

JEFF ATWATER



FLORIDA'S CHIEF FINANCIAL OFFICER

# FLORIDA'S BOTTOM LINE

*Inside Track on Florida's Financial Health*

Summer 2012

## SMALL BUSINESS: *Florida's Economic Engine*



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## CFO'S CORNER

### LETTER FROM THE CFO

Dear Fellow Floridians:

Over the past quarter, our state's economy has continued to improve. Jobs are being created in Florida while home prices and home sales are picking up speed. However, hundreds of thousands of jobs were lost in the economic downturn, and much more progress is needed before conditions return to normal. Low consumer confidence illustrates many Floridians' understanding that the hole left in our economy by the Great Recession has yet to be filled completely.

Already the backbone of Florida's economy, small businesses offer solutions for many of the problems confronting Florida; our state is home to more than 2.2 million small businesses that employ roughly 4 out of 5 Floridians. By providing a stable economic environment, the state can help these businesses flourish and expand, which will create jobs in our communities and strengthen Florida's economy.

Standing behind our state's small businesses community is crucial to our recovery. This is why I was excited to announce the [2012 Small Business Leadership Forum](#), which I am hosting with the Jim Moran Institute in Tampa on Sept. 6-7. This is a unique opportunity for small businesses from across the state to share ideas and learn from experts on sales, social media and other practical topics. I hope that you can be involved with the Small Business Leadership Forum, which you can read more about on page 2.

Running a small business is a daunting proposition. Figuring out how to keep the doors open and make payroll can be difficult enough, not to mention the extra burdens added by government. For many small business owners, the term "work-life balance" is simply not in their vocabulary. Despite all of the challenges and risks, they persevere, and our state's economy is better for it. These heroes of Florida give me hope that our future is bright.

Sincerely,



Jeff Atwater  
Chief Financial Officer  
State of Florida



*CFO Atwater touring  
Atlas Paper Mills in Miami*

### INSIDE STORIES

Jobs 1

Forum 2

Housing 3

Small Business 4

Economy Q&A 5

Florida Economy 6

Financing 7

State & Nation 8

Fast Facts 9

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# ECONOMY Q&A

## *A conversation with Dr. Jerry Haar, Director of the Pino Global Entrepreneurship Center at Florida International University*

**Florida's Bottom Line:** How does the Pino Global Entrepreneurship Center at Florida International University (FIU) help the small business community in Florida?

**Dr. Jerry Haar:** Our mission is to foster entrepreneurship throughout South Florida and internationally. We provide FIU and local communities with the knowledge and networks that enable them to reach their entrepreneurial objectives of designing, launching and nurturing successful new ventures and assisting established innovative enterprises in moving to the next level. Our vision is to be a recognized international leader in entrepreneurship education and technical assistance. In terms of the small business community, in particular, we offer an extensive series of workshop and webinars, on themes such as “How to Develop a Killer Business Plan” and “Developing a Winning Venture Capital Pitch.” We also have a joint venture with [SCORE](#) chapters to work with small businesses and help them secure funding; and our yearly Americas Venture Capital Conference is a preeminent information gathering and networking event that joins start-ups with later stage firms and later stage firms and venture capitalists and angel investors from Florida and overseas (Latin America and Europe) for deal-making purposes.

**FBL:** What role will Florida have in the global economy in the coming years, and what opportunities will it bring?

**JH:** Florida's role and the ensuing opportunities are contingent upon readiness. The prerequisites of that readiness have been addressed and analyzed by the Florida Chamber Foundation and consist of six pillars: Talent Supply & Education; Innovation & Economic Development; Infrastructure & Growth Leadership; Business Climate & Competitiveness; Civic & Governance Systems; and Quality of Life & Quality Places. Unless there is a joint, coordinated commitment by the public and private sectors, with not only action plans and measureable objectives but funding behind it and a monitoring system with full accountability, Florida will continue to be welded to the three-legged stool of tourism, construction and real estate, and low-value services. The opportunities for Florida could be— should be— knowledge-based industries and high value-added services; but those will not be attained without ensuring that the six pillars mentioned above are strengthened and anchored in excellence.

**FBL:** How can small businesses tap into new markets abroad?

**JH:** For small business to tap into new markets abroad, they need to

do four prime things: (1) realize the boundless opportunities in global markets; (2) understand the risk-reward structure of doing business abroad; (3) learn that there are a host of institutions available (e.g., Enterprise Florida, US Commercial Service, World Trade Centers, chambers of commerce) that can assist small firms with penetrating foreign markets; and (4) “pulling the trigger”— actually manifesting the fortitude to make the decision to execute an international transaction once a clear-cut opportunity is identified. The fact that less than 10% of US small firms engage in global commerce highlights an opportunity for our entrepreneurs to further expand their businesses.



**Dr. Jerry Haar**

**FBL:** What challenges can Florida firms anticipate from global competition?

**JH:** Anticipated challenges from global competition center largely on Florida's tourism and ports. In the first instance, tourist destinations such as the Dominican Republic, Mexico (the “Mayan Riviera”), Aruba, and eventually Cuba will cut into Florida's tourism. In the second, East Coast ports are upgrading their infrastructure and services to woo business away from Florida's Atlantic Coast ports. But Florida's greatest competition is not global but national—in fact, regional. Virginia, North Carolina and Georgia have been outpacing Florida in upgrading infrastructure, investing in education, improving transportation, wooing both foreign and domestic companies to set up shop in their states, and forging public-private partnerships to boost competitiveness. We cannot rest on our laurels. By monitoring our competition and addressing improving our own competitiveness along the lines of the Six Pillars cited above, we can definitely transform our great state into an even greater one.

LEARN MORE ABOUT DR. HAAR AND HIS WORK AT: [WWW.ENTREPRENEURSHIP.FIU.EDU](http://WWW.ENTREPRENEURSHIP.FIU.EDU)