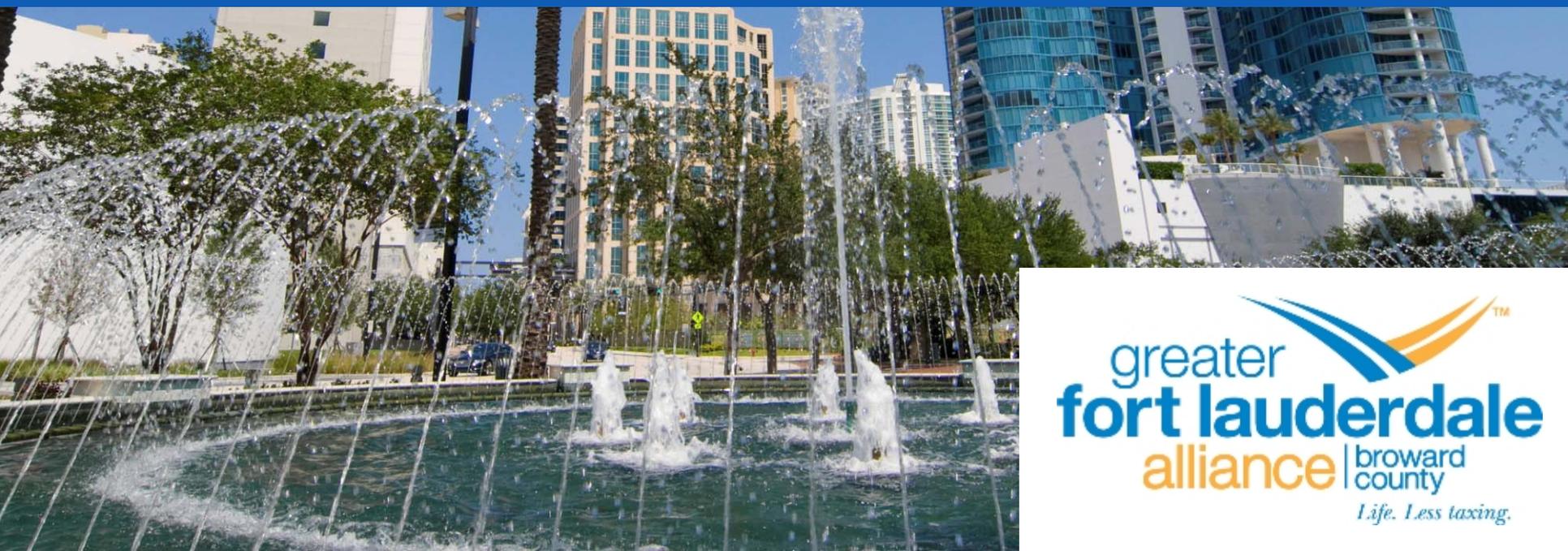




CEO Survey 2013




greater
fort lauderdale
alliance | broward
county
Life. Less taxing.

Methodology

Kaufman, Rossin & Co., CPAs, administered the 2013 CEO Survey for the Greater Fort Lauderdale Alliance.

- 2,239 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. Follow-up emails and phone contacts were used to increase response, particularly among Alliance members.
- 141 people completed the survey; 114 answered all questions.
- Data was analyzed and interpreted by Kaufman, Rossin & Co. professionals.



Executive Summary

Responder profile

76% of responders were CEOs or owners. More than 85% run small to mid-sized businesses, and most have been in Broward more than 10 years.

Nearly 60% of them are in:

- Professional services (17%)
- Marine industry (13%)
- Financial services (8%)
- Real Estate (7%)
- Manufacturing (6%)
- Technology (6%)

Broward is generally the source of most of their business, and the most important geographical area to them now.

Most are optimistic

The majority feel more confident now than last year, and expect more improvement in their business in the next 18 months.

However, more than 50% still feel that the current economy has had a negative effect on revenue and profitability.

More than half plan to hire in the next 18 months. And the top three areas they plan on investing include:

- Technology (65%)
- Marketing (65%)
- Training (42%)

Executive Summary

Their concerns:

- Lack of skilled workers and qualified professionals
- Cost of living
- Regulation, fees, and taxes including healthcare costs
- Increased traffic and poor transportation
- Access to credit and capital

Their top 3 issues:

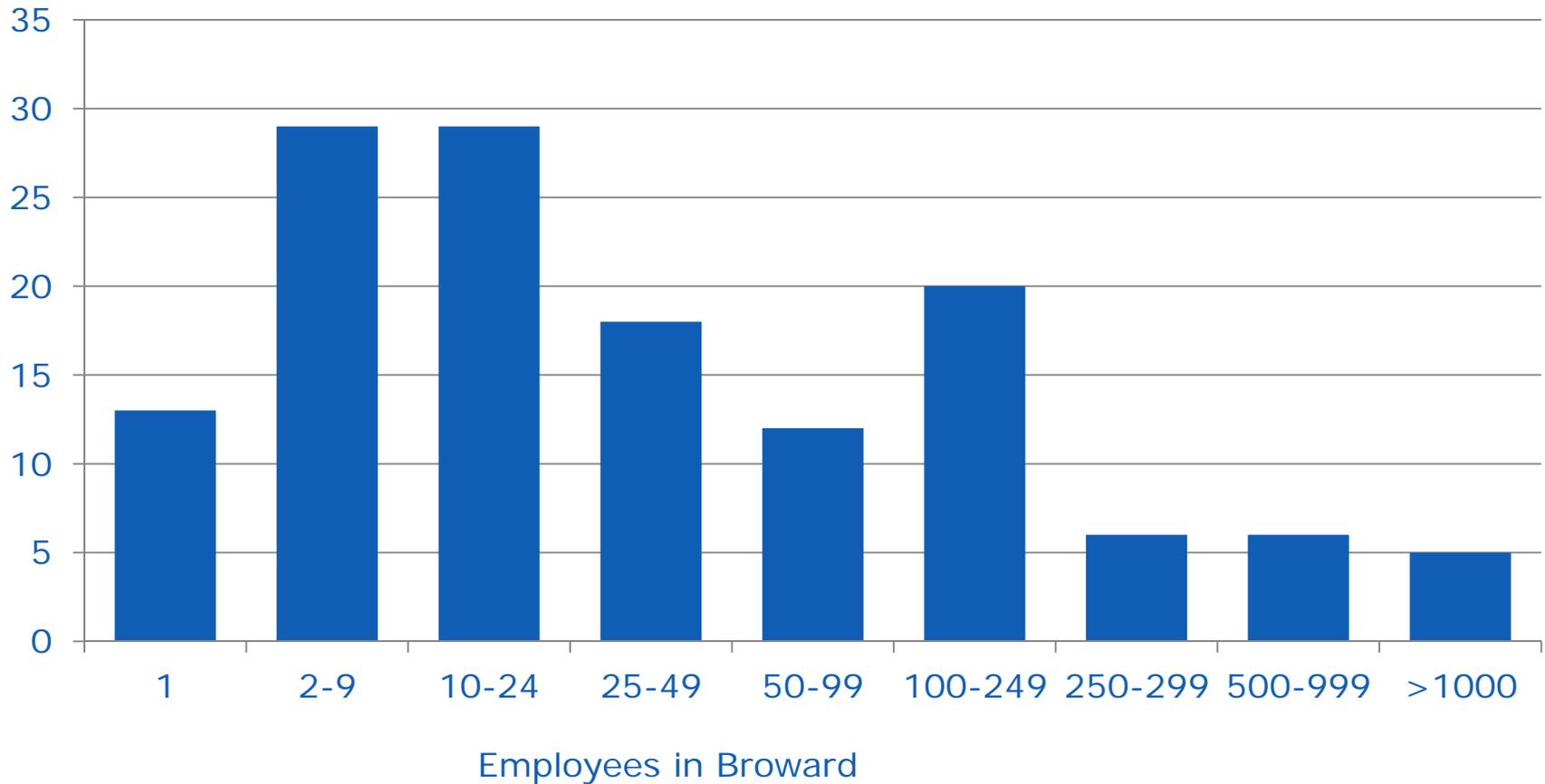
1. Developing new products/markets
2. Finding qualified professional employees
3. Staying on top of new technology

