SOUTH FLORIDA
Florida’s International Economy
By Jeff Zbar
A Region Golden with Global Business

There’s international gold along this coast.

The 120 miles separating Florida City in Miami-Dade County north through Broward County to the city of Tequesta in Palm Beach County, respectively the state’s three most populace counties and collectively known as “Florida’s Gold Coast,” has become a global destination for business, trade, travel, and tourism.

With 6.1 million people, the more than 100 cities in the Miami MSA include such destinations as Miami, Coral Gables, Miramar, Hollywood, Fort Lauderdale, Boca Raton, Delray Beach, and West Palm Beach. A more than $350 billion combined gross regional product puts it among the world’s top 40 economies. It’s the second-largest international banking center in the U.S., and more than 1,400 multinational companies are at home in the “tricounty” region — a destination whose 75 foreign consulates and trade offices are second most in the country.
What makes South Florida a thriving destination for international business? Whether U.S. companies are seeking a base to reach the world, or the world needs an address to reach North America, or just as a waypoint for travelers and trade, Southeast Florida has built its name as the “Gateway to the Americas,” — and increasingly, the world.

The region’s international business is as robust as it is varied. Beyond English, languages spoken at the Sawgrass Mills outlet mall in suburban Sunrise include Spanish, Brazilian, Portuguese, and increasingly Arabic, Chinese, and Hindi — especially since airline Emirates launched nonstop service between Fort Lauderdale-Hollywood International Airport and Dubai three years ago.

Though a thriving market for domestic commerce, what sets South Florida apart is its international trade. Business touches retail, professional services, media, marketing, health care, and shipping and logistics coming through its three seaports and half-dozen airports.

Speaking of global tongues, South Florida is home to both domestic and international divisions of Spanish-language broadcasters Univision Communications and NBC Universal Telemundo, as well as HBO Latin America.

Each county has lured prominent international companies. In Palm Beach County, international companies include Japan’s TBC Corporation, German grocer Aldi, and Swiss watch maker Ulysse Nardin, says Kelly Smallridge, president and CEO of the Business Development Board (BDB) of Palm Beach County, who travels regularly on international missions with Enterprise Florida to attract interest in its global aviation/aerospace, manufacturing, logistics, and technology clusters. The BDB has had a full-time Enterprise Florida international trade representative on site for over a decade.

Among the most recent international arrivals into Broward County include Brazilian boat manufacturer DGS Defense; Ecolab Inc., with its new Latin America regional headquarters; Chiquita Brands International Inc.; Germany-based Sixt rent a car; KEMET Electronics Corporation; and most recently, the U.S. headquarters for Hong Kong-based Techtronic Industries, maker of such houseware and hardware brands as Milwaukee Tool, Ryobi, Hoover, Oreck, and Vax.

“South Florida’s strategic position, multicultural workforce, and numerous connections to international markets make this an ideal place for companies to do business,” says Bob Swindell, president and CEO of the Greater Fort Lauderdale Alliance. “It’s also a location of choice with low barriers to entry for international businesses looking to expand into the U.S.”

For employers exploring a destination for international business, whether an American or international company seeking a U.S. headquarters or base of regional operations, South Florida presents a market that’s rife with golden opportunities.

It is a region with millions of multicultural workers and workforce development professionals ready for the trained workforce, says Michael Finney, president and CEO of the Beacon Council, the official economic development organization for Miami-Dade County. “We’re much stronger when we represent the total economic capability of our region and talent base,” he says.

For executives hoping to relocate their companies or lives to the region, Florida has no personal income tax — as the Greater Fort Lauderdale Alliance calls it, “Life Less Taxing.” With its tax benefits, a solid workforce, hemispheric and global headquarters, and international doors open across the region, South Florida is golden for companies hoping to go global.
When regional train service Virgin Trains USA expands its route from South Florida to Orlando in 2022, it will be poised to elevate the region's already record-breaking international traffic. Local officials are banking on it.

“Virgin Trains USA, in tandem with Tri-Rail, makes the Palm Beaches more accessible than ever to international travelers,” says Jorge Pesquera, president and CEO of Discover The Palm Beaches, the official tourism marketer for Palm Beach County.

