

# Strengthening Florida's Role as a Global Hub

*presented to*

**Tampa Bay Regional Planning Council**

*presented by*

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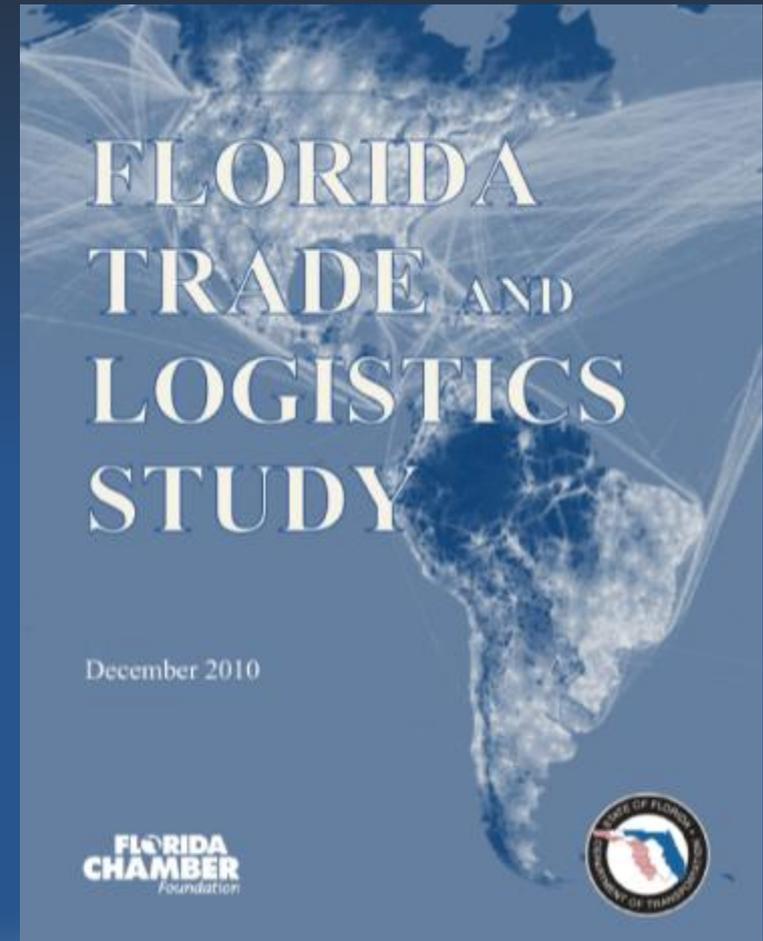
**August 13, 2012**

# Discussion Topics

- How Important is International Trade?
- What Are Our Opportunities?
- Are We Achieving Our Goals?
- What is Next?

# Florida Trade and Logistics Study

- Document existing domestic and international trade flows
- Estimate future domestic and international trade flows
- Identify opportunities for Florida to compete globally
- Recommend strategies to pursue most attractive opportunities



# Florida Trade Statistics

- Nearly 1.3 million jobs in Florida depend on international business
- Over 55,000 companies in Florida export products or services
- 95% of Florida's exporters are small and medium size companies
- Florida has over 10 million international visitors annually