Executive Summary

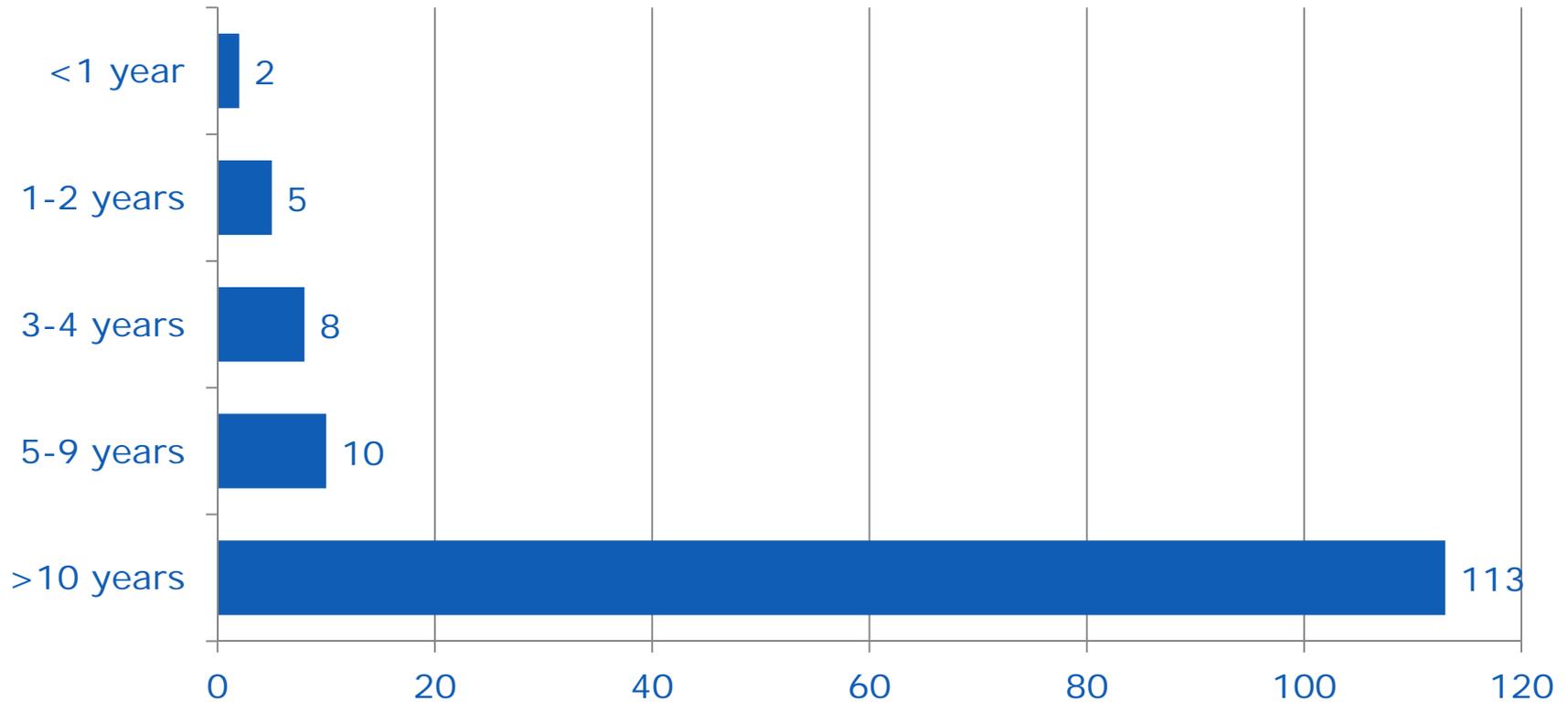
The top three areas where CEOs plan to invest are technology, marketing and training. Our interpretation is that companies are battling to gain market share and distinguish themselves from competitors, especially as they target new geographic areas.

Technology continues to be an important issue since many companies dramatically cut IT spending in 2009-2011. IT hardware and software continue to evolve at an exponential pace every three years creating obsolescence. Now, companies must spend on technology and proper training of their staff. Practical availability of cloud based systems is a new consideration for companies as an alternative to up-front hardware and software investments.

