

**MEMORANDUM OF INTENT**

**Between**

**NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY –  
MANUFACTURING EXTENSION PARTNERSHIP PROGRAM**

**And**

**INTERNATIONAL TRADE ADMINISTRATION –  
U.S. AND FOREIGN COMMERCIAL SERVICE**

**For**

**COLLABORATION TO INCREASE U.S. MANUFACTURING EXPORTS, INCLUDING  
THROUGH THE EXPORTECH PROGRAM**

***I. PURPOSE***

The National Institute of Standards and Technology Manufacturing Extension Partnership Program (MEP), and the International Trade Administration (ITA), U.S. and Foreign Commercial Service (CS), enter into this Memorandum of Intent (MOI) for the purpose of establishing a working relationship to more efficiently serve the U.S. manufacturing base and increase global exports, and create a framework for CS-MEP collaboration, including through the ExporTech program.

***II. BACKGROUND***

The MEP works with small and medium-sized U.S. manufacturers to help them create and retain jobs, increase profits, and save time and money. The nationwide network provides a variety of services, from innovation strategies to process improvements to green manufacturing. MEP also works with partners at the state and federal levels on programs that put manufacturers in position to develop new customers, expand into new markets and create new products.

MEP is a results-based network of locally operated, staffed and controlled non-profit and university-based organizations, which partner with MEP through MEP's grant program, leveraging Federal, state, local, and private resources. This partnership among the Federal government, state and local governments, and the private sector has manufacturing extension offices, managed by MEP cooperative agreement recipients, which provide services in every state across the country and in Puerto Rico. The Department of Commerce's National Institute of Standards and Technology manages the grant program through which almost 350 locations have been selected to provide MEP services.

CS is the export promotion arm of the Department of Commerce, with more than 1,400 trade professionals in over 100 U.S. cities and in more than 75 countries. CS trade professionals assist U.S. businesses to enter and increase sales in world markets. In 2011, CS assisted over 20,000, U.S. businesses with their exporting needs, of which approximately 5,600 have confirmed realized U.S. exports worth more than \$54 billion in goods and services. More than 85 percent of the companies assisted were small- and medium-sized enterprises. CS provides services to help U.S. firms increase their exports, including export counseling and advice, information on markets abroad, international partner contacts and advocacy services.

Research has shown that growth opportunities for manufacturers are increasingly international, and there is an enormous opportunity to assist small manufacturers to increase international sales. In particular, there are many U.S. manufacturers that ship to only one or a handful of international markets. Together, MEP and CS (the Participants) can help U.S. manufacturing companies expand into additional foreign

markets and accelerate global growth. CS's export promotion services complement MEP's services and capabilities in helping U.S. manufacturing companies develop their processes and overall business strategy. CS and MEP, through collaboration, can support each other's missions.

Specific projects arising in the course of this working relationship involving the commitment of resources by either or both Participants, and/or the transfer of funds will operate under separate written implementing agreements. As appropriate, MEP will be responsible for MEP cooperative agreement recipients' participation in projects and collaborative efforts undertaken in support of this MOI.

### **III. AUTHORITY**

- A. MEP has authority to participate in establishing a working relationship and creating a framework for CS-MEP collaboration under 15 U.S.C 272(b)(1) and 15 U.S.C. 278k.
- B. CS has authority to participate in establishing a working relationship and creating a framework for CS-MEP collaboration under 15 U.S.C. 4721, which authorizes US&FCS to promote U.S. exports and support U.S. commercial interests abroad.

### **IV. COLLABORATION OBJECTIVES**

MEP and CS have a shared interest in increasing exports from the U.S. manufacturing sector. The specific opportunities for collaboration to advance this shared interest may include, but are not limited to:

- A. *ExporTech*: Continue to deliver the ExporTech program, under which CS's domestic field offices and NIST's MEP cooperative agreement recipients (MEP centers) collaborate to assist U.S. manufacturers to enter or expand in global markets. These collaborations may involve the participation of third parties such as District Export Councils, state trade promotion agencies, and other non-profit entities engaged in export promotion assistance. The Participants will continue to expand the ExporTech program by initiating the collaborative ExporTech process in additional states and further developing the program, including by exploring various delivery models for the ExporTech program and additional research into improving the efficiency of the program. The ExporTech program is designed as collaboration between the Participants in which both Participants are essential partners, and MEP will ensure that its cooperative agreement recipients will work with CS, including CS domestic field offices, on any ExporTech engagements.
- B. *Market Research and Analysis*: Collaborate on market research to better understand the export service needs and buying behavior of CS and MEP exporting clients, and the impact of CS and MEP services. This activity may involve joint research projects, as well as sharing of market data collected individually by each organization.
- C. *Partnerships*: Develop potential collaborations with third parties or discuss ways to leverage CS or MEP's partnerships with third parties in order to support the missions of both organizations.
- D. *International Trade Leads*: MEP will coordinate with CS to use the international trade leads obtained by CS from foreign posts and through export.gov registration to help U.S. small manufacturers connect with potential international partners.
- E. *Referrals and Joint Service Delivery*: The Participants will promote, encourage, and seek to facilitate collaboration between MEP cooperative agreement recipients and CS's domestic field offices, including (with appropriate client consent) through bi-directional referrals, joint service delivery for clients leveraging each organization's complementary expertise, joint development and delivery of new programs, and in the future, potential co-location of staff.

