

# 2025 MAKEMORE MANUFACTURING SUMMIT: SUMMARY REPORT

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February 2026





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Lt. Gov. Jeff Kottkamp  
President & Chief Executive Officer

David Casey  
Chairman of the Board of Trustees

## DEAR FELLOW TAXPAYER,

Florida TaxWatch has long recognized the importance of Manufacturing as one of Florida's leading industries, and as a key driver of future job growth and economic strength. Florida's Manufacturing sector contributes more than \$80 billion to our annual Gross Domestic Product. With more than 27,000 manufacturers, 80 percent of which have fewer than 20 employees, Florida's Manufacturing sector provides high-wage, high value jobs to more than 430,000 Floridians, with average salaries in excess of \$78,000.

As part of our continued focus on this industry, Florida TaxWatch was honored to be asked once again this year to participate in, and summarize, the discussions at the seventh annual MakeMore Manufacturing Summit, held October 22-23, 2025, at the Embassy Suites in Downtown Orlando. Launched in 2018, the MakeMore Summit is an annual platform that brings together thought leaders from all segments of Florida's manufacturing industry to discuss industry challenges and to offer solutions that will improve the competitiveness, productivity, and technological performance of Florida's manufacturers.

As you read this report, please pay attention to the highlighted passages contained therein, as these represent the key "takeaways" from the Summit. Florida TaxWatch is proud to present this summary of the Summit and we look forward to discussing the challenges and opportunities facing Florida's Manufacturing sector with policymakers during the 2026 legislative session and beyond

Respectfully yours,

A handwritten signature in black ink, appearing to read "Jeff Kottkamp", written in a cursive style.

Jeff Kottkamp  
President & CEO,  
Florida TaxWatch

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## INTRODUCTION

FloridaMakes is the Manufacturing Extension Partnership (MEP) for the state of Florida. FloridaMakes is a statewide, not-for-profit, public-private partnership dedicated to strengthening and advancing Florida's manufacturing economy. The MEP National Network (represented in Florida by FloridaMakes) is affiliated with the National Institute of Standards and Technology, an agency of the U.S. Department of Commerce. FloridaMakes delivers business growth, talent development, and technology adoption services to manufacturers through regional manufacturers associations.

Each year since 2018, FloridaMakes, the Florida Department of Commerce, CareerSource Florida and Florida Small Business Development Center Network have collaborated to host the MakeMore Manufacturing Summit. The Summit represents an annual platform to share best practices and exchange ideas about how our state resources are addressing the impacts of market dynamics, economic trends and policies, and new technologies available for manufacturers. The Summit brings together thought leaders from all segments of Florida's Manufacturing industry to facilitate a conversation around industry challenges and to offer solutions that will strengthen and advance Florida's manufacturers by improving competitiveness, productivity, and technological performance.

The collective goal for the MakeMore initiative is to elevate the state's Manufacturing industry and demonstrate its impact to Florida's economy. The partners recognize the importance of diversifying the economy and prioritizing the growth of an industry that provides high-wage and high-value jobs to enhance the lives of Floridians. The MakeMore initiative is a platform to share best practices and exchange ideas about how state resources are addressing the impact of market dynamics, economic trends and policies, and new technologies available for the Manufacturing sector.

## EMPLOYER OF CHOICE: WHAT IT TAKES TO BUILD A GREAT PLACE TO WORK

### MODERATOR:

BRITTANY GREER,  
EXECUTIVE DIRECTOR, ROSIE RIVETERS

### PANELISTS:

KENNY ATTAL,  
CHIEF EXECUTIVE OFFICE, 247 MANUFACTURING

TIM MCKINDLES,  
DIRECTOR, ECOLOGICAL LABORATORIES

KRIS HANIGOSKY,  
VICE PRESIDENT OF OPERATIONS, NAUTIQUE BOAT COMPANY

One of the Summit's opening highlights is the announcement of the 2025 Manufacturing "Employer of Choice" award winning companies. The Florida Manufacturing Employer of Choice Recognition Program uses data from surveys of Florida manufacturers to identify and recognize the best Manufacturing employers in Florida. Data are collected through a 40-question survey designed to educate employers how to improve their workplace. Employers are measured against their peers on 37 different measurements, including turnover rates, growth percentages, employee development spending, promotion percentages, insurance packages and retirement plans. Each participating manufacturer receives a 27-page analytics report that provides valuable baselines and market intelligence that can be used to improve and implement best practices.

To be selected as a Manufacturing Employer of Choice a company must build a workplace culture with great leadership, where the leaders are honest and act with integrity while modeling the company's core values. Employees should be treated fairly, and information should be shared openly to all employees. Employers of choice offer competitive pay and benefits (e.g., health insurance, retirement, etc.), robust opportunities for professional and personal development, respect for employees and care for their well-being, and a healthy work-life balance.

The following Florida manufacturers were Florida Manufacturing Employer of Choice award winners for 2025:

#### LARGE MANUFACTURERS

- **Medtronic (Jacksonville)**—a leader in the application of biomedical engineering in the research, design, manufacture, and sale of instruments that alleviate pain, restore health, and extend life that has been revolutionizing healthcare technology since 1949.
- **Bausch & Lomb (Tampa)**—Bausch & Lomb’s Tampa location is the company’s only pharmaceutical plant in the United States. The facility specializes in manufacturing prescription and over-the-counter ophthalmic medications. Those products are distributed to more than 40 countries around the world.
- **Sun Hydraulics (Sarasota)**—houses design, engineering and manufacturing activities for aluminum and ductile iron manifolds and integrated packages, along with all shipping operations.
- **Nautique Boat Company (Orlando)**—an American boat manufacturer that produces boats primarily for waterskiing, wakeboarding and wakesurfing.

#### MEDIUM MANUFACTURERS

- **247 Manufacturing (Ft. Lauderdale area)**—offers a wide range of capabilities, including but not limited to, laser cutting, robotic laser welding, press brake forming, tube laser cutting, MIG AND TIG welding, laser marking and post processing.
- **MtronPTI (Orlando)**—a leading provider of high-performance RF components and solutions.
- **Jupiter Bach (Pensacola)**—As a full-scope partner to the world’s leading wind turbine OEMs, Jupiter Bach supports the entire lifecycle of composite nacelle and spinner covers – from engineering design to large scale manufacturing to just-in-time delivery.

#### SMALL MANUFACTURERS

- **EZ Automation Systems, LLC (Jacksonville)**—a leader in advanced automation, specializing in AI-driven vision inspection, robotic, and cloud-based automation solutions.

- **VGM Holdings, LLC (South Florida)**—supplies high quality architectural metals and glass to the construction industry of Southwest Florida.
- **Ecological Laboratories, Inc. (Cape Coral)**—a biotechnology company that develops and manufactures novel, proprietary, liquid microbial formulations that are capable of solving many of the most challenging environmental problems facing the world today.

#### 2025 FLORIDA MANUFACTURER APPRENTICES OF THE YEAR AWARD

In addition, FloridaMakes and its partnering sponsors recognized the following winners of the 2025 Florida Manufacturer Apprentices of the Year Award:

- Lilia Soria, Wrico Stamping Company of Florida
- LeAnna Ritchie, Ameritech Die & Mold South, Inc.
- Larry Keys, Bausch & Lomb Pharmaceutical
- Jermaine Tart, Blue Wind Technology
- Brandon Baker, A-1 Industries
- Dyshaun Herron, Knight’s Armament Company
- Avery Ervin, Knight’s Armament Company
- Gavin Roberson, Vaya Space
- Linda Willard, Mack Technologies Florida, Inc.
- Melissa Perry, Mack Technologies Florida, Inc.
- Katie Lanier, Mack Technologies Florida, Inc.

Investing in your people—in human capital and a strong workplace culture is essential to sustained success in manufacturing as it is in almost every industry. The leading companies are never “resting on their success”, but constantly looking for ways to improve their current practices, and engage their employees in new ways as the “bar” for excellence is always moving.

# MANUFACTURING: PERHAPS FLORIDA'S MOST IMPORTANT INDUSTRY TODAY AND FOR TOMORROW

**BILL FRUTH, PRESIDENT, POLICOM CORPORATION**

To better understand how local economies work, imagine all the wealth in your local economy is in a bucket, and that wealth is constantly being circulated within that bucket. It goes from person to person, and business to business. But there's a problem—there's a hole in this bucket, and the wealth (money) of the economy is constantly being drained from it. Every time money is spent, money leaves your economy and goes to those areas in which the service was provided, or the product was manufactured.

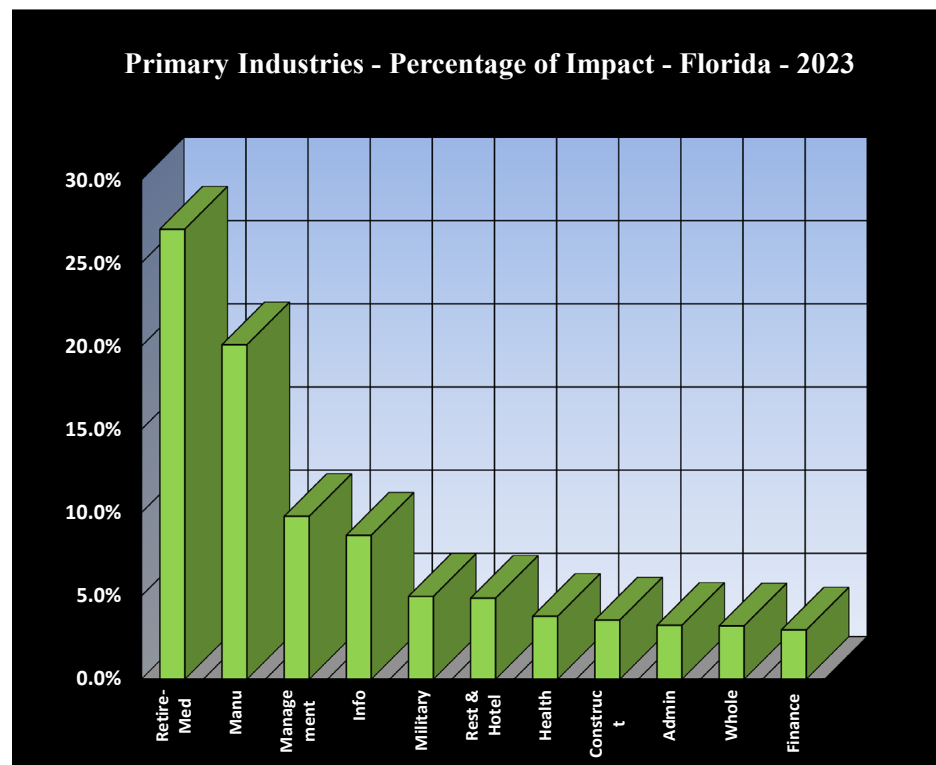
How then does the community import new wealth into the bucket to rejuvenate the economy? This is principally done by the business activity of your primary industries. They are the ones that sell their goods or services outside of your community, thereby importing money into your community. Typically, only about five percent of the companies in a community are primary in nature. The other 95 percent of the business enterprises feed upon this money—they consume that wealth. They are the “hole in the bucket.” About 20 percent of the people who work in a community work for primary companies. About 80 percent of everybody else owe their jobs to those business enterprises.

If the amount of money imported into the bucket is greater than what is being drained from it, you then have economic growth, as that bucket will grow in size. So... the primary or contributory business enterprises are the ones that create the wealth and cause an economy to exist, and the consumptive enterprises are the ones that benefit from that economic activity and the importing of money.

What, then, are the primary industries for the state of Florida, the biggest sources of money flowing into the state? As shown in Figure 1, the two “biggies” are Retirement and Manufacturing. The number one primary industry is Retirement. Roughly 26-27 percent of Florida's economy is dependent upon people over the age of 65. Every payroll includes deductions for Social Security and Medicare, which are sent to federal agencies in Washington, D.C., and which are, based upon what

they deserve to have in their entitlements, returned to the state. Florida has a huge amount of money coming, compared to what was going out for Retirement. The difference between the amount of money sent to Washington, D.C., and the amount returned to the state is a net gain.

**FIGURE 1.**



*Source: Policom Corporation*

Rounding out the top economic contributors are (2) Manufacturing (3) Management/Corporate Headquarters, (4) Information Technology, (5) Military, (6) Restaurants & Hotels (Tourism), (7) Health Care, (8) Construction, (9) Administrative, (10) Wholesale, and (11) Finance.

Table 1 includes data on the number of jobs, wages, and earnings (2024) generated for the biggest industries in Florida. Retirement (Social Security and Medicare) generated \$72.3 billion in earnings in 2024, followed by Manufacturing at \$35.2 billion. The data in Table 1 dispel the myth that Tourism is the biggest industry in Florida. Tourism isn't, and never has

been, the biggest industry in Florida. It does create a net gain of sales tax revenue over and above what other states get. We can see that earnings paid to workers in Manufacturing are more money than every hotel, motel, and restaurant and bar in the state.

Manufacturing is the key, not only to Florida's economic growth, but also the nation as a whole.

**TABLE 1.**

| <b>FLORIDA PRIMARY INDUSTRIES</b>                   | <b>2024 JOBS</b> | <b>2024 WAGES</b> | <b>2024 EARNINGS</b> | <b>2024 GROSS PRODUCT</b> |
|---|------------------|-------------------|----------------------|---------------------------|
| Retirement - Social Security & Medicare (2022 data) |                  |                   | 72,285,641,000       |                           |
| Manufacturing                                       | 427,483          | 82,364            | 35,209,208,059       | 83,500,900,000            |
| Management of companies                             | 136,450          | 140,434           | 19,162,231,212       | 26,370,700,000            |
| Information   | 156,722          | 121,280           | 19,007,201,098       | 58,796,700,000            |
| Securities, commodity contracts, investm            | 62,837           | 263,170           | 16,536,741,541       | 20,337,900,000            |
| Insurance carriers                                  | 96,386           | 104,741           | 10,095,587,678       | 51,607,600,000            |
| Total Tourism Sectors                               | 197,105          | 42,383            | 8,353,815,134        | 20,661,832,000            |
| Farm, forestry, fishing and hunting                 | 61,268           | 46,397            | 2,842,638,885        | 8,155,300,000             |

Let's shift the discussion to identifying target industries that communities should spend their money on to try to recruit to their community. Communities should be trying to recruit: (1) primary industries, industries that are going to add wealth to your community instead of consuming wealth (e.g., retail); (2) industries that will pay a wage that will improve the overall quality of your local area; and (3) growth industries that pay a whole lot of money.