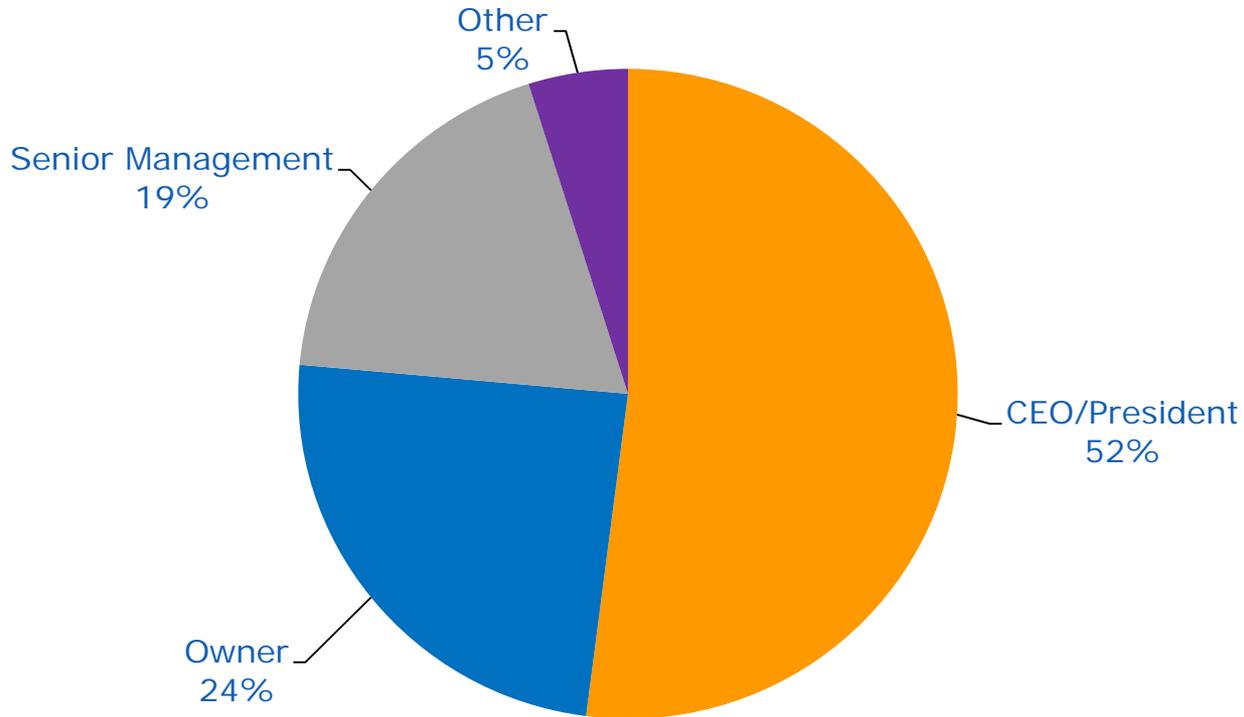
The respondents represent small to medium size businesses.



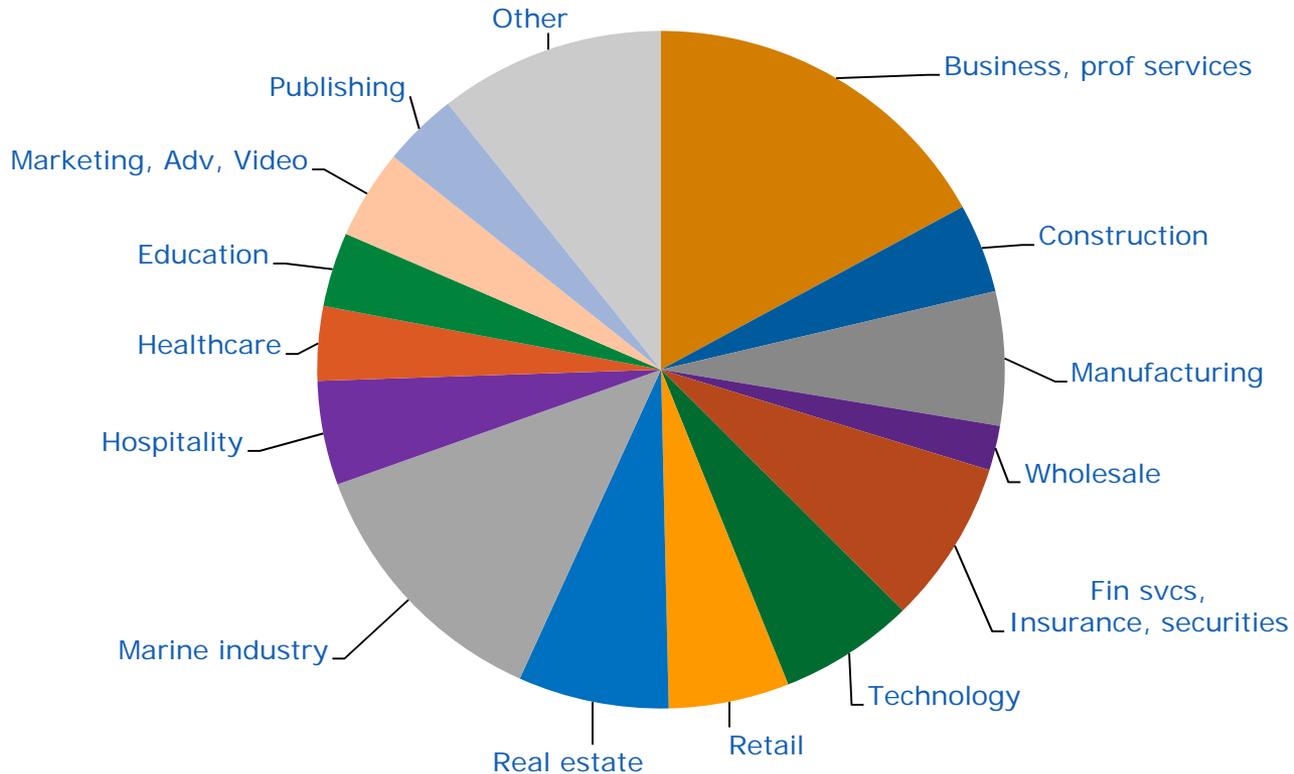
Most have been in business in Broward more than ten years.