International tourism and trade are surging across the region. With South Florida growing in importance as an import/export and logistics hub, as well as a destination on the global tourism map, area leaders have invested billions in infrastructure improvements.

They're seeing success across the region. In 2018, 10% of the Palm Beaches' record-breaking 8.02 million visitors were international. Not resting on its success, the county this year boosted international sales and marketing efforts in Argentina, Colombia, Germany, Canada, and Mexico, Pesquera says.

To the south in Greater Fort Lauderdale, more than a million international travelers stayed more than seven nights on average and spent a combined $2 billion, says Stacy Ritter, president and CEO of the Greater Fort Lauderdale Convention & Visitors Bureau. Fort Lauderdale-Hollywood International Airport last year welcomed 8.6 million passengers from 185 different countries, up 19.8% from the previous year.

“International travelers are, and will continue to be, important to Broward County’s economic outlook,” Ritter says. As these travelers become younger and more affluent, they will continue “stimulating the future of our tourism industry,” she says.

If he’s in his downtown Miami office at 2:20 p.m., Bill Talbert, the president and CEO of the Greater Miami Convention & Visitors Bureau, can look out his window and see an Airbus A380 flying in from Frankfurt, Germany. Hours later, it’s heading east again. That’s just one of many international routes into the airport.

This year, Moroccan national carrier Royal Air Maroc launched the first-ever Miami-Casablanca route, and LOT Polish Airlines began MIA’s first-ever route to Poland. In 2018, Ethiopian Airlines launched MIA’s first-ever cargo route from Africa. In fact, two of MIA’s highest air service priorities are to establish its first nonstop passenger route to Asia and additional service to Africa.

In 2018, MIA reached 45 million passengers for the first time ever, increasing by 1 million travelers over 2017. It remains the third-busiest U.S. gateway for international passengers, behind only JFK and LAX. Those flights drove a record-breaking 16.5 million overnight visitors in 2018, and $18 billion in economic impact, fueled mostly by international visitors who contributed an estimated 54% of the total economic impact. Greater Miami’s hotel market ranks among the top 10 in the U.S.

Dozens of new or newly refurbished hotels throughout the region are serving that international clientele, says Nitin Motwani, managing principal of Miami Worldcenter Associates, which is developing a $4 billion mixed-use real estate project in downtown Miami.

As with that project, properties serve a built-in population of tourists and others seeking to enjoy Miami’s urban core. Such properties can become “an international destination that offers the convenience, connectivity and community that retail brands and consumers crave,” Motwani says.
Global Logistics, Big Business

Global logistics is big business. The Miami Customs District accounted for $107 billion in merchandise in 2017, up from $65.9 billion in 2012. The district’s $10.6 billion trade surplus in 2017 made it one of the few customs districts nationally with a surplus. The area is home to hundreds of foreign trade zones.

MIA handled 2.3 million tons of international freight in 2018, which led all U.S. airports. Its 2.7 million square feet of cargo space includes the most refrigerated warehouse space at a U.S. airport. To the east, with deep-water access for large post-Panamax vessels arriving from China, multimodal connectivity, and a tunnel to speed container trucks to Miami International Airport and logistics facilities around the region, PortMiami’s continued infrastructure improvements are critical for servicing bigger ships faster and more efficiently, says Juan M. Kuryla, PortMiami director and CEO. The result is some $43 billion and over 334,000 jobs added annually to the South Florida economy, he says.

Approximately 15% of all U.S. seaborne trade with Latin America and the Caribbean comes through Port Everglades, says Glenn Wiltshire, the port’s acting chief executive and port director. In all, international shipping out of the port covers 70 different trade lanes to reach 150 ports globally. By maximizing nearby property and opening new shipping opportunities, the 2,200-acre port’s master plan calls for continued investment — $1.6 billion over the next 15 years — to fuel international needs.

Though smaller than the ports to the south, the Port of Palm Beach generated approximately $5.3 billion in traffic and drove 2,488 direct jobs through cargo and cruise traffic. Whether importing rum from Barbados, or shipping more than 2,600 tons of Canadian french fries to the Caribbean, the port’s shipping and rail projects — including an $8 million rail upgrade — gives the port opportunity for growth.