Tables 2 and 3 identify 20 targeted growth industries on a national basis that communities should try to recruit. The areas shaded in the bright green identify those industries for which Florida had a faster growth rate than the nation as a whole over the period from 2014 to 2024. It is important to note that 12 of the 20 targeted growth industries are Manufacturing.



**TABLE 2.**

|    | NAICS | INDUSTRY                                      | USA 2024-2014 JOB GROWTH | FLORIDA 2024-2014 JOB GROWTH | FLORIDA 2024 JOBS | USA 2024 WAGES | FLORIDA 2024 WAGES |
|----|-------|---|--------------------------|------------------------------|-------------------|----------------|--------------------|
| 1  | 5112  | Software publishers                           | 14.5%                    | 20.0%                        | 34,611            | 248,366        | 193,227            |
| 2  | 4541  | Electronic shopping and mail-order houses     | 7.0%                     | 6.8%                         | 33,706            | 133,861        | 93,526             |
| 3  | 5415  | Computer systems design and related services  | 3.6%                     | 9.0%                         | 138,992           | 161,262        | 134,469            |
| 4  | 3254  | Pharmaceutical and medicine manufacturing     | 2.4%                     | 16.3%                        | 12,678            | 140,347        | 96,318             |
| 5  | 5416  | Management and technical consulting services  | 5.0%                     | 8.2%                         | 162,537           | 120,798        | 103,250            |
| 6  | 5182  | Data processing, hosting and related services | 7.5%                     | 6.1%                         | 29,741            | 194,757        | 150,633            |
| 7  | 5511  | Management of companies and enterprises       | 2.1%                     | 4.5%                         | 136,450           | 161,144        | 140,434            |
| 8  | 3364  | Aerospace product and parts manufacturing     | 1.5%                     | 7.6%                         | 33,739            | 123,203        | 122,680            |
| 9  | 6215  | Medical and diagnostic laboratories           | 2.4%                     | 4.1%                         | 28,337            | 83,007         | 79,199             |
| 10 | 5417  | Scientific research and development services  | 4.5%                     | 8.0%                         | 29,914            | 178,436        | 132,999            |

*Source: Policom Corporation*

**TABLE 3.**

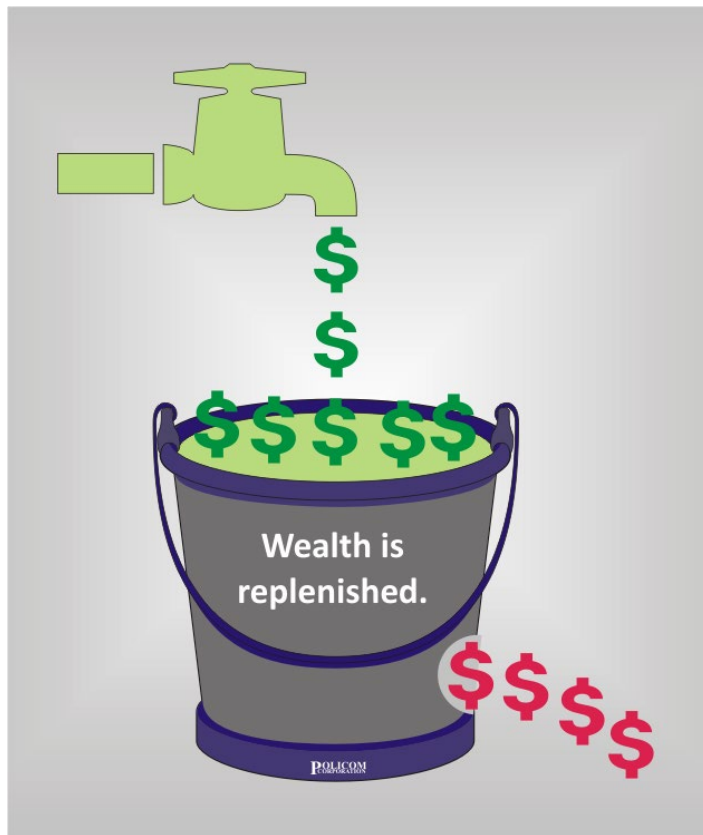
|    | NAICS | INDUSTRY                                      | USA 2024-2014 JOB GROWTH | FLORIDA 2024-2014 JOB GROWTH | FLORIDA 2024 JOBS | USA 2024 WAGES | FLORIDA 2024 WAGES |
|----|-------|---|--------------------------|------------------------------|-------------------|----------------|--------------------|
| 11 | 3391  | Medical equipment and supplies manufacturing  | 0.6%                     | 1.6%                         | 23,385            | 92,994         | 90,108             |
| 12 | 3361  | Motor vehicle manufacturing                   | 4.5%                     | 7.9%                         | 1,899             | 101,042        | 68,135             |
| 13 | 3363  | Motor vehicle parts manufacturing             | 0.2%                     | 0.9%                         | 3,522             | 72,763         | 67,716             |
| 14 | 3359  | Other electrical equipment and component mfg. | 3.3%                     | 3.6%                         | 4,862             | 90,028         | 90,082             |
| 15 | 3339  | Other general purpose machinery manufacturing | 0.7%                     | 4.6%                         | 10,169            | 86,463         | 78,891             |
| 16 | 3332  | Industrial machinery manufacturing            | 1.9%                     | 4.1%                         | 2,557             | 110,799        | 85,941             |
| 17 | 3329  | Other fabricated metal product manufacturing  | 0.1%                     | 2.3%                         | 7,508             | 81,528         | 72,255             |
| 18 | 3331  | Ag., construction, and mining machinery mfg.  | -1.6%                    | 4.6%                         | 1,892             | 87,312         | 75,838             |
| 19 | 3353  | Electrical equipment manufacturing            | 0.9%                     | 2.4%                         | 4,821             | 87,545         | 74,493             |
| 20 | 3345  | Electronic instrument manufacturing           | 0.5%                     | 3.6%                         | 21,030            | 127,048        | 119,845            |

*Source: Policom Corporation*

Look at the wages being paid—in 19 of the 20 targeted industries (bright green shaded areas), Florida pays a lower wage than the national average. This is a good thing, making Florida a very competitive state for the cost of labor.

It is logical to question “why” these targeted industries are poised to grow. It all comes down to international trade. Trade surpluses are good. Trade deficits are bad. Let’s return to our bucket of wealth that is applied to local communities (Figure 2). When a community imports more money than it exports, the community grows economically. When you export a product, you import wealth. Where you import a product, you export your wealth. When exports exceed imports, the economy grows.

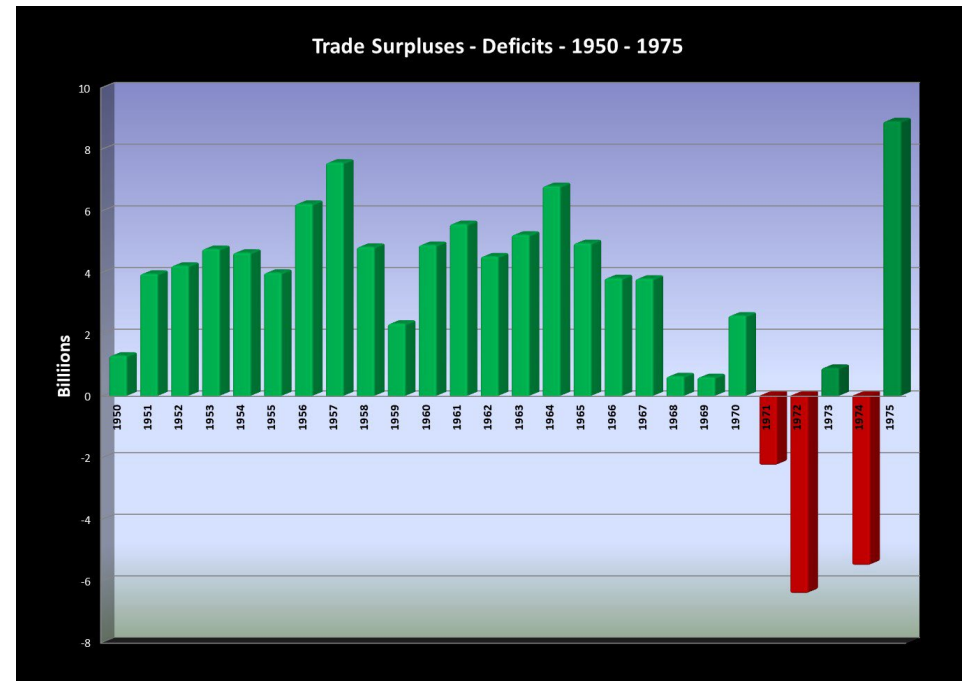
**FIGURE 2.**



Source: Policom Corporation

As shown in Figure 3, the U.S. experienced trade surpluses (green bars) every year from 1950 to 1971. This represents 21 years in which the U.S. exported more products than it imported. So, what happened to reverse this trend of economic growth? As a result of Arab-Israeli conflicts, petroleum we had been buying for \$2 a barrel jumped to \$17 a barrel. The Organization of the Petroleum Exporting Countries (OPEC) was formed to enable cooperation of leading oil-producing and oil-dependent countries in order to collectively influence the global oil market and maximize profit.

**FIGURE 3.**

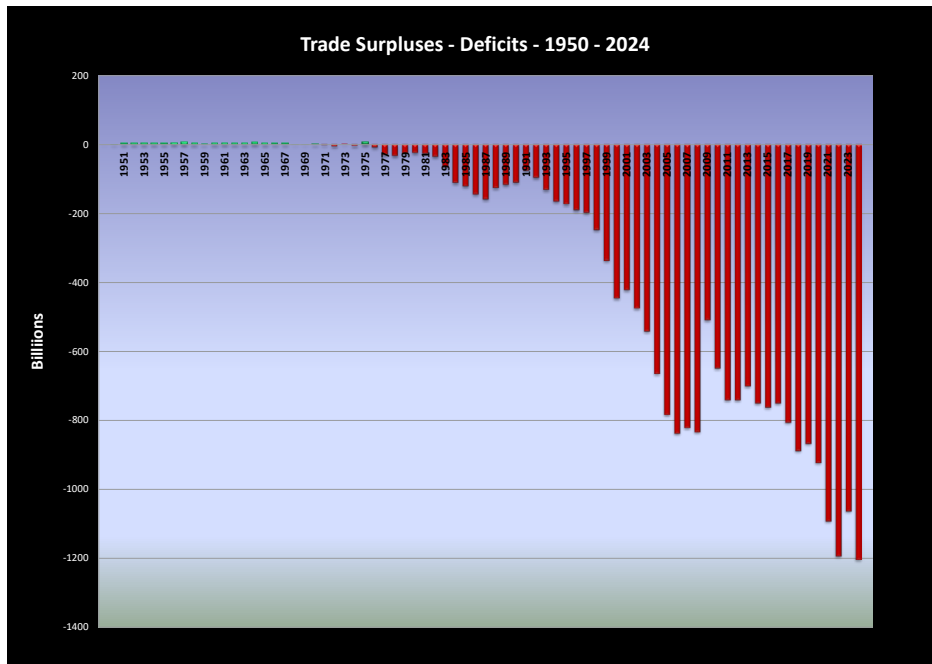


Source: Policom Corporation

As shown in Figure 4, petroleum import-related trade deficits continued until the beginning of the new millennium. Opening trade doors to other countries, especially China, resulted in massive trade deficits. With the average interest rate paid on a Treasury bond, at seven to nine percent, the U.S. started looking for a cheaper place to finance the federal debt. So, they looked at world markets and invited foreigners to buy our debt. China bought \$1.2 trillion. Since 2000, \$19 trillion of our wealth has

flowed to foreign companies. During that period, our federal government borrowed \$29 trillion to pay for the federal government.

**FIGURE 4.**



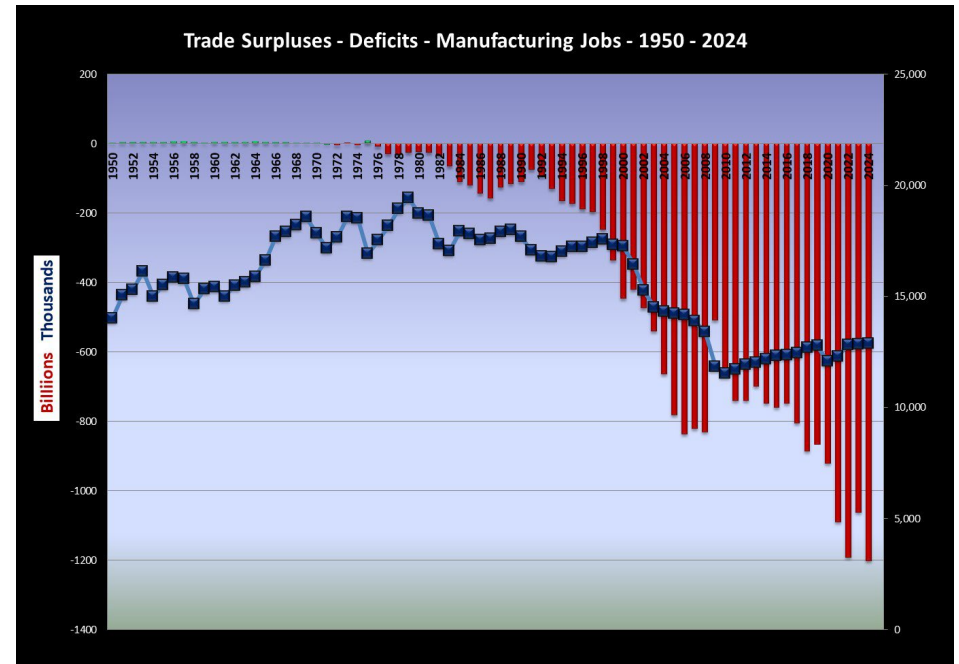
Source: Policom Corporation

With our borders open to everybody to export whatever they wanted to, the U.S. started losing jobs (Figure 6). Over a 48-month period, the states of Virginia and North Carolina lost 20,000 furniture manufacturing jobs because China dumped furniture on our country and just drove them out of business. The same thing happened with cement and steel. Between 2000 and 2020, the U.S. lost almost six million Manufacturing jobs. In about 2010, something happened to stop the bleeding.

As shown in Figure 5, in 2010 and each year thereafter (except the current year), the U.S. has gained Manufacturing jobs. The reason for this turnaround --- Advanced Manufacturing. Advanced Manufacturing is characterized by high wages, significant investment in innovation and technology, and the use of advanced technologies like artificial intelligence, robotics, and data analytics to increase productivity, quality, and flexibility while decreasing costs and time to market.

Advanced Manufacturing is changing everybody's lives, and it is all because of the microprocessor. The microprocessor is the greatest human invention since the printing press.

