

Trade Adjustment Assistance for Firms (TAAF)

## Musical Instruments Manufacturer

### CHALLENGE

Competition from low cost producers in China and Mexico



*In the two years prior to starting TAAF:*

**Sales Change:** -22%  
**Jobs Change:** 11%

NWTAAC assisted company to prepare a petition for TAAF

*Our ability to create amazing instruments has expanded incredibly with the resources now available to us. (referring to acquisition)*

Referred to TAAF by:

NWTAAC Regional Outreach

Company founder

### SOLUTION

NWTAAC worked with management to review and advise on a strategy to differentiate through quality, service, and product variety and seek acquisition for distribution scale.

**Investment** NWTAAC secured approval for \$30,000 for outside expertise with the company matching at 25% (\$7,500). The company invested substantial additional funds to fully implement the strategy.

**Outside Expertise** \* Website Design with Little Apple

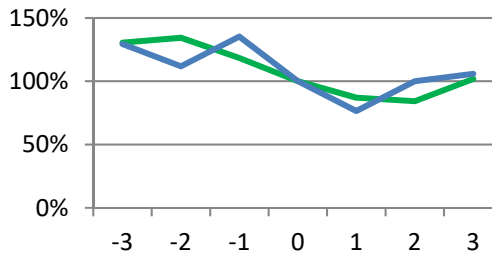
### RESULTS

TAAF focused on marketing - a weakness for the company. The firm recovered and accepted an acquisition offer recognizing that their small scale would not be viable in a changing market. The firm employed \$20,766 of TAAF assistance over 5 years.

*Results from start of TAAF:*

**Sales Change:** 2%  
**Jobs Change:** 6%  
**Productivity:** -4%  
**TAAF Usage:** Full  
**Status at Close:** Company acquired  
**Long-term:** Continued operation with new owner

**Table:** Indexed SALES and JOBS by program year, TAAF start = 100% and year 0.



\*Active for 5 years with -1 years of follow-up

TAAF helps companies (typically: small, closely held/family owned) to overcome challenges from import competition. Help focuses on business strategy and outside expertise. The program is single use with a cap on assistance.



### NorthwestTAAC

1200 Westlake Ave. N., Ste 604  
 Seattle, Washington 98109  
 T: (206) 622-2730; F: (206) 622-1105  
 www.nwtaac.org

### Trade Adjustment Assistance for Firms

Alaska, Idaho, Oregon, Washington