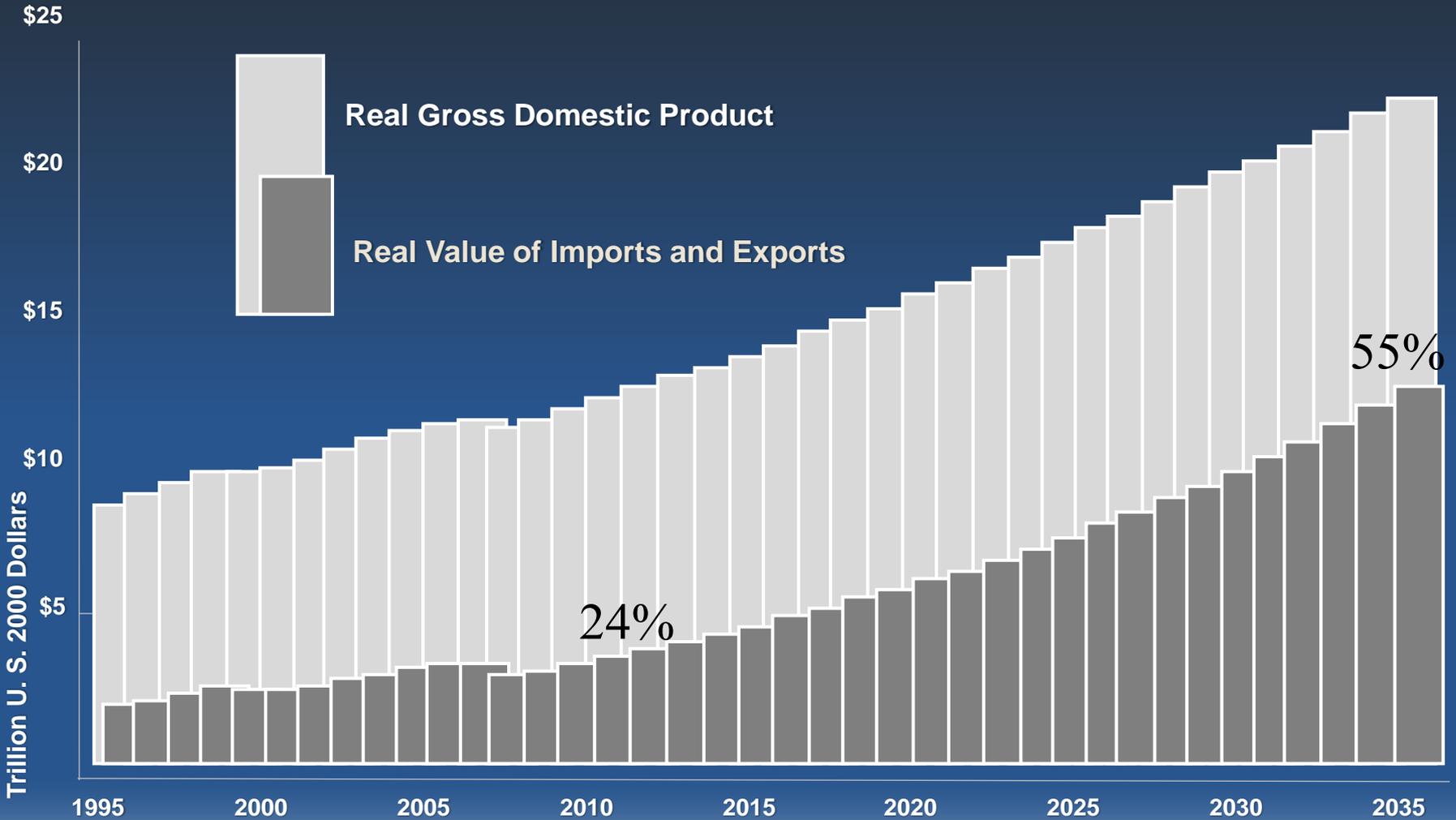
# Florida Trade Statistics

- Florida ranks 7<sup>th</sup> in exporting agricultural commodities with a value of more than \$1 billion dollars
- In 2011 Florida's Origin Exports reached \$64.8 billion dollars, a 17.0% increase over 2010
- Florida ranks 6<sup>th</sup> in the nation in terms of foreign direct investment employment
- Foreign companies employ 245,800 Floridians



