



FLORIDA
COMPANIES TO WATCHSM
CELEBRATING SECOND-STAGE ENTREPRENEURS

High-growth Small Businesses Fueling Florida's Growth

October 19, 2012

Rosen Shingle Creek Resort Orlando Florida

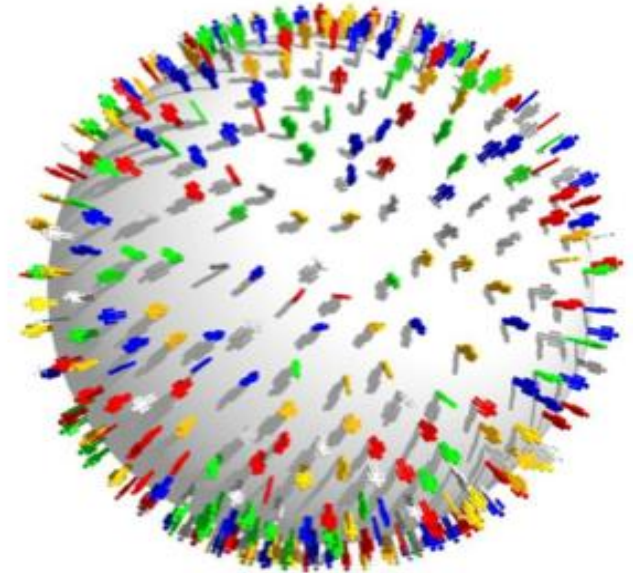
Richard A. Bendis

President & CEO

Innovation America



The World According to Friedman: Hot, Flat, and Crowded



The New Locational Competition

Definition: The competition for economic activity

Intense and growing competition among nations and regions for well paid jobs and improving living standards.....



Why Is Innovation Essential?



***“INNOVATION
DISTINGUISHES BETWEEN
A LEADER AND A
FOLLOWER.”***

Steve Jobs, Apple

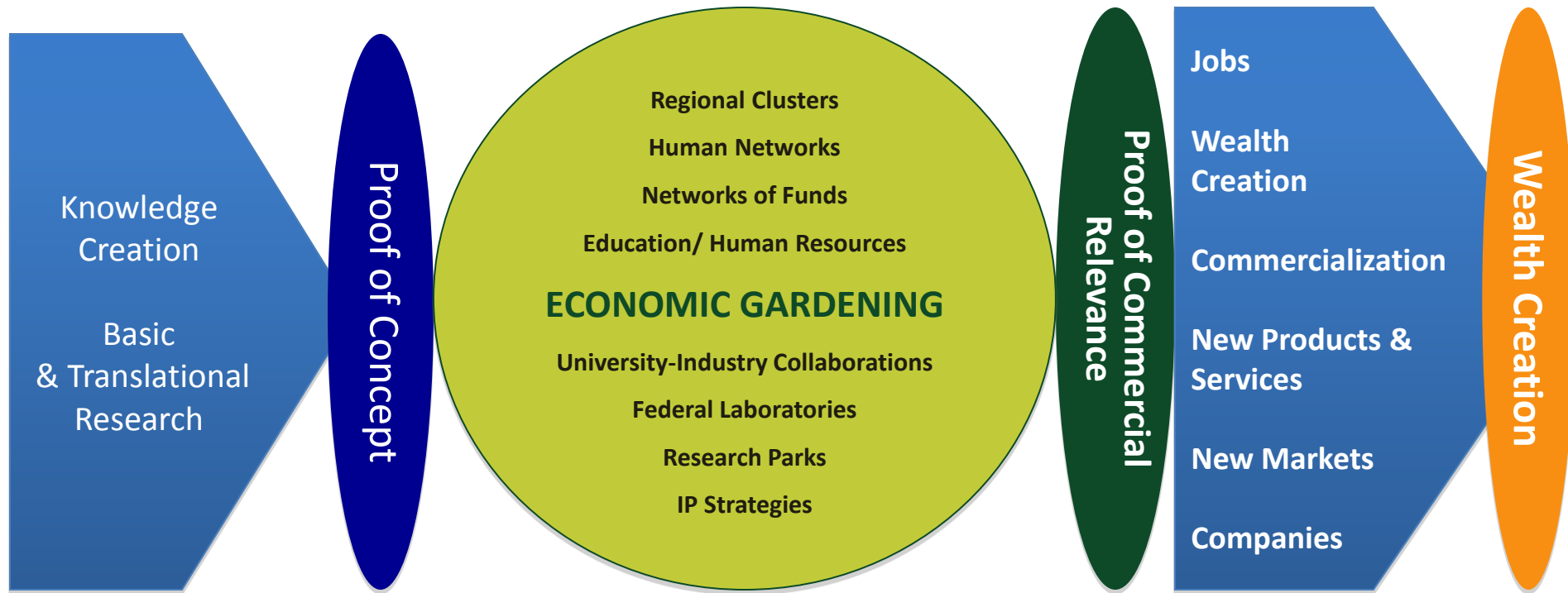
INNOVATION is the creation and transformation of knowledge into new products, processes, and services that meet market need.....and interactions, entertainment forms, and ways of communicating and collaborating

