

An aerial photograph of Fort Lauderdale, Florida. The top half shows the city skyline with several tall skyscrapers against a blue sky with light clouds. The bottom half shows a large marina with many boats docked at piers, surrounded by lush greenery and palm trees.

CEO Survey 2012





Methodology

Kaufman, Rossin & Co., CPAs, administered the 2012 CEO Survey for the Greater Fort Lauderdale Alliance.

- 1,872 businesses in Broward County were sourced from Hoovers, a Dun and Bradstreet company whose database includes 65 million companies.
- Email invitations were sent to CEOs or owners of these companies
- 229 visited the survey; 84 completed it; 25 partially completed it
- Data was analyzed and interpreted by Kaufman, Rossin & Co. professionals



Executive Summary

Responder profile

94% of responders were CEOs or owners. More than 80% run small to mid-sized businesses, and most have been in Broward more than 10 years

More than half of them are in

- Construction/real estate
- Professional services
- Manufacturing

Broward is generally the source of most of their business, and they expect that to continue.

Most are optimistic.

They felt the impact of the downturn, most notably in revenue though slightly less in profitability.

Most feel more confident than last year, and more than half plan to hire in the next 18 months. More than half plan to invest in the next 18 months, in:

- Marketing
- Technology

Executive Summary

Their concerns:

- Access to credit and capital
- Lack of consumer demand, fear of spending
- Regulation, fees, and taxes
- Lack of incentives for businesses
- Poor schools, lack of skilled workers
- Housing market issues

Their top 3 issues:

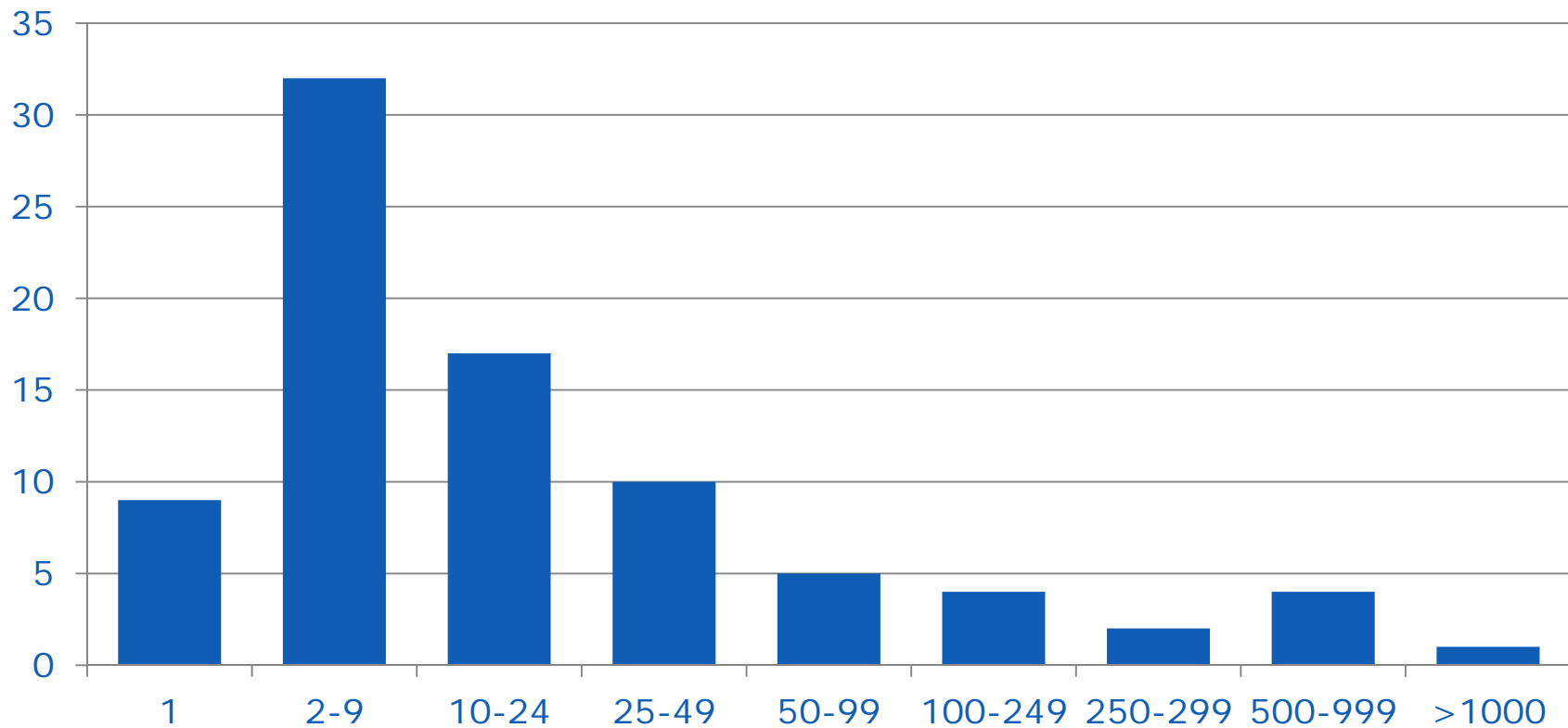
1. Developing new products/markets
2. Staying on top of new technology
3. Keeping up with regulatory changes

Executive Summary

The top two areas where CEOs plan to invest are marketing and technology.

