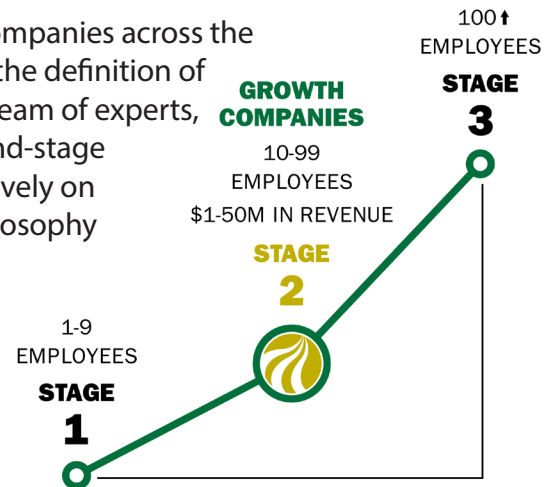


GROWFL

TAKING SUCCESSFUL COMPANIES TO THE NEXT LEVEL

MISSION: TO PROVIDE STRATEGIES, RESOURCES AND SUPPORT TO SECOND-STAGE COMPANIES FOR NEXT LEVEL GROWTH.

GrowFL is driven by one goal – to cultivate scalable second-stage growth companies across the state. Second-stage companies are the backbone of Florida’s economy and the definition of economic growth and prosperity. GrowFL, through our nationally certified team of experts, provides proven methods to help overcome unique challenges facing second-stage companies as they grow. As the only statewide organization focused exclusively on second-stage and emerging second-stage growth companies, GrowFL’s philosophy is to identify, serve and celebrate these companies that have the best potential to contribute to Florida’s economy. Second-stage companies are identified as somewhere in between a startup and a large firm and have one basic commonality – they are poised for growth. Focusing our efforts on these companies means strengthening the economy of the region and supporting the entrepreneurs who live among us.



BY THE NUMBERS: GROWFL RESULTS AS OF JUNE 30, 2015

1st

Nationally Certified Program

In 2009, GrowFL was the first in the nation to be certified by the Edward Lowe Foundation to work with second-stage businesses. Since that time, it has been a model for dozens of other communities around the nation to learn from the success of GrowFL and build their own programs.

Today, GrowFL has assisted more than 900 companies through our Strategic Research and CEO Roundtable programs and recognized 300 successful entrepreneurs through our annual awards program, Florida Companies to Watch.

*All dollar amounts have been adjusted to 2016 dollars.

16,737

People Employed by GrowFL Assisted Companies

4,067

Direct Jobs Created by GrowFL Assisted Companies

6,875

Indirect Jobs Created by GrowFL Assisted Companies

\$942 million

Total Impact on Regional GDP

\$1.88 billion

Total Impact on Regional Sales

\$81.2 million

Total Impact on State and Local Taxes

\$8.04 million

Total Investment in GrowFL from private and public sources

\$9

Return on Investment

for every \$1 invested in the GrowFL Program

GrowFL

www.GrowFL.com

407.823.6384

**A Summary of the GrowFL Program Economic Impact on the
State of Florida Since Inception from July 01, 2009 through
June 30, 2015**

To

Tammie Sweet, Director, GrowFL Program
Randy Berridge, President, Florida High Tech Corridor
Thomas O'Neal, Ph.D., Associate Vice President of Research & Commercialization

By

Vernet Lasrado, Ph.D.

SEPTEMBER 16, 2016

GROWFL PROGRAM: SINCE INCEPTION ECONOMIC IMPACT EXECUTIVE SUMMARY

Since its formation in 2009, GrowFL, the Florida Economic Gardening Institute has provided more than 900¹ Florida companies with the enabling tools, training and infrastructure to create financially stable high growth/impact enterprises. With multiple areas impact across Florida, the GrowFL program is financially supported by a number of partners including private funds, the Florida High Tech Corridor Council, and state, city and county governments.

This study of the economic impact past GrowFL client firms spans from July 1, 2009 through June 30, 2015, this is referred to as the study period. The study estimates² the impact resulting from the activities of the net new jobs³ created by past GrowFL client firms over the study period on the study area. The study area is the State of Florida.

