

Opportunity HoustonSM – Positioning Our Region for the Future

By Jeff Moseley, President and CEO of the Greater Houston Partnership

On July 3, 1954, the day the Houston area's population reached one million, former Texas Gov. W.P. Hobby remarked: "Nowhere have the people of a community