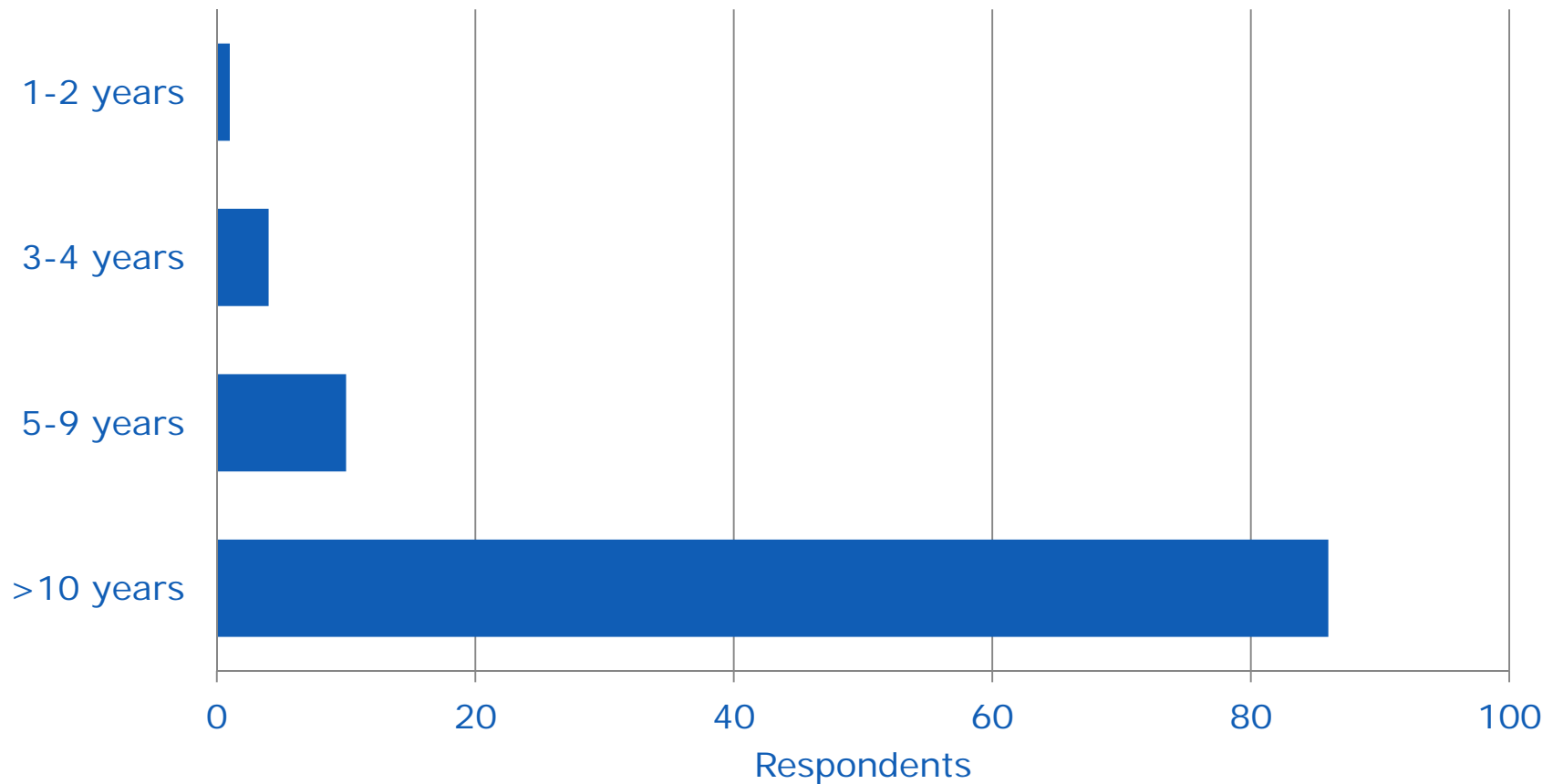
- On the marketing front, companies are battling to distinguish themselves from competitors, especially as they target new geographic markets.
- With regards to technology, many companies froze or dramatically cut IT spending in 2008-2011. Doing more with less doesn't work well with technology, because hardware and software evolve at an exponential pace every three years creating obsolescence. Now companies must begin to spend.

The respondents represent small to medium size businesses.