**FIGURE 5.**



Source: Policom Corporation

Figure 6 shows the amount of money spent on new factory construction in the past 20 years. Going back to 2004, the U.S. was spending roughly \$20 billion a month building factories. By 2009, it had jumped to about \$70 billion a month. Construction of factories grew to the point that, in 2024, factory construction reached \$240 billion a month.

**FIGURE 6.**



Source: Policom Corporation

In 1791, Secretary of the Treasury Alexander Hamilton presented a report to Congress outlining his vision for developing the American economy through Manufacturing. In this report, Hamilton identified some 60 to 70 different items that he encouraged the new states to begin to manufacture. Why? Because that’s what they were importing from England and France. The economic principle is—make what you import. Following this principle, Table 4 identifies the future marketplace for U.S. Manufacturing.

**TABLE 4.**

|    | <b>IMPORT CATEGORY</b>                  | <b>2024 IMPORTS (USD):<br/>3,004,808,480,843</b> |
|----|---|--|
| 1  | Pharmaceutical preparations             | 246,848,213,121                                  |
| 2  | Passenger cars, new and used            | 213,589,714,221                                  |
| 3  | Other parts and accessories of vehicles | 145,660,516,603                                  |
| 4  | Computers                               | 116,724,499,688                                  |
| 5  | Cell phones and other household goods   | 111,878,831,375                                  |
| 6  | Electric apparatus                      | 102,683,258,659                                  |
| 7  | Computer accessories                    | 100,659,515,161                                  |
| 8  | Industrial machines, other              | 84,920,976,274                                   |
| 9  | Telecommunications equipment            | 84,610,975,150                                   |
| 10 | Semiconductors                          | 81,944,507,758                                   |

Source: Policom Corporation

There are five things that are absolutely necessary for economic growth at the local level. The single most important issue (and it always has been) for economic growth is having an abundant supply of improved and approved industrial property. New manufacturers have a difficult time because they are competing with housing and commercial developers for prime properties. Without a site, a company cannot expand and cannot locate in our community. “Improved” means the required infrastructure is put in place—roadways, sewer, water, electrical. “Approved” means all the planning and zoning stuff has been taken care of.

The problem with Florida is a lack of improved industrial property. That is the biggest problem this state has always had—industrial property, reserved for primary employers. The “rule of thumb” of the economic development business today on a nationwide basis is you have to be able to get a building permit in 90 days.

Number two, and this has been number two forever, is having an abundant supply of trainable labor. One reason for the success of the Research Triangle (North Carolina) was the guarantee that, the day your factory opens up, all the workers are going to be trained. Immediate training was provided for the workers in these companies moving in, and for existing companies expanding.

Number three is an abundant supply of inexpensive energy. Number four is a multi-disciplinary educational partner. If you have the major university, they have to become involved in economic development. Most do not. More and more state colleges and community colleges are now beginning to become partners in the economic development program. Fifth is a multi-modal transportation system.

There are barriers to this happening, the most significant of which is costs, costs, and costs. Building these factories, the advanced manufacturing, and all the robots and everything else that has to go into them is terribly expensive. The initial capital investment is huge but, once made, then we can make things faster, cheaper, and better than any line workers overseas. There’s a huge cost to local communities too, in the form of infrastructure.

Where do local communities come up with the money? One possible source of revenue at the county level is the local option hotel bed tax that, if approved by the voters, would tax the hotels one to two percent

for every room. The proceeds of the hotel bed tax would be used to promote tourism. In 2024, at the local level, \$2 billion was collected by county governments. It is important to note that not all hotel visitors are tourists—a large percentage is business travelers. So, why then should tourism get 100 percent of the hotel bed tax proceeds, especially since there are only three counties in the state (Orange, Osceola, and Monroe) where tourism is the most dominant industry?

Consider Jacksonville, which has the strongest metropolitan economy in the state of Florida. Jacksonville does not have a strong tourism industry, nor does it have a very high retirement age population. What Jacksonville does have is industry—diversified industry. Counties that have implemented the local option hotel bed tax should be permitted to use some of the tax revenue for economic development purposes.

## KEY TAKEAWAYS

- The primary or contributory business enterprises are the ones that create the wealth and cause an economy to exist, and the consumptive enterprises are the ones that benefit from that economic activity and the importing of money.
- The number one primary industry in Florida is Retirement. Roughly 26-27 percent of Florida's economy is dependent upon people over the age of 65.
- We can see that earnings paid to workers in Manufacturing are more money than those paid to workers at every hotel, motel, and restaurant and bar in the state.
- Communities should be trying to recruit: (1) primary industries, industries that are going to add wealth to your community instead of consuming wealth (e.g., retail); (2) industries that will pay a wage that will improve the overall quality of your local area; and (3) growth industries that pay a whole lot of money.
- Manufacturing is the key, not only to Florida's economic growth, but also to the growth of the nation as a whole.
- When a community imports more money than it exports, the community grows economically. When you export a product, you import wealth. Where you import a product, you export your wealth. When exports exceed imports, the economy grows.
- The microprocessor is the greatest human invention since the printing press.
- The economic principle is—make what you import.
- There are five things that are absolutely necessary for economic growth. at the local level.
  - » The single most important issue (and it always has been) for economic growth is having an abundant supply of improved and approved industrial property.
  - » Number two, and this has been number two forever, is having an abundant supply of trainable labor.
  - » Number three is an abundant supply of inexpensive energy.

- » Number four is a multi-disciplinary educational partner.
- » Fifth is a multi-modal transportation system.
- There are barriers to this happening, the most significant of which is costs, costs, and costs.
- Counties that have implemented the local option hotel bed tax should be permitted to use some of the tax revenue for economic development purposes.

## INSIGHTS FROM INDUSTRY SECTORS

This segment was presented as a series of “TED-styled talks,” where each presenter will have about 15 minutes to talk about their specific industry.

### THE STATE OF FLORIDA'S MARINE INDUSTRIES

**PHIL PURCELL, PRESIDENT & CEO, MARINE INDUSTRIES ASSOCIATION OF SOUTH FLORIDA**

Florida is the number one state in the whole nation, actually in the world, in terms of boat registration, with more than one million registered vessels. This number does not include undocumented vessels or foreign flags vessels, which are the largest vessels. With 16 public deepwater ports, Florida is the number one state for importing and exporting goods.

Port Everglades, for example, is number one for importing yachts in the whole country. This is not a good thing—Florida (and the US overall) has abandoned its once-thriving large yacht manufacturing industry. Florida no longer manufactures boats longer than 50 meters, and the number of manufacturers building boats longer than 80 feet has decreased from 31 to three. Why? Primarily because government did not want to support rich people with big boats.

The greatest transfer of wealth is owning a boat. Boats need to be maintained and that requires people in high-paying jobs. Florida has the largest recreational marine economy in the nation, which helps to anchor (no pun intended) South Florida's economy. Statewide, boating is a \$36.5 billion industry, with \$18.5 billion in economic impact generated in the Palm Beach-Broward-Miami-Dade region. This region offers more than 142,000 boating jobs and pays more than \$7 billion in wages and earnings. It is no surprise that Broward County is the yachting capital of the world.

South Florida is an attractive location for the world’s most successful entrepreneurs, especially those who are leaving high-tax states like New York in favor of low-tax states like Florida.

The Ft. Lauderdale International Boat Show (“Boat Show”), which is owned by the Marine Industry Association of South Florida, is the largest in-water boat show in the world (See Figure 1). With more than 100,000 visitors from 93 countries over five days, the Boat Show will generate more than \$823 million in total sales for exhibitors and a statewide economic impact of about \$1.8 billion. The \$823 million in sales over five days comes out to about \$165 million a day. In contrast, it takes an average Home Depot store one year to generate about \$44 million in sales. Attendees include some of the wealthiest people in the world, people with huge political capital. They all own big boats, and they all show up there.

**FIGURE 1.**



Source: Marine Industries Association of South Florida

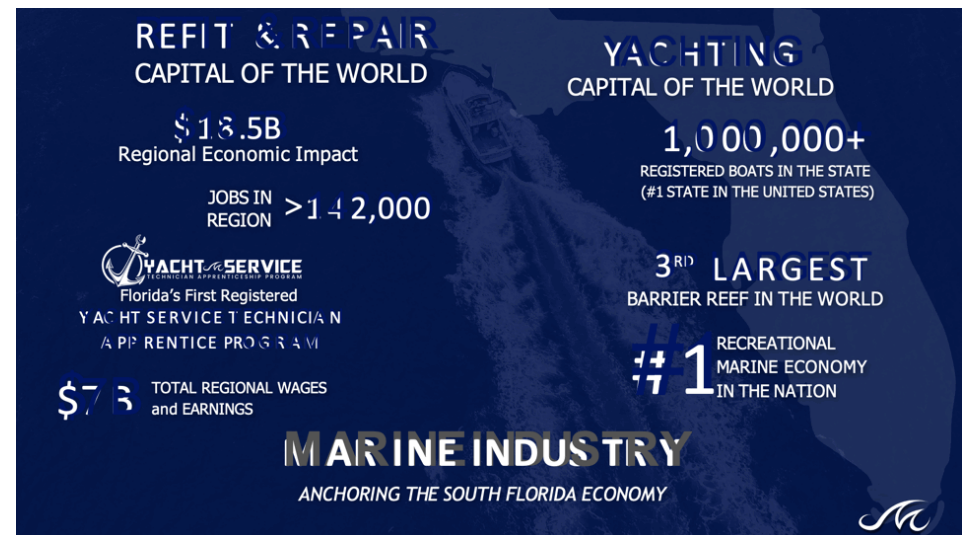
While they are here, they spend money in the hotels and restaurants and the Convention and Visitors Bureau (CVB) collects the bed tax money. The Marine Industries Association of South Florida is the largest and longest user of convention center space. When the convention center opened in 1997, we were the first ones there, and we’ve been there ever since; however, the Boat Show gets no money from the CVB. The CVB

will spend \$800,000 to put a float in the Rose Bowl parade, but the Boat Show receives no financial support from the CVB. In addition, the Boat Show offers Broward County five days of international press each fall at no cost.

South Florida is the yachting capital of the world (see Figure 2) and, with all the access to water and no state income tax, Florida is the number one state for boat manufacturing in the nation—bar none. The market and some of the biggest brands are here.

There are a number of market forces that affect the boating industry, including supply and demand. For example, there are seven boats competing for every boat slip. This represents a tremendous opportunity. The entrepreneurs who attend the Boat Show do so in large yachts that are built in Europe. There was a time when these entrepreneurs could build boats that size in the U.S., but we decided, for whatever reason (government regulations, etc.), to abandon that industry.

**FIGURE 2.**



Source: Marine Industries Association of South Florida

It used to be that a bigger boat (assume a \$20 million boat) would come in and it would want to sell. We would exclude Americans from showing up at the Boat Show and purchasing this boat because it could not be sold to U.S. residents while in U.S. water because of government regulations. So,

we started the first ever marine foreign trade zone. That allows the owner to display a boat at the Boat Show, have buyers come in that are American, and make transactions which lead to that \$824 million in sales.

Port Everglades needs to be dredged so it can accept larger ships, so it can compete with Miami and Tampa. What is holding this project up is the presence of millions of corals, including what may be the largest stand of wild staghorn left on Florida's reef. The amount of coral lost, scientists estimate, would far exceed the capacity of labs and nurseries breeding coral for restoration work.

We started the Salty Jobs Program as a way to give students and job-seekers an inside look at high-demand marine industry career paths across South Florida. We visit schools, job fairs, career days and other events to spark interest in well-paying marine industry jobs. In collaboration with local marine businesses we film on-site and feature real professionals doing real work. Our partnerships help bring authenticity to the series while promoting workforce development across the region. Students can now watch and show their parents on their phone what it looks like. It is the same thing the manufacturers can do to attract talent and stuff. You have to get to the kids where they are.

Working with the Florida Department of Education (FDOE) and Atlantic Technical College (ATC), MIA SF established the State's first registered Yacht Service Technician Apprenticeship program (YSTA). The two-year program gives apprentices a basic set of shipyard skills to jump start a career in the marine industry. We did one at Broward College several years ago, which had 200 kids in that program, which is great. They learn mechanics, they learn the ABCs of boats, not the large boats, but they get their feet wet in terms of stuff. The apprenticeship program teaches them what goes on in the yard.

## KEY TAKEAWAYS

Florida has abandoned its once-thriving large yacht manufacturing industry. Florida no longer manufactures boats longer than 50 meters, and the number of manufacturers building boats longer than 80 feet has decreased from 31 to three. Florida is the largest location in the United States for the manufacturing of boats less than 80 feet, with nearly 20 percent of all manufacturers in this market segment.

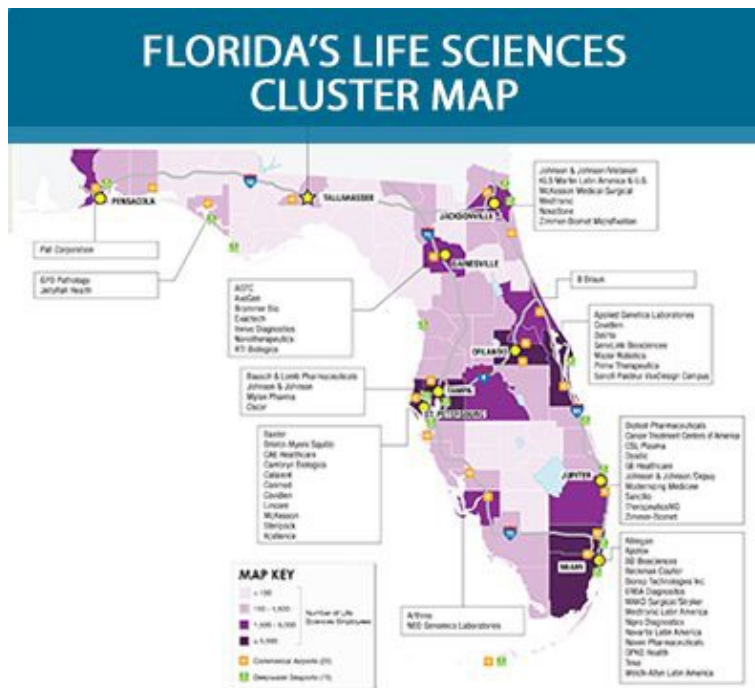
- South Florida is an attractive location for the world's most successful entrepreneurs, especially those who are leaving high-tax states like New York in favor of low-tax states like Florida.
- South Florida is the yachting capital of the world (see Figure 2) and, with all the access to water and no state income tax, Florida is the number one state for boat manufacturing in the nation—bar none. The market and some of the biggest brands are here.