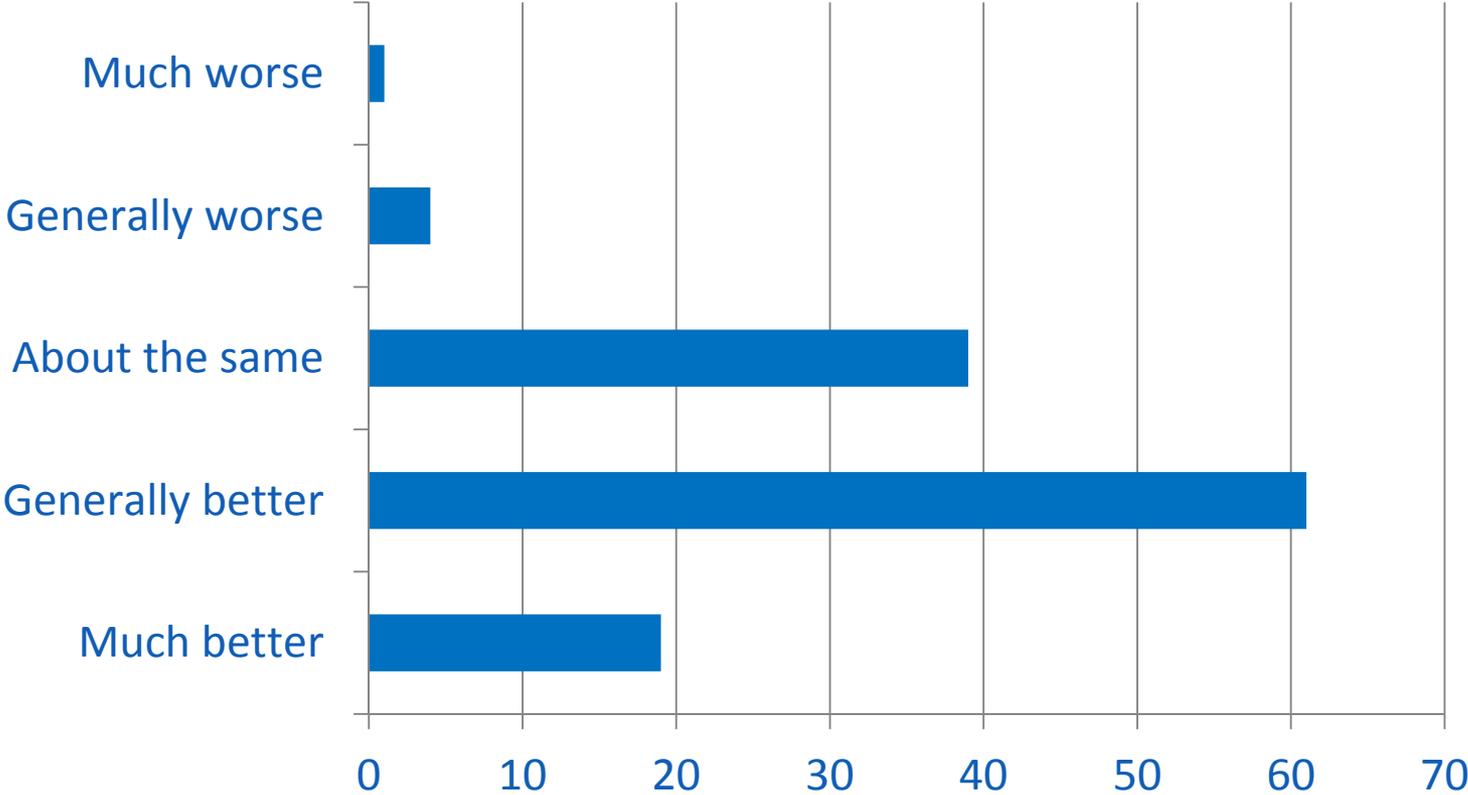
76% of survey respondents are the CEO, President or Owner of the business.



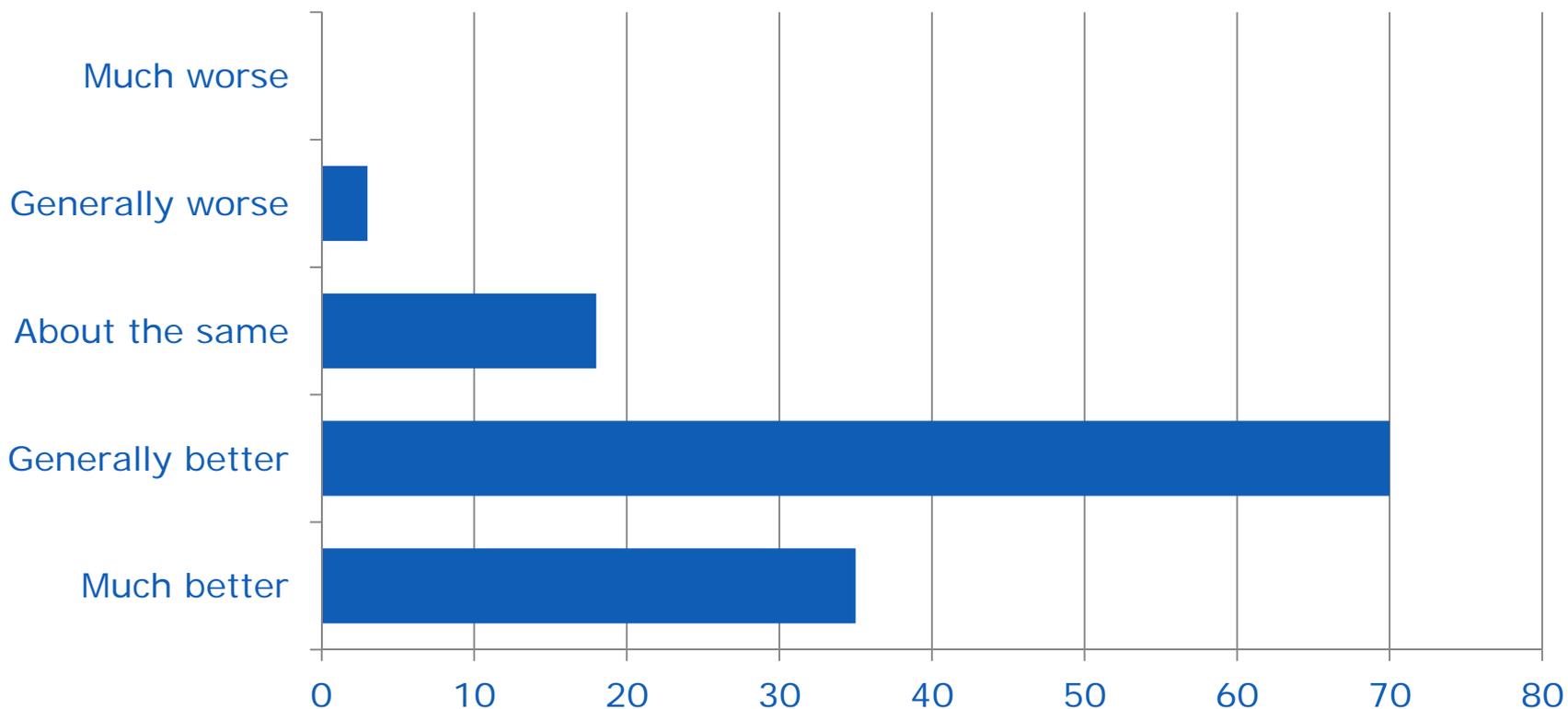
A wide range of industries responded.