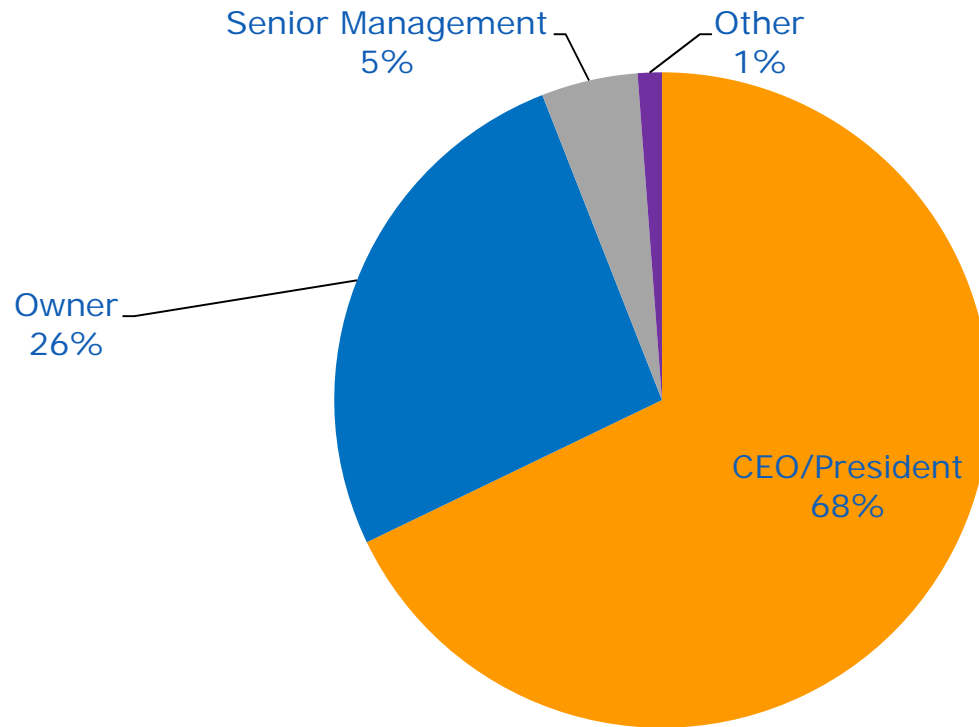


Employees in Broward

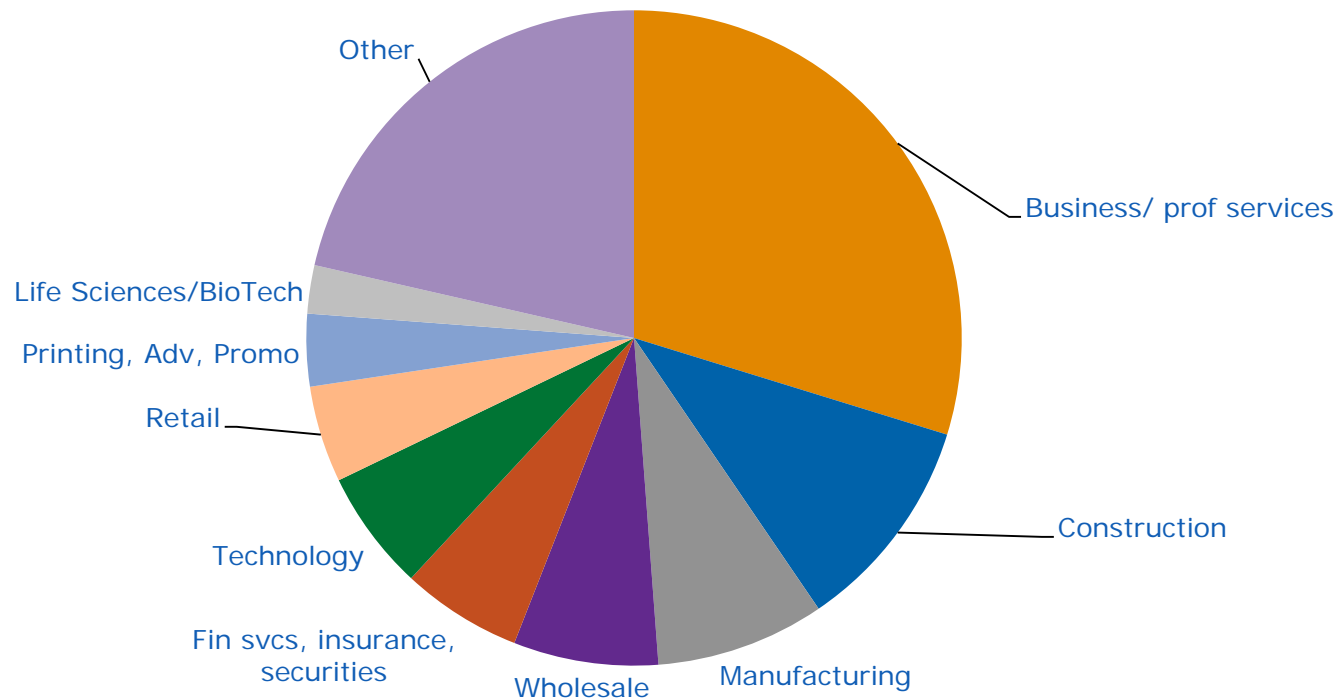
Most have been in business in Broward more than ten years.



94% of survey respondents were the CEO, President or Owner of the business.



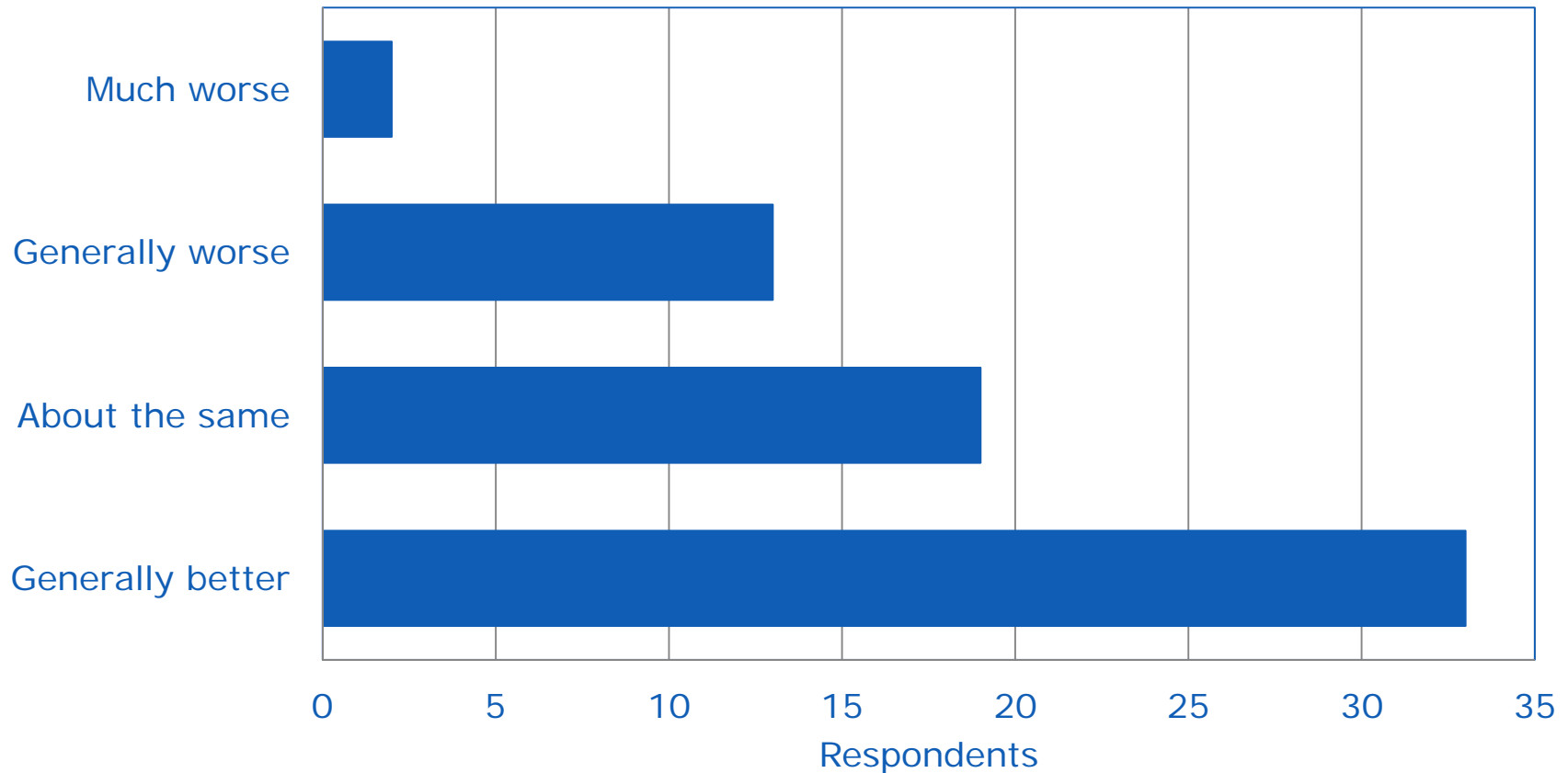
A wide range of industries responded.