## LIFE SCIENCES

DR. ANTHONY M. MAGLIOCCO, MD, FRCPC, FCAP, PRESIDENT AND CEO OF PROTEAN BIO DIAGNOSTICS

The state of Florida is exceptional in so many different areas, including life sciences. Florida is the second-largest state in the U.S. for medical device and pharmaceutical manufacturing and is in the top five for the largest biotechnical R&D. Florida is home to more than 46,000 cutting-edge life sciences establishments, including 868 biotechnical, 574 pharmaceutical, and 943 medical development establishments (see Figure 1). Florida ranks second for new cancer cases diagnosed each year and has a high number of cancer-related deaths. AdventHealth & Orlando Health, both based in Florida, are two of the largest private health systems in the U.S. with over \$20 billion in revenue, making Florida an attractive location for national and international medical technology companies setting up U.S. headquarters.

FIGURE 1.



Source: Protean BioDiagnostics

Life sciences is a very important aspect to human health. The most important part of Manufacturing is actually the human element. You need a healthy workforce, a healthy nation, and you need a healthy consumer market as well. Overall, our health has been declining over the years. “Metabolic syndrome,” which appears to be potentially related to diet and to changes in our ability to move around, is actually the great killer. Diabetes, which is tied to obesity, is a good example of full-blown metabolic syndrome. Untreated, it can lead to cancer, dementia and Alzheimer’s disease.

Florida has an increasingly older population. As you get older, you may get more disease, so Florida has a higher disease burden than other states. Florida has the second highest rates of cancer in the entire nation. Florida also attracts a large population of veterans who, unfortunately, also have a disproportionate amount of disease as well.

My focus has been in diagnostics, which I never really thought of it as Manufacturing, but in many ways it is. A diagnostic lab has to create a test. It has to create kits and develop new technology for artificial intelligence. Naturally, pharma could not exist without diagnostics, because you have to select the right patient for the right drug, and you have to match that.

Florida has the foundation to be very, very strong in the life sciences industry. Florida has some of the best healthcare systems in the country—centers like Moffitt Cancer Center, the University of Florida, and the great centers in Miami. We also have groups like Advent Health, Baptist, Orlando Health, and others. Florida is an attractive place for high-technology workers to come to. It has a favorable tax environment in terms of the business tax, and things like at-will employment make employment quite easier in Florida as well, compared to when I worked in Canada.

One other thing that is kind of interesting in Florida from a diagnostic point of view is that Florida has less regulatory restrictions than many of the other states. Some other states have a very cumbersome regulatory process that it takes you a couple of years to get a new diagnostic out into a hospital. In Florida, we can do that almost immediately, so we can accelerate it by several years.

Also, on the Medicare side, Medicare is run by several different contractors around the country, Florida’s contractor is one of the more progressive

from the point of view of adopting new technologies in patient care. So, when you're inventing new technology, it can be adopted quicker in Florida than most any other state.

Despite these advantages, Florida is still recognized as a tourism center and not really thought about as a center for Manufacturing and life sciences. People in other parts of the U.S. and abroad do not recognize Florida as being an opportunity center for biotechnology and for innovation.

The workforce is actually quite good, but it is sort of mixed. While Florida is home to a large pool of talent, there are shortages of workers in certain specialized operational roles. Many Floridians are educated in the state but end up leaving the state to work elsewhere. In my own experience, when I open up jobs in my company, I find that I actually get a lot of applications from the North from people who are attracted to Florida because of the climate, because of the favorable tax structure, the cost of living, and other things.

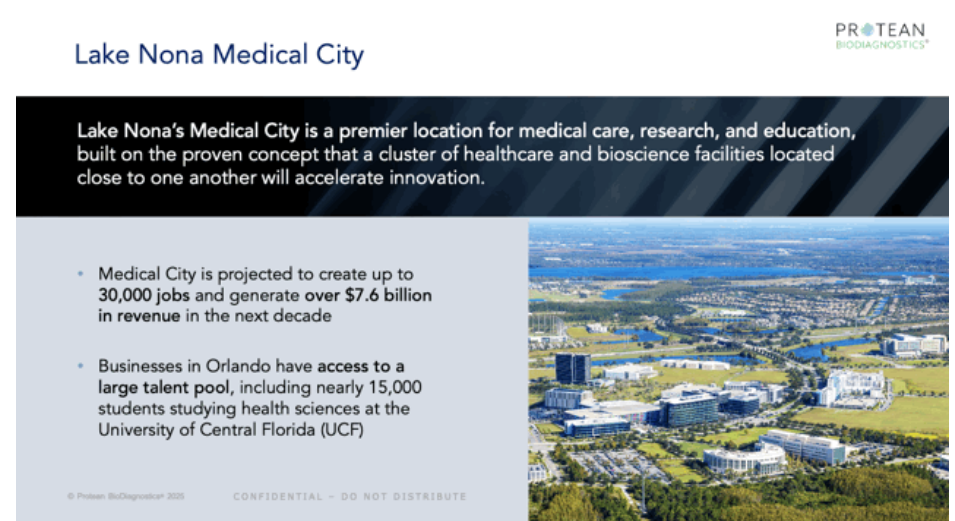
The one area that I found challenging setting up a company in Florida is finding capital to invest in diagnostics. Changes to the U.S. Small Business Association (SBA) programs now will only fund companies that are 100 percent owned by U.S. citizens. It used to be that you needed to be 51 percent U.S. owned. But now it must be 100 percent U.S. owned. So, if you own a C corporation, even if you have one investor who is not a U.S. citizen, you are longer eligible for an SBA loan.

I moved my company into Lake Nona Medical City (see Figure 2). For those of you that don't know what it is, it is an area of development in Orlando. It has a number of hospitals, including the UCF Medical School, which is great. I recruit interns from there. There is the Veterans Hospital, a Children's Hospital, and Orlando Health is building a hospital. It is an interesting area if you are looking for a location.

At Protean Biodiagnostics, I have taken the approach of focusing on one disease, cancer. Cancer is an important disease for employers because a lot of it can be prevented, and it can be detected early. So, if you do have a good screening program, you can detect cancer when it is curable at a stage 0 or a stage 1. It may only cost you \$10,000, \$20,000 to treat that cancer. But if you wait until a cancer is a stage 3 or 4, it's now going to cost you up to \$1 million a year. So, putting in a program that can early

detect cancer and manage that cancer at a cost of under \$500 a year per employee is a small investment.

**FIGURE 2.**



*Source: Protean Biodiagnostics*

There is a large problem in the cancer diagnostic and treatment space in America, in that more than one-half the patients who get a diagnosis of cancer are misdiagnosed. The third most-common cause of death in America is medical error due to improper utilization of drugs, delayed diagnostics, and so on. Part of the cost of cancer care is improper utilization of therapeutics. These drugs cost \$200,000 or more a year per patient. Many oncologists are not sophisticated enough to use the right drugs so, oftentimes, drugs are used inappropriately so that there is no benefit from them. They're overused, or more expensive drugs are used, when cheaper drugs could be used more effectively.

In terms of what Protean is doing, we actually do three things—lab testing, data integration, and decision support. A lot of labs let doctors pick the test that they want and use the treatments they want. This is generally a bad idea. Doctors need to be guided as to what are the optimal treatments and what are the right tests. There are more than 100 new diagnostics come out every year. We need decision support systems that lean on artificial intelligence and on telemedicine to really help proper utilization of the system.

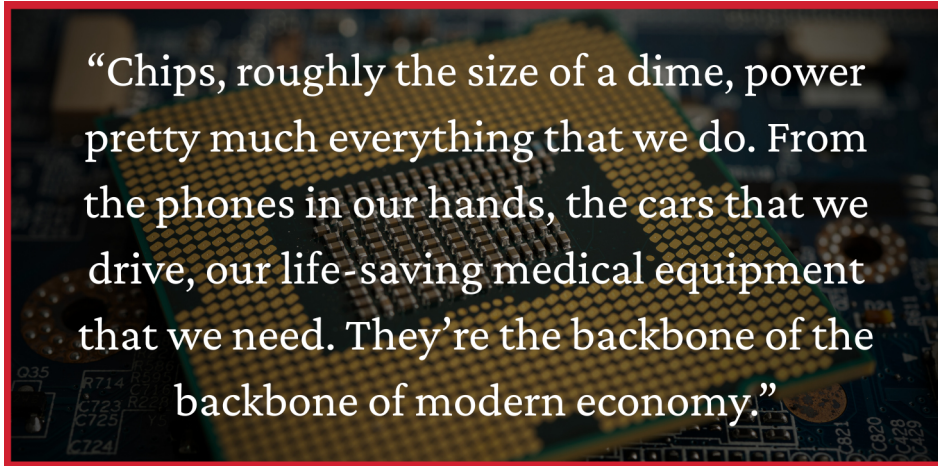
When you have a healthy society, you're going to have a better workforce, you're going to be able to keep your people working, and the costs overall will be lower, and it's well worth the investment.

## KEY TAKEAWAYS

- Florida is the second-largest state in the U.S. for medical device and pharmaceutical manufacturing and is in the top five for the largest biotechnical R&D
- The most important part of Manufacturing is actually the human element. You need a healthy workforce, a healthy nation, and you need a healthy consumer market as well.
- Florida has the foundation to be very, very strong in the life sciences industry. Florida has some of the best healthcare systems in the country—centers like Moffitt Cancer Center, the University of Florida, and the great centers in Miami.
- It has a favorable tax environment in terms of the business tax, and things like at-will employment make employment quite easier in Florida.
- Some other states have a very cumbersome regulatory process that it takes you a couple of years to get a new diagnostic out into a hospital. In Florida, we can do that almost immediately, so we can accelerate it by several years.
- Florida is still recognized as a tourism center and not really thought about as a center for Manufacturing and life sciences.
- Changes to the U.S. Small Business Association (SBA) programs now will only fund companies that are 100 percent owned by U.S. citizens. It used to be that you needed to be 51 percent U.S. owned. But now it must be 100 percent U.S. owned.
- When you have a healthy society, you're going to have a better workforce, you're going to be able to keep your people working, and the costs overall will be lower, and it's well worth the investment.

## SEMICONDUCTORS: BUILDING THE FUTURE, ONE WAFER AT A TIME

SOPHIA WATSON, ASSISTANT DIRECTOR OF WORKFORCE DEVELOPMENT,  
UF FLORIDA SEMICONDUCTOR INSTITUTE

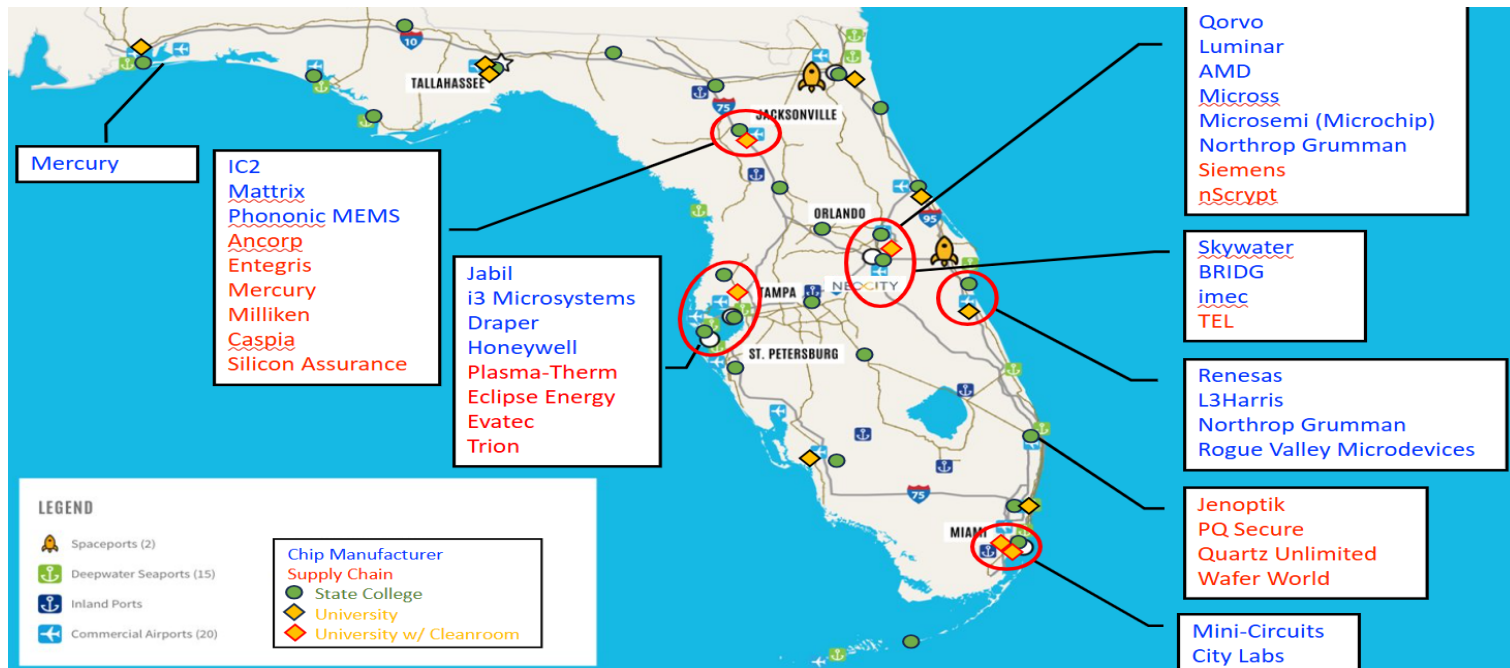


“Chips, roughly the size of a dime, power pretty much everything that we do. From the phones in our hands, the cars that we drive, our life-saving medical equipment that we need. They’re the backbone of the backbone of modern economy.”

Semiconductors are everywhere. They power everything. But without them, even our best Advanced Manufacturing facilities are going to fail. They are in your Manufacturing floors, they are the reason that your equipment works, and they are important to us. With the passage of the CHIPS Act, we have determined that we need to produce semiconductors here. Florida’s semiconductor ecosystem is depicted in Figure 1.

What one sees in these clusters, though, is that these clusters have your industry. There are universities with clean room access. There are state and technical college programs that feed the workforce pipeline. There are district high school programs that are preparing students to graduate with the industry certifications they need to join Advanced Manufacturing early. And there are agencies like local workforce boards, our Manufacturing associations, and others, that are all working together to build a very resilient, competitive foundation to bring Florida into the competitive role.