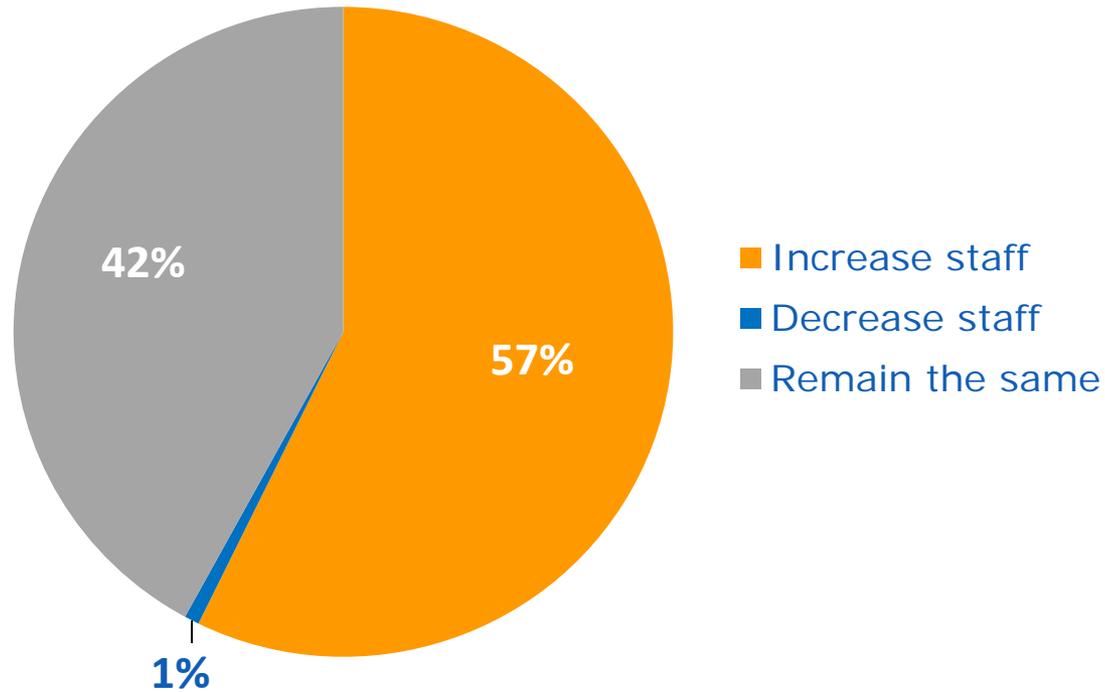
The majority feel like things are better than one year ago...



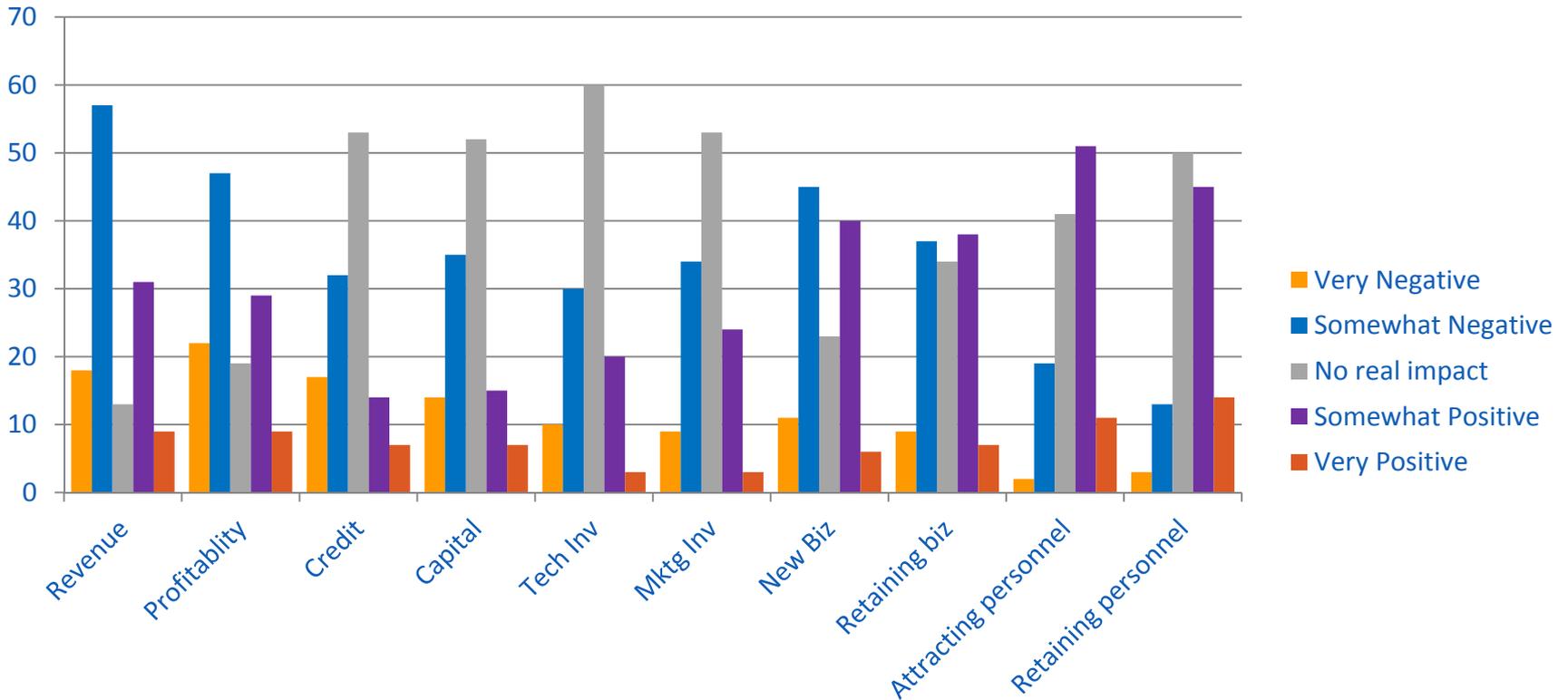
...and even more expect improvement to continue over the next 18 months.