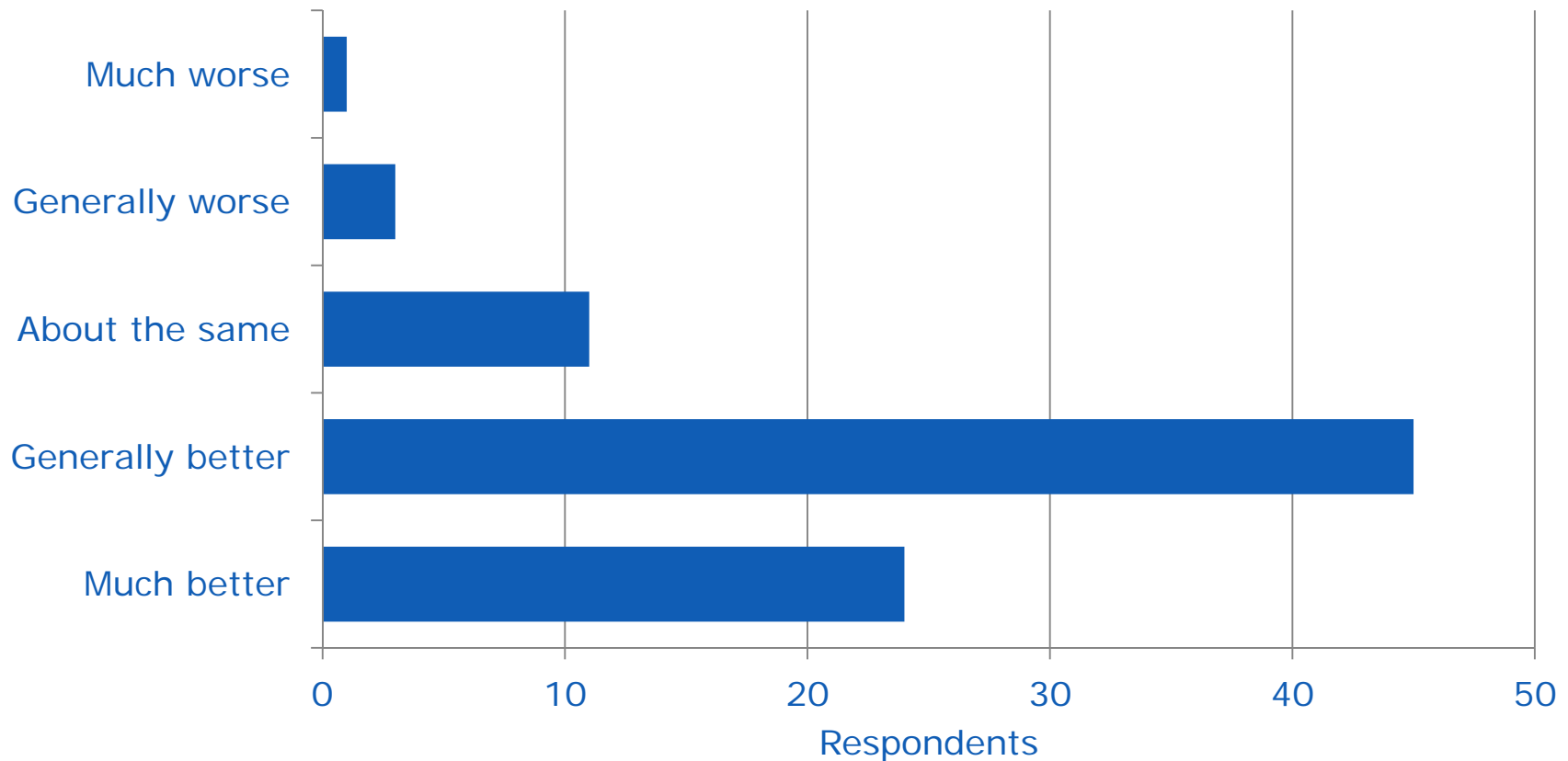
“Other” industries included:

- Home inspection
- Steel distribution
- Recycling
- Cleaning and restoration
- Franchise sales
- Environmental technology
- Supply chain and logistics
- Fishing/marine