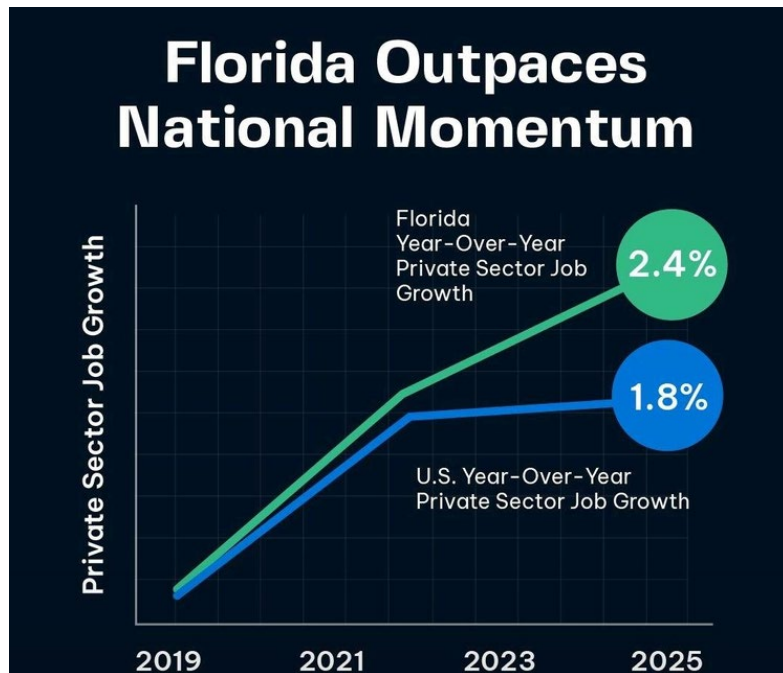
FIGURE 1.



Source: Florida Semiconductor Institute

Florida's semiconductor industry is characterized by growth and opportunity. Florida ranks fifth in the number of semiconductor employees and third in the number of semiconductor companies. Florida has also invested more than \$8 billion in workforce education. And that's because we know that, at the end of the day, technology is great, but it's the people that are really going to push us forward. We're going to go from potential to a real impact, having the right innovators, engineers, technicians who are really leading this movement (see Figure 2).

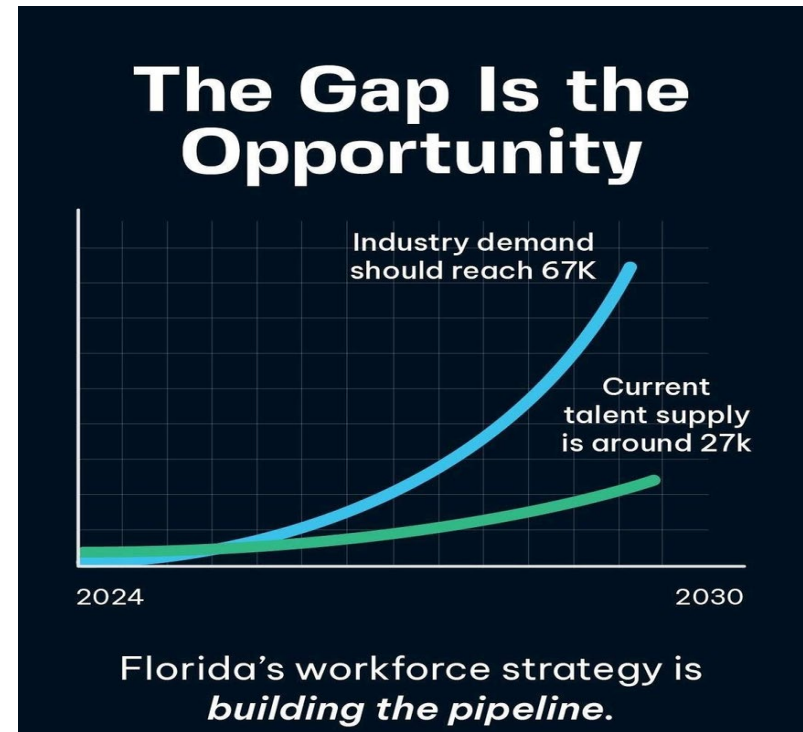
**FIGURE 2.**



Source: Florida Semiconductor Institute

The semiconductor industry faces the challenge of producing a workforce that's able to keep up and stay trained and be what the Manufacturing industry needs on day one (see Figure 3). Our workers are important. Our workers are the folks who are going to make sure that we can maintain competitiveness, that we can continue to innovate and compete globally. Because of workers who are dedicated, in addition to being part of the semiconductor revolution, Florida is ready to lead.

**FIGURE 3.**



Source: Florida Semiconductor Institute



**Key Takeaways**

- Florida ranks fifth in the number of semiconductor employees and third in the number of semiconductor companies.
- At the end of the day, technology is great, but it's the people that are really going to push us forward.

## BUILDING THE GLOBAL HUB FOR SUSTAINABLE AEROSPACE COMMERCE

RYAN ROBERTSON, VICE PRESIDENT OF SPACE SECTOR BUSINESS DEVELOPMENT, SPACE FLORIDA

Space Florida is the state's aerospace, finance, and development authority since 2006. Space Florida's mission is simply to grow the aerospace industry throughout the state of Florida. Space Florida operates two business units: one is a space infrastructure business unit, focusing the statewide spaceport system, managing infrastructure investment, facility maintenance, and new developments; the other is the business development team, with space-related and aviation-related aerospace projects.

Space Florida works with companies of all shapes and sizes, from the idea stage all the way through maturity. A company's stage of development determines which tools that Space Florida can leverage to help them and provide some efficiencies, and which partners that Space Florida can bring on board to support that company and their growth. The two that I want to focus on are the Conduit Financing Program and the Spaceport Improvement Program.


Space Florida has an operating budget that is appropriated by the legislature; however, the amount is insufficient to "move the needle" when one is trying to get projects established that cost tens of millions or hundreds of millions of dollars. Space Florida has to leverage third-party capital to do that. For example, a company comes to Space Florida wanting to establish a footprint in Florida or expand an existing footprint. To do this, they need to purchase \$80 million worth of equipment, or to build a \$100 million facility. Space Florida doesn't have the funding to do that, so it must leverage its partnerships with financial institutions to borrow capital on behalf of a project. That capital is then used to purchase the equipment or build a facility, which is then leased to the aerospace company. The lease payments paid by the company are then used to retire the debt. The company benefits from this in a couple of ways: first, a large up-front capital expense is converted into a longer-term operating expense; second, since Space Florida is tax-exempt, those tax savings can be passed through to the company.

The other program, the Spaceport Improvement Program, is pretty unique to Florida. In Florida, unlike any other state, space travel is considered a mode of transportation. The Florida Department of Transportation (FDOT) gets funding allocated each year for spaceport infrastructure, which is managed in partnership with Space Florida. This funding ranges from \$50 million to \$80 million a year.

Since 2012, the state has invested about \$500 million into spaceport infrastructure, which has been leveraged by industry investment on a 7:1 ratio. So, for every \$1 the state has invested into infrastructure and the spaceports, industry has invested \$7. In addition to helping aerospace companies offset some of their costs and provide efficiencies, this program has helped to create 5,000 jobs since 2012. The current project pipeline (see Figure 1) includes roughly 220 opportunities throughout the state.

When the Cape was originally built, it was meant to support a federal program that was launching maybe six to ten times a year, so the infrastructure that's there is not meant to support a launch a day. Space Florida, in partnership with the federal government and local stakeholders, are looking at how we ensure that there is not going to be any bottlenecks when we start to get to that launch cadence. It is going to take significant investment into the infrastructure from the state and federal government, and from stakeholders. The new launch vehicles coming on-line will drastically decrease the cost of launch to get to orbit, resulting in more and more companies putting payloads into space.

Figure 2 is a map of what the Cape looks like today, and the different companies that are operating in the Cape. Currently, Space Florida is on track for 100 to 110 launches this year—roughly one launch every three days.



"So, we're seeing an uptick in launches each year, and with the number of new vehicles coming online, and the new launch providers coming online here in the next couple years, I think it's reasonable to say that in the next 5-10 years, we're going to have a launch every day."



Similarly, across the street from Airbus is Blue Origin and their New Glenn manufacturing facility.

New Glenn is a family of space rockets designed to launch payloads into high-energy orbits. Space Florida has invested pretty heavily in infrastructure to support Blue Origin's growth over the years, including at the launch site and at their manufacturing campus.

Space Florida will have to continue to invest heavily in spaceport infrastructure—roughly \$3 billion in infrastructure upgrades are needed to support that cadence of one launch a day. Space Florida and its federal and private partners have identified six constraints that could potentially cause bottlenecks growing into that launch cadence. Cost estimates to address these constraints have been prepared and funding sources are being identified. Given China's heavy investment in spaceport infrastructure, China will soon outpace the U.S.

Workforce continues to be a critical issue, as many federal employees will be retiring or moving from federal programs to private industry. Establishing pipelines with the colleges and universities to help their graduates enter the workforce after graduation, and ensuring an adequate supply of trained tradesmen, are also critical.

## KEY TAKEAWAYS

- Since 2012, the state has invested about \$500 million into spaceport infrastructure, which has been leveraged by industry investment on a 7:1 ratio. So, for every \$1 the state has invested into infrastructure and the spaceports, industry has invested \$7.
- It is going take significant investment into the infrastructure from the state and federal government, and from stakeholders.
- Attracting aerospace companies to Florida is important, but it is also important that companies understand that Space Florida is willing to stay with them while they grow and develop.
- Space Florida will have to continue to invest heavily in spaceport infrastructure—roughly \$3 billion in infrastructure upgrades are needed to support that cadence of one launch a day.

## THE STATE OF THE FLORIDA MEDICAL DEVICE INDUSTRY

JOHN RAY, EXECUTIVE DIRECTOR, FLORIDA MEDICAL MANUFACTURERS CONSORTIUM

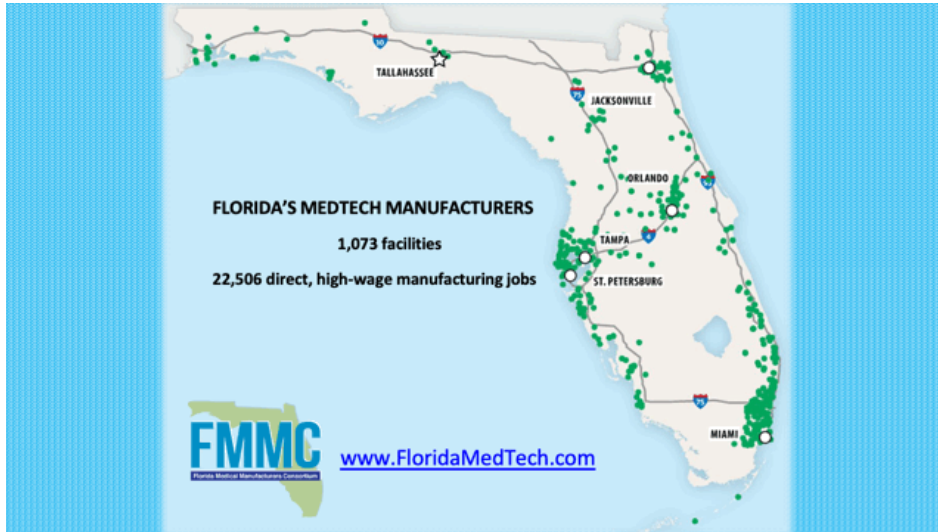
The Florida Medical Manufacturers Consortium (FMMC) was founded in 2003 to unite, promote, and grow Florida's medical device industry and enhance the business success of its member companies. The FMMC provides networking opportunities for the medical device industry in Florida; provides industry knowledge and expertise; and provides advocacy.

A medical device is any instrument, apparatus, machine, implant, or other similar article intended for medical purposes such as diagnosing, preventing, monitoring, treating, or alleviating disease or injury. These devices, which range from simple items like gloves or tongue depressors to complex ones like pacemakers and imaging equipment.

As shown in Figure 1, Florida is home to one of the largest medical device economies in the country, with almost 1,100 Food and Drug Administration (FDA)-registered medical device manufacturing facilities. The industry is responsible for about 22,000 direct jobs, with average salaries of almost \$100,000 a year. This is the type of target industry that we should be pursuing. Like most other manufacturers, 80 percent of our manufacturers have 25 or fewer employees. Most of the medical device manufacturers are clustered in the Tampa Bay area, Orlando, Southeast Florida, and Jacksonville.

Florida has very diverse capacities in a lot of subsectors in medical technology. Florida manufacturers are very good at single-use disposable items, medical instruments and medical products and components. We are very strong in vision care and ophthalmic, technologies. We are also very strong in contract manufacturing, where a manufacturer has a contractual relationship with an original equipment manufacturer (OEM) and they are literally doing end-to-end manufacturing for these companies to produce their branded products.

**FIGURE 1.**



Source: Florida Medical Manufacturers' Consortium

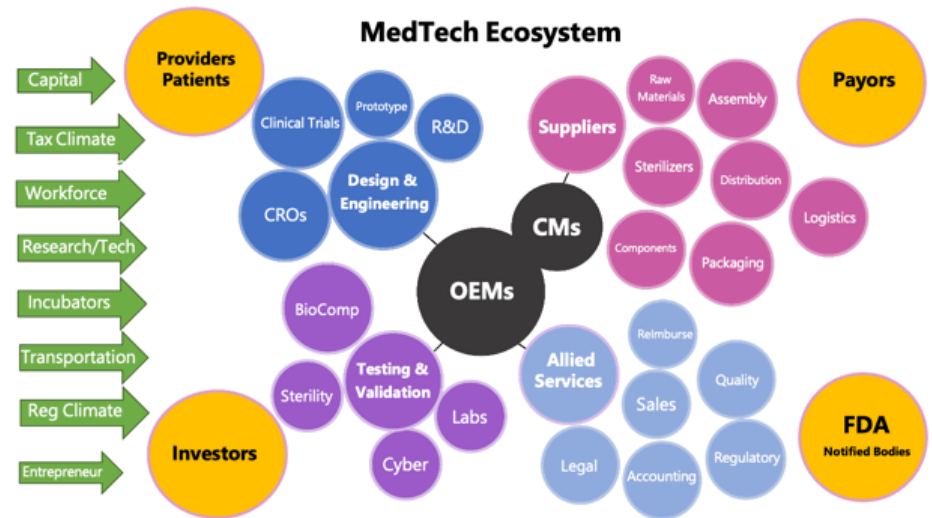
From 2019 to 2024, the number of direct industry jobs increased from 19,938 to 22,506 (13 percent). It is no coincidence that, in 2019, the federal medical device tax was repealed. This has helped to foster some great growth over the last few years. What this tells you is the medical technology industry is very, very resilient. It is “export positive” in the state of Florida in that Florida-origin exports exceed our Florida-destined exports in medical technology. Being export positive means we are wealth generators and are bringing wealth into the state of Florida. It also helps to be in the healthcare industry.