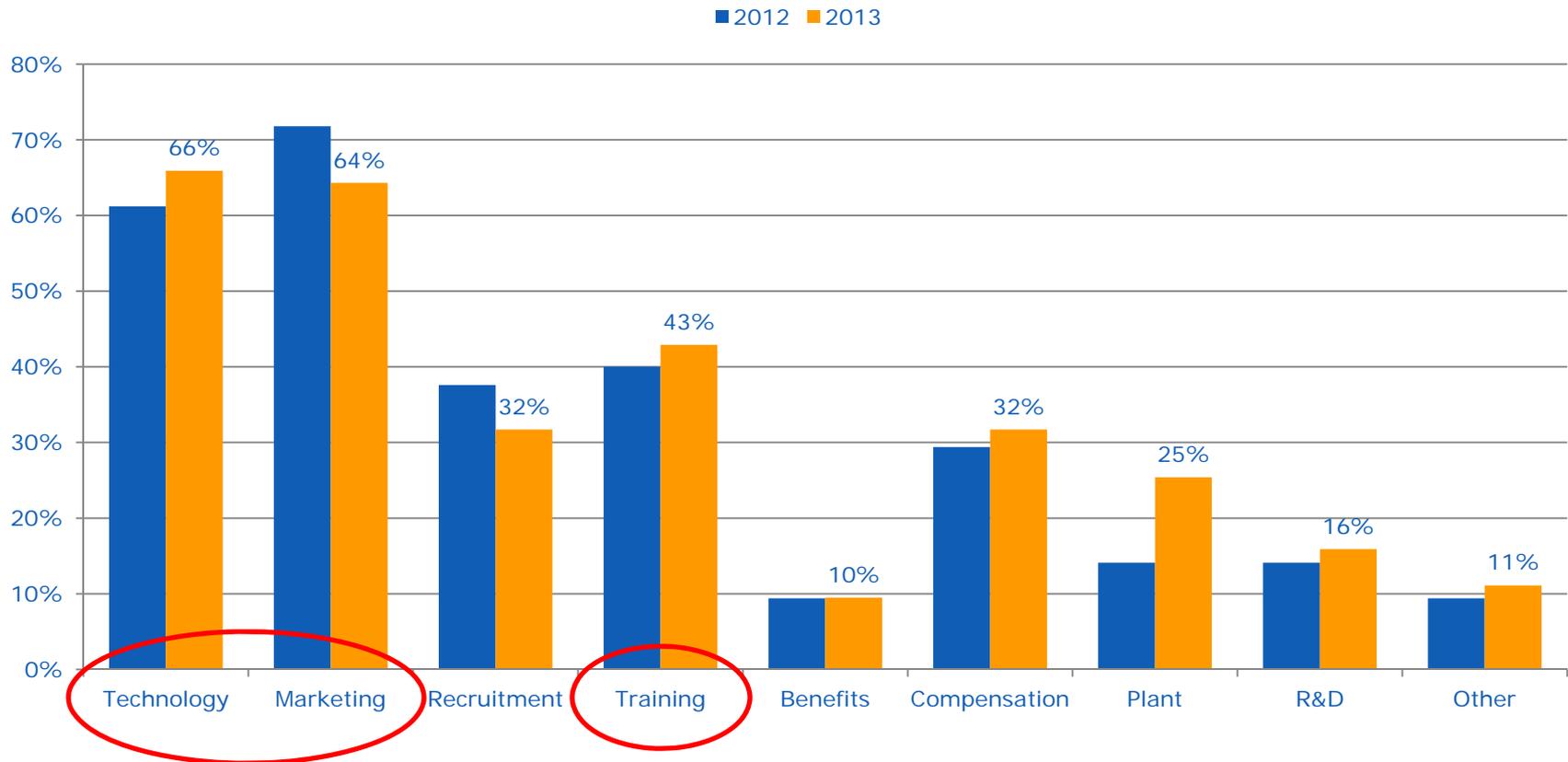
Those expecting to hire increased from 53% in 2012.



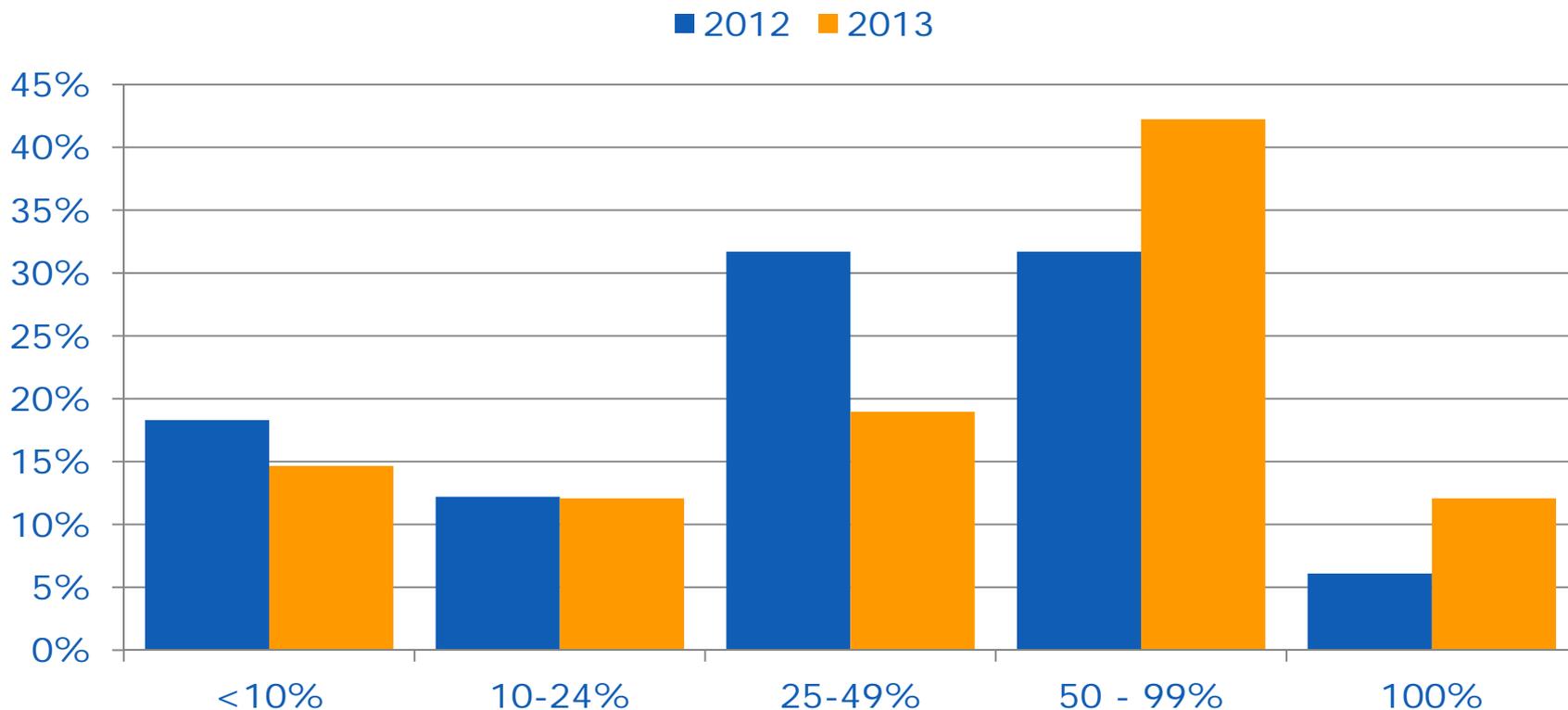
But they continue to feel some impact from the recent downturn.



