

**ECONOMIC IMPACT ANALYSIS
OF THE
2010 BACK TO SCHOOL
SALES TAX HOLIDAY**

Submitted to:

The Florida Retail Foundation

Submitted By:

The Washington Economics Group, Inc.

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I. Executive Summary

- ❑ This analysis compares the 2010 sales tax holiday with the findings of The Washington Economics Group's (WEG) 2009 study on the expected impact on Florida state revenues from a 10-day sales tax holiday.
- ❑ After a two-year hiatus, a limited sales tax holiday was authorized by the Florida Legislature in 2010. Unlike previous similar sales tax holidays, which spanned for nine-to-ten days and included two weekends, the 2010 sales tax holiday was limited to a single three-day period covering one weekend in August 2010.
- ❑ This study analyzes presently-available data which shows that the 2010 three-day sales tax holiday that ran from August 13 through August 15, 2010 resulted in an increase of tax revenues to the state of \$7 million based on increased sales of taxable items of \$115 million. These increased tax revenues reflect only the immediate effects of the sales tax holiday. As these additional consumer expenditures work their way through the economy, additional positive effects are expected. These results are in contrast with state estimates that the tax holiday would have cost the state between \$24 and \$44 million in lost tax revenue.
- ❑ The results of this study are in keeping with the 2009 WEG study which concluded that a sales tax holiday would result in increased sales tax revenue to the state.
- ❑ This analysis also quantifies the impact of the sales tax holiday on gross and taxable sales. To this end, it compares sales figures collected by the Florida Department of Revenue for the year 2009 when there was not a holiday, and the year 2010 when the sales tax holiday took place. In particular, this analysis studied sales figures for the months of May, June, July and August of 2009 and 2010. In addition, this summary also presents evidence collected from a representative sample of major retailers in Florida. The following is a list of the findings:
 - Both total gross and total taxable sales increased on a month-to-month basis between August 2009 and August 2010. (Table ES-1.)

<i>All Goods</i>	<i>August 2009</i>	<i>August 2010</i>	<i>Change</i>	<i>Percent Change</i>
Gross	\$59,453	\$61,731	\$2,278	+3.83%
Taxable	\$22,078	\$22,222	\$144	+0.70%

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

- In particular, gross and taxable sales of goods directly or partially impacted by the sales tax holiday, such as apparel, shoes and other consumer goods showed more significant increases. (Table ES-2.)

<i>All Goods</i>	<i>August 2009</i>	<i>August 2010</i>	<i>Change</i>	<i>Percent Change</i>
Gross	\$16,764	\$17,154	\$390	+2.30%
Taxable	\$6,722	\$6,837	\$115	+1.70%

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

- Eighty (80) percent of the growth in total taxable sales was related to items directly or partially impacted by the sales tax holiday. **It is significant that the holiday was restricted to a single weekend; otherwise the impact would have been larger.**
- Contrary to conventional wisdom, a tax holiday resulted in higher tax collections. Taxable sales of items related to the 2010 tax holiday grew by \$115 million.
- Overall, total sales, during the month of August of 2010, for goods impacted by the tax holiday were \$293 million larger than they would have been. This estimate is based on the average rate of sales growth that occurred for the months of May, June and July of 2010 relative to 2009 as the benchmark. (Table ES-3.)

Table ES-3. Change in Projected Sales – Projection Based on the Average Change for the Months of May, June and July 2010 Relative to 2009 (\$ Million)

(1)	Total Gross Sales August 2009	\$16,764,598,825
(2)	Growth factor based on May-July 2010/2009	100.578%
(3) = (1) X (2)	Estimate of Expected Gross Sales August 2010, Based on May-July Trend— <i>what it would be if no tax holiday</i>	\$16,861,528,373
(4)	Actual Gross Sales August 2010	\$17,154,413,632
(5) = (4) – (1)	Difference of Actual Minus Expected Gross Sales August 2010— <i>Attributable to tax holiday</i>	\$292,885,258