B. With respect to this MOI, MEP agrees to:

1. Provide outreach and promotion to MEP clients regarding the ExporTech program and CS services
2. Provide a program manager/champion to organize and lead the ExporTech program overall, beginning with coordination with local CS office, and including other partners as appropriate.
3. Provide and train an ExporTech facilitator to facilitate the group sessions, prepare and organize session agendas, and coordinate with speakers and coaches
4. Provide information and expertise regarding manufacturing processes and capacity, cost and lead time reduction, quality, innovation, product development and modifications.
5. MEP will advise its cooperative agreement recipients to work with CS and CS domestic field offices on ExporTech engagements.
6. MEP will seek opportunities for the further development and expansion of the ExporTech program.

C. With respect to this MOI, CS and MEP will:

1. Coordinate to share information measuring the successes and overall results and effectiveness of ExporTech and any other collaborative programs.
2. Coordinate to make joint decisions on further development of the ExporTech program and any other joint programs.
3. Meet periodically to discuss ExporTech and any other collaborative activities or programs envisioned or undertaken in furtherance of this MOI.

D. CS and MEP roles and responsibilities shall be undertaken, as appropriate, under separate written implementing agreements which shall apply to the relationships between individual CS domestic field offices and MEP or MEP cooperative agreement recipients and address such matters as the transfer of funds and the roles and responsibilities of the parties to such separate agreements.

## **VI. CONTACT INFORMATION**

The contacts for CS and MEP are:

**Daniel O'Brien**  
**Deputy National Field Director, U.S. and Foreign Commercial Service**  
**U.S. Department of Commerce**  
**1401 Constitution Ave NW**  
**Washington, DC 20230**  
**202-482-1376 (office)**  
**202-482-0687 (fax)**  
**Daniel.O'Brien@trade.gov**

**Kari Reidy**  
**Manager of Growth and Innovation Services, Manufacturing Extension Partnership**

ITA U.S Commercial Service and NIST Manufacturing Extension Partnership Draft MOI

- F. *Knowledge Sharing*: Facilitate knowledge sharing through cross-training, participation in each organization's conferences and events, and other knowledge sharing initiatives (including the Manufacturing Innovation Conference, TradeWinds, District Export Council Conference, and other local/regional events).
- G. *Tools*: Jointly develop tools that will support the Participants' respective missions.

**V. ROLES AND RESPONSIBILITIES**

- A. With respect to this MOI, CS agrees to:
1. Participate as coaches for ExporTech programs. The role of coach involves the activities listed below, which in total require 10-20 hours per client over the course of an entire ExporTech program, and would be provided as appropriate and consistent with relevant CS and governmental policies governing CS service eligibility and cost recovery. Depending on the region, CS might coach one client or several clients (with coaching also provided by MEP centers and other partner organizations). Coaching activities include:
    - i. Conducting 2-4 coaching consultations (preferably in-person though also by phone) with clients to which they are assigned as coaches;
    - ii. Connecting these clients with market and other information needed to develop their export plans;
    - iii. Connecting these clients to other experts and organizations that are relevant to develop and execute their export plans;
    - iv. Providing feedback and guidance on the plan, as well as assistance in preparation for the final session, where plans are presented to a panel of international business experts.
  2. Provide CS services, as appropriate and consistent with relevant CS and governmental policies governing eligibility and cost recovery, to U.S. manufacturing companies identified by MEP or MEP cooperative agreement recipients. Some of these clients will be ExporTech clients, though it is recognized that these services are separate from and in addition to ExporTech coaching services. CS services provided may include, but are not limited to:
    - i. Export counseling;
    - ii. Country-specific market research relevant to companies' needs;
    - iii. Information on export mechanics, such as export licensing, tariff rates, foreign laws and regulations, payment and financing, logistics, and other areas as applicable;
    - iv. International matchmaking programs, such as the Gold Key Service, International Partner Search, International Company Profile, and the International Buyer Program;
    - v. Relevant trade show and trade lead information, and international marketing services and information including trade show support, Featured U.S. Exporters (FUSE), Commercial News USA, etc.
  3. Provide outreach to CS clients, as appropriate, regarding MEP programs and the ExporTech program.
  4. Recruit expert resources and speakers for participation in ExporTech sessions.
  5. Coordinate with MEP to share information about relevant CS programs or activities related to export promotion that could be adapted for use in the ExporTech program.
  6. Collaborate on outreach and promotion of ExporTech and other joint programs

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CS and MEP agree that if there is a change regarding the information in this section, the party making the change will notify the other party in writing of such change.

**VII. TERMS AND TERMINATION**

This MOI will take effect on the date of execution and will remain in effect for 2 (two) years, and may be renewed by mutual written agreement. The MOI may be terminated by either party upon two weeks written notice, and may be modified or extended by written mutual agreement.

Nothing herein shall be construed to create any joint venture or similar relationship or to subject the Participants to any implied duties or obligations respecting the conduct of their affairs that are not expressly stated herein. Neither CS nor MEP shall have any right or authority to assume or create any obligation or responsibility, either expressed or implied, on behalf of or in the name of the other party, or to bind the other party in any matter whatsoever.

This MOI is a statement of intent of CS and MEP to cooperate and does not create legally binding obligations. All activities contemplated by this MOI are subject to the availability of funds and other necessary resources. Neither party is required to obligate funds under this MOI. Funding arrangements, if any, will be addressed in separate implementing agreements under proper authorities.

**FOR THE PARTICIPANTS:**

  
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Roger D. Kilmer, Director  
Manufacturing Extension Partnership Program  
National Institute for Standards and Technology

8-27-12  
Date

  
\_\_\_\_\_  
Charles A. Ford  
Acting Assistant Secretary for Trade Promotion  
and Director General of the  
U.S. and Foreign Commercial Service

8/9/12  
Date