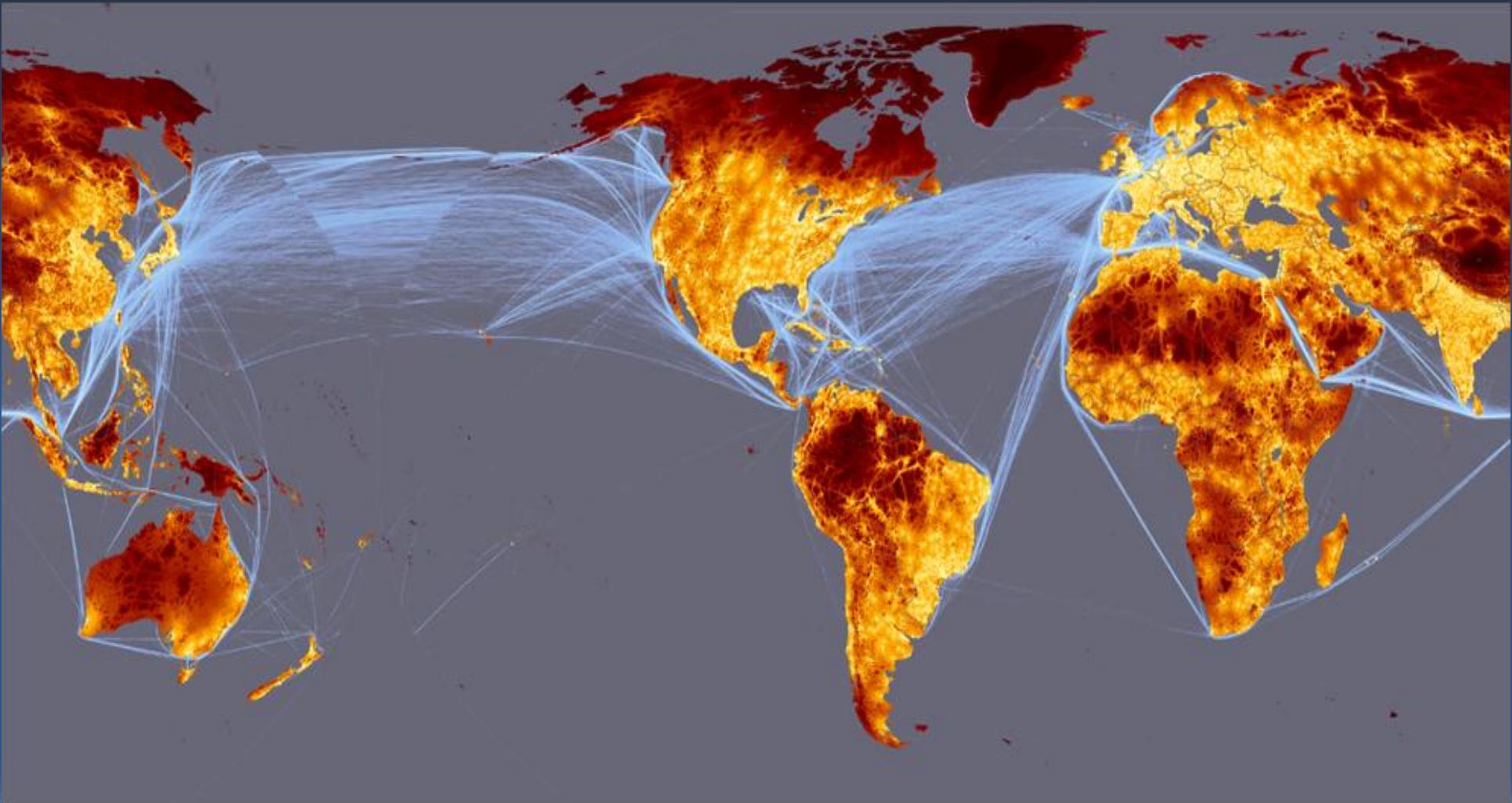
# Why Focus on Trade?