The medical device ecosystem is a very complicated system within which to make money (see Figure 2). It is a “manufacturing-centered” ecosystem, with manufacturers at the center. On the outside, the yellow circles are the main drivers of this ecosystem. These are the “apex predators” of this system. They make the rules and they drive its growth. The left side of the ecosystem represents the pre-market part of the ecosystem. This is the design and engineering, the research and development, the clinical trials that must be done to get your device approved and validated. The right side includes the assembly, packing, and distribution of the device, along with the support services, such as sales, legal, and lobbying.

Workforce development is important. Our industry has to get better about aligning the workforce with the manufacturing needs. A recent survey by the National Federation of Independent Businesses (NFIB) showed the 41 percent of manufacturers surveyed have job openings they simply cannot fill. This represents 264,000 job openings that cannot be filled.

Another concern is our innovation pipeline. The U.S. is a world leader in medical device technology.—we invented this industry. About 70 percent of our homegrown medical devices support the world’s largest healthcare economy. The industry is experiencing a downtick in the investment in research and development. There are a lot of cost pressures in the healthcare system that tend to reduce expenditures for research and development and innovation. This coincides with a lot of downturn in federal funding.

**FIGURE 2.**



Source: Florida Medical Manufacturers' Consortium

The jury is still out on tariffs. When your global supply chain depends on a lot of different components from different areas, tariffs can increase the costs of raw materials, components, and finished products. Businesses have little choice but to absorb these costs or pass them along to their customers.

## KEY TAKEAWAYS

- Florida is home to one of the largest medical device economies in the country, with almost 1,100 Food and Drug Administration (FDA)-registered medical device manufacturing facilities. The industry is responsible for about 22,500 direct jobs, with average salaries of almost \$100,000 a year. This is the type of target industry that we should be pursuing.
- Being “export positive” means we are wealth generators and are bringing wealth into the state of Florida.
- A recent survey by the National Federation of Independent Businesses (NFIB) showed the 41 percent of manufacturers surveyed have job openings they simply cannot fill. This represents 264,000 job openings that cannot be filled.
- There are a lot of cost pressures in the healthcare system that tend to reduce expenditures for research and development and innovation. This coincides with a lot of downturn in federal funding.

## FORGING FLORIDA’S FUTURE: THE DEFENSE INDUSTRIAL BASE AT A TIME OF TRANSITION

CAPT. RICHARD M. MILLER JR., USN (RET), VICE CHAIR, FLORIDA DEFENSE ALLIANCE

The Florida Defense Alliance (FDA) is the official advisory capacity for defense and military matters to the Department of Commerce and to the Florida Defense Support Commission. The FDA’s mission is to:

- Ensure that Florida, our resident bases, missions, and host communities are competitive;
- Foster military presence in the state of Florida;
- Preserve the training, evaluation, and training operational and staging spaces for the military to train and operate in and from Florida;
- Expand defense-related industries and defense economy;
- Improve the quality of life for our military members and their families; and
- Enhance the value of our military installations.



One of the earlier speakers talked about semiconductors. Roughly 60-70 percent of all semiconductors, and 90 percent of all high-end chips, are produced in Taiwan. A few years ago, China's President Xi expressed his intent to reintegrate Taiwan with mainland China by the year 2027. Building chips in the U.S. is not just a great economic strategy—it's a national security imperative. If you lose access to Taiwan, the modern economy stops because chips are ubiquitous to everything we do.

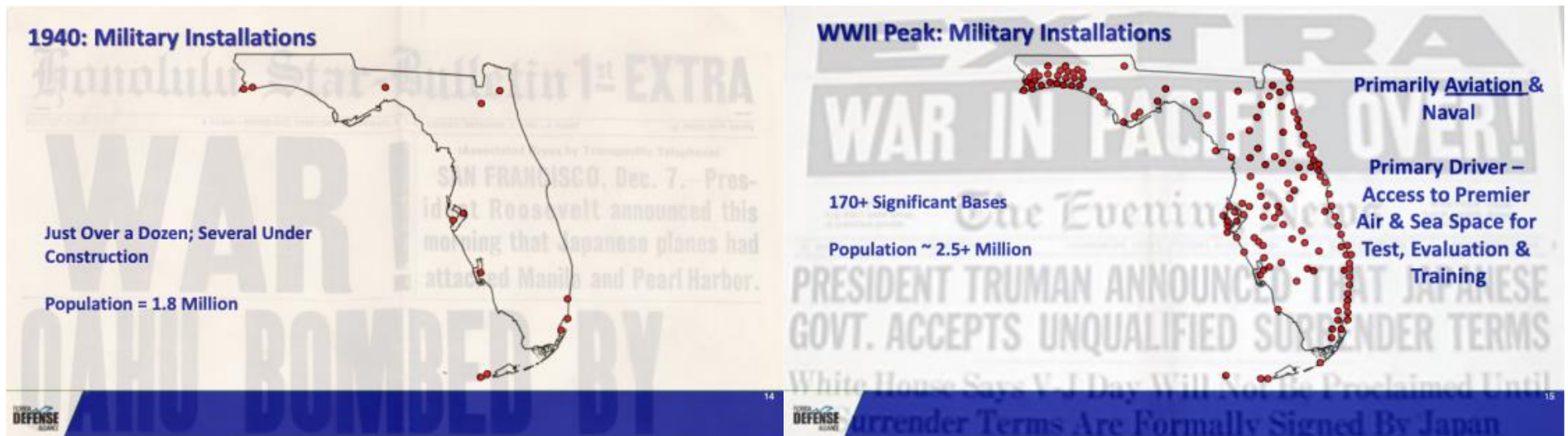
One of the biggest limiting factors right now in the continued growth of Florida's aviation industry is airspace. From the famous Pan American "Clipper" seaplanes in the 1930s; to Jimmy Doolittle's B-25 bombers that attacked the Japanese mainland in World War II; to the hundreds of airplanes, fighters, bombers, everything on the front lines during the Cuban Missile Crisis; to the Mercury, Gemini, Apollo and Saturn V rockets, nothing put Florida on the map like its aerospace industry. In Florida, we did the operations; however, the manufacturing was often done somewhere else.

**“Despite aerospace history, prowess, current performance, and related assets, Florida significantly underperforms its potential.”**

Before Pearl Harbor, there was very little military footprint in Florida. Fast forward four years, the military footprint in Florida was significant. That's not even all of it, those were just the major installations (see Figure 1). The reason they were here, primarily, was the beautiful airspace and sea space in which to train, test, and evaluate. Although not anywhere near that size today, however, we still have a significant military footprint in Florida.

Modern Florida is actually built on the skeleton of military aviation. More than 70 major airports (e.g., Orlando International, Tampa International, etc.) in the state started life as military airfields in World War II. A half

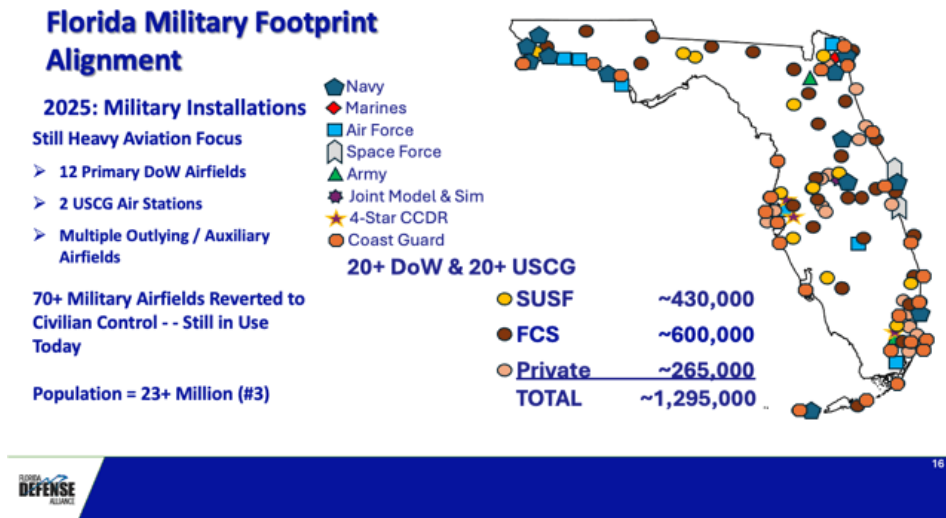
**FIGURE 1.**



Source: Florida Defense Alliance

a dozen or so of our major colleges and universities are built on former military airfields, not to mention a number of major hospitals and other infrastructure. I can think of no other state where the defense cluster is so tightly aligned with an extremely robust academic and research footprint, and also with our Manufacturing footprint (see Figure 2). Florida produces more than twice the number of undergraduate aerospace engineers as the second-place state. Unfortunately, we only have about eight percent of the job listings every year for aerospace engineers. They go elsewhere. At the graduate and all-program level, we're in a tight race for second. Florida is the number two state in the U.S. for cybersecurity. We can mint talent at scale; however, we just have to remove the barriers to deploying it, and that is where we continue to fall short.

**FIGURE 2.**

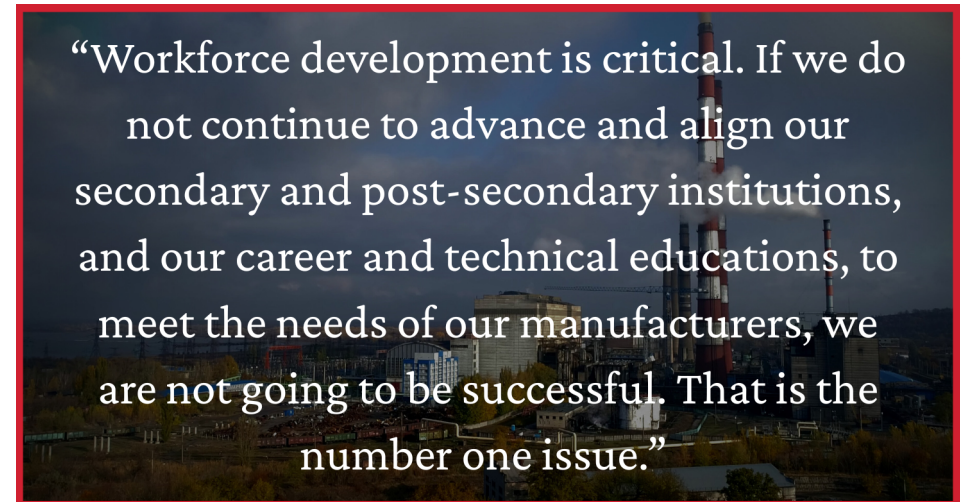


Source: Florida Defense Alliance

Our challenge in Florida is that our airspace is underperforming and challenged. With modern aircraft, our military training routes are no longer tactically or operationally relevant. There is not a single training range in the U.S. where the F-35 fighter can employ its full weapon and sensor suite to the full extent of its tactics, techniques, and procedures, because none of them is big enough—its sensors extend beyond the size of the range. Stuff is only getting bigger, longer, and faster, which means geography needs to get bigger, longer, and broader. By the end

of the decade there are going to be almost 400 F-35s based within a flying radius of Florida. We have robust commercial aviation, robust military aviation, and a burgeoning space program, all competing for a very uniquely defined tight airspace that it does not all fit in.

We need to modernize our airspace to get more use out of it. We have seen a downtick in the investment in research and development (R&D). When there is a lot of cost pressures, R&D expenditures and innovation expenditures tend to be tamped down. Our research universities, our institutes are very competitive in turning out technologies; however, there has been a lot of downturns in federal funding. Tariffs are going to be very disruptive, but when your global supply chain depends on a lot of different components from different areas, those tariffs are going to cut both ways. There is reason to worry about the continued technological advancement that keeps us world leaders.



The cyber shortfalls in Florida are perfectly overlaid with our defense footprints. Florida ranks third in cybercrime, both in the number of issues and the amount of dollars lost. Manufacturing is the biggest target group for ransomware attacks. Our national defense strategy will likely put homeland defense in the Western Hemisphere as the number one risk threat that needs to be defended against. What does that mean for us in Florida? That means a lot of the stuff that we already have and the things that we do are going to grow in importance.

Which means Manufacturing opportunity. The era of drone warfare is already here. There's no time to waste. But my point is, with our aerospace strategy and all of our assets, this is one of the biggest Manufacturing opportunities for Florida on the planet. Why is it that we have barely any of the approved drone manufacturers in Florida? We have everything we need here to be dominating this industry, and we're missing the boat, and this conflict has already gone past us.



### KEY TAKEAWAYS

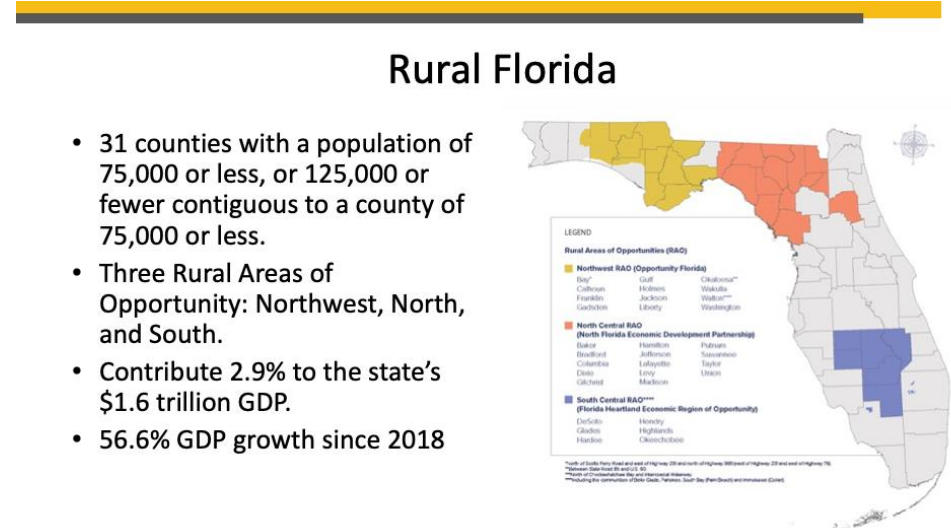
- Building chips in the U.S. is not just a great economic strategy—it's a national security imperative. If you lose access to Taiwan, the modern economy stops because chips are ubiquitous to everything we do.
- One of the biggest limiting factors right now in the continued growth of Florida's aviation industry is airspace.
- More than 70 major airports (e.g., Orlando International, Tampa International, etc.) in the state started life as military airfields in World War II. A half a dozen or so of our major colleges and universities are built on former military airfields, not to mention a number of major hospitals and other infrastructure.
- Our challenge in Florida is that our airspace is underperforming and challenged.
- We have robust commercial aviation, robust military aviation, and a burgeoning space program, all competing for a very uniquely defined tight airspace that it does not all fit in.
- What does a renewed focus on the Western Hemisphere mean for us in Florida? That means a lot of the stuff that we already have and the things that we do are going to grow in importance.
- We have everything we need here to be dominating this industry, and we're missing the boat, and this opportunity is threatening to pass us by.