In fact, trucking and rail services, the backbone of “intermodal” transport, are key components to all three ports’ growth plans. A 43-acre intermodal container transfer facility created in a public-private partnership between Port Everglades and Florida East Coast Railway (FEC) has improved the transfer of both domestic and international containers between ships and rail. More onsite logistics centers are planned for the coming year. Negotiations are ongoing with FEC to create a 300,000-sq.-ft. refrigerated facility to handle rail cars.

With its 52-foot deep-water channel and port tunnel, PortMiami’s on-dock intermodal rail facility accommodates some of the largest ships coming through the Panama Canal.

As South Florida port executives have boasted in the past, direct connections between port facilities and the interstate highway system mean containers loaded on trucks can make it cross country without ever hitting a stoplight.

“South Florida enjoys a competitive advantage in trade and logistics to other markets in the U.S. as well as worldwide,” says Gary Goldfarb, chief strategy officer at Interport Logistics, a Miami-based supply chain management company and foreign trade zone. “We are a unique community with talent from many countries speaking many languages, and with an extensive expertise in trading. Our geography does not hurt either, being in the center of the Americas.”

“In addition to MIA serving as Florida’s busiest airport for international passengers and America’s busiest airport for international freight, we have been diversifying and expanding our route network to become an even stronger global gateway.” — Lester Sola, Aviation Director and CEO of Miami International Airport
BREEZE THRU CUSTOMS

MIA Airport App

- Fast-Track Customs
- Flight Updates
- Shopping & Dining
- English / Spanish
- Free

DOWNLOAD TODAY
Search for MIA Airport Official

miami-airport.com
For years, Latin American and U.S. executives who sought bankers sophisticated in international finance bypassed Miami and went straight to New York. But when thousands of professionals with the Castro revolution fled Cuba for Miami, they brought international sophistication with them. Bankers, attorneys, and accountants arrived versed in hemispheric and global business and finance.

“International banking in South Florida has become so significant that Brickell Avenue was dubbed ‘Wall Street South’ by Forbes in 2015,” says David Schwartz, president and CEO of the Florida International Bankers Association.

Banking, finance, and professional service providers like attorneys and accountants have turned Miami and South Florida into centers of international expertise. Multinational banks’ names speak to the geographies from which they hail: Banco do Brasil Americas, Banco de Bogotá, Banco de Crédito del Perú, Banco de la Nación Argentina, among scores of other international and U.S. institutions.

From Miami through Fort Lauderdale and the Palm Beaches, a central location in the hemisphere, coupled with a highly skilled and diverse pool of professional talent, has attracted entrepreneurs, business leaders, and families from Latin America, Europe, and Asia seeking U.S. market expertise.

Turbulence abroad creates opportunities in South Florida and the U.S. An appreciating U.S. dollar and the devaluation of local currencies are forcing individuals to search for a financial safe haven. Miami and South Florida are “viewed overseas as a critical international gateway, especially in Latin America and Europe,” says Mara Suarez, executive vice president with City National Bank of Florida, which in 2015 was acquired by Banco de Crédito e Inversiones of Chile.

While Miami is the state’s financial capital, over the past decade, South Florida has grown from serving the Latin American community to also being a strong alternative to New York among Europeans looking for banking services in the U.S., says Eddy Arriola, chairman and CEO of Apollo Bank.

“We find that international clients want to bank in Florida because of the region’s expertise with international markets, and they trust the transparency of the U.S. banking system.” — Eddy Arriola, Chairman and CEO of Apollo Bank

In the last 20 years, Farra has looked out his Brickell Avenue window and watched the skyline change. Investors have arrived, the buildings have risen, South Florida cachet has grown — as has his international tax practice for clients from Miami to Orlando.

“They’re making this their base in the United States,” he says.

When the United Kingdom’s Serious Fraud Office charged British bank Barclays and Roger Jenkins, its former chairman of investment banking for the Middle East, and others with conspiracy to commit fraud by false representation in relation to fundraising efforts, Jenkins turned to lawyer Brad Kaufman, co-president of Greenberg Traurig. The attorney has called his work the “globalization of law.”

