment and not the original motion. The vote is on the amendment only and not on the original motion. If the amendment is defeated, another amendment may be proposed, or discussion will proceed as before the motion to amend was made. If the amendment carries, discussion will proceed on the amended motion. Other amendments may be proposed if they do not alter or nullify the amendments already passed. A motion to Amend may itself be amended by an amendment to the amendment. A motion to Amend may not interrupt another speaker, must be seconded, is debatable if the motion to be amended is debatable, and cannot be reconsidered.

C. Motions that bring Business Back Before the Board. The following motions bring business back before the Board for action: Take from the Table, Discharge a subcommittee, and Reconsider.

i. Take from the Table. If the Board wants to consider a matter that has been tabled, a Board Member must make a motion to take the matter from the table. If a motion to take from the table passes, the Board resumes debate on the original question (or on any amendments to the original question). A motion to Take from the Table may not interrupt another speaker, must be seconded, is not debatable, is not amendable, and cannot be reconsidered.

ii. Discharge a subcommittee. If the Board wants to take a matter sent to a subcommittee out of that subcommittee's hands before the subcommittee makes its final report, a Board Member must move to discharge the subcommittee from further consideration of a topic or subject. A motion to Discharge a Subcommittee may not interrupt another speaker, must be seconded, is debatable, is not amendable, and can be reconsidered.

iii. Reconsider. A motion to reconsider enables a majority of the Board to bring back for further consideration a motion that has already been put to a vote at the same meeting. A motion to reconsider must be seconded by another Board Member. If the motion to reconsider is passed, the original vote on the motion on the matter is canceled and the matter is reopened for debate as if the original vote had never occurred. A motion to Reconsider may not interrupt another speaker, must be seconded, is debatable, is not amendable, and cannot itself be reconsidered.

### **Section 3: Order of Business:**

1. The usual order of business of all meetings is as follows:
  - Call to Order and Roll Call
  - Public Comment
  - Communications
  - Consent Agenda (including the review and approval of prior meetings' minutes)
  - Unfinished Business
  - New Business
  - Adjournment
2. The Board by majority vote may suspend, waive, or modify the usual order of business at any meeting.

### **Section 4: Voting:**

1. Except as otherwise provided in this section, voting on all matters may be by voice vote when all Board Members are physically present. Voting must be by roll call vote on bond issuances and all other authorizations if any Board Member is participating by use of telecommunications or other electronic communication devices.
2. Voting upon action taken by the Board shall be conducted by a majority vote of Board Members appointed and serving.

3. Every Board Member present and eligible to vote must clearly either abstain or cast a vote of Yea or Nay. Board Members may not remain silent when it is their turn to cast a vote. If a Board Member abstains the abstention will reduce the number of Board Members present for purposes of a quorum and, if a quorum is lost the item cannot be voted on. An abstention does not reduce the number of Board Members appointed and serving for purposes of quorum or voting.

4. If one or more Board Members is participating by use of telecommunications or other electronic communication devices and does not clearly abstain or cast a vote of Yea and Nay, the board liaison will ask for the Board Member's vote three times. If after three times the Board Member does not respond, it is assumed the Board Member has lost connection or is no longer participating by use of telecommunications or other electronic communication devices and will be considered to have left the meeting. The number of Board Members present for purposes of a quorum will be reduced and the minutes will reflect the absence. If a Board Member rejoins a meeting after having been considered to have left, the Board Member should announce their attendance to the Chair at a convenient time. The time of the Board Member's attendance announcement will be reflected in the meeting minutes.

### **Article III: Delegation.**

#### **Section 1: Board Delegation:**

The Board may delegate by resolution those functions and authority it deems necessary or appropriate to one or more Board Members, one or more MSF employees, one or more MEDC employees, the MEDC, or others, unless otherwise prohibited by law.

#### **Section 2: President Delegation:**

The President may delegate a duty, function, or authority, assigned to him or her, by law or the Board, to an MSF or MEDC employee, unless the authority to delegate is otherwise prohibited by law or resolution of the Board.