## U.S. Foreign Trade Value Expected to Quadruple by 2035



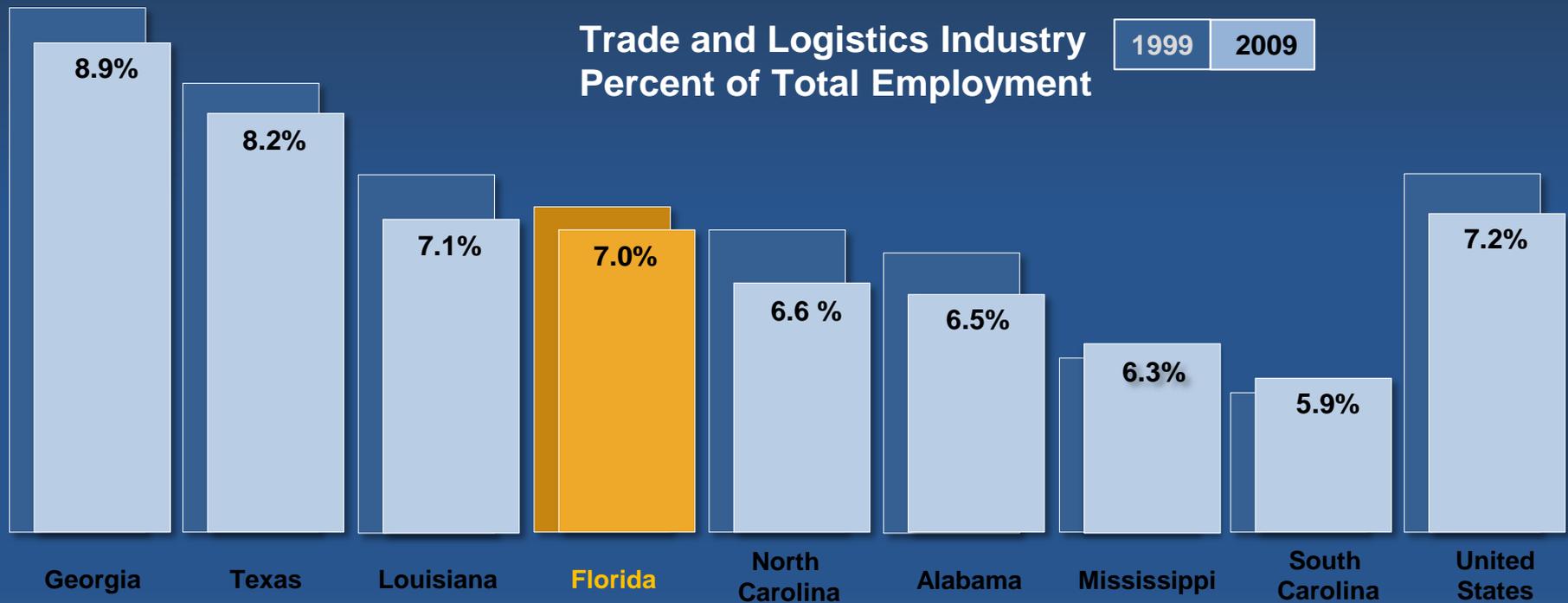
# Why Focus on Trade?

Changing Global Trading Patterns Favor Florida



# Where We Stand

- 531,000 direct jobs in trade and logistics in 2009
- Typical wage 29% higher than state average



# Florida Already Is a Global Hub

- 
- **20** foreign trade zones
  - **78** foreign consulates
  - **19** commercial airports
  - **11 million** foreign visitors
  - **14** deepwater seaports
  - **106 million** tons of cargo
  - **3 million** TEU containers
  - **13 million** cruise passengers
  - **\$73 billion** in merchandise exports (4<sup>th</sup> ranked state)
  - **\$30 billion** in services exports
  - **\$53 billion** in imports (10<sup>th</sup> ranked state)
  - **55,000** exporting companies (2<sup>nd</sup> ranked state)
  - **2,500** foreign-owned subsidiaries (2<sup>nd</sup> ranked state)

# Florida's Competitiveness

## Strengths

- Large consumer market (residents and visitors)
- Strategic location for N/S and E/W trade lanes
- Dominant position in Latin American and Caribbean trade
- Multimodal transportation infrastructure
- Extensive global ties