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

- The data strongly suggests that while consumers may time-shift purchases of some items to take advantage of the sales tax holiday, they do not shift their overall level of spending. Gross sales of items sold by establishments that sell goods that are directly or partially impacted by the sales tax holiday, showed a total increase of \$2.9 billion during the months of July, August, September and October. Taxable sales, reported by these same establishments also showed an increase of \$911 million for these four months of 2010.
- WEG conducted a survey of the experiences of five major retailers in Florida during the 2010 sales tax holiday weekend (Table 5A on page 10.) The analysis of the responses concluded the following:
 - Sales of taxable and non-taxable goods increased significantly when comparing the sales tax holiday weekend of August 13 through 15, 2010 with the same dates of a year earlier and with the prior week in 2010. Sales of all goods grew by about 50 percent and sales of non-exempt goods grew by 35 percent.
 - The tax holiday significantly increases traffic, as measured by transaction count, and sales of non-exempt merchandise. On average, the transaction count increased by 37 percent and 39 percent during the tax holiday when compared with the prior year and week respectively.
 - Major retailers added labor to deal with higher sales levels during the tax holiday. **On average, they added 8,300 payroll hours over the three-day event.**
 - The major retailers surveyed also indicated that the increases in sales were not just a time-shift response by consumers. On average, sales of all merchandise increased by 7.6 percent for the entire month of August of 2010 when compared with August of 2009. Also, sales of non-exempt items increased by an average of 12.4 percent.

II. Impact of the 2010 Back to School Sales Tax Holiday

A. Background

After a two-year hiatus, a Back to School sales tax holiday was authorized by the Florida Legislature during its 2010 session. Unlike previous, similar sales tax holidays, which spanned for nine-to-ten days and included two weekends, the 2010 sales tax holiday was limited to a single three-day period covering the weekend of August 13th through 15th, 2010.

The objective of this study is to document the impacts of the August 2010 Back to School three-day sales tax holiday. It also provides a follow up to the October 2009 study *An Analysis of the Costs and Benefits of a Sales Tax Holiday in Florida*, conducted by The Washington Economics Group (WEG) for the Florida Retail Federation. The 2009 study concluded that a two-week Back to School sales tax holiday would:

1. Increase gross retail sales by about 8 percent on a statewide basis, with smaller counties experiencing increases of about 5 percent and larger counties experiencing increases of about 9 percent.
2. Increase workforce utilization and Labor Income.
3. Increase overall tax collections.

An increase in retail sales and the increase in the use of labor used to handle the retail sales increase are a short-term immediate effect of the tax holiday. These short-term effects, in turn, lead to other medium and long-term effects as consumer expenditures work their way through the entire economy.

For example, when consumers spend money on apparel, there are *direct* economic impacts on the retail industry, on apparel distribution and apparel manufacturing. These are called *direct effects*. Apparel distribution and manufacturing in turn consume other inputs such as fuel, transportation stock and textiles. These impacts are called *indirect* effects. Finally, as workers in the *directly* and *indirectly* impacted industries spend their earnings they create demand for other goods. These last impacts are called *induced* effects. Thus, policies such as tax holidays that increase consumer demand have the potential to create highly-positive economy-wide implications in terms of employment, tax revenues and income. The 2009 WEG study used an econometric approach that allowed it to measure all these economic impacts.

The particular focus of this follow-up study is to measure the short term impacts of the sales tax holiday on retail activity and employment.

B. Data

To assess the impacts of the sales tax holiday on retail activity and sales, WEG utilized two complimentary approaches.

1. The sales data from the Florida Department of Revenue to compare data from 2009, used as the no-sales-tax-holiday baseline, and data from 2010; and
2. The data collected directly from major retailers through a non-scientific survey to gauge customer-traffic increases and changes in employment.

The Department of Revenue data utilized in this analysis was the Validated Florida Sales Tax Return Receipts Monthly Statistics by Business by County posted by the Florida Department of Revenue. The data contain monthly totals for gross sales and taxable sales by county and by kind code from January 2002 to December 2010.

Kind codes are used to classify the main, but not the only, line of business of a particular establishment. Currently, there are 85 kind codes in use. These kind codes range from Food & Beverage Stores and General Miscellaneous Merchandise Stores to Veterinary Services or Commercial Fishing. There are also a Miscellaneous and an “Other” for kind codes that have fewer than 4 businesses reporting.