#### **Section 3. Open Meeting Act Notice Delegation.**

Section 5(1) of the Open Meetings Act requires that a meeting of a public body shall not be held unless public notice is given by a person designated by the public body. The Board delegates authority to an MSF or MEDC Employee, as authorized by the President, to give notices of meetings of the Board in accordance with the Open Meetings Act.

### **Article IV: Official Compilation of Delegated Authority, Processes, or Policies.**

#### **Section 1: Compilation:**

1. The President will provide for compilations of all general delegated authority; standard processes; and standard policies, in force. ("Strategic Fund Compiled Resolutions" or "SFCR").

2. The SFCR will be set forth without alteration from the enacting resolutions. All compilations will include appropriate headings and titles following an organized naming and numbering convention similar to the Michigan Compiled Laws and Michigan Administrative Code.

3. Before any copies of a volume of the SFCR may be relied on, they must be examined and compared by the President and, if in compliance with this Section, so certified.

4. After the certification, the SFCR will be considered to be the official delegated authority; processes; or policies of the MSF, as each may be amended, replaced or rescinded from time to time. The certification shall be included in each volume.

### **Section 2: Immediate effect:**

Resolutions requiring compilation will have immediate effect upon approval unless otherwise provided for by the resolution, subject to reconsideration of the vote at the meeting. Any delay in publishing the compilation is of no effect on the validity or effect of the resolution.

## **Article V: Miscellaneous.**

### **Section 1: Consent Agenda:**

The Board may adopt by resolution a policy for the use of a Consent Agenda for those items considered routine and not anticipated to prompt deliberations or discussions by the Board in the normal and usual course of business of the MSF.

### **Section 2: Conflict of Interest:**

The Board will adopt and at least biennially review a conflict of interest policy to foster public confidence in the integrity of the MSF, promote transparency, and protect the MSF's interests when it is contemplating a matter that might actually or appear to benefit the interest of a Board Member.

### **Section 3: Resolutions Immediate Effect:**

Resolutions will have immediate effect upon approval unless otherwise provided for by the resolution, subject to reconsideration of the vote at the meeting.

### **Section 4: Public Comment:**

The Board will adopt a Public Comment Policy to govern the Public Comment portion of a meeting and will be administered in accordance with the Open Meetings Act.

**Section 5: Severability:**

If any article, section, subsection, paragraph, clause, or provision of these bylaws are deemed by competent authority to be contrary to law no other article, section, subsection, paragraph, clause, or provision of these bylaws will on account thereof be deemed invalid or ineffective.

**Section 6. Election of Vice Chair:**

The Board may select from its Board Members a Vice Chair. Should the office of Vice Chair become vacant, the Board may appoint a replacement from its membership.

**Article VI: Amendment and Suspension of Bylaws.**

**Section 1: Amendment:**

These bylaws may be amended or repealed, in part or in whole, by the Board at a regular meeting as follows:

1. Any proposed amendment or repeal must first be submitted in writing, with a statement describing the nature of the proposed amendment, to the Board Members at least 15 days, but not more than 31 days, prior to the regular meeting at which the amendment or repeal is to be considered.

2. The bylaws may be amended or repealed by resolution by approval of a majority of the Board Members appointed and serving. The amendment or repeal cannot exceed the scope of the notice given pursuant to Article VI, Section 1, subsection 1, above.

**Section 2: Suspension:**

No part of these bylaws may be suspended or waived except as expressly provided for herein.





STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

BRADLEY C. WIEFERICH, P.E.  
ACTING DIRECTOR

January 3, 2023

Ms. Rhonda Bishop  
Board Relations Liaison  
Michigan Strategic Fund Office  
300 N. Washington Square  
Lansing, Michigan 48913

Dear Ms. Bishop:

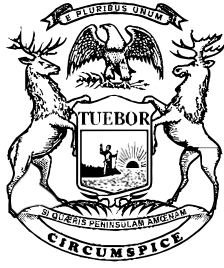
I hereby confirm and ratify my designation of Michael B. Kapp, Administrator, Michigan Department of Transportation, as the person authorized and empowered to act in my stead for Michigan Strategic Fund meetings that I am unable to attend.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bradley C. Wieferich".