## MANUFACTURING GROWTH IN RURAL FLORIDA

RICHARD WILLIAMS, EXECUTIVE DIRECTOR, OPPORTUNITY FLORIDA

Opportunity Florida is a 12-county “rural area of opportunity” in Northwest Florida. Florida's rural areas of opportunity (RAOs) are specific regions designated by the Governor to receive priority for economic development. RAOs offer incentives like tax credits and infrastructure support to attract business, create jobs, and boost local economies facing economic distress or natural disaster impacts. Currently, there are three RAOs in Florida—Northwest Florida, North Central Florida, and the Florida Heartland (see Figure 1).

FIGURE 1.



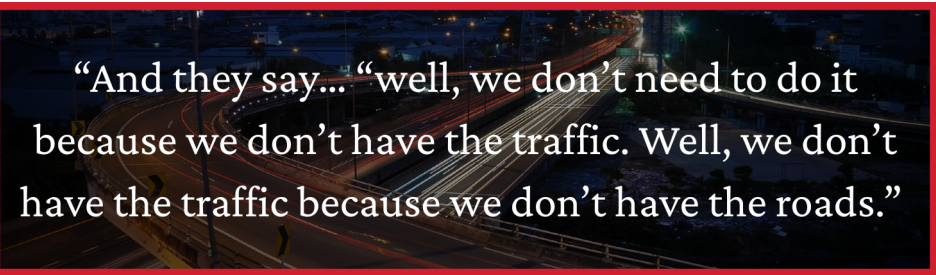
I want to start by discussing a small town “funeral” that speaks volumes about rural Manufacturing opportunities. A company called me and said it was going to put the company in “hospice.” The company was moving offshore (out of the country). The “hospice” reference meant the company was going to continue to manufacture while it went through this process. I met personally with the midnight crew to talk about what we could do to help them.

There was no uptick in absenteeism, no increase in workers’ compensation claims, no sabotage of the plant, no drop in quality, and no drop in productivity. The company had hired a Chinese company to produce the company’s product in time for the holiday season, but they were not going to get it done. So... this company actually went back to the workforce that they were going to lay off and said, “we need you to save the day.” And they did. And they set a production record. I tell you this because I don’t think you find that story in a lot of places, but in rural Florida, you can find that story.

I got a call one day, inviting me to come over for another press conference, and I knew what that meant. They were going to the funeral. When I got there, the company, in front of the press, in front of the local dignitaries, in front of the workforce, announced that they had decided to stay in Florida.

I heard a lot of things today that made me think about where we are in our rural area. Speakers have talked about the importance of land—we have land. Jackson County has four certified sites right now ready to go. Speakers have talked about the need to get a permit in 90 days. You want permitting in 90 days? Come see me. We’ll give you time to spare. We had a million square foot distribution center come to our area that was a field, so not ready. We had to run the utilities underneath an interstate, and in 364 days from the day that they announced, they were in production.

I think one of the things that the state of Florida has to do a better job on is rural transportation corridors. We lose jobs in rural Florida because we do not have the four lanes in the right places. If you go to rural Florida right now, and you start building the transportation corridors, you can make a wise investment of your money, and you can get the corridors built.



“And they say... “well, we don’t need to do it because we don’t have the traffic. Well, we don’t have the traffic because we don’t have the roads.”

An aging Manufacturing workforce has been an issue in rural Florida. In our area, we are seeing a change among the younger generation. In rural Florida, across the board, more and more younger folks are wanting to get into the trades—they recognize that this is a path forward and a future for them. Our workforce board was awarded a significant amount of training money from the state. I think one of the reasons was we put it in Manufacturing.



“Why did we put it in Manufacturing? Because that’s where our industry people told us it needed to be, that’s where our government told us it needed to be, and that’s where our younger people told us it needed to be.”

It is sexy to land a new plant, but we have to do a better job supporting our existing manufacturers. That is one area where we have to do a better job on in the state. For too long in rural Florida, we have taken our products that we are making, and we send them to the urban areas to be produced into something else. We need you as manufacturers to locate in rural Florida where those products are.

Everybody has a workforce housing problem. We can solve it cheaper in rural Florida. Our land does not cost as much. We can move. Jackson County has 200 acres that the county commission owns that they set aside for workforce housing. We had FSU do a study. The value of the workforce

housing is not in the taxable value of the property, nor is it in the taxable value of the materials. The value is in the workforce that stays and becomes workers for those employers and helps our existing employers meet their demand. Workforce housing is our number one issue in rural Florida, and we have to solve that.

Forward-looking workforce training is needed. I think we do a pretty good job in rural Florida to train for the industries that we have now. We have to start looking at the things that are coming. If we continue to train just for the industries that we have today, we are not going to be able to attract these new industries.

We need to do a better job of showcasing our success (see Figure 2). We have a company that is doing linear accelerators. They are accelerating electrons to 99.5 percent of the speed of light, and they are doing this in a facility that previously built washing machines. Their labor force is in our rural communities.

Another rural company builds sensors. These sensors are installed in everything from barbeque grills to SpaceX rockets. The company is located in an old middle school cafeteria. The building is modular—you can knock the walls out. We use prison labor to help renovate the building. The inmates at the county jail helped and they were thrilled to do it. They got out, got to work, earn a little bit of money, and the guy that was helping to redo the building bought them pizza every Saturday. They were thrilled. And we also got them moving in record time. That project, from the time that we first knew about it to the time they started putting product out, was four months. Try doing that in other places.

**FIGURE 2.**

## Celebrate Success

- Site Specific Infrastructure Investment
- Training Partnerships
- Marketing
- Reputation
- RAO Waivers
- Flexibility

## Responsive Leadership



*Source: Opportunity Florida*

These are the kind of things that we can do, but we don't talk about them enough. One of the things we do great in Florida is site-specific infrastructure investment through the Rural Infrastructure Fund, through the Governor's Job Growth Grant Fund, and through other grants that are available to us. That is how a county like Jackson gets four certified sites available and ready to go.

We have some wonderful partnerships, whether with our state colleges, our technical centers, or our high schools. Whenever we have a new project coming to the area, one of the first questions that I have from my workforce side is "what do you need for training?" The state of Florida has done a wonderful job marketing in rural Florida. It was not always the case. As a result, Florida's reputation has grown tremendously. In rural Florida, we have tremendous flexibility. The attitude is changing for rural Florida.

## KEY TAKEAWAYS

- Speakers have talked about the importance of land—Rural Florida has land.
- Speakers have talked about the need to get a permit in 90 days. You want permitting in 90 days? Come see me. We'll give you time to spare.
- I think one of the things that the state of Florida has to do a better job on is rural transportation corridors. We lose jobs in rural Florida because we do not have the four lanes or broadband in the right places.
- In rural Florida, across the board, more and more younger folks are wanting to get into the trades—they recognize that this is a path forward and a future for them.
- Everybody has a workforce housing problem. We can solve it cheaper in rural Florida.
- If we continue to train just for the industries that we have today, we are not going to be able to attract these new industries.
- In rural Florida, we have tremendous flexibility. The attitude is changing for rural Florida.

## FLORIDA'S MANUFACTURING ECOSYSTEM: STRATEGIES FOR SUPPORTING FLORIDA'S MANUFACTURING GROWTH

**MODERATOR:** JASON MAHON, CHIEF MANUFACTURING OFFICER,  
FLORIDACOMMERCE

**PANELISTS:** ADRIENNE JOHNSTON, PRESIDENT & CEO, CAREERSOURCE  
FLORIDA

KEVIN CARR, CHIEF EXECUTIVE OFFICER, FLORIDAMAKES

BEVERLY BYERTS, EXECUTIVE DIRECTOR, STRATEGIC PARTNERSHIPS,  
FLORIDA SBDC NETWORK

CareerSource Florida has a network of 21 local workforce development boards across the state. What we do at the local level, through the local workforce development boards is serve employers through a couple ways. One, CareerSource Florida can help with all of your hiring needs if you are just looking for opportunities to do job fairs and just find really good candidates that match your skill sets. But more critically, what they do is they help you with your training development plans—securing funding and providing grants to help you build out your training programs.

One of the most powerful ways CareerSource Florida does this is through on-the-job training, where they can help offset wages so, as you are onboarding somebody, you can get them trained quickly. It lessens the risk for the employer, and it gives a great opportunity for that employee.

CareerSource Florida also works with job seekers through its career centers. This is where folks can come in and get assistance with everything from resume help to job search. CareerSource Florida also provides training opportunities through scholarships to individual, so it is really focused on making sure, when we are working with businesses on those direct grant opportunities, that we are helping them build out long-term, sustainable training plans for your business.

On the other side, when CareerSource Florida is helping job seekers access training, it is also making sure that that training aligns with industry needs so we are not sending people to training programs that are not going to be valued by business in the community.

The Florida Small Business Development Center (SBDC) Network consists of 200-225 consultants statewide who provide one-on-one consulting services at no cost to small business owners. The consulting services include such things as starting a business, basic business planning, accessing capital, financial analyses, and marketing help. We also have a sister program, the Florida Apex Accelerator Program, which co-located with the Florida SBDC Network. This program helps to strengthen the defense industrial base with a focus on small businesses utilizing government contracting, both at the state and local level.

The mission of FloridaMakes is to strengthen and advance Florida's Manufacturing economy. FloridaMakes is focused on workforce issues, supply chain issues, technology issues, and growth issues. FloridaMakes is working closely with the commercial space industry, for example, to locate more and more certified manufacturing suppliers closer to the Space Coast.

Workforce represents perhaps the biggest challenge and biggest opportunity. Florida is the number one state for talent attraction in the country, so we are doing some things very, very well. The challenges that we face are challenges that every other state, really every nation is facing, but we have done some things very well, through smart investments in our education system and our workforce development system.

We are always looking for opportunities to really understand the skills that businesses need, and how those are transferable across sectors. As we are looking to the future, we have to be really thinking about what opportunities do we have with the skill assets that we already are producing, and then where we need to pivot.

A good example of this is Taylor County, which was hit by a hurricane a couple years ago at about the time a major employer (a paper mill) closed. Many of the partners on this stage, along with other organizations, went down to Taylor County to talk to the employers who were still going to be there, and ask them what they needed. We found out that the training had been so focused on this one employer for so long. Through an investment from Florida Commerce, and in partnership with their local workforce board, they now are actively producing apprentices in aluminum welding, something that they did not have just two, three years ago.

### **Q: How do we engage more people and get them interested in a career in Manufacturing?**

There's a campaign that we need to do dealing with parent perception. They need to understand more about these jobs. There is a perception that Manufacturing is dirty, dark, and dangerous. Some communities in England, for example, conduct a regular "open house" where local people can actually tour manufacturing facilities. Seminole State College attracts people to Manufacturing through its mechatronics and robotics program. Manufacturing jobs are sophisticated jobs, and they're technical jobs.

Nationally, the focus is on supporting manufacturers and the reshoring and onshoring of manufacturing work. Florida has a resource hub ([Floridasbdc.org/manufacturing](http://Floridasbdc.org/manufacturing)) that collects the resources throughout the ecosystem and helps connect those manufacturers with the resources that they may need. An underutilized program is Select Florida's Export Marketing Plan, a tool to help small businesses build a "roadmap" to export their products. We have a client in Sarasota who, through this program, developed and implemented export marketing plan and began exporting to Brazil. They had so much success. It was such an easy thing for them to do that now they're exploring other international markets.

### **Q: How does FloridaMakes make help these businesses see those growth opportunities?**

One of the things that we try to do, as much as possible, is to expose businesses to these new technologies. We just did a couple of road show demonstrations with the Smart Manufacturing Institute. We did one in Tampa Bay, and one in Lake County, where we exposed them to some of those technologies. We try to use some of the two-year schools more and more, because they actually have that infrastructure and technology. People can see and touch it, and that helps manufacturers figure out how they can possibly use it.

### **Q: Looking at the next, 18-60 months, how do we accelerate our growth from here?**

It is being responsive and continuing to build the infrastructure in order to respond quickly, which we are doing. It does not happen overnight. We are developing and constantly updating a Master Credentials List to reflect the credentials the industry is saying that they need now, but also

that they are going to need moving forward in the future. No other state in the country has a list to show the valuable credentials that students should be targeting. We have industry and education consortia. Every college and university has advisory groups for each program, that area and they're meeting constantly to be able to pivot and respond quickly.

Identifying "cross-sector" opportunities is critical. We tend to be very siloed about a certain skill set or a certain curriculum. We need to think about how that applies across the board. Being intentional and building out the infrastructure to be intentional and to be responsive, is going to continue to be critical. It is important to focus on productivity --- that gives us a measure of how competitive we are. It is important to continue targeting high-value industries and to continue with our workforce investments and thoughtful, purposeful investments in our infrastructure. That appears to be the right trajectory.

#### **Q: Which resources should be tapped into and used?**

The manufacturing ecosystem developed by FloridaMakes pulls together all the players and all the resources that manufacturers can use. It is more about working with your SBDC advisors, working with your partners, with all these great organizations, and tailoring those resources to what works for you. The level of collaboration, certainly at the state level over the last couple years, has been unprecedented. The challenge is building that culture across the state, helping local areas build that same kind of collaboration and make sure that everybody is aware of the resources that are out there. Being active, being vocal, and making sure that you're helping us stay on track is incredibly valuable.

Optimization among these different resources is the key. Each of you has an SBDC consultant in your backyard who can help you find the right path for the specific company and build the structure around it. It is a great resource that can walk you through the whole process and connect you with resources that you may not know are available. I also will put in yet another plug for that export marketing plan. These plans are really and truly roadmaps to bring your goods overseas, and they take hundreds of hours, to complete, and they cost a small business owner or a manufacturer \$500. Select Florida picks up the rest of the tab for that.

There are opportunities for customized training and grants from your local board that will allow you to sit down with them and figure out how they can help solve some of your training needs, together with the local education partners. Each of your local boards has an apprenticeship navigator, and customized training dollars can help support those apprenticeship programs. So, if you are not currently engaged with an apprenticeship program, we have opportunities where the local boards can serve as sponsors. So, there are many ways to develop apprenticeship programs, and we actually have folks who are dedicated to doing just that in our community. That is another underutilized resource.