## Weaknesses

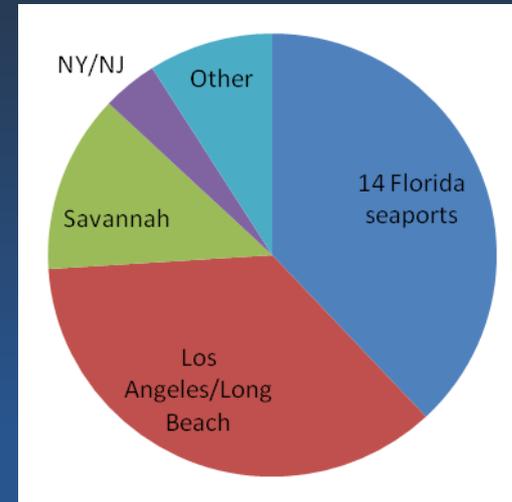
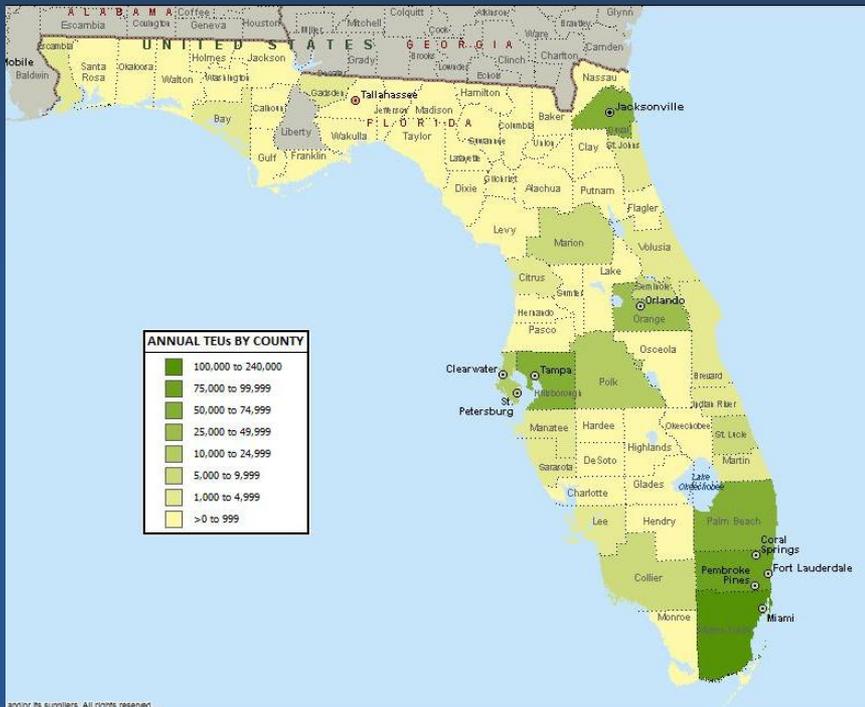
- Small manufacturing sector
- Poor location for domestic distribution
- Limited penetration of Asian, European trade lanes
- Transportation system capacity
- Limited funding

# Future Trade Opportunities

- Capture **larger share of Asian imports** to Florida through Florida seaports
- Expand **Florida origin exports**
- Expand Florida's role as a **global trade hub** serving other states and nations

# Florida Import Patterns

Imports are consumed in Florida's major population centers ...