Kind codes are applied to the store, not the product. For example, a large grocery store might have a deli, a florist, a general merchandise section and a book-magazine section. If the store is classified as a “food and beverage store,” then all sales from these individual sections would be included as “food and beverage store.” In other words, the sale of any particular item could be classified as being any of the kind codes, based on the store that sold the item. Businesses self-report their kind code. These codes were developed by the State of Florida and are broader than either the North American Industry Classification System (NAICS) or the Standard Industrial Classification (SIC) codes.

Of the 85 kind codes, WEG classified 6 codes as having a direct connection to the sales tax holiday because they tend to sell the items that the sales tax holiday exempts. These 6 kind codes are:

1. Apparel & Accessory Stores;
2. Shoe Stores;
3. General Miscellaneous Merchandise Stores;
4. Store & Office Equipment, Office Supplies;
5. Book Stores; and
6. Schools, Colleges & Educational Services.

In addition to the 6 direct connection codes, 14 kind codes were classified as having a partial connection to the sales tax holiday. Although sales tax holiday items are not the main items these stores sell, these companies tend to sell some sales tax holiday products. These 14 types of stores are:

1. Food & Beverage Stores;
2. Used Merchandise Stores, Second-Hand Stores, Antique Shops;
3. Sewing, Needlework & Piece Goods Stores;
4. Radio, Television, Consumer Electronics, Computers, Music Stores;
5. Itinerant Vendors, Peddlers, Direct Selling Establishments;
6. Camera & Photographic Supply Stores;
7. Shoe Repair Shops, Shoe-shine Parlors & Hat Cleaning Shops;
8. Gifts, Cards, Novelty, Hobby, Crafts & Toy Stores;
9. Newsstands & News Dealers;
10. Pawn Shops;
11. Communication, Telephone, Telegraph, Radio & Television Stations;
12. Graphic Arts, Printing, Publishing, Engraving, Binding, Blueprinting;
13. Packaging Materials, Paper, Box, Bag Dealers;
14. Advertising.

The other 65 kind codes are classified as having an indirect connection to the sales tax holiday. These companies tend to not sell sales tax holiday-exempt products.

It is also important to note that actual total gross sales could be considerably higher than reported. Only businesses with taxable sales are required to report. Many businesses do not have taxable sales, and are exempt from reporting. For example, most grocery items are not taxed. If a store only sold these products, they would not have any taxable sales, and would be exempt from reporting.

The reporting month for the data is the month that the sales tax was submitted to the state. In Florida, there is a one-month lag between the time a customer purchases an item (and pays the sales tax), and when the business remits the sales tax to the state. Therefore, sales activities that occurred in August are reported as tax collections in September.

In addition to the monthly sales data reported to the Florida Department of Revenue, WEG conducted a survey of retail activity from five major retailers that have statewide coverage. The data collected was specific to the months of August 2009 and 2010. Specifically, retailers provided data on changes in tax exempt and non-exempt sales, customer traffic and added payroll hours.

C. Methodology

To assess the impact of the sales tax holiday on sales, WEG carried out the following:

1. Compared total gross and taxable sales from the month of August 2009, when there was no such holiday, with August 2010.
2. Conducted two comparisons, one for all 85 kind codes and another for the 20 kind codes that are directly or partially related to the goods that are impacted on the short-term by the sales tax holiday. Based on the 2009 study, WEG expected to find significant increases in sales.
3. Compared actual sales to a projection of sales based on the average sales growth of the three months preceding the sales tax holiday to address the possibility that changes in the level of sales would be a reflection of changes in the general economic condition of the state.
4. Compared total sales for the months of June through November 2010 with the corresponding months of 2009, to address the concern that “the increased economic activity during the few days of the holiday period is due mostly to a shift in the timing of purchases”¹ so that “consumers will postpone purchases that they would have made in July or early August, and that they would speed up purchases that they would have made in September or October.”² This comparison is also adjusted to reflect the effect of wider economic trends on the expected level of sales.
5. Tabulated data obtained through a non-scientific survey of major retailers was utilized. **The survey asked retailers to compare sales, traffic and employment for the period of the sales tax holiday with the prior week, the same days of the prior year and the entire month of the prior year.**

D. Results

Table 1 below shows that total gross and taxable sales increased in August 2010 relative to August 2009. This is for all kind codes reported to the Florida Department of Revenue.