#### **KEY TAKEAWAYS**

- Workforce represents perhaps the biggest challenge and biggest opportunity. Florida is the number one state for talent attraction in the country.
- There's a campaign that we need to do dealing with parent perception. They need to understand more about these jobs. There is a perception that Manufacturing is dirty, dark, and dangerous.
- An underutilized program is Select Florida's Export Marketing Plan, a tool to help small businesses build a "roadmap" to export their products.
- We are developing and constantly updating a Master Credentials List to reflect the credentials the industry is saying that they need now, but also that they are going to need moving forward in the future. No other state in the country has a list to show the valuable credentials that students should be targeting.
- It is important to focus on productivity—that gives us a measure of how competitive we are. It is important to continue targeting high-value industries and to continue with our workforce investments and thoughtful, purposeful investments in our infrastructure.
- The challenge is building that culture across the state, helping local areas build that same kind of collaboration and make sure that everybody is aware of the resources that are out there.

# FROM LOCAL TO GLOBAL: OPPORTUNITIES AND CHALLENGES IN MANUFACTURING, TRADE & LOGISTICS

**MODERATOR:** MICHAEL ALLER, VICE PRESIDENT, STRATEGIC PROGRAM DEVELOPMENT, FLORIDAMAKES

**PARTICIPANTS:** HENRY MOTH, DIRECTOR OF OPERATIONS, RED METERS  
MICHAEL HORTON, DIRECTOR-BUSINESS TRANSFORMATION, OSHKOSH VOCATIONAL GLOBAL PROCUREMENT & SUPPLY CHAIN (GPSC)

The focus of this panel discussion is on: (1) value-added tools and resources to support interconnectedness, growth, productivity, and resilience of Florida's Manufacturing ecosystem.; and (2) how to take advantage of the opportunities and challenges in Manufacturing and international trade.

**Q: There's a lot of investment in infrastructure now, and growing demand for clean water. How are you planning for addressing those opportunities, both domestically here in the U.S. and internationally?**

The need for clean water globally is massive, and the infrastructure globally is dilapidated. Eighty percent of the world's wastewater goes directly to the rivers or the oceans. It is important to realize that we might be looking for planets with water to try to make sure we survive, but if we don't look after the water we have, we are in serious trouble. Florida has an endless amount of innovation, which opens doors globally for manufacturers with innovative technology, especially in the aerospace industry.

As it relates to Manufacturing, the engineering resources and talent pool are critical. On the logistics side, Florida has great port facilities. We export all over the world. That infrastructure is vital to us not only on the export side but also on the import side. We are also a global source. We source globally from India, from Europe, all of the major areas of the world. Having the port infrastructure, and the road infrastructure is critical for us getting products to customers—getting product in and getting product back out.

**Q: What are some of the dynamics and issues in today's environment that are particularly challenging in managing that global supply chain, and what are some of the things that you're seeing?**

Cybersecurity is huge. The overall geopolitical environment is challenging. An event in India, for example, can create a ripple effect for what happens on my supply chain and my manufacturing line here in the U.S. When political unrest forces you to start taking shipping containers around the north of Africa, it adds 60 days to your transit times. When you are building a product and you rely on material from all over the world, any geopolitical disruption is going to have an impact. Also, there are issues of trust and reliability of your business partners when you are vetting sourcing and suppliers from all over the world.

**Q: How do you approach investing in your people and finding the talent for your team, and what are the things that you're looking for in engaging with local educational institutions, or CareerSource or others, and helping you find and engage and train people to achieve?**

Engagement with the State University System and Florida College System is critical, with the engineering degree programs and extensive internship programs. Many of our engineers started as interns. The next step is to push that down even further into the assembly and Manufacturing ranks as well—I think those are two key things. We are only as good as the team around us. It is a great honor to also engage with the schools and actually go and see the high schoolers who are going through these programs. It is pretty rewarding to be a part of that.

**Q: Do you know the markers?**

It's about stability and clarity. That's what we are after. Once you know the rules of the game, your business will innovate around that. Business is very simple—there is an "in" column and there is an "out" column. The supply chain is a key part, and it has made us increase our price. For us, we have just one dedicated person that is constantly negotiating with vendors to make sure that they are quality products, so we are not putting inferior products in. On the other side, there are also these new primary requirements associated with infrastructure in many cases, and also in much of the defense industry.

**Q: What can we do to raise our profile in the community as an industry, what can the local community do to help each of our businesses continue to grow and thrive?**

Engagement in the high schools and promoting Manufacturing and the trades are important. Florida has academic scholarships like Bright Futures, but there are no scholarship programs for the trades. We have to invest in the future, and the future is the youngest generation. We need to shift the perception of Manufacturing from being dark and dirty to Manufacturing as technology and coding and programming. We need to continue working with the school systems to get the kids engaged as early as possible. Offering more initiatives, like the Manufacturers Association of Central Florida (MACF) is doing, and Central Florida Manufacturing Expo, that bring in all kinds of middle schoolers is really so critical to our future. Florida manufacturers can help achieve both of these objectives.

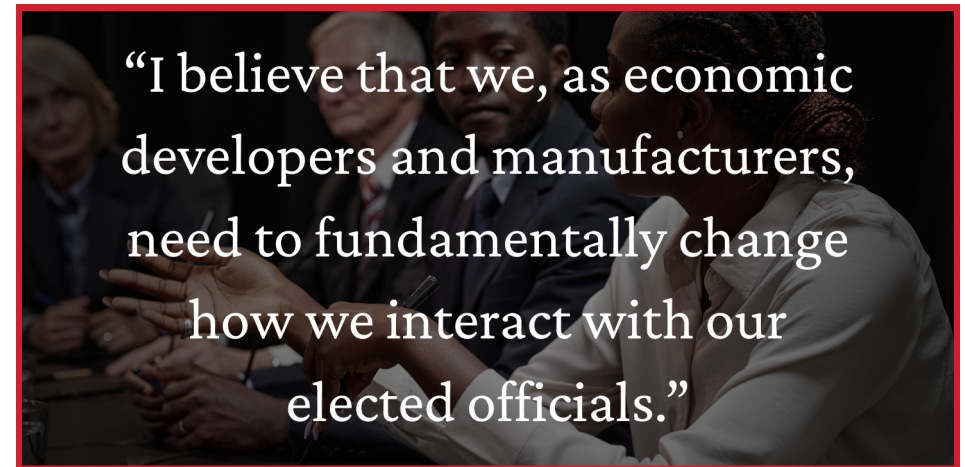
**KEY TAKEAWAYS**

- It is important to realize that we might be looking for planets with water to try to make sure we survive, but if we don't look after the water we have, we are in serious trouble.
- When you are building a product and you rely on material from all over the world, any geopolitical disruption is going to have an impact.
- Many of our engineers started as interns. The next step is to push that down even further into the assembly and Manufacturing ranks as well.
- Engagement in the high schools and promoting Manufacturing and the trades are important. Florida has academic scholarships like Bright Futures, but there are no scholarship programs for the trades.
- We need to continue working with the school systems to get the kids engaged as early as possible.

## CLOSING KEYNOTE

CASEY BARNES, REGIONAL MARKET AND ECONOMIC DEVELOPMENT LEADER, BRPH AND CHAIR, FLORIDA ECONOMIC DEVELOPMENT COUNCIL

The Florida Economic Development Council (FEDC) was created in 1964, and we are Florida's leading organization for economic developers, helping to push prosperity and professionalizing our field. As the number one source of economic development in Florida, our mission is threefold—educate, advocate, and connect. While all of these pillars are important, the one mission that I am most concerned with, and where I'm devoting my energy this year, is "advocate."



If we are to succeed, we need to fundamentally change how we interact with our elected officials at every single level. I think we can agree that we can do better to sow strong relationships with our elected officials at every level, even before they get into office. We need to help them build their platform before they take office. FEDC is developing a "legislative playbook," which includes input from leaders from Commerce, FDOT, and the state college system about how they develop annual budget requests and advocate on behalf of their funding systems. It includes a partnership with the Florida Association of Counties (FAC) to help teach county commissioners and economic development organizations how to create better jobs, with greater economic impacts.

In order to affect long-term change, outreach to elected officials cannot be a “once-a-year” thing. It has to be an all-year, every year thing. Winning company expansions and transforming your economy really comes down to your ability to affect human decision making, and human decision-making comes down, usually, to one or more of three things,—speed, cost, and risk.

A good many of your corporate and personal decisions are based upon how fast something can happen. In today’s economic development environment, companies need to move fast, with speed and purpose in order to compete and take advantage of market opportunities. Those who do not or cannot often miss the boat. So, we have to be ready to go. The states and communities that have ready sites are going to win or at least have the opportunity to win. And those that do not may have to wait for more patient opportunities.

Over the past decade, the leadership of our state, has identified more than 1,300 potential sites for industrial technology development. More than 380 have been determined to be “ready to go” and are being actively marketed right now. Another 550 are in the queue with infrastructure investments and other things to help get them get more ready to go. So, this is really encouraging, but Florida needs more. If there is one thing that I would ask each of you to reach out to your elected officials about, it is to get those sites ready to go.

More good news—Opportunity Zones are being revamped and reworked, and FEDC is working alongside other partners to develop recommendations for our federal partners. Opportunity zones were created in 2017 to help bring jobs to economically disadvantaged areas in our communities. Florida currently has 427 zones out of about 8,700 zones across the U.S.

Also, we are building economic development capacity by investing in ourselves and other companies. One of the best ways to create speed and certainty is by investing in ourselves and training. So, FEDC facilitated training with the leading economic development sales professionals.

So, look for more of that kind of training to continue within our economic development community.




Decision makers from companies are always cost-conscious and Florida, thankfully, has recently added to a laundry list of cost savings through revisions to the tax code. The business rent tax has finally been rescinded. That was a \$3 billion annual tax burden for our companies here, many of which are manufacturers. Local businesses are going to save an additional \$900 million. So, that savings is going to allow our local manufacturers to make great business decisions and invest in themselves and grow.

The U.S. Small Business Administration (SBA) recently expanded its portfolio of loan programs by offering lenders maximum flexibility to structure working capital loans. The Manufacturers’ Access to Revolving Credit (MARC) Program provides a flexible new line of credit to manufacturers and lenders and will help manufacturers access flexible working capital as they scale their operations and take on new customers. The loan is for working capital. The loan maximum is \$5 million, and the term is 20 years. The line of credit can help manufacturers by leveraging the available equity of their facility or equipment.

Companies ask us constantly, “how can we minimize risk in a decision?” If there is too much risk, they simply will not do anything. The first question companies always ask is about workforce. If your answer to this question is that you do not have a qualified workforce in your region, the game is over. They will just find another region that has the workforce.

We know from experience that we have an aging workforce, manufacturers particularly. We are also talking about reshoring millions of manufacturing jobs at the national level, and hopefully we’ will get our share in this state, too. So, if we are going to reshore our manufacturers at the same time, we need to have the talent to do so.



“We have to change the narrative. It’s been said a couple of times today, but I’ll reinforce this... There are more pathways to success than a four-year degree, okay? A person can have a fantastic and fulfilling life in Manufacturing.”

The Gulf County school district is in negotiations with Triumph Gulf Coast to use \$6.8 million in money from the Deepwater Horizon oil spill (2010) to support a comprehensive digital tools and technology training initiative. Starting in the third grade, students will learn digital skills necessary to acquire industry certifications. It is expected that, by 2034, at least 6,000 students will earn certifications by graduation.

Our partners at the federal government have been remarkably responsive and thinking differently, really differently right now at this time, especially about regulations. Certainty in regulations leads to huge reduction in risk, in addition to speed and cost. I encourage all the manufacturers here to communicate with FEDC about any onerous regulations that are out there, especially those that are inhibiting construction, permitting, workforce upscaling, etc. If our leaders continue to think differently, then we can be bold. So let us find ways to move faster, reduce costs, and reduce risks. And we can do them together.

## KEY TAKEAWAYS

- If we are to succeed, we need to fundamentally change how we interact with our elected officials at every single level. We need to help them build their platform before they take office.
- In order to affect long-term change, outreach to elected officials cannot be a “once-a-year” thing. It has to be an all-year, every year thing,
- Human decision-making comes down, usually, to one or more of three things,—speed, cost, and risk.
- The states and communities that have ready sites are going to win or at least have the opportunity to win. And those that do not may have to wait for more patient opportunities.
- One of the best ways to create speed and certainty is by investing in ourselves and training.
- The first question companies always ask is about workforce. If your answer to this question is that you do not have a qualified workforce in your region, the game is over.
- So, if we are going to reshore our manufacturers at the same time, we need to have the talent to do so.
- If our leaders continue to think differently, then we can be bold. So let us find ways to move faster, reduce costs, and reduce risks. And we can do them together.

Manufacturing is a critical element of Florida’s economy. Key challenges to growing the manufacturing industry here in Florida include workforce, supply chain, and the overall awareness and perception of the industry. We need to collectively communicate the importance of manufacturing to our state and national economy, and work to support and grow our state’s existing manufacturers, as well as strategically invest and support key industries with strong growth potential and high wages. With strong support from local communities and state leaders, Florida’s Manufacturing industry will continue to supercharge economic opportunity for all Floridians.

## ABOUT FLORIDA TAXWATCH

As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the taxpayers of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs. Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on citizens and businesses.

Florida TaxWatch is supported by voluntary, tax-deductible donations and private grants. Donations provide a solid, lasting foundation that has enabled Florida TaxWatch to bring about a more effective, responsive government that is accountable to the citizens it serves since 1979.

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### FLORIDA TAXWATCH RESEARCH LEADERSHIP

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|------------------------|-----------------------------------|
| The Hon. Jeff Kottkamp | President & CEO                   |
| Ray Monteleone         | Chief Operating Officer           |
| Bob Nave               | Senior Vice President of Research |
| Kurt Wenner            | Senior Vice President of Research |

### FLORIDA TAXWATCH VOLUNTEER LEADERSHIP

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| Samira Beckwith | Chairman-Elect          |
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| David Nicholson | Secretary               |
| Piyush Patel    | Immediate Past Chairman |

### RESEARCH PROJECT TEAM

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All Florida TaxWatch research is done under the direction of Lt. Governor Jeff Kottkamp, President, CEO, Publisher & Editor.

The findings in this Report are based on the data and sources referenced. Florida TaxWatch research is conducted with every reasonable attempt to verify the accuracy and reliability of the data, and the calculations and assumptions made herein. Please contact us if you believe that this paper contains any factual inaccuracies.

The research findings and recommendations of Florida TaxWatch do not necessarily reflect the view of its members, staff, Executive Committee, or Board of Trustees; and are not influenced by the individuals or organizations that support the research of Florida TaxWatch.

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## Have a Research Inquiry?

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