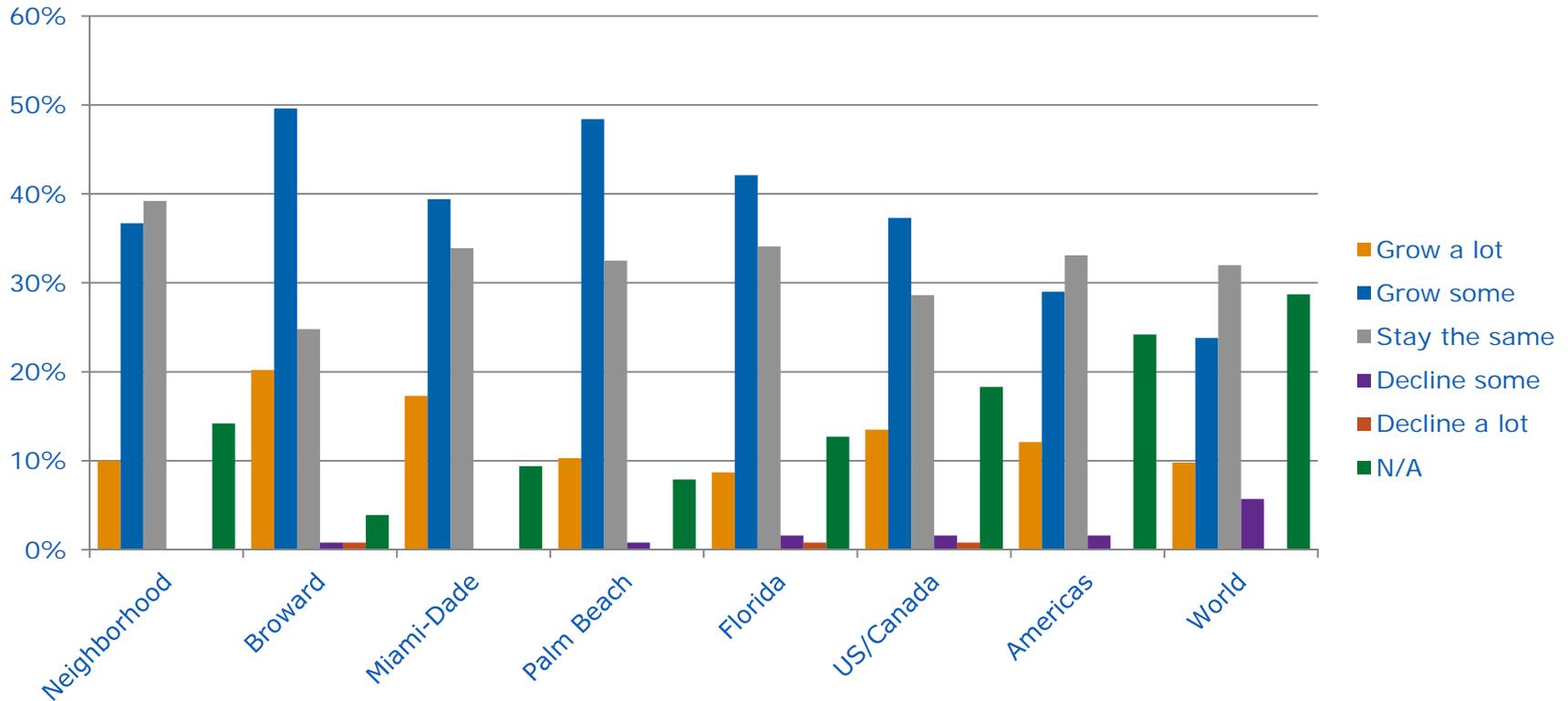
Their investment plans continue to be focused in three areas.



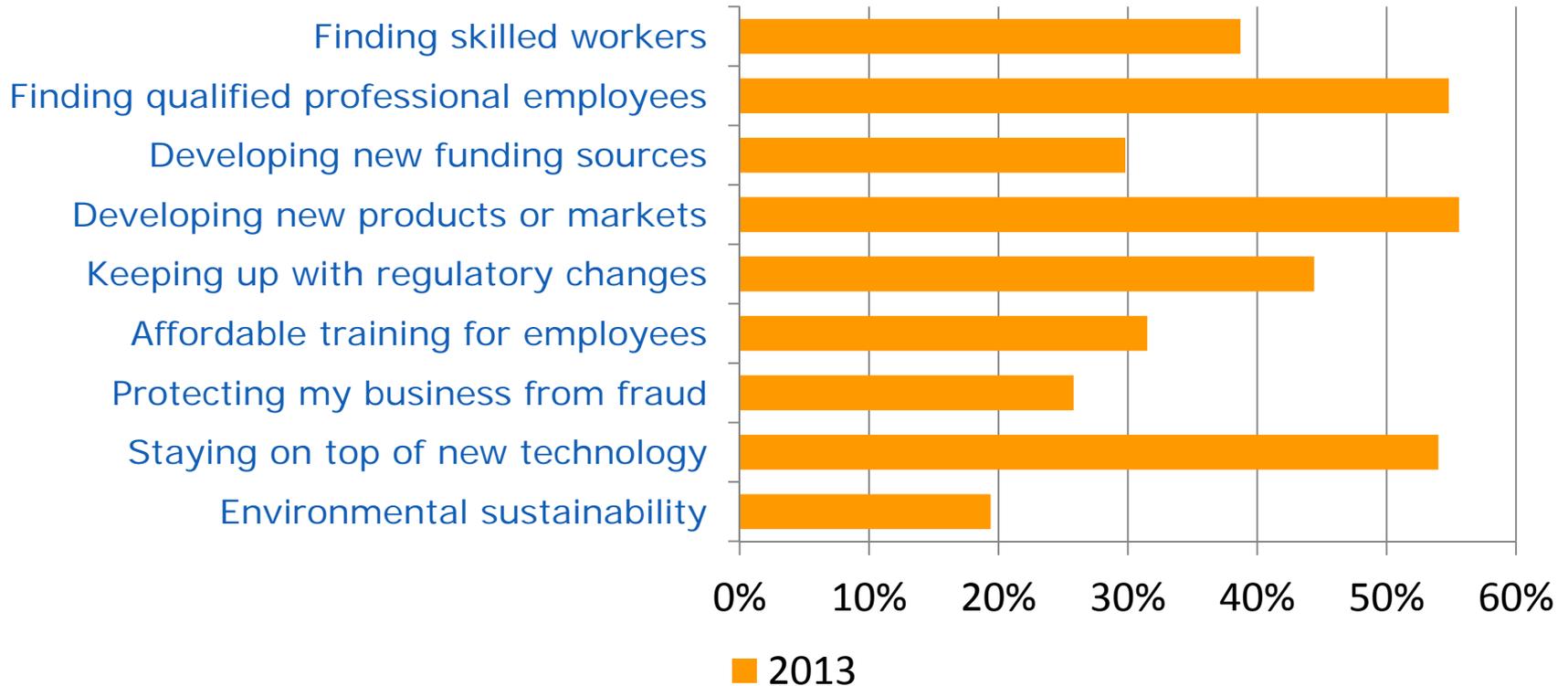
More CEOs than last year report that all or almost all of business is in the county.



The biggest percentage of growth is expected in Broward and Palm Beach counties.