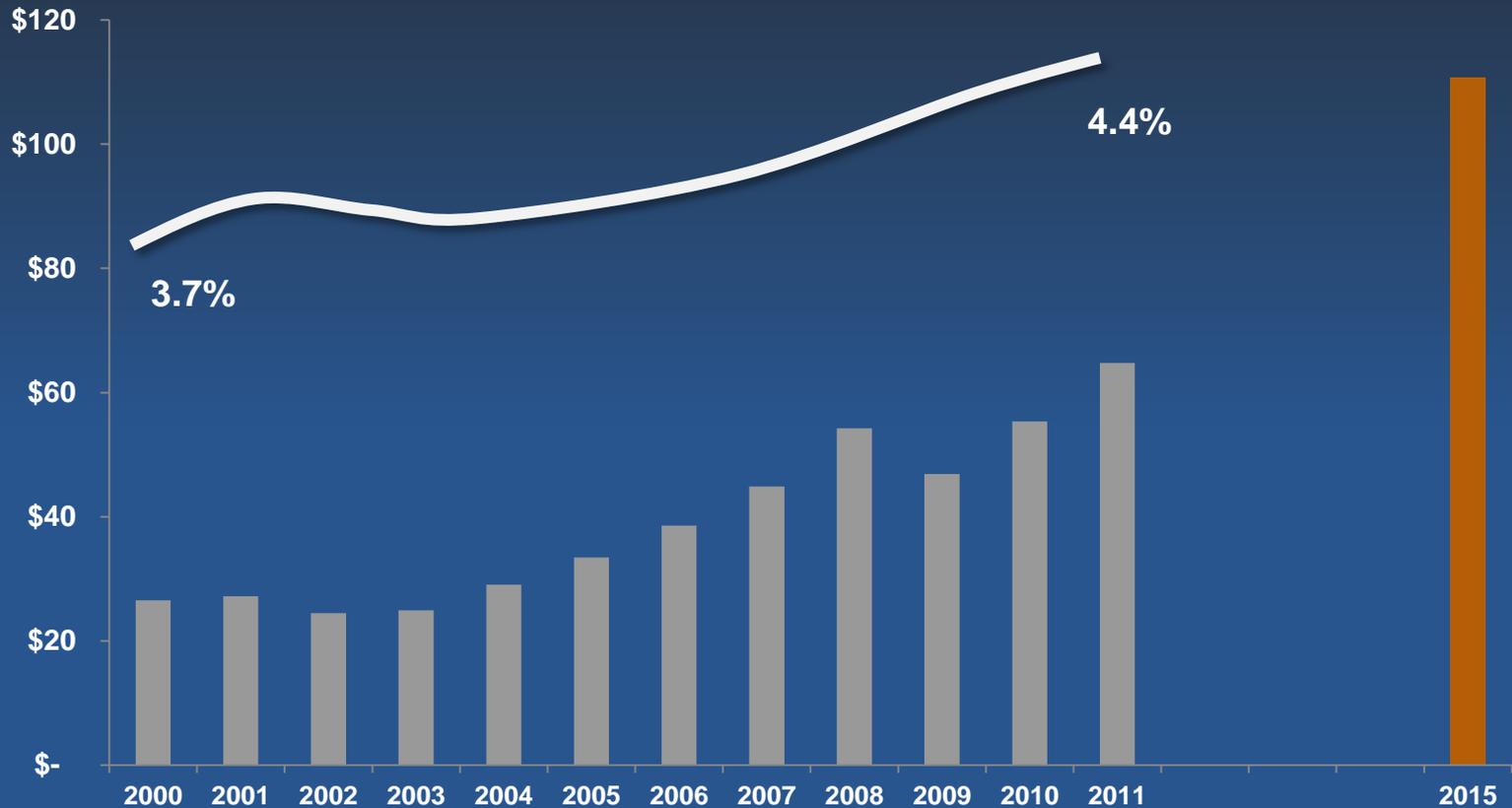


... but less than 2 out of 5 Asian containers enter the state through Florida seaports

2009 import gap:  
**1.3 million containers** handled in other states but destined for Florida

# Florida's Export Goal

## Florida Share of US Export Value (%)



## Florida Origin Export Value (in \$billions)

# Investments in Our Seaports

- Port of Tampa
  - Cross-town Connector, Gateway Rail, Petroleum terminal
- Port Miami
  - Deep dredge, on-port Intermodal Container Transfer Facility (ICTF), rail re-connect; highway tunnel
- Port Everglades
  - On-port ICTF, grade separation, turning notch expansion
- Port of Jacksonville
  - On-port ICTF, roadway improvements



# Potential Impacts of Trade and Logistics Strategies

- Jobs
  - Transportation and logistics impacts: up to **32,000** jobs
  - Advanced manufacturing and supply chain impacts: up to **111,000** jobs
- **\$21.5 billion** in business sales
- **\$7.9 billion** in personal income
- **\$723 million** in state and local tax revenues

# How Do We Get There?

## 7 Critical Actions

1. Support **Governor's leadership** as Florida's economic development officer
2. Expedite plans to create at least one “**first port of call**”
3. Identify global trade and logistics as **statewide targeted industry**
4. Continue efforts to **double value of Florida origin exports**

# How Do We Get There?

## 7 Critical Actions

5. Maintain/expand Miami's role as a **global air cargo hub**; identify potential for additional air cargo hubs in Florida
6. Develop integrated statewide network of **trade gateways, logistics centers, and freight corridors** (Florida's Strategic Intermodal System)
7. Provide **sufficient and reliable funding** for future state investments in trade, transportation, economic development

# Implementation Status

## Talent Supply & Education

- International Trade & Logistics career academies
- Quick Response Training program for existing companies

## Innovation & Economic Development

- Trade and logistics as a statewide targeted industry
- Governor's active role in promoting FL as a global hub

## Infrastructure & Growth Leadership

- State funding allocation for Port of Miami dredge
- Activity surrounding development of inland distribution locations