<i>All Goods</i>	<i>August 2009</i>	<i>August 2010</i>	<i>Change</i>	<i>Percent Change</i>
Gross	\$59,453	\$61,731	\$2,278	+3.83%
Taxable	\$22,078	\$22,222	\$144	+0.70%

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

¹ Sales Tax Holidays 2010: Politically Expedient but Poor Tax Policy. The Tax Foundation, by TF Staff, July 26, 2010.

² Robyn, Mark, Florida’s State Tax Holiday and Film Tax Credit Proposals will not Deliver on Exaggerated Promises, The Tax Foundation, February 17, 2010.

Further, Table 2 shows that gross and taxable sales by stores with kind codes that suggest a direct or partial short-term impact by the sales tax holiday, such as apparel, shoes and other consumer also showed significant increases. It is interesting to note that of the \$144 million increase in sales for all kind codes, \$115 million, or 80 percent, is attributable to business reporting under the 20 Kind codes that suggest a direct or partial sales tax holiday impact. **It is significant that the 2010 sales tax holiday was restricted to a single weekend, otherwise the impact would have been larger.**

<i>All Goods</i>	<i>August 2009</i>	<i>August 2010</i>	<i>Change</i>	<i>Percent Change</i>
Gross	\$16,764	\$17,154	\$390	+2.30%
Taxable	\$6,722	\$6,837	\$115	+1.70%

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

Also, contrary to conventional wisdom, the tax holiday resulted in higher tax collections. Taxable sales by retailers reporting kind codes related to the 2010 Tax Holiday grew by \$115 million.

To estimate August 2010 sales by retailers selling tax holiday-related items to that if there had been no tax holiday, WEG calculated the rate of growth in sales for the months of May, June and July 2010 relative to the corresponding months in 2009. Then, WEG applied this rate of growth to the August 2009 sales to obtain an estimate of the expected value of August 2010 sales in the absence of a tax holiday. The detail of the calculations is shown in Table 3 below.

Table 3. Change in Projected Sales – Projection Based on the Average Change for the Months of May, June and July 2010 Relative to 2009 (\$ Million)

(1)	Total Gross Sales August 2009	\$16,764,598,825
(2)	Growth factor based on May-July 2010/2009	100.578%
(3) = (1) X (2)	Estimate of Expected Gross Sales August 2010, Based on May-July Trend— <i>what it would be if no tax holiday</i>	\$16,861,528,373
(4)	Actual Gross Sales August 2010	\$17,154,413,632
(5) = (4) – (1)	Difference of Actual Minus Expected Gross Sales August 2010— <i>Attributable to tax holiday</i>	\$292,885,258

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

As shown in Table 2 on page 8, overall gross sales by retailers selling goods impacted by the tax holiday, increased \$390 million. This amount is in line with the 2009 WEG study's econometric model finding of a \$926 million impact for a two-week holiday. Further, Table 3 on page 8 suggests that, of the \$390 million increase, \$293 million could be attributed to the sales tax holiday. This is a significant finding.

To address concerns that sales tax holidays merely shift consumer expenditures, the comparison was made among July, August, September and October 2009 total gross sales for the kind codes that are directly or partially impacted by the tax holiday, with actual and adjusted sales estimates for the same months of 2010. The adjusted sales estimate is derived by applying the growth factor observed for the months of May, June and July 2010, relative to the same months in 2009. Table 4 shows these comparisons.

Table 4. Actual and Projected Sales August-October 2010 – Projection Based on the Average Change for the Months of May, June and July 2010 Relative to 2009 (\$ Million)

(1)	Total Gross Sales July-October 2009	\$86,981,059,925
(2)	Growth factor based on May-July 2010/2009	100.578%
(3) = (1) X (2)	Estimate of Expected Gross Sales July-October 2010, Based on May-July Trend— <i>what it would be if no tax holiday occurred</i>	\$87,483,966,970
(4)	Actual Gross Sales May-July 2010	\$89,878,175,310
(5) = (4) – (1)	Difference between Actual and Expected Gross Sales August 2010— <i>No evidence of sales shifting.</i>	\$2,394,208,340
(6) = (4) - (3)	Difference between Actual Gross Sales 2010 and Actual Gross Sales 2009	\$2,897,115,385
(7) = (5) / (6)	Percent of growth <i>unexplained</i> by sales-shifting—Possibly due to tax holiday	82.6%