In the state of Florida, between July 1, 2009 through June 30, 2015, the past GrowFL Clients have:

1. Created a total⁴ of 10,942 net new jobs in the study area at the end of study period
 - a. Directly⁵ created 4,067 net new Jobs in the study area at the end of study period, and
 - b. Indirectly⁶ created 6,875 net new Jobs in the study area;

The result of these net new jobs have:

1. Had a total impact on regional GDP of over \$ \$941.60 million⁷,
 - a. Direct regional GDP of over \$396.66 million, and
 - b. Indirectly impacted of over \$544.94 million of additional regional GDP
2. Had a total impact on regional sales of over \$1,882.03 million,
 - a. Direct regional sales of over \$901.60 million, and
 - b. Indirectly impacted over \$980.43 million of additional regional sales
3. Had a total impact on State and Local taxes of over \$81.18 million
 - a. Given a total time adjusted investment of \$8.04 million, the **NET ROI is \$9.10** for every \$1 of public investment

¹ Companies that have completed the GrowFL program hence forth referred to as 'past GrowFL client firms'

² This study estimates the impact by modelling the net new jobs created by past GrowFL clients for the study period in the study area.

³ *Net new jobs* are defined as the jobs created less the jobs lost in a particular fiscal year

⁴ In economic impact lingo, we are referring to the Total Effect

⁵ In economic impact lingo, we are referring to the Direct Effect

⁶ In economic impact lingo, we are referring to the Indirect Effect and the Induced Effect

⁷ All reported dollar amount have been adjusted to 2016 dollars

SUPPORT TABLES

Net New Jobs Created (Employment)

Fiscal Years	Direct Effect	Indirect Effect	Induced Effect	Total Effect
2009-2010	23	16	16	55
2010-2011	256	360	255	871
2011-2012	599	552	478	1,629
2012-2013	501	375	319	1,195
2013-2014	872	822	661	2,355
2014-2015	1,816	1,602	1,419	4,837
Total	4,067	3,727	3,148	10,942

Regional GDP (Value Added)

Fiscal Years	Direct Effect	Indirect Effect	Induced Effect	Total Effect
2009-2010	\$2,065,961	\$1,242,452	\$1,269,137	\$4,577,550
2010-2011	\$27,950,733	\$27,808,479	\$19,855,415	\$75,614,627
2011-2012	\$60,333,253	\$44,325,306	\$37,164,001	\$141,822,560
2012-2013	\$44,250,363	\$30,854,065	\$24,764,352	\$99,868,780
2013-2014	\$86,847,831	\$66,842,965	\$51,423,437	\$205,114,233
2014-2015	\$175,215,489	\$129,089,138	\$110,300,387	\$414,605,014
Total	\$396,663,630	\$300,162,405	\$244,776,729	\$941,602,764

Regional Sales (Economic Output)

Fiscal Years	Direct Effect	Indirect Effect	Induced Effect	Total Effect
2009-2010	\$4,061,945	\$2,221,462	\$2,239,204	\$8,522,611
2010-2011	\$66,272,181	\$52,041,145	\$35,031,926	\$153,345,252
2011-2012	\$137,146,892	\$81,040,440	\$65,570,578	\$283,757,910
2012-2013	\$101,369,541	\$57,017,459	\$43,693,077	\$202,080,077
2013-2014	\$200,229,861	\$120,810,946	\$90,728,887	\$411,769,694
2014-2015	\$392,519,484	\$235,428,592	\$194,609,399	\$822,557,475
Total	\$901,599,904	\$548,560,044	\$431,873,071	\$1,882,033,019

Regional Taxes

Fiscal Years	Employee Compensation	Production and Imports	Households	Corporations	Total
2009-2010	\$3,729	\$344,712	\$19,508	\$10,948	\$378,897
2010-2011	\$58,304	\$4,602,313	\$305,235	\$217,354	\$5,183,206
2011-2012	\$110,073	\$11,530,215	\$570,698	\$378,813	\$12,589,799
2012-2013	\$72,978	\$9,383,849	\$380,521	\$284,722	\$10,122,070
2013-2014	\$150,501	\$17,717,680	\$790,811	\$588,440	\$19,247,432
2014-2015	\$327,128	\$30,539,094	\$1,693,547	\$1,104,136	\$33,663,905
Total	\$722,713	\$74,117,863	\$3,760,320	\$2,584,413	\$81,185,309