Innovation Ecosystem

INPUT

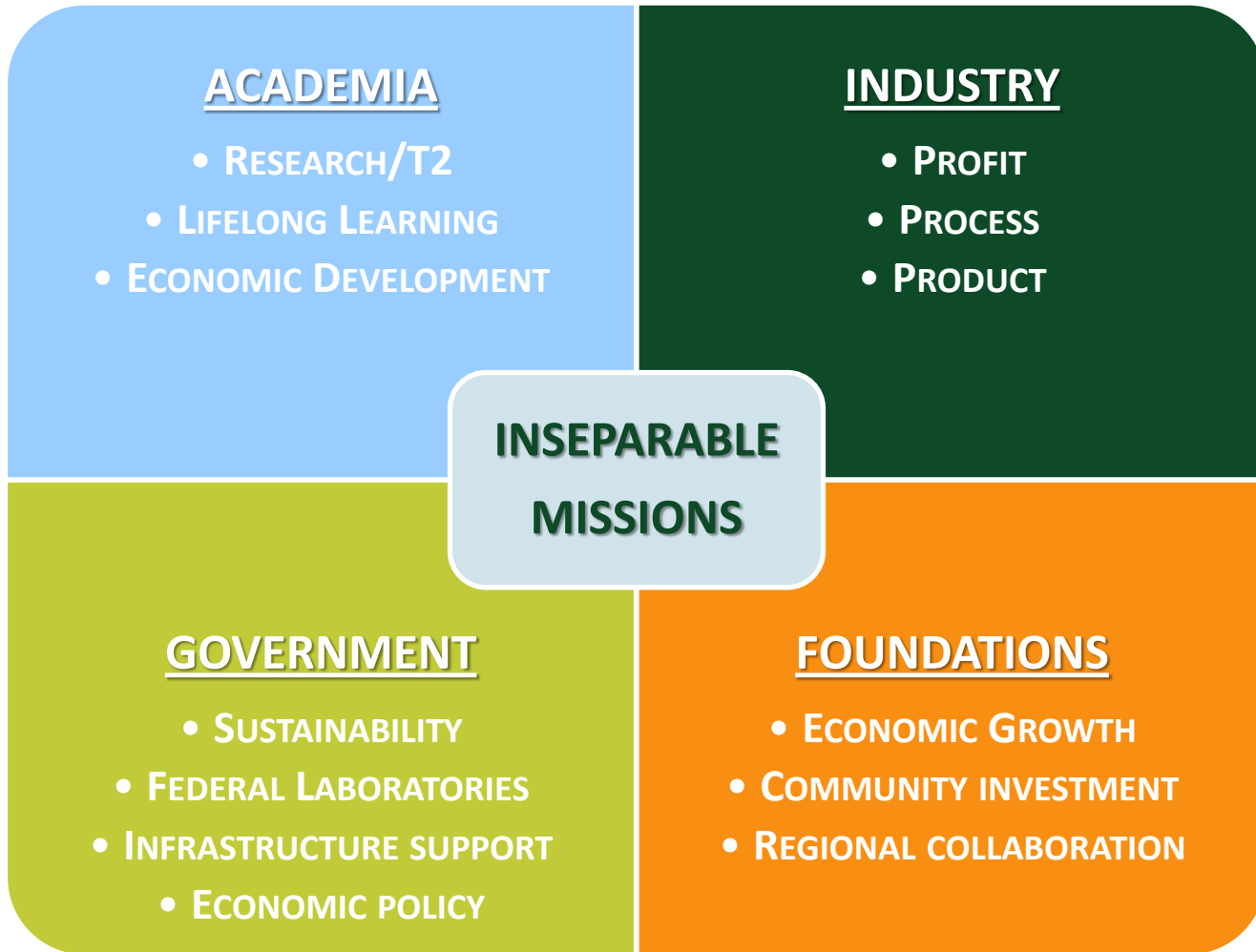
“INTERACTION FIELDS”