The most important issues for businesses.



Themes appeared when CEOs shared “the biggest issue” facing Broward businesses.

Broward County Business Capital
Companies Competition **Cost Economy Education**
Financing **Government** Health Care Housing
Investment Marine Industry **Markets Political** Population Property
Taxes Qualified **Quality** Red Tape Rules **Skilled** South Florida
Talent Traffic Transportation

Verbatims:

What's the biggest issue facing Broward?

Economics

Finances

Resources/Jobs

Government/Infrastructure

Verbatims: What's the biggest issue facing Broward?

Economy

- Faith in the global economy
- Losing business to other counties and states
- Foreign investment
- Economic climate
- Cost of living
- Cost of real estate
- International competition
- Cost of living for employees
- Economic recession
- Disposable income due to unemployment and uneasiness in the US and world economies
- Lack of confidence
- Economy
- Unstable economy
- Housing cost
- Cost of living
- Cost of real estate
- Rising health care cost. Rising rent cost.
- Income tax increases. Decreasing customer variety and diversity.
- Lack of new industries or firms to the area
- The local economy seems to be stagnant
- Creating a better economy
- Transient

Verbatims: What's the biggest issue facing Broward?

Finances

- Ability to get financing with banking regulations
- Investment capital
- Lack of venture capital
- No commercial financing
- Insurance and healthcare costs
- Insurance cost

Verbatims:

What's the biggest issue facing Broward?

Resources/Jobs

- Overall cost of living is a challenge. The available workforce is less than optimum.
- Weak employer base
- Quality personnel; cash flow/financing
- Promotion and marketing
- Skilled employees and being able to stay financially afloat
- Lack of international companies, manufacturers and distributors
- Talent! Finding upper management talent to help with growth realized as well as projected growth.
- Cultural and ethnic diversity; small business growth through capital investment
- Lack of technology companies
- I guess the talent "pool"
- Education
- Education
- Education, and high skilled jobs. The perception is that the education system is below standards, and those being recruited have no choice, but to put their children in private school. We also must attract better paying jobs like innovation and technology.
- Attracting and retaining capable staff for performance in high tech and to perform complex functions
- Job creation
- Population gain slowing
- Lack of population growth
- Regulatory environment, quality of education and lack of public transportation

Verbatims:

What's the biggest issue facing Broward?

Resources/Jobs

- Finding enough qualified personnel
- Housing recovery
- Workforce talent
- Quality workforce
- Quality of labor force; transient
- Lack of new housing. Need roof tops.
- Shortage of skilled labor in manufacturing
- Obtaining an educated workforce
- Quality employees
- The lack of employment
- Quality workforce
- Talent retention
- Lack of qualified candidates to fill open positions
- Attracting qualified workers

Verbatims:

What's the biggest issue facing Broward?

Government/Infrastructure

- Promotion, infrastructure, political power, lack of professionalism, standards
- Any and all government: local/state/federal
- Government pensions too high
- Not a concise name brand for Broward County. I personally like Greater Fort Lauderdale. We currently have: Fort Lauderdale Hollywood Airport, Port Everglades , Broward County, South Florida. But, really Miami and Palm Beach have there own markets and we are NOT South Florida, but Greater Fort Lauderdale.
- Port Authority of Greater Fort Lauderdale, Greater Fort Lauderdale CVB, Airport Authority of Greater Fort Lauderdale
- Support for the marine industry
- Customer service on the beach; horrific traffic patterns
- Infrastructure; dockage and waterways for the boats; roadways and traffic for my employees
- The availability of dockage for large yachts
- Traffic congestion; taxes
- City and County government is too cumbersome. I have been trying to expand one of my locations for 18 months; the process is slow, cumbersome and expensive almost to the point of no longer wanting to take on the system due to its complexities and expense. It feels as if my government is not working for me and only expects me to work to continue funding its lavish salaries and benefits.
- Government regulations on yachting customers (immigration, taxation)
- As the yachting world continues to produce larger and larger yachts, Broward County falls behind because of a lack of deep water. If you do not dredge the area, the business can not come to us. Palm Beach is offering tax incentives to lure businesses from Broward and the impact is gaining ground. Smallest yacht in the TOP 100 is now 240 ft and you can not dock her at the largest Boat Show in the world. Do not take that show for granted as it brings boats from around the world that stay most of the season.

Verbatims: What's the biggest issue facing Broward?

Government/Infrastructure

- Uncertainty, but more at a national than local level. Rules change too frequently.
- Transportation
- Government regulation with multiple agencies trying to regulate different aspects of the business with opposing rules
- Efficiency of government; permitting process
- Fort Lauderdale's infrastructure and reputation compared to Miami and Palm Beach
- The biggest issue is the relationship between Florida and fish and wildlife, DEP, county, and city governments. Every organization makes doing business on the beach as difficult as they can. Our county feels that hospitality should always be a secondary function.
- Healthcare is going to be expensive
- Unemployment taxes are becoming overwhelming. We can NOT afford more taxes.
- Political leadership
- Government regulations
- Public financing
- Taxes; healthcare
- The ease of doing business (permitting timelines & restrictions)
- US government
- Politics
- Not realizing, appreciating or understanding the importance of the marine industry!
- Traffic
- Transportation; crowded streets and highways
- Increasingly high commercial property taxes, permit fees and ever expanding regulations and red tape from city, county and state agencies
- For Broward and the state of Florida, overall I would say indigent population and the un or under insured and their ability to access proper care to keep them out of the justice system and off the streets.

Verbatims:

What's the biggest issue facing Broward?

Government/Infrastructure

- The license needed to do business when you only run an office in the county. No direct contact with the public. Then the city reaches in for their share too.
- Quality of schools; cost of real estate/taxes
- Understanding new diverse communities and spending patterns
- Competing with contiguous markets for companies seeking to locate operations in FL
- Working together, emphasizing strengths, improved support and cooperation by government, embracing diversity and foreign opportunities
- Taxes
- County property taxes
- Too many regulations and too much red tape
- Political corruption (and notably the attempts to soften the ethics laws!) and the inability to bring the county's cities together (e.g. no uniform 911 system) are newsworthy items that highlight how really backwards Broward County is in ethics and prioritizing true county-wide, if not regional, initiatives. (Heck, the tri-county area should be under one 911 system!)
- Traffic. (Necessary) road repairs. Relatively high property taxes. Empty foreclosed homes.
- Politics is too tightly controlled by a small group
- Parking
- Obama
- Better overall public and government supported resources for what is now an urban center, not only for tourism. Families and businesses need an improved educational climate and improved infrastructure for transportation, roads, transit.
- Ultra conservative state government (legislature) refusing to spend on education
- Transportation infrastructure; organized opposition to infrastructure redevelopment and economic development efforts