Investment in GrowFL Program

Fiscal Year	Actual Investment	CPI Mult	Adjusted Investment
2009-2010	\$1,428,000	1.13	\$1,609,332
2010-2011	\$2,144,000	1.10	\$2,365,793
2011-2012	\$650,350	1.08	\$701,702
2012-2013	\$2,235,774	1.06	\$2,358,858
2013-2014	\$402,319	1.04	\$417,799
2014-2015	\$572,057	1.03	\$586,623
Total	\$7,432,500		\$8,040,107

WHAT IS IMPLAN?⁸

IMPLAN[®] is an acronym for IMPact analysis for PLANning. The IMPLAN[®] System is a general input-output model that is comprised of software and regional data sets. One of the most powerful aspects of IMPLAN[®], is that input-output Models for specific regional economies can be created. Rather than extrapolating regional data from national averages, IMPLAN[®] measures economic impacts from data representing actual local economies. IMPLAN[®] data sets are available from the ZIP Code level to the national level, and regional files can be combined to create precise geographic definitions when calculating impacts. The analysis results provide the IMPLAN[®] user or client with a report that demonstrates the detailed effects of local changes on supporting industries and households. Reports can provide both detailed and summary information related to job creation, income, production, and taxes. IMPLAN[®] Version 3.0 can even track the impacts of a local change on surrounding regional economies.

IMPLAN[®] data tracks all the available industry groups in every level of the regional data. This permits detailed impact breakdowns and helps ensure accuracy of inter-industry relationships. If a study involves the introduction of an industry group that does not already exist in the local area, IMPLAN[®] provides tools to create a new industry. This new industry can be used as a proxy to estimate the likely impacts of the new industry's production to the local economy. And if the industry exists in IMPLAN[®], but doesn't exactly match the sales and employment information for the industry being modeled, the IMPLAN[®] industry relationships may be updated to match the known values, while still maintaining the local regional sales and employment averages for examining the Indirect and Induced impacts.

Table 0-1: Definition of IMPLAN Terms

IMPLAN Term	Definition
Backward Linkages	The tracking of industry purchases backward through the supply chain.
Direct Impact	The initial expenditures, or production, made by the industry experiencing the economic change.
Indirect Impact	The effects of local inter-industry spending through the backward linkages.
Induced Impact	The results of local spending of employee's wages and salaries for both employees of the <i>Directly Impacted</i> industry, and the employees of the Indirectly affected industries.

Figure 0-1 illustrates the framework of the IMPAN model. Economic impact studies typically generate large amounts of information about local industries, employment, wages, profits, labor spending, and taxes that may be useful for a variety of purposes and circumstances. Most reports, therefore, seek to condense this information into a format that demonstrates the overall effect

⁸ The following section contains excerpts from various sections of "Day, F. (2012). *Principles of Impact Analysis and IMPLAN Applications*. Davidson, NC, USA: MIG"

of the economic change as it relates to jobs or other monetary means, and in a manner that is meaningful to the report’s intended audience. To generate the detailed background information that supports the overall affects economic factors have on the local region, or even on surrounding regions, economic impact analysis looks backwards rather than forwards through the economy. In other words, to determine the effect of increased production in a local industry, economic analysis looks at the industries which supply the producing industry with the items and services that industry incorporates into its production.