Bradley C. Wieferich, P.E.  
Acting Director

cc: M. Kapp  
Executive File



## MICHIGAN STRATEGIC FUND

### MEMORANDUM

**Date:** September 26, 2023  
**To:** Michigan Strategic Fund ("MSF") Board Members  
**From:** Quentin Messer, Jr., Chief Executive Officer  
**Subject:** Monthly MSF Delegated Authority and Activities Report

We are pleased to present our monthly report to the MSF Board, featuring a review of our delegated authority activity over the previous month. The following pages provide a narrative centered around the types of projects supported through delegated approval from August 1, 2023, to August 31, 2023, as well as information about the impact that those projects have had on communities across the state.

We remain committed to maintaining transparency in our efforts to communicate with you all about our work to create equitable opportunities throughout the state. Over time, we will continue identifying ways to evolve and grow this report based on the feedback and requests we receive from Board members.

As always, we are committed to evaluating the ways in which we can continue to ensure we are transparent and accountable to Board members moving forward. Please let me or Val Hoag know if you have any questions or comments about this new reporting layout or with the contents of these reports.

# Monthly Impacts



To continue providing transparent, intentional, and impactful reporting to the MSF Board members on delegated project approvals and activities, the following report details delegated approval updates from August 1, 2023, to August 31, 2023.

Throughout the Fiscal Year, MSF delegates – with authority granted by the MSF Board – approve various projects within MSF programs in accordance with each program’s guidelines, as approved by the MSF Board. Under no circumstances will MSF delegates approve a project that does not meet the Board- approved guidelines for the program. Furthermore, each project approved through delegated authority must undergo the same rigorous vetting and verification process as do projects that come before the MSF Board for approval. By ensuring consistent safeguards are in place for both delegate-approved and Board-approved projects, we are ensuring fairness and uniformity in our process, as we work to enable long-term economic prosperity for the people of our state.

## MONTHLY IMPACTS

We are pleased to share the August delegate-approved projects continue to represent our emphasis on supporting underserved populations in geographically disadvantaged areas. Throughout August 2023, 60% of the projects approved through delegated authority are in geographically disadvantaged areas. Additionally, all August approved projects through delegated authority have committed to creating just over 480 jobs and over \$54 million in private investment.

# MSF Report

## Delegate Approvals



Under the authority delegated by the MSF Board, the MSF delegates approved the following projects during August 2023, which satisfy Board-approved guidelines for each program and have been vetted and approved through the same safeguards as those projects that come before the Board for consideration.

### Michigan Business Development Program (MBDP)

The Michigan Business Development Program is available from the MSF, in cooperation with MEDC. The program is designed to provide grants, loans, or other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or provide investment.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Madsen Steel Wire Products, LLC	8/2/2023	Bronson	\$552,000	Madsen Steel Wire Products, LLC, headquartered in Orland, Indiana, specializes in the production of custom wire forms, fabricated wire products, and metal parts for commercial restaurants, grocery retailers, automotive manufacturers, industrial, and lawn and garden industries. The company does not currently have a presence in Michigan. Madsen is experiencing increasing demands from its customers and plans to purchase an existing, long-vacant facility in the city of Bronson (Branch County). The facility has 92,000 square feet of space that will allow the company to expand its manufacturing capabilities. In addition, the company is considering the purchase of a seven-acre lot that is adjacent to this facility, to allow for future anticipated expansion. The project is expected to generate a total capital investment of \$6.9 million and create 70 jobs with the support of a \$552,000 Michigan Business Development Program performance-based grant.
Visioneering	8/16/2023	Auburn Hills	\$880,000	Visioneering, Inc., headquartered in Auburn Hills, is a full-service design and build supplier, primarily servicing the aerospace industry. The company currently employs 260 Michiganders at its Auburn Hills and Fraser facilities. Visioneering plans to expand at its existing facility in Auburn Hills to handle the largest airframe and space components in the industry. The project will include the addition of 133,664 square feet of space that will create additional height and crane capacity. The project is expected to generate a total capital investment of \$25 million and create 238 jobs with the support of an \$880,000 Michigan Business Development Program performance-based grant. Michigan was chosen for the expansion over competing sites in the southern region of the U.S. due to the company's existing talent base and relationship with Michigan-based suppliers.