With 2,100 attorneys in 42 offices worldwide, including the Americas, Tokyo, Seoul, Shanghai, Milan, and Tel Aviv, Greenberg Traurig reflects the scope and quality of law firms available to clients across the region, says Yosbel Ibarra, co-managing shareholder of the firm’s Miami office and co-chair of its Latin American and Iberian practice.

Today, “everything everyone does touches on some aspect of international,” he says. “There are very few transactions that don’t have some international component.”
When U.S. News & World Report released its 2020 Best Colleges ranking, at least two South Florida schools earned kudos for their international programs.

The undergraduate international business program at Florida International University School of Business was named second in the nation, rising four spots from 2018 — and marking the sixth consecutive year in the top 10. “International is at the core of what we do at our university,” says Kenneth G. Furton, the school’s provost and executive vice president.

Palm Beach County-based Lynn University was ranked No. 1 for most international students in the publication’s south region. The school’s student body is 18% international, with students from nearly 100 countries, says President Kevin Ross.

Across the region, colleges and universities serve U.S. and international students preparing to become part of the global workforce. For example, more than 4,700 international students are enrolled at FIU this semester, up more than 6% over fall of 2018. The college also is home to a Center for International Business Education and Research, one of just 15 such centers funded by the U.S. Department of Education nationwide and the only one in Florida.

At the nearby University of Miami, one-third of its 650 new graduate business students this year hail from abroad, with double the number of new admits from China this year compared to last. International students are especially interested in the school’s 10-month master’s programs in accounting, business analytics, finance, and sustainable business. The university’s global executive MBA serves executives from South Florida, Latin America, and the Caribbean.

Florida Atlantic University in Boca Raton created an educational partnership with Germany-based Max Planck Florida Institute for Neuroscience, and its Leon Charney Diplomacy Program is considered a premier program in global diplomacy. Academically, business, engineering, and computer science continue to be among the disciplines international students seek the most, as are artificial intelligence and data science, says Mihaela N. Metianu, executive director of FAU’s Center for Global Engagement.

Students from the Americas make up a growing population in area universities. At Nova Southeastern University (NSU) in suburban Fort Lauderdale, students from 17 Latin American and Caribbean countries make up nearly a quarter of its F-1 visa international student population.

Some of those students come seeking opportunities to gain U.S. work experience, or to bring their existing degrees in line with U.S. standards. For example, NSU’s College of Pharmacy is one of only three colleges in the country with a program to allow foreign-educated pharmacists to expedite a U.S. PharmD license. Its Shepard Broad College of Law recently created a Master of Laws (LL.M.) to support foreign attorneys seeking admission to practice in the U.S.

“At NSU we are helping international students focus on their job search from day one,” says Jeannie Jaworski, NSU’s director of international affairs.

Palm Beach County-based Lynn University was ranked No. 1 for most international students in U.S. News & World Report’s south region.
South Florida: A Center for Hemispheric and Global Health Care

By the time a foreign cardiac surgeon is standing side by side in the operating suite with Joseph Lamelas, M.D., to learn how to perform the minimally invasive cardiac surgery Lamelas perfected, that physician would have spent six months on a waiting list to do so.

That’s the allure and importance of training with University of Miami Health System’s chief of cardiac surgery.

Whether to train the next generation of world physicians, or receive premier care, health care that reaches the hemisphere and beyond is a significant driver to the South Florida economy.

So much so that 2016 figures from Florida Tax Watch and the Agency for Health Care Administration found that medical tourism brings some $6 billion to Florida and “medical tourism” is a destination feature listed by the Greater Miami Convention & Visitors Bureau.

More than cosmetic procedures, however, patients seeking treatment and medical students hoping to advance their training are finding care and training that can be scarce in the region. UHealth delivers such care from locations in Miami-Dade, Broward, and Palm Beach counties, as well as elsewhere around the state, says Chad Ritch, M.D., associate co-director of UHealth International at the University of Miami Health System.

Baptist Health International, a division of Baptist Health South Florida, served some 12,000 individuals, executives, and families in 2018. The recently opened Hilton Miami Dadeland hosted international patients visiting Miami for treatment. The network recently expanded into Broward and Palm Beach counties.