OUTPUT



The concept of the **Innovation Ecosystem** stresses that the flow of technology and information among people, enterprises and institutions is key to a vibrant innovation process.

Regional Ecosystem Partners





Vision

The foundation actively embraces and encourages entrepreneurship as the source and strategy for economic growth, community development and economically independent individuals.

Economic Gardening



Economic Gardening is a philosophy to support local businesses that centers on emerging Stage One companies and Second Stage growth companies through the support of the entrepreneurs who run them. Specific tools are applied that are most relevant to the needs of these entrepreneurs to find new customers, increase revenue, share best practices and ultimately create primary jobs that support the local economy.

Seven Steps to Developing an Economic Gardening Implementation Strategy

1. Gain the support of local officials and other stakeholders
2. Identify your community's assets
3. Develop a collaborative effort among resource partners
4. Create a system-wide operating agreement
5. Determine the target audience for services
6. Develop a delivery system to provide services to the target audience
7. Develop a communication system to gain community support and buy-in

Congratulations Florida Winners!



- **\$355m in revenue**
- **1576 employees**
- **5 year growth of 204% increase in revenue**
- **37% increase in employees**

Economic Development

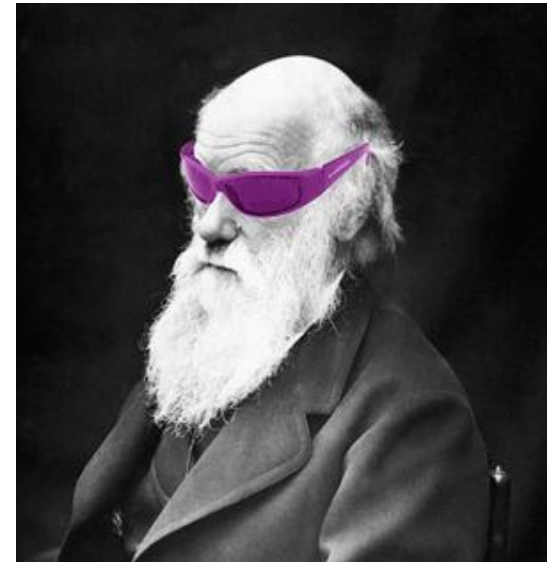
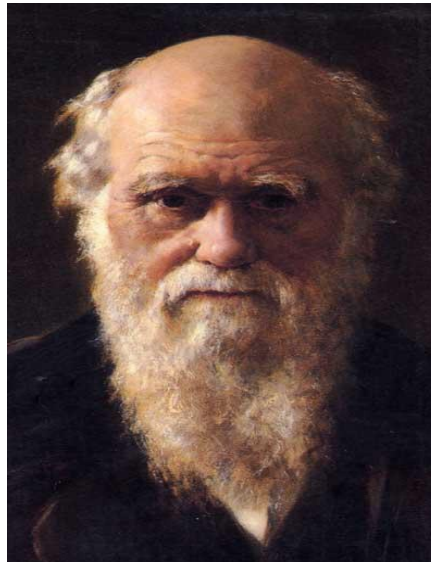
- Economic Development is like a
- 4 - legged stool:
 - **Attraction**
 - **Retention**
 - **REINVENTION/GROWTH**
 - **Grow Your Own**
- IBED requires patience and persistence, continuity and consistency
- Working with early-stage companies takes time
- A balanced portfolio economic development strategy is best!






Change Is Inevitable

“ It is not the strongest of species that survive, nor the most intelligent, but the ones most responsive to change.”

