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**Remarks
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“Keeping Greater Houston A Region Of True Opportunity”

Being CFOs and senior financial executives, I know your time is money – literally. So even though I have a lot to say about Greater Houston, I'll try to be as brief as possible.

But first, let me also thank you for becoming members of the Partnership. It takes a community of people like you to ensure that we remain a region of boundless potential. Your commitment, your involvement, and your enthusiasm are what allow us to dream big – and achieve greatly. And as I probably don't need to remind any of you, we're pretty much the market-maker when it comes to turning potential into possibility.

The simple truth is, if you want to succeed, this is the place to do it. And I'm not the only one saying that, either.

- *Fortune* magazine has rated us the nation's No. 1 region for fastest-growing companies.
- According to the U.S. Bureau of Labor Statistics, we're No. 1 in job growth.
- *Forbes* says we're the third-best metropolitan area for business and careers.
- We have 23 Fortune 500 companies with headquarters here – the fourth-highest in the country – and 13 of Fortune's 100 fastest-growing companies are headquartered in the region.
- *Expansion Management* puts us at No. 5 for best business opportunities.
- *Site Selection* ranks us No. 7 for new and expanded facilities.

And, just to let you know your investment in this organization is well placed, *Site Selection* has also rated the Partnership one of the Top 10 economic development organizations in North America.

There are a lot of reasons why Greater Houston continues to be at or near the top of everybody's list of preferred business locations. Some are concrete; others are more abstract.

I'll start with the tangibles.

- The cost of doing business here is 11 percent lower than the national average and far

below any area with more than 3 million people, according to *Forbes*. That means new companies can become profitable faster, and existing companies can keep building upon their financial performance.

- We have a skilled, diverse workforce – 2.6 million men and women who are among the region’s primary generators of achievement.
- Government at every level understands the value of business. It sees private enterprise as an ally, not an adversary, and recognizes that we are the backbone of the region’s economic well-being.
- There is a sense of entrepreneurialism here that inspires innovative thinking and visionary action;
- We have a transportation infrastructure that is without parallel:
 - Bush Intercontinental is the 11th largest international air-cargo gateway to the United States.
 - We’re one of the country’s business rail hubs, with 12 mainline tracks spreading across the region.
 - Our highway system includes 575 miles of freeways and expressways.
 - And the Port of Houston routinely ranks first in the nation in volume of foreign tonnage and second in total tonnage.

So if you need to get products out or materials in, we’re built for speed – by land, sea, or air.

Regarding the intangibles, I think you can sum it up in one phrase: “can-do attitude.” Our people, our leaders, our businesses, our entrepreneurs – everyone believes that anything is possible. When we want something to happen, we make it happen. When opportunity knocks, we don’t ask who’s there, we just answer the door.

But that kind of spirit is in our blood. Let’s not forget that back in the 1840’s, the area’s business leaders came up with the strange idea to turn Houston – 53 miles inland – into a port city. Clearly, “impossibility” is not part of our collective vocabulary.

A lot of folks would look at our list of achievements and assets – and let me be clear, it is a only a *partial* list – and they would say, “Well, we have arrived.” But I have to tell you something:

While they say there may be room at the top...there’s no room to sit down. And the Partnership has taken the lead in ensuring that we don’t rest on our considerable laurels.

In 2005, we created a 10-year strategic plan whose goal is to make sure the region continues to pursue a path that encourages our growth, expands our opportunities, and enhances our lifestyle.

It’s big, bold, and ambitious, and it is going to stir the lifeblood of our economy – job creation,

capital investment, business prosperity, and international trade.

To begin with, it sets some clear targets for the coming years: 600,000 new net jobs, \$60 billion in new capital investment, and \$125 billion in new foreign trade

It also identifies multiple industry clusters that will be the focus of our efforts to achieve those targets:

- Aerospace and aviation;
- Medical and biotechnology;
- Energy and petrochemical;
- Information technology; and
- Nanotechnology.