## Business Climate & Competitiveness

- Duplicative port security requirements eliminated

## Civic & Governance Systems

- Regional studies underway

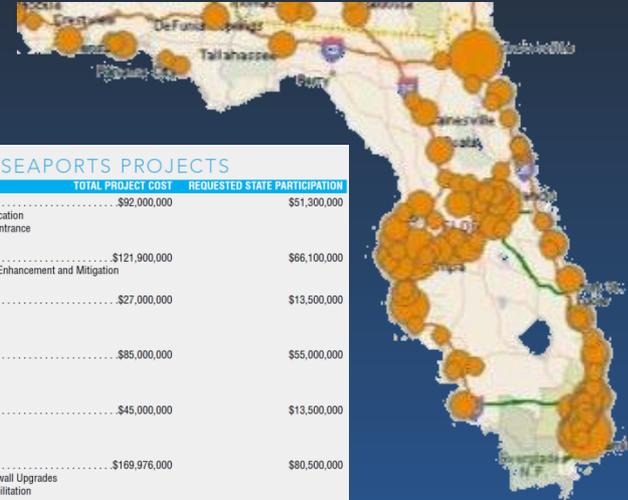
## Quality of Life & Quality Places

- Logistics Study and 2060 FTP call to minimize impact of freight on Florida's communities and environment



# 2012 Initiatives

- Trade & Logistics Study 2.0
- Florida's Five Year Plan for Economic Development
- Florida's Future Corridors
- Freight Mobility & Trade Plan
- Strategic Funding Initiatives
- Intermodal Logistics Center Program



**TABLE 1 PRIORITY SEAPORTS PROJECTS**

PORT/PROJECT	TOTAL PROJECT COST	REQUESTED STATE PARTICIPATION
<b>CANAVERAL</b> North Cargo Piers 6 and 8, and Tugboat Relocation Widen and Deepen West Turning Basin and Entrance	\$92,000,000	\$51,300,000
<b>EVERGLADES</b> Southport Turning Notch Expansion, Habitat Enhancement and Mitigation	\$121,900,000	\$66,100,000
<b>FERNANDINA</b> Off-Port Warehousing and Container Depot New Berth 3	\$27,000,000	\$13,500,000
<b>JACKSONVILLE</b> Mile Point Navigation "Fix" Intermodal Container Transfer Facility	\$85,000,000	\$55,000,000
<b>MANATEE</b> South Port Intermodal Complex Intermodal Cold Storage Facilities	\$45,000,000	\$13,500,000
<b>MIAMI</b> Super Post-Panamax Gantry Cranes and Seawall Upgrades Cruise Terminal Upgrades and Seawall Rehabilitation	\$169,976,000	\$80,500,000
<b>PALM BEACH</b> Slip 3 Reconstruction and Expansion	\$46,375,000	\$10,000,000
<b>PANAMA CITY</b> Completion of Phase II Container Yard Expansion Expansion of Multibulk Terminal	\$8,000,000	\$2,200,000
<b>TAMPA</b> Cut A and B Widening	\$26,000,000	\$8,000,000
<b>TOTAL</b>	<b>\$821,251,000</b>	<b>\$300,100,000</b>



# Trade and Logistics Phase II

## Study Objectives

- Identify specific opportunities for Florida to become a global hub for trade, logistics, and export-oriented manufacturing
- Develop an implementation plan including specific policy changes and investments needed to accomplish this vision
- Continue to build consensus among public and private partners in support of this vision and its implementation

# Trade and Logistics Phase II Scope

## Stage 1: Initial Findings

1. Establish Study Review Committee
2. Examine Florida's global trade opportunities
3. Identify potential policy and investment changes needed to pursue the key market opportunities
4. Develop a brief prospectus describing each global trade opportunity and the suggested strategies for pursuing that opportunity
5. Prepare a summary of initial findings and preliminary strategies for presentation at the Future of Florida Forum, October 8-9, 2012

# Trade and Logistics Phase II Scope

## Stage 2: Implementation Plan

6. Conduct supply chain analyses
7. Identify potential changes to incentive, tax, regulatory, workforce, and other business support services
8. Identify infrastructure needs and potential impacts
9. Develop regional framework for location of future trade, transportation, and economic development investments
10. Convene a workshop with the Study Review Committee to review the findings of tasks 6 through 9 and discuss recommendations for the final report
11. Develop a final report and implementation plan
12. Support study rollout

# Questions?

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