Charles Darwin



Convergence of Traditional Economic Development & Innovation-Based Economic Development

	<u>Traditional</u>		<u>Innovation</u>
Assets:	PHYSICAL		KNOWLEDGE
Competitive Basis:	Natural Resources Highways/Rail Proximity Costs		Specialized talent networks, Clusters, University research industry partnerships, Commercialization, Market Positioning Globalization
Key values/offerings:	University Research Parks, Incentives		Research Parks, Workforce Competencies, Lifestyle, Economic Gardening, Economic Developers
Lead Organization:	Chambers/EDCs		INNOVATION INTERMEDIARIES



Goals of Innovation-Based Economic Development

Intervene at the margins of private sector investment flows of capital (financial and intellectual) to:

- Address economic transition
- Capture the benefit of investments in research and development, higher education
- Build entrepreneurial cultures
- **Help existing companies grow**
- Diversify both rural and urban economies
- Develop global innovation network

Innovation Paradigm Shift

PROOF OF CONCEPT

(Technological Feasibility)

“It Works!”



PROOF OF COMMERCIAL RELEVANCE

(Market Pull)

“I’ ll Buy It!”



The Historic

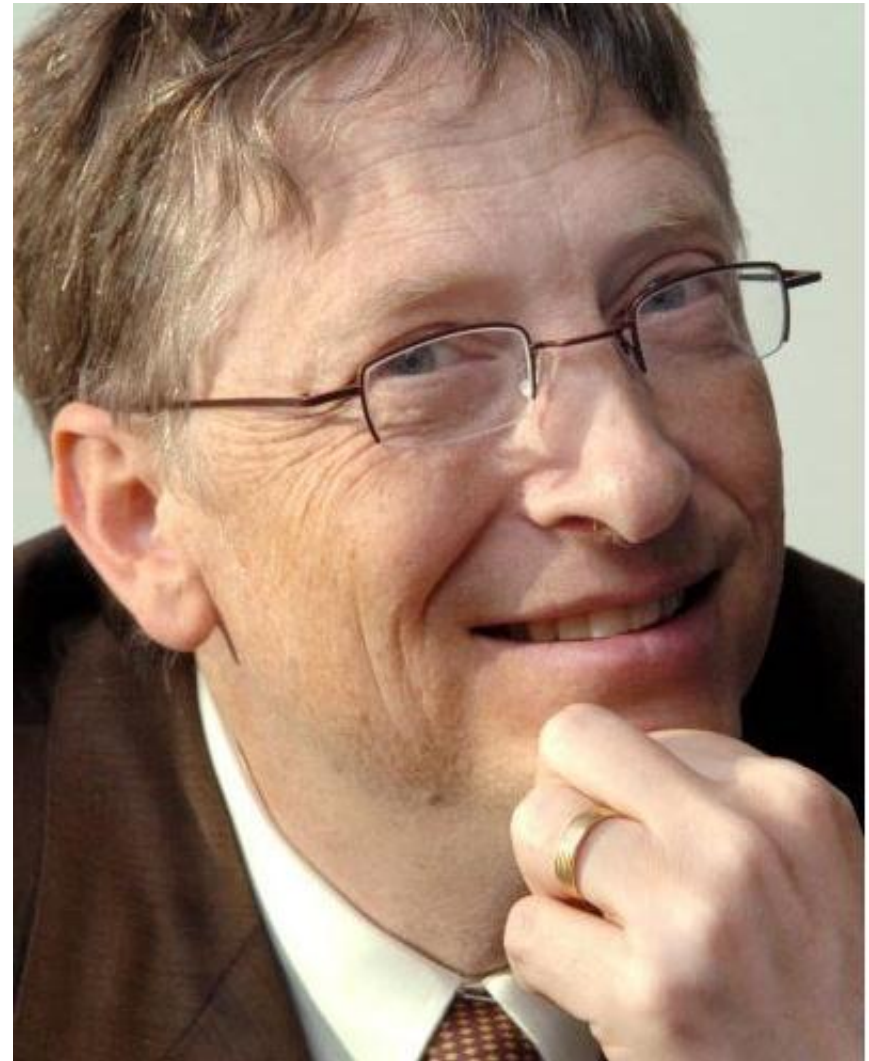


Garage

CASH IS KING!