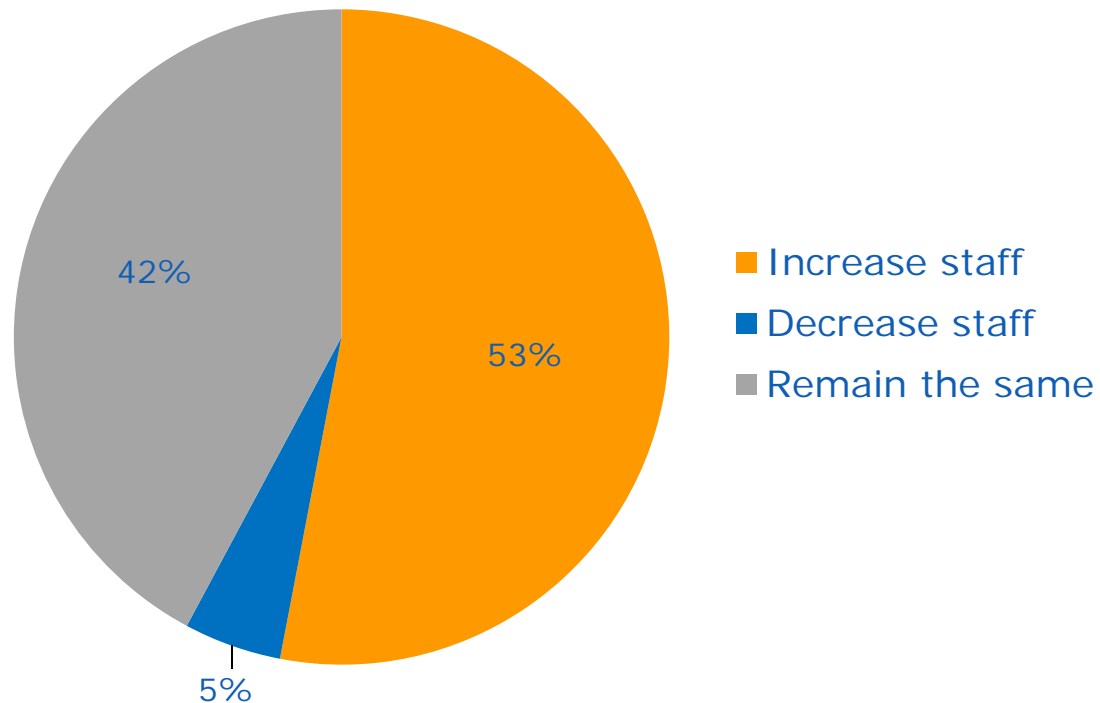
Most feel like things are better, compared to one year ago...



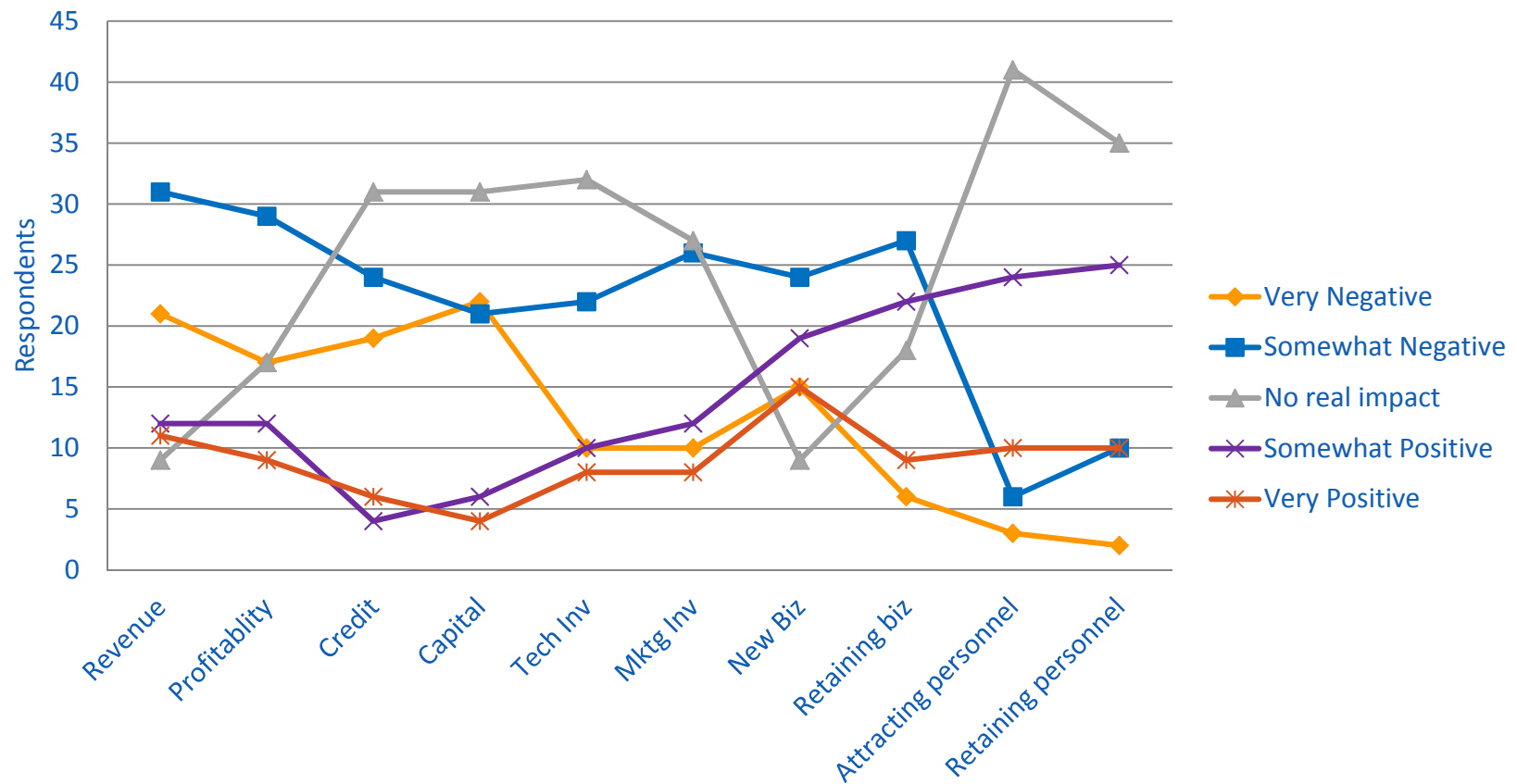
...and they expect that improvement to continue over the next 18 months.