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

Table 4 suggests that while there may be some time-shifting of purchases, it certainly is not a major factor. **If time-shifting of purchases was a major factor, the total sales for the months surrounding the sales tax holiday would show decreases, after adjusting for expected sales growth due to other circumstances, such as economic conditions.**

However, the data does not support the time-shifting hypothesis. Gross sales for the months of July, August, September and October 2009 were close to \$87 million. Also,

gross sales growth for the months leading up to the tax holiday, relative to the same months in 2009 was .578 percent. Applying this rate of growth to the four vicinity months of 2009 give us the estimate, or projection, of gross sales for the four vicinity months of 2010. This estimate is \$87,484 million, which is \$2,394 million lower than the actual reported value. This is incompatible with time-shifting. Had there been time-shifting, this difference would have been closer to zero.

In fact, 82.6 percent of the 2010 over 2009 growth for the four tax holiday vicinity months, can't be explained simply by assuming the growth trend observed for the three months leading to the tax holiday.

To document the impact of the sales tax holiday on labor use and customer traffic, WEG's survey of the experiences of five major retailers in Florida during the 2010 sales tax holiday weekend concluded the following:

- Sales of taxable and non-taxable goods increased significantly when comparing the sales tax holiday weekend of August 13 through 15, 2010 with the same dates of a year earlier and with the prior week in 2010. Sales of all goods grew by about 50 percent and sales of non-exempt goods grew by 35 percent.
- The tax holiday significantly increases traffic, as measured by transaction count, and sales of non-exempt merchandise. On average, the transaction count increased by 37 percent and 39 percent during the tax holiday when compared with the prior year and week respectively.
- Major retailers added labor to deal with higher sales levels during the tax holiday. **On average, they added 8,300 payroll hours over the three-day event.**
- As displayed in Table 5 on the next page, the major retailers surveyed also indicated that the increases in sales were not just a time-shift response by consumers. On average, sales of all merchandise increased by 7.6 percent for the entire month of August of 2010 when compared with August of 2009. Also, sales of non-exempt items increased by an average of 12.4 percent.
- While at the retailer level, the impact of the sales tax holiday is highly concentrated, the effects carry for the entire month. Large retailers reported increases in sales for the entire month of August 2010 that were on average 7.6 percent larger than the comparable store sales in August of 2009 (Table 6 on the next page.)
- It is significant that retailers report that the sales tax holiday had a large impact on non-tax exempt items. Large retailers reported that for August 2010, sales of non-exempt items experienced an increase of 12.4 percent (Table 6 on the next page.)

Table 5. Effect of Back to School Sales Tax Holiday August 13-15, 2010 – Major Florida Retailers

<i>RETAILER</i>	<i>Change in Sales- All Merchandise Same Period Last Year</i>	<i>Traffic Change from Same Period Last Year</i>	<i>Sales Non-exempt Same Period Last Year</i>	<i>Traffic Change from Week Ago*</i>	<i>Added Payroll Work-Hours</i>
Retailer #1	+49%	+43%	+49%	+36%	+10,000
Retailer #2A	+80%	+52%	+54%	+34%	+11,449
Retailer #2B	+56%	+52%	+30%	+34%	+3,991
Retailer #3	+16%	+8.6%	+9.2%	n/a	n/a
Retailer #4	+63%	+46.5%	+63%	+62%	+8,000
Retailer #5A	+38%	+18%	+15%	+30%	+20%
Retailer #5B	+44%	n/a	+24%	n/a	+25%
Average	+50%	+37%	+35%	+40%	+8,360

*The number of transactions is used as the proxy measure for store traffic.

Source: The Washington Economics Group (WEG) with Florida Department of Revenue data.