Miami-Dade county-run Jackson Health System sees about 3,000 international patients annually, says Diamela Corrales, director of the international programs and guest services division at Jackson Health System. By treating major medical specialties such as trauma, neonatology, rehabilitation, transplant and neurosurgery, care is provided to patients hailing from locales where “this type of medical technology and advances are not readily available,” she says.

Certified translators at Hollywood-based Memorial Health System, which includes five hospitals plus Joe DiMaggio Children’s Hospital, all operate under the provider’s Global Health Initiative, first launched in 2013. Translators versed in 160 languages allow doctors to converse with patients and consult with fellow physicians in real time on-site or abroad.

Not included in this activity are advancements in health care technology, like those from Sensus Healthcare, Inc., the maker of non- and minimally-invasive treatments. Health tech, medical device and life science startups drive a third of all venture deals in South Florida in 2019, up from less than a quarter in 2018, according to the biannual “eMerge Insights” report.

Part of the Jackson Health System, Jackson International is an operating partner for VUMI, an international health insurance company.
Two events this season will shine a bright light on South Florida’s global cultural appeal.

In December, thousands will descend upon the region — many by private jets — for Art Basel Miami Beach. The annual event showcases the work of leading global galleries and modern and contemporary art.

Two months later, Super Bowl LIV’s arrival — the record 11th game to be played in any location — will share the region’s combined amenities. Some 65,000 attendees will see the game in person, an estimated 200,000 others will tag along, and all will get a glimpse of the region’s cultural amenities.

South Florida has blossomed from culturally nonexistent less than a generation ago to a spot that can’t be ignored for arts, sports, and culture.

If media credentials are any indication of international interest, the Super Bowl owns global appeal. The 5,800 media seeking press passes hail from 25 different countries. Some 100 million people in 170 countries worldwide will view the global TV broadcast. And while advertisers reportedly will spend over $5 million for a 30-second spot, the value to local boosters of the almost three-hour game will be immeasurable.

“This has far-reaching implications for South Florida,” says Rodney Barreto, chair of the Super Bowl Host Committee and a long-time business leader and community proponent.

Local sports are also a global draw. Beyond the Miami Heat and Miami Dolphins, the Miami Marlins have significant appeal among Latino fans. Soccer star-turned-team owner David Beckham’s Club Internacional de Fútbol Miami, or Inter Miami, is banking on the hemisphere’s love of the game.

The Miami Open, considered by some the fifth Grand Slam tennis tournament, continues to keep the spotlight on the region.

At the same time, technology, innovation, and entrepreneurship draw thousands of investors and new businesses. This year, the eMerge Americas conference attracted 16,000 attendees from 40 countries to the Miami Beach event, says event president Melissa Medina.

In South Beach, developers are investing $67 million to transform Miami Beach’s iconic Lincoln Road pedestrian mall into a “thriving epicenter for arts, culture, dining, shopping, and entertainment,” says Timothy Schmand, executive director of the Lincoln Road Business Improvement District.

The Melo Group has developed thousands of residential units in Miami’s Arts & Entertainment District. Developer Terra has built luxury condominiums and boutique residences in Miami Beach and the eclectic enclave Coconut Grove that appeal to buyers from the U.S., Latin America, Europe, the Middle East, and Asia.

Developer Ugo Colombo’s CMC Group, widely considered a pioneering developer in the past 25 years, delivered Brickell Flatiron. Drawing on the iconic Manhattan building of the same name, the project will tap into the region’s broad cultural, business, and international appeal.

Neighborhoods like Brickell, Wynwood, Fort Lauderdale’s Las Olas and FAT Village, as well as Boca Raton, Delray Beach, and West Palm Beach, have undergone transformations, fueled by area cultural institutions like the New World Symphony and the Adrienne Arsht Center for the Performing Arts in Miami, the Broward Center for the Performing Arts and NSU Museum in Fort Lauderdale, and the Norton Gallery in West Palm Beach.

Cultural promoters are also partnering with Virgin Trains, the high-speed rail that traverses the tricounty region, to encourage cultural tours.

“Miami is becoming a city known internationally more and more for culture and arts.”

— Jorge Peréz, Primary Benefactor of the Peréz Art Museum Miami