***“Never before in history
has innovation offered
promise of so much to so
many in so short a time.”***

Bill Gates - Microsoft



Six Distinct Organizational Paths for Entrepreneurs

- Lifestyle Business
- Small Business
- Scalable Startup
- Buyable Startup
- Large Company
- Social Entrepreneur



Small Business Facts

- Innovative small businesses have generated **64% of net new jobs** annually over the last decade
- Employ 30% of high-tech workers, such as scientists, engineers, and computer workers
- SME's produce **13 times more patents per employee than large patenting firms**
- Small companies are a key source of innovation by themselves and for large companies



Source:SBA



Small Business Facts

- **SME's employ over 50%** of the country's private sector workforce, hire 40% of high tech workers, such as **scientists, engineers, and computer workers.**
- The number of **women-owned firms continues** to grow at twice the rate of all U.S. **firms (23% vs. 9%)**
- 70% of SME's say retaining customers cheaper than getting new customers.
- **7 out of 10** new employer firms last about two years and about half survive five years.



Source:SBA



Never to late!

A survey of 549 successful business owners found that most founders were middle-aged when they started their business.

Average Age: 40

www.entrepreneur.com/dbimages/blog/entrepreneurship-risk.jpg

Small Business Biggest Obstacles

- Lack of willingness or ability to take **risks**
- **Time and effort** required
- Raising **capital**
- **Business management** skills
- **Knowledge** about how to start a business
- **Industry and market** knowledge
- **Pressure** to keep a stable job

www.entrepreneur.com/dbimages/blog/entrepreneurship-risk.jpg

“There’s No Good Idea That Cannot Be Improved Upon”



Michael Eisner

Keys to Small Business Success

Courage

The willingness to take risks

Perseverance

The capacity to power through tough times

Ambition

The insatiable drive to reach your goal

Understanding

The knowledge to make wise business decisions

Innovation

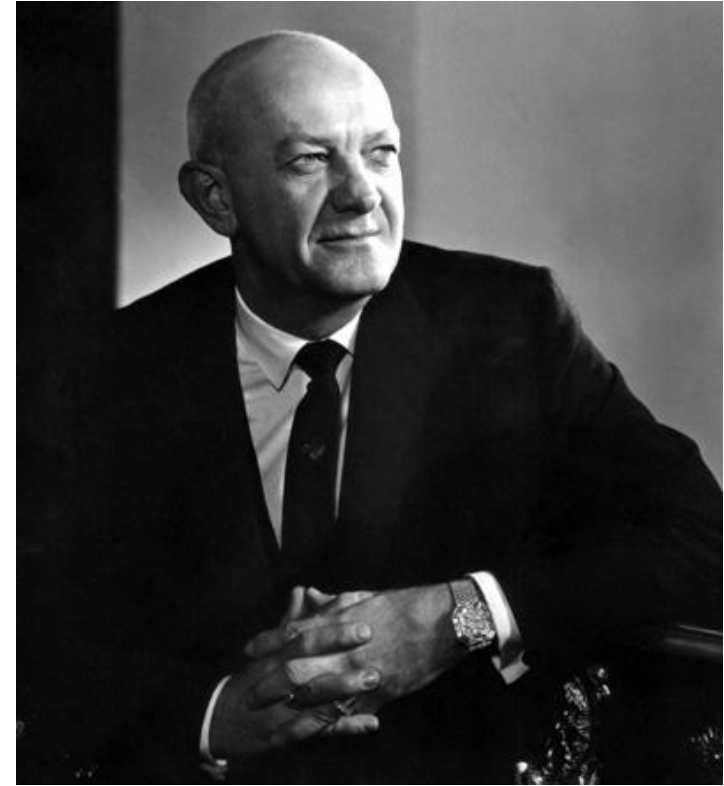
The ability to improve on existing ideas

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“Treat others as you want to be treated.”

“Share life’s rewards with those who make them possible.”

“Give back to society”



Ewing Marion Kauffman



Are you pulling alone or...



Are we all pulling together for success?



"Coming together is a beginning, staying together is progress, and working together is success."

Henry Ford



Economic Gardening

is working to



Grow FLORIDA'S

Economy!

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