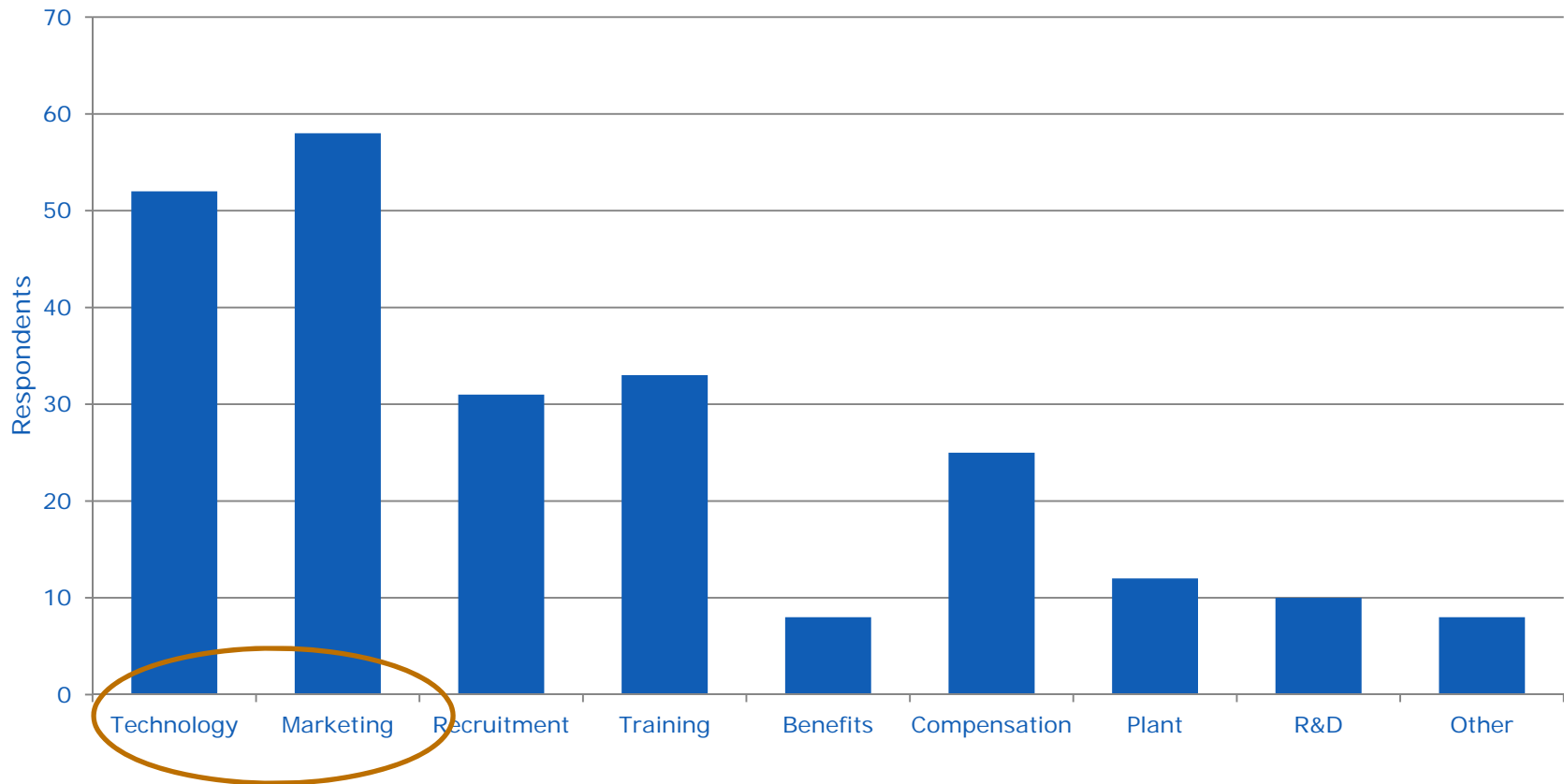
They even expect to hire in 2012!



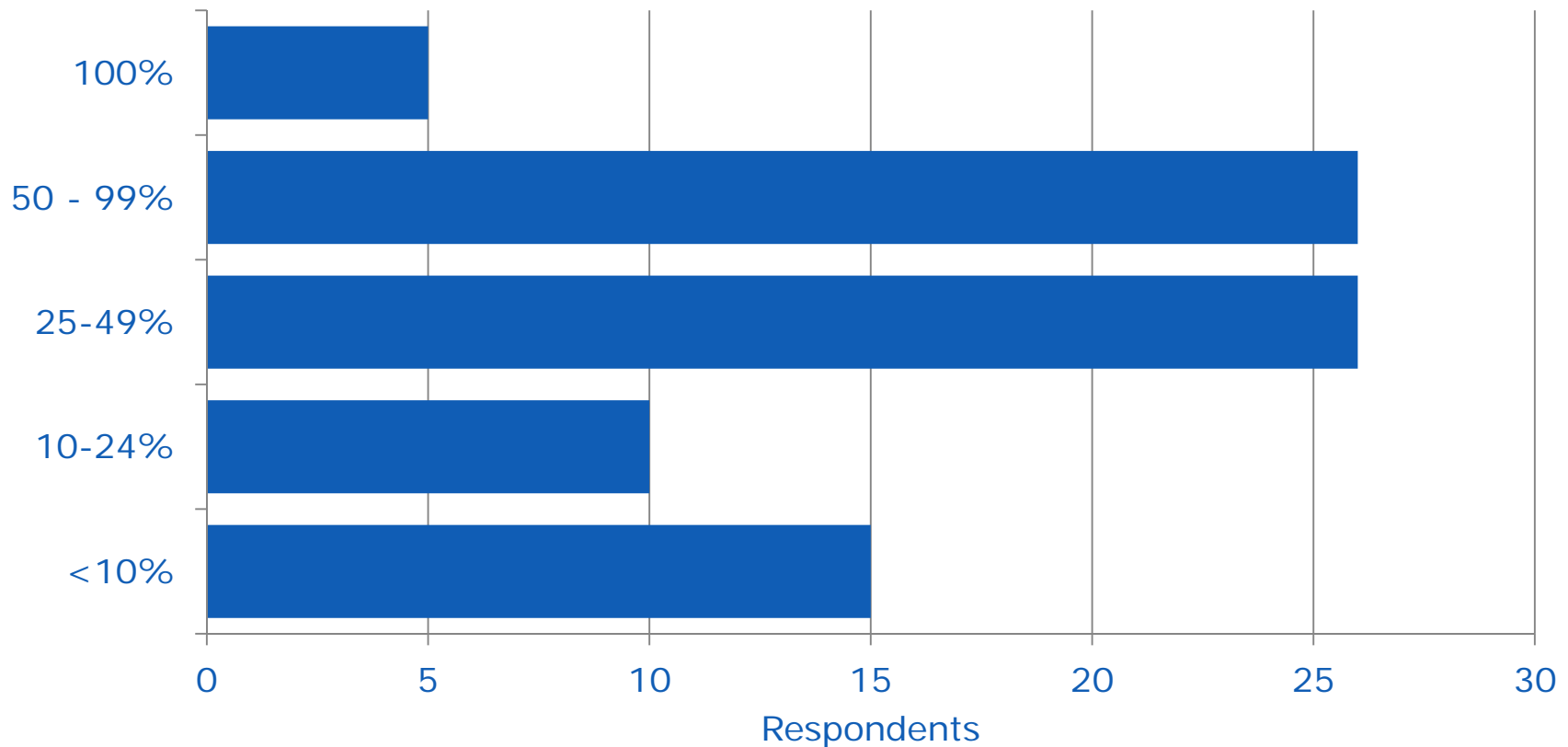
But they have felt impact from the recent downturn, particularly in revenue.