Table 6. Effect of Back to School Sales Tax Holiday August 2010 and August 2009 – Major Florida Retailers

<i>RETAILER</i>	<i>Change in Sales-All Merchandise August 2010/2009</i>	<i>Sales Non-exempt August 2010/2009</i>
Retailer #1	+3.2%	N.A
Retailer #2	+6.7%	+13.2%
Retailer #3	+9.9%	+10.7%
Retailer #4	+8.6%	+3.9%
Retailer #5	+9.4%	+N.A
Average	7.6%	+12.41%

The impacts documented in this study are all short-term impacts that could be observed within three months of the sales tax holiday. The sales tax holiday has significant medium-term impacts because the additional retail demand creates the need for additional production of goods since inventories are depleted. In addition, the money spent on additional wages will also find its way back into the economy.

APPENDIX I:
THE WASHINGTON ECONOMICS GROUP, INC.
QUALIFICATIONS AND PROJECT TEAM



J. ANTONIO “TONY” VILLAMIL

Dean, School of Business of St. Thomas University of Miami
and Principal Advisor, The Washington Economics Group, Inc.

Tony Villamil has over thirty years of successful experience as a business economist, university educator and high-level policymaker at both federal and state governments. He has served as a Presidential appointed U.S. Undersecretary of Commerce for Economic Affairs, and is the founder of a successful economic consulting practice, The Washington Economics Group, Inc. (WEG). Since August 2008, Tony is the Dean of the School of Business of St. Thomas University of Miami, while continuing to serve as senior advisor to the clients of WEG.

Tony is a member of the President’s Advisory Committee on Trade Policy and Negotiations in Washington, D.C. He is the immediate past Chairman of the Governor’s Council of Economic Advisors of Florida, and during 1999-2000, he directed the Tourism, Trade and Economic Development activities of the State in the Office of Governor Jeb Bush. Presently, he is on the Board of Directors of the Spanish Broadcasting System (NASDAQ), Mercantil Commercebank, N.A., Pan-American Life Insurance Group (PALIG) and Enterprise Florida – the State’s principal economic development organization.

Among other leadership positions, he served in 2008 as the economist of the Constitutionally mandated Tax and Budget Reform Commission of Florida (TBRC), and is currently Chairman of the Economic Roundtable of the Beacon Council – Miami-Dade County’s official economic development organization. He is also a Senior Research Fellow of Florida TaxWatch, an established fiscal and policy research organization of the State. After winning the gubernatorial election in November 2006, then Governor-elect Charlie Crist appointed him as his Economic Advisor during the transition period.

Tony earned Bachelor and advanced degrees in Economics from Louisiana State University (LSU), where he also completed coursework for the Ph.D. degree. In 1991, Florida International University (FIU) awarded him a doctoral degree in Economics (hc), for “distinguished contributions to the Nation in the field of economics.” He speaks frequently to business, government and university audiences on economic topics, and was until the summer of 2008 a member of the Business Faculty of Florida International University (FIU).



HORACIO SOBERON-FERRER, PH.D.
Associate Consultant for Economics
The Washington Economics Group, Inc.

Horacio Soberon-Ferrer, Ph.D. has over twenty years of experience as a professional economist. His expertise is in applied microeconomics, consumer policy, demand forecasting, health care systems analysis and the economic of aging.

He has held the positions of Director of Planning and Evaluation, Florida Department of Elder Affairs; Director of the State Infrastructure Bank at the Florida Department of Transportation and Senior Analyst for Forecasting and Environmental Scanning, AARP. He has also held full-time faculty positions at the University of Florida and University of Maryland where he taught Consumer Economics, Public Policy Analysis, Finance, and Statistical Methods.

He received his Ph.D. in Applied Economics from Clemson University specializing in quantitative policy analysis and consumer behavior. He also has a Licentiate degree in Actuarial Science and a M.S. in Management. Horacio has published widely on the topics of consumer expenditures estimation, economics of energy demand and the economics of aging.

The Washington Economics Group, Inc. (WEG) has been successfully meeting client objectives since 1993 through economic consulting services for corporations, institutions and governments of the Americas. We have the expertise, high-level contacts, and business alliances to strengthen your competitive positioning in the growing marketplaces of Florida and Latin America.

Our roster of satisfied clients, over the past fourteen years, includes multinational corporations, financial institutions, public entities, and non-profit associations expanding their operations in the Americas.