## Michigan Business Development Program (MBDP) Continued

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Fraud Sniffr, Inc	8/24/2023	Grand Haven	\$225,000	Fraud Sniffr, Inc. is a tech company that uses social media and online search engines to provide full-service surveillance capabilities for the insurance and legal defense industries. The Company is relocating its headquarters from Baltimore, Maryland to Grand Haven Charter Township, Michigan. The project is expected to generate a total capital investment of \$585,000 and create 45 remote jobs with the support of a \$225,000 Micro Michigan Business Development Program (MMBDP) performance-based grant.
Stealth Enterprises, LLC	8/24/2023	Berrien Springs	\$200,000	Stealth Enterprises, LLC, headquartered in Bristol, Indiana, is a Tier 1 manufacturer of recreational vehicle haulers and trailers for the Midwest. The company currently does not have a presence in Michigan. The company is experiencing continued growth and plans to lease an existing facility in the village of Berrien Springs that previously housed a tool and die company. The project will require significant renovations, including the reconstruction of the loading docks, and will also require the purchase of new systems, machinery, and equipment. The project is expected to generate a total capital investment of \$791,538 and create 50 jobs with the support of a \$250,000 Michigan Business Development Program performance-based grant. Michigan was chosen for the expansion over competing sites in Indiana and Wisconsin due to the company's growing customer base and relationships with Michigan-based suppliers.
Redall Industries, Incorporated	8/28/2023	Yale	\$156,000	The Company was established in 1945 and headquartered in the City of Yale where they currently employ 88 Michigan residents. The Company designs and manufactures roll form solutions and a variety of stampings, steel moldings, trims, tubes, and robotic and welding assemblies to support customers in the automotive and appliance industry. The Company wants to expand its services to offer products in the alternative energy industry and has recently secured several new larger contracts supporting the solar, automotive, and electric vehicle industries. The project involves \$650,000 in capital investment and will create up to 34 QNJ's.
Molded Plastic Industries, Inc.	8/29/2023	Holt	\$125,000	Molded Plastics Industries (MPI) LLC, founded in 1974 in Holt, manufactures custom molded fiberglass and thermoplastic products fiberglass reinforced, vacuum, and thermoformed products, serving the electric and specialty vehicle and medical industries. MPI has been awarded several substantial new programs in the healthcare and electric vehicle markets that will require a large amount of production space not available at the company's current operations. The company plans to expand on 13 acres near its existing facility in Delhi Township, where it will add new fiberglass processing equipment and CNC cells. The project is expected to generate a total capital investment of \$6.8 million and create 36 jobs with the support of a \$125,000 Michigan Business Development Program performance-based grant. The company chose Michigan for the expansion over competing sites in Minnesota, Missouri, Ohio, and Wyoming.

## Michigan Business Development Program (MBDP) Continued

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Mitchell Plastics	8/30/2023	Sterling Heights	\$1,000,000	Michigan Business Development Program - Ultra Manufacturing (USA), Inc. dba Mitchell Plastics, based in Sterling Heights, is a just-in-time sequenced assembly plant that delivers center consoles for an OEM and employs 186 Michigan residents. The Company is looking to expand its existing building by adding a single-story industrial building totaling 89,093 square feet that will be used for additional injection molding machines, assembly lines, and warehousing automotive parts. The project will result in a capital investment of up to \$22,500,000 and result in the creation of up to 80 new jobs. Supported by a \$1,000,000 Michigan Business Development Program grant, Michigan was chosen over a competing site in Indiana.

