Bright Spots

The innovators who are driving Florida's economy

Regional trends
Businesses to watch

PLUS: The globalarming factor
"Housing is the tail, not the dog."
— Economist Hank Fishkind

**REAL ESTATE:** The pace of growth in southeast Florida this year will be tempered by a sharp drop in housing starts and a real estate market weakened by oversupply. Declining real estate values could ripple though the economy if decreased home equity discourages consumer spending on goods and services — the so-called wealth effect, explains Stephen Morrell, professor of economics and finance at Miami’s Barry University and a senior research fellow at Florida TaxWatch. But the region’s economy is diversified enough to weather the storm. “Housing is the tail, not the dog,” says economist Hank Fishkind.

**JOBS:** Fishkind expects solid job growth in professional services and healthcare in 2007. Leisure and hospitality also will show strong gains, especially as a weak dollar draws more foreign tourists. Job losses in housing construction will be moderately offset as the industry shifts to the commercial and industrial sectors. Transportation and related infrastructure spending will also buoy the industry, Fishkind says.

**TRADE:** International trade will remain strong. West Palm Beach, Miami and Fort Lauderdale rank No. 1, 2 and 5 respectively, according to the National Association of Realtors, for the lowest industrial warehouse vacancies — a key barometer for the trade sector.

**CONSTRUCTION:** Miami’s pro-development stance has many residents seething about outsized developments, gentrification and increasing gridlock. While city leaders say they will be more responsive to those concerns, multifamily and commercial construction will continue to drive the economy in 2007. High-rise construction cranes streak the downtown skyline.

**DOWNTOWN:** Downtown is coming alive at night with mixed-use developments combining shops, restaurants and condos. Big retailers like Circuit City and Target are popping up, transforming once blighted zones into livable neighborhoods.

**INNOVATORS**

- Miami-Dade County Public Schools Superintendent Rudy Crew’s leadership training programs for educators helped the district become one of six finalists for the prestigious Broad Prize for Urban Education, a national award given to mark improvements in student achievement.
- Under CEO Manuel Montero, 3-year-old Saf-T-Pay is creating an alliance of financial institutions that offers internet banking customers an alternative to using credit cards for online purchases.
- After selling Miami-based Ivax, Phillip Frost joined the deep-pocketed venture capital firm Peregrine Ventures.

**MIA-MI-DADE COUNTY**

**TRENDS:** Despite political uncertainties in Venezuela, Bolivia and
other Latin America countries, Miami-Dade will continue to solidify its place as a key international trade capital. ... The international financial services sector is poised for growth. "When the Latin economies and political situation are unstable, we see a lot of flight capital arrive in Miami; when they are strong, we see a lot of investment capital move from here down there," says Beacon Council President Frank Nero. "Either way we win."

PERSON TO WATCH

Alexis Nogueras took first prize at last fall's Florida Collegiate Business Plan Competition. His idea: A line of ergonomically designed lawn and garden tools. Nogueras is also the winner of Florida International's 2006 Howard J. Leonhardt New Venture Challenge.

INNOVATOR (Miami)

Sayo Isaac Daniel

Miami inventor Sayo Isaac Daniel has launched a line of shoes embedded with GPS technology that send out a distress signal when the wearer presses a panic button. Daniel says he first learned about shoe production while working as an analyst with the United Nations in New York. His GPS-embedded footwear is marketed to parents and military suppliers worldwide.