EXCLUSIVE CONSULTING APPROACH:

Each client is unique to us. We spend considerable time and effort in understanding the operations, goals, and objectives of clients as they seek our consulting and strategic advice. We are not a mass-production consulting entity nor do we accept every project that comes to us. We engage a limited number of clients each year that require customized consulting services in our premier areas of specialization. These premier and exclusive services are headed by former U.S. Under Secretary of Commerce, Dr. J. Antonio Villamil, with over twenty-five years of experience as a business executive and as a senior public official of the U.S. and most recently of Florida.

PREMIER CONSULTING SERVICES:

Comprehensive Corporate Expansion Services. Our seamless and customized service includes site selection analysis, development of incentive strategies and community and governmental relations.

Economic Impact Studies highlight the importance of a client's activities in the generation of income, output and employment in the market area serviced by the entity. These studies are also utilized to analyze the impact of public policies on key factors that may affect a client's activities such as tax changes, zoning, environmental permits and others.

Strategic Business Development Services. These services are customized to meet client objectives, with particular emphasis in the growing marketplaces of Florida, Mexico, Central and South America. Recent consulting assignments include customized marketing strategies, country risk assessments for investment decisions and corporate spokesperson activities and speeches on behalf of the client at public or private meetings.

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- IBM
- Motorola
- SBC Communications
- Ameritech International
- Lucent Technologies
- MediaOne/AT&T
- Joseph E. Seagram & Sons, Inc. (Vivendi)
- Microsoft Latin America
- Carrier
- Medtronic
- Phelps Dodge
- Esso Inter-America
- Visa International
- MasterCard International
- Telefonica Data Systems
- Bureau Veritas (BIVAC)
- Merck Latin America
- DMJM & Harris
- DLA Piper
- Wilbur Smith Associates
- PBSJ

Florida-Based Corporations

- The Allen Morris Company
- Sprint of Florida
- Florida Marlins
- Flo-Sun Sugar Corp.
- Farm Stores
- The BMI Companies
- Spillis Candela & Partners
- The Biltmore Hotel/Seaway
- Trammel Crow Company
- Advantage Capital
- WCI Development Companies
- Iberia Tiles
- Florida Hospital
- Mercy Hospital
- The St. Joe Companies
- Florida Power & Light (FPL)
- International Speedway Corporation

Latin America-Based Institutions

- Federation of Inter-American Financial Institutions (FIBAFIN)
- The Brunetta Group of Argentina
- Association of Peruvian Banks
- Peruvian Management Institute (IPAE)
- *Mercantil Servicios Financieros*, Venezuela
- Allied-Domecq, Mexico
- Fonalledas Enterprises

Financial Institutions

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- Pan American Life
- ABN-AMRO Bank
- Barclays Bank
- Lazard Freres & Co.
- Banque Nationale de Paris
- HSBC/Marine Midland
- Fiduciary Trust International
- Sun Trust Corporation
- First Union National Bank (Wachovia)
- Union Planters Bank of Florida (Regions)
- Bank Atlantic Corp.
- Hemisphere National Bank
- BankUnited, FSB
- Mercantil Commercebank N.A.
- PointeBank, N.A.
- The Equitable/AXA Advisors

**Public Institutions, Non-Profit
Organizations & Universities**

- Baptist Health Systems
- Jackson Health Systems
- Miami-Dade Expressway Authority
- Miami-Dade College
- Miami Museum of Science
- Zoological Society of Florida
- Florida International University
- University of Miami
- *Universidad Politécnica de Puerto Rico*
- *Sistema Universitario Ana G. Méndez (SUAGM)*
- Keiser University
- Full Sail Real World Education
- Florida Agricultural & Mechanical University (FAMU)
- Inter-American Development Bank (IDB)
- United Nations Economic Development Program (UNDP)
- Florida Ports Council
- Florida Sports Foundation
- Florida Citrus Mutual
- Florida Nursing Homes Alliance
- Florida Bankers Association
- Florida Outdoor Advertising Association
- City of Plantation
- City of West Palm Beach
- Economic Development Commission of Lee County
- Economic Development Commission of Miami-Dade (Beacon Council)
- Economic Development Commission of Mid-Florida
- Jacksonville Chamber of Commerce
- SW Florida Regional Chamber of Commerce
- Enterprise Florida, Inc.
- The Beacon Council
- Visit Florida
- Louisiana Committee for Economic Development
- University of South Florida/*ENLACE*
- Space Florida
- State of Florida