## Brownfield Tax Increment Financing (TIF)

Through the Brownfield Redevelopment Financing Act, Brownfield TIF allows applicable taxing jurisdictions to receive property taxes on the property at the current level and capture the incremental increase in tax revenue resulting from a redevelopment project.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Marigold Houses, LLC	8/2/2023	Detroit	\$226,792	An Act 381 Work Plan with state tax capture valued at 226,792 was awarded to the City of Detroit Brownfield Redevelopment Authority to construct 15 residential units.
Huron State Bank	8/17/2023	Rogers City	\$101,453	The project is anticipated to bring new life to a functionally obsolete building located in Downtown Rogers City. The Project will rehabilitate a total of 3,443 square foot to result in commercial space on the ground floor and two residential apartments on the second floor. The project received a MCRP performance-based grant in the amount of \$579,000 and is anticipated to result in total capital investment of \$820,187.
Next Step of West Michigan	8/28/2023	Grand Rapids		Act 381 Work Plan w/ state tax capture of \$478,995 was awarded to the City of Grand Rapids Brownfield Redevelopment Authority to construct 16-tiny homes and 10 apartments.

## Build Michigan Community Grant Initiative

The Build MI Community Grant is an initiative designed to promote private investment in Michigan communities. This tool provides access to real estate development gap financing for small scale, incremental redevelopment projects.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
MiKi Holdings LLC	8/29/2023	Marlette	\$250,000	MiKi Holdings, LLC has been awarded a \$250,000 BMC performance-based grant to rehabilitate an underutilized two-story historic resource that sits at 3006 Main Street in downtown Marlette. This mixed-use development will reactivate over 6,700 square feet. The total project costs will be approximately \$702,167, with the City of Marlette providing the project with a façade improvement grant in the amount of \$2,500.

## Michigan Community Revitalization Program (MCRP)

The Michigan Community Revitalization Program is available from the MSF, in cooperation with MEDC. The program is designed to accelerate private investment in Michigan's communities through the redevelopment of functionally obsolete properties, reduction of blight, and the reuse of brownfield and historic properties.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
MM&E Holdings, LLC	8/8/2023	Linden	\$703,522	MM&E Holdings, LLC has been awarded a \$703,522 MCRP performance-based grant to rehabilitate a vacant two-story historic resource that sits in downtown Linden. This mixed-use development will contain a new microbrewery and restaurant on the first floor, as well as reactivate the residential rental unit on the second floor. The project is anticipated to result in total capital investment of \$1,768,066.
Visscher Enterprise, LLC	8/11/2023	Ludington	\$528,750	Project will rehabilitate a functionally obsolete building in downtown Ludington into commercial office space on the first floor and four residential units on the second floor. The project received a MCRP performance-based grant in the amount of \$528,750 and result in total capital investment of \$1,210,000.
Huron State Bank	8/17/2023	Rogers City	\$579,000	The project is anticipated to bring new life to a functionally obsolete building located in Downtown Rogers City. The Project will rehabilitate a total of 3,443 square foot to result in commercial space on the ground floor and two residential apartments on the second floor. The project received a MCRP performance-based grant in the amount of \$579,000 and is anticipated to result in total capital investment of \$820,187.

## Facade Restoration Initiative

The Façade Restoration Initiative is a community development grant intended to strengthen and expand the positive impact of local façade improvement programs in downtowns and commercial corridors around the state.