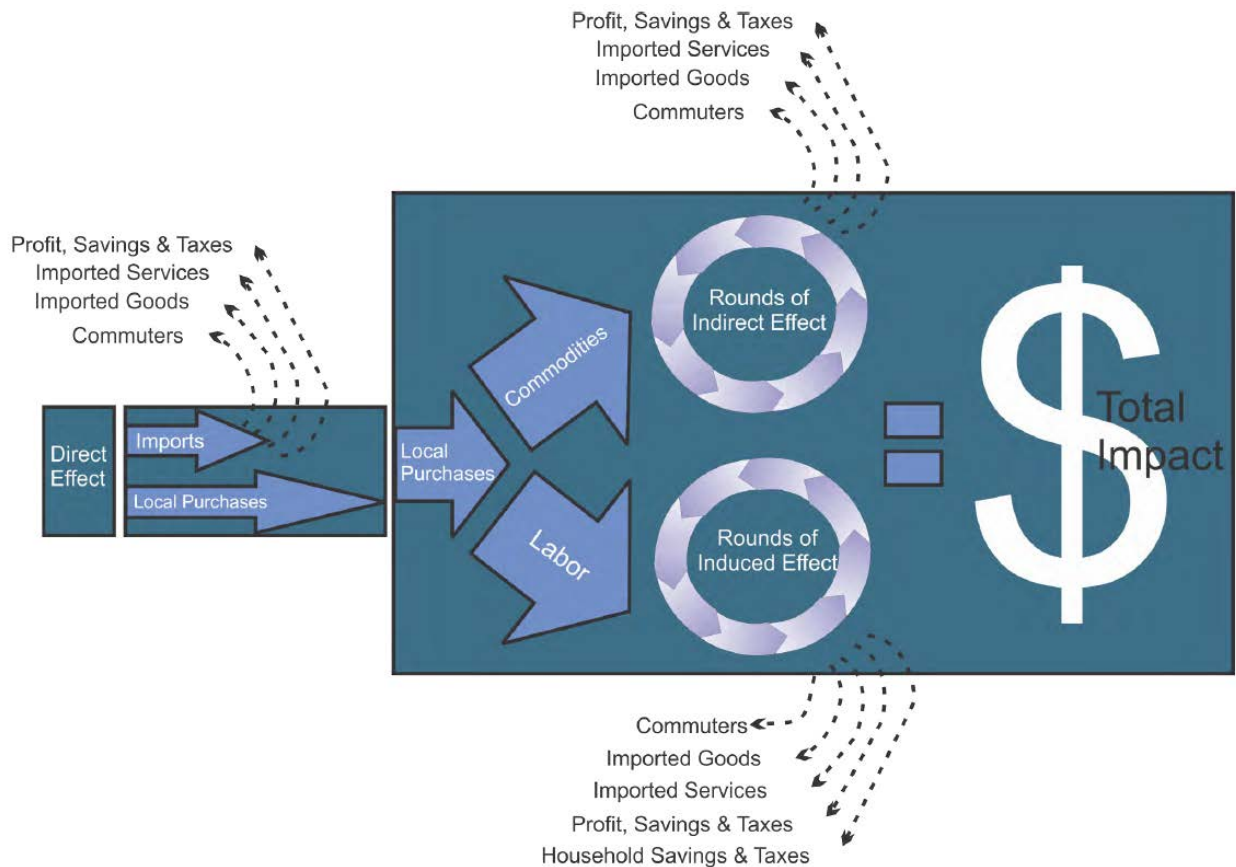


Figure 0-1: IMPLAN Model framework

So an increase in window production will result in the manufacturer purchasing a variety of supplies including wood, glass, and furnishings for the windows, all of which will be incorporated into the final product. Collectively, tracing the impacts back through the supply chain is tracing the *backward linkages*. Each supplier in the chain represents a backward linkage. Since each supplier of an industry has to purchase inputs from other suppliers in order to create their own products (e.g. the window furniture company has to purchase sheet metal from which it stamps out its parts), the accumulation of these backward linkages can be tracked until the resultant spending of the original impact is completely removed from the economy by imports, savings, taxes and profits.

These consecutive rounds of inter-industry spending traveling back through the supply chain are called the *Indirect Effects*. These impacts are “indirect” because the increase in these industry’s production is stimulated by the increase of sales in another industry. Increases in production not only require an increase in purchases of supplies, but typically also require an increase in employment and/or labor spending. This increase in labor dollars also has traceable economic effects, because increased labor dollars typically translate into increased income spending. The spending of income earned by the employees, resulting from both *Directly and Indirectly affected* industries, contributes to the *Induced Effect*. The Induced Effect, therefore, is a measurement of employee spending of all employees of the *Directly affected* industry, and all the employees of subsequent Indirectly impacted industries in the supply chain, as long as these employees live within the defined geography of the study.

IMPLAN also reports on the State/Local Taxes collected as a result of the modeled scenario. In the *Employee Compensation* field, IMPLAN reports on the amount of the employer collected and paid social security taxes on wages. For, state/local taxes these values are mostly contributions to government retirement funds. Taxes on *Production and Imports* are collected by the businesses on behalf of the State and local governments. These taxes include sales tax, property tax, motor vehicle tax, severance tax, business licenses taxes, and documentary and stamp taxes. Taxes reported under *Households* include personal income tax (none for Florida), personal vehicle fee payments, personal property taxes, fines, donations, and licensing fees. Taxes on *Corporations* include corporate tax payments on profits and dividends paid to governments on government investments.