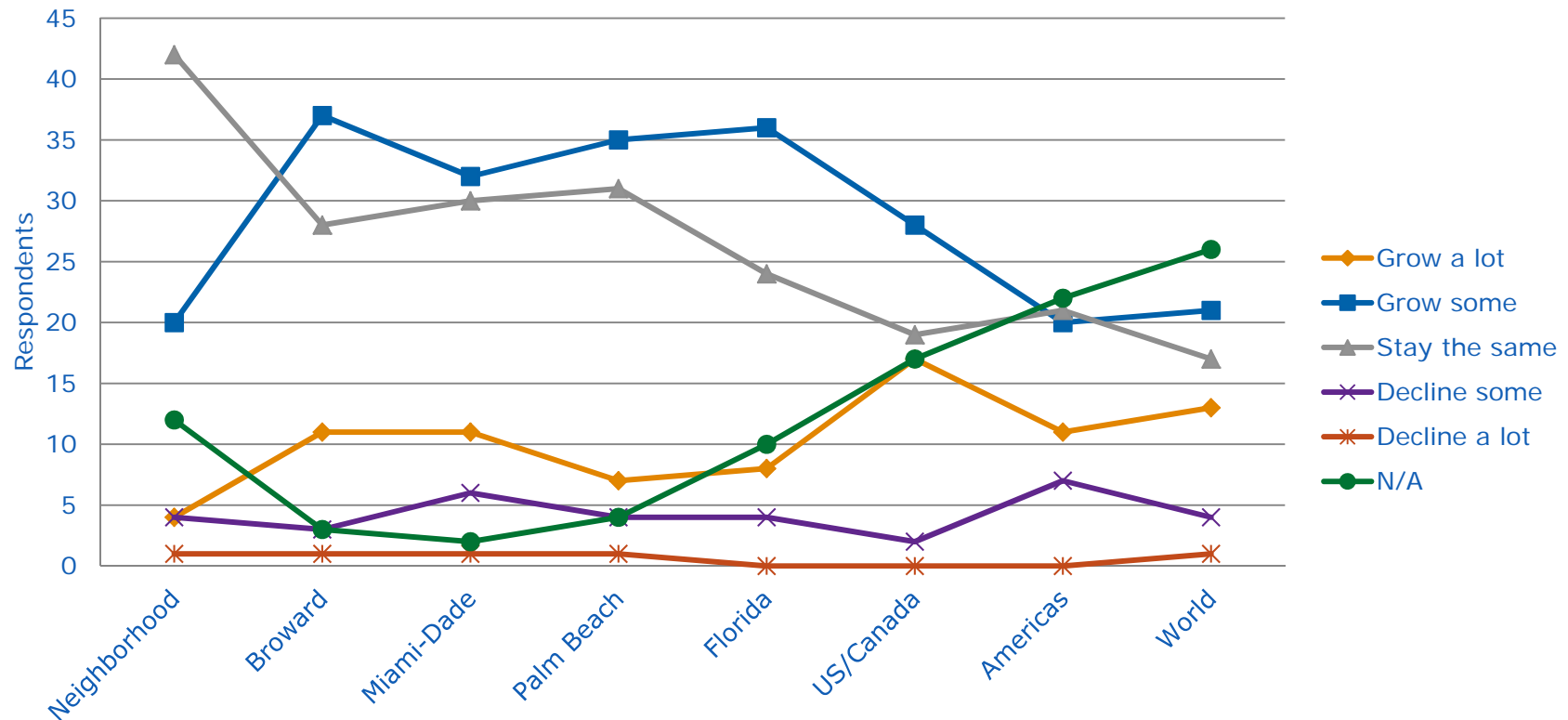
Their investment plans for the next 18 months focus in two areas.