We believe strongly that the sustained development of these sectors will bring new jobs, establish new areas of economic leadership, and attract new talent. This will enable us to capitalize on our core strengths and resources, and drive prosperity throughout the region.

The plan also commits us to taking a proactive, substantive role in the public policy process.

I'm not talking about just being "a" voice on issues that affect business and the economy. I'm talking about being "the" voice – *the* leading advocate for legislation, initiatives, and programs that foster economic growth and position our business community as a national and global leader.

Of course, leadership is about translating vision into results. Anybody can take a position. Leaders take action. And our actions are already beginning to speak loudly about the Partnership's commitment to meeting our strategic goals.

Let's talk about employment first. Among the dozen most populous Metro areas in the country, we had the fastest job growth over the 12-month period that ended in June. The national rate was 1.4 percent; ours was 3.1. During that period, we added 76,500 jobs.

Considering that our plan calls for an average of 65,000 new jobs per year, we're already ahead of schedule.

We're seeing similar results on the policy side.

When Gov. Perry and the Sharp Commission laid out their plan to fix a broken tax code, the Partnership was the first large chamber in the state to back it. We were the most aggressive, most vocal advocate of the proposal, and it paid off.

The plan overhauled the school finance system, cut taxes, and raised teacher salaries. It's expected to create 50,000 jobs, increase personal income by \$2 billion, and boost retail spending by \$1.6 billion.

In other words, the Partnership led an effort that resulted in a package that was good for business, good for schools, and good for taxpayers. We showed that a group of thoughtful, committed business people with the courage to pursue change can make the region – and the entire state – a better place.

Clearly, we've had some successes. But let us not forget that we're barely two years into the plan. Scoring a touchdown in the first quarter does not guarantee you'll be ahead when the game is over.

Still, I am confident that we are well-positioned to come out on top in the long run.

Last year, we launched a program called Opportunity Houston. It's a \$40 million fund-raising initiative designed to generate leads, create jobs, and help spread the word – nationally and internationally – about everything this region has to offer. Led by Astros' owner Drayton McLane, it has already passed the \$28 million mark.

I can't overstate the importance of this effort – both to the region and to our business community.

The economic development marketplace is tough. We are being challenged by other countries, regions, states, and metro areas that are offering hundreds of millions of dollars in tax breaks as an incentive to attract investment. Some are even giving companies a blank check – literally – to locate in their areas.

On top of that, regions we see as our primary competitors are going after the same kinds of business – nationally and globally – that we are.

- Phoenix, for example, has a strategy that focuses on aerospace, bioscience, and technology companies – all of which are clusters identified in our strategic plan.
- Miami-Dade County is positioning itself as a "Global Gateway." Already, 60 percent of all U.S. trade with Central America flows through Miami, as does 46 percent of Caribbean trade and 27 percent of South American trade. And the area recently added Poland, the Czech Republic, and Turkey to its investment "hit list."
- And here in Texas, Dallas-Forth Worth is trumpeting itself as a top market for expansion and relocation; its world trade activity has increased about 70 percent since 2001; and its targets include technology and healthcare businesses.

That is what we're up against. And the key to success in that marketplace is not simply having the "will to win." We have that. The key is being "prepared to win."

With this strategic plan, supported by Opportunity Houston, we are. We will be one of America's Top 5 locations for business growth, capital investment, and job creation.

The Greater Houston Partnership is made up of 2,000 of the top business and community leaders in this region. The annual sales and other receipts by firms and organizations represented on our Board of Directors alone is more than \$1.92 trillion.

To put it that number in some perspective, it is larger than the Gross Domestic Products of all but six nations and equivalent to nearly one-fifth of U.S. GDP.

So I can say with some confidence that we're placing a large part of the responsibility for our region's future in the hands of individuals, institutions, and businesses that understand the

imperatives of success. People like you, and businesses like yours.

As members of the Partnership – and by working with us to achieve the goals of our plan – you have a rare chance to be involved in something of lasting worth. You won't simply be making history. You'll be creating tomorrow. And in doing so, you will assure that Greater Houston remains a land of true and endless opportunity for everyone.

Thanks very much.