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Alpena Downtown Development Authority	8/24/2023	Alpena	\$400,000	The Alpena Downtown Development Authority was awarded \$400,000 in funds through the Facade Restoration Initiative. Awarded funds will be re-granted through the local Alpena DDA facade improvement program for eligible private building owners for facade improvement activities. Approximately, seven (7) facade renovations will be completed.
City of Coldwater	8/24/2023	Coldwater	\$75,000	The Coldwater Downtown Development Authority was awarded \$75,000 in funds through the Facade Restoration Initiative. Awarded funds will be re-granted through the local Coldwater DDA facade improvement program for eligible private building owners for facade improvement activities.
City of Manistee	8/24/2023	Manistee	\$150,000	The Manistee Downtown Development Authority was awarded \$150,000 in funds through the Facade Restoration Initiative. Awarded funds will be re-granted through the local Manistee DDA facade improvement program for eligible private building owners for facade improvement activities. Approximately, five (5) existing storefront projects will receive a facade restoration improvement grant.
Midtown Detroit, Inc.	8/24/2023	Detroit	\$300,000	Midtown Detroit, Inc. was awarded \$300,000 in funds through the Facade Restoration Initiative. Awarded funds will be re-granted through Midtown Detroit, Inc.'s facade improvement program for eligible private building owners for facade improvement activities. Approximately, nineteen (19) facade restoration projects will receive a grant.



## Capital Access

The Capital Access team partners with lenders to assist in helping small businesses obtain financing that would otherwise not be available.

### State Small Business Credit Initiative (SSBCI) 2.0 – Collateral Support Program (CSP)

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
Pentar Stamping, Inc.	8/18/2023	Jackson	\$124,750	Bank Michigan is working with Pentar Stamping to provide them with a term working capital note. Due to collateral shortfall the bank is seeking assistance from the SSBCI 2.0 CSP.
Niowave, Inc.	8/30/2023	Lansing	\$4,240,000	MSUFCU is working with Niowave, Inc. to expand their business operations. Due to collateral shortfall, MSUFCU is requesting assistance from the MBGF 2.0 CSP.
Draught Horse Real Estate Holdings LLC	8/31/2023	New Hudson	\$249,500	LAFUCU is working with the company to refinance outstanding real estate debt from Byline Bank. Due to collateral shortfall the credit union is seeking assistance from the SSBCI 2.0 CSP.

### Michigan Supplier Diversification Fund – Collateral Support Participation

Project Name	Approval Date	Location	Incentive Amount	Project Highlights
N-K Manufacturing Technologies, LLC	8/14/2023	Grand Rapids	\$833,000	Mercantile Bank is working with N-K Manufacturing to renew and increase their existing LOC. Due to a lack of collateral they are requesting collateral support on the line.



# Program Amendments



For a variety of reasons, projects may return to the MSF requesting an amendment to their previous approvals, at which point the Economic Development Incentives teams evaluate whether those projects would qualify for those amendments. These amendments include, but are not limited to, changes of scope for projects; adjusted milestones; extended or contracted timelines; redefined project sites; and modified award amounts. See below for a list of program amendments that received delegated approval in August 2023.

## Community Development Block Grant (CDBG)

Project Name	MSF Delegate Amended Date	Project Location	Type of Request
Request Foods, Inc. - Project Entree - Expansion	8/7/2023	Taylor	To extend grant so providers to effectively deliver skill-based training.

# Financial Data Overview and Terminations



## Michigan Business Development Program - Terminations

Project Name	Project Location	Incentive Type	Amount	Date	Reason for Termination	Repayment
Valeo North America, Inc.	Highland Park	Expansion	\$1,000,000	7/17/23	Company was unable to meet grant requirements	\$0 was disbursed and so no repayment is required
Forman Glass	Galesburg	Relocation	\$100,000	7/17/23	Unable to meet third milestone prior to grant term date	Maintained all previously incented jobs so no repayment is required
Security Packaging, Inc. dba NorthGate	Burton	Expansion	\$1,000,000	7/17/23	Company was unable to meet grant requirements	\$0 was disbursed and so no repayment is required
Home Point Financial Corporation	Ann Arbor	Expansion	\$360,000	7/31/23	Company eliminated all previously incented jobs	\$824,400