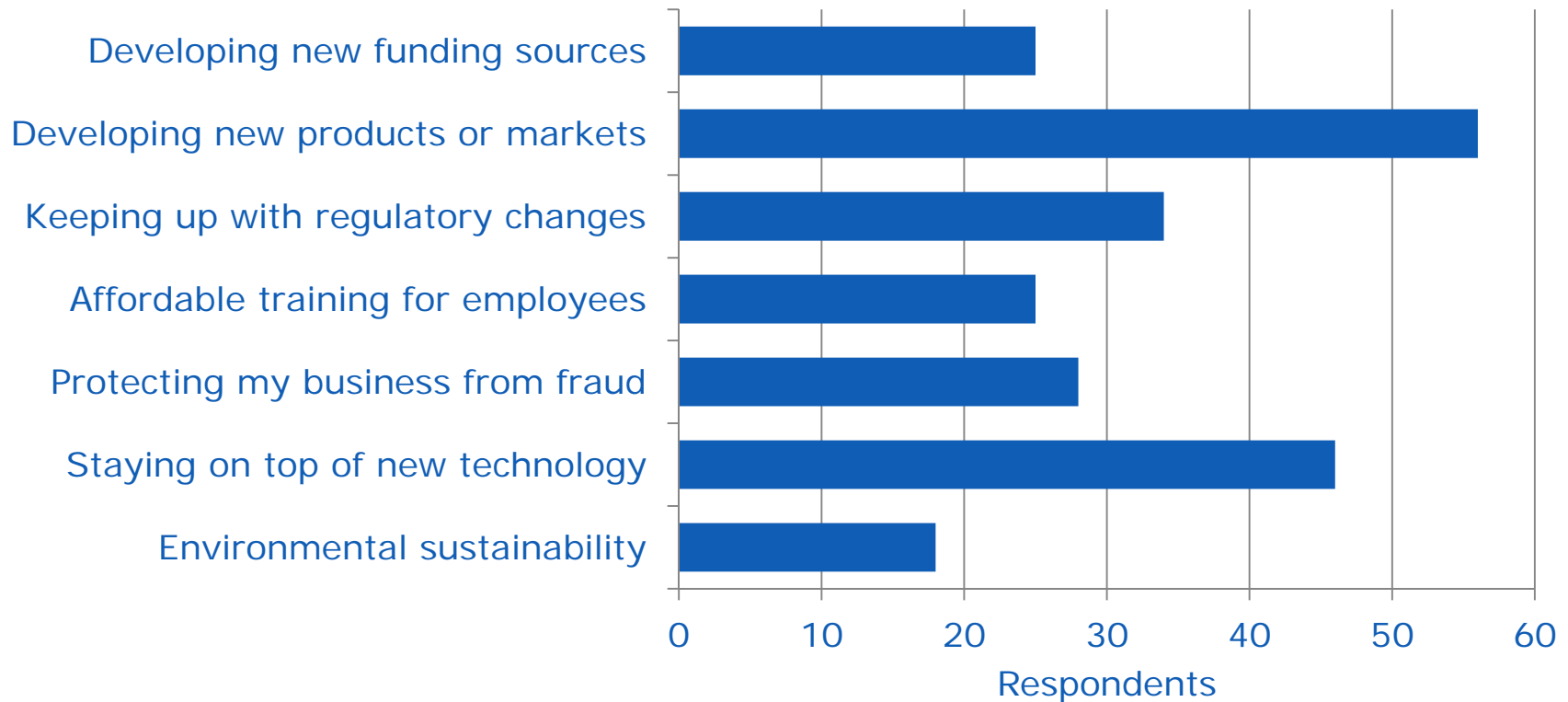
2/3 of the CEOs report less than half their business is in the county.



Their growth projections spread statewide and even globally.



What issues are important to them?



Verbatims:

What's the biggest issue facing Broward?

Economics

Finances

Resources/Jobs

Government/Incentives

Verbatims:

What's the biggest issue facing Broward?

Economics

- Too many businesses are too afraid to invest in their growth. They are hanging on and waiting to see what happens to everyone else.
- Real Estate taxes / Cost of Space. These are intertwined. We pay what in other parts of the country would be considered full retail price for warehouse space and are taxed accordingly limiting our growth.
- No disposable income to the general public for expenses. The fear factor of the bad economy keeping everyone not spending
- Commercial Vacancies and Unemployment
- Too much extra office and warehouse space
- I believe the lack of corporate headquarter businesses located in our county creates limited opportunities combined with major existing businesses lacking "loyalty" to other Broward County based businesses.
- The economy and specifically the decline in home values
- Competition. Big business now eating from small business plate. Small business need some protection.
- Growing existing small businesses
- Sluggish new business growth
- Competition from Dade County for the business.
- Enhanced educational opportunities, improved infrastructure, homebuilding.
- The legal system...growth is slowed, innovation is hampered due to constant legal threats. Our county has the highest number of personal injury lawyers...etc.

Verbatims:

What's the biggest issue facing Broward?

Finances

- Lack of lines of credit at affordable rates. Self employed people went through short sales. Banks want to apply stricter rules associating business & personal credit histories, like if recession had not existed where we did what you had to do on the personal side. How come?
- Maintaining positive cash flow when clients are taking longer to pay & credit lines are unavailable through big banks.
- Ability to get banks to lend and make this area more business friendly. Lack of involvement in Broward to connect B2B.
- Tight credit; Lack of help from Washington for small business
- Availability of credit/money for investment. My net worth is over 1 million with excellent credit with collateral and still can't get money. If I had money, I could create jobs.
- The SBE/CBE Certification is a joke!! They say they are there to help small business, I can tell you they are not, we have had nothing but problems with them to get our recertification. It is a dis service to Broward County and needs to be looked into!!!
- Consumer confidence, real estate lending
- Access to capital

Verbatims:

What's the biggest issue facing Broward?

Resources/Jobs

- Lack of competent employment candidates
- With the lack of jobs, you don't have enough consumers. Put people to work and a lot of the problems solve themselves.
- Shortage of Technically competent work-force
- Retaining and recruiting qualified and experienced professionals, i.e., engineers, PhDs, etc.
- Lack of skilled manufacturing workers and engineers.
- Good Qualified job candidates /especially sales people that are not transient!
- Labor availability & cost technology professionals availability

Verbatims:

What's the biggest issue facing Broward?

Government/Incentives

- Short-sighted state leaders who fail to fund education and higher education at appropriate levels.
- No incentives for manufacturing firms to relocate into the county.
- Getting people back to work. Taking away the incentive not to work.
- Building code complexity will continue to make construction growth difficult.
- No incentives to stay in Broward or even Florida
- Failure to recognize the substantial positive impact of small businesses. Attempting business with Broward County is too difficult for small businesses to achieve due to overinflated and hyper-specific proposals; I've ceased trying.
- I supply goods to manufacturing companies. The manufacturing sector has been in decline for some time now. The state needs to offer tax incentives, to draw business into our area. Good Luck Florida.
- Education and community care
- Healthcare Bill
- Poor Schools = No Businesses want to move here. Teachers need to be paid more, have smaller classes, and be given bonuses (or something) for good work. Get rid of bad teachers. Schools are "top heavy" with Administrative salaries. Cut down on 'paper work' for the teachers.
- Regulations - Fire departments, EPA, building department -- more and more T's to cross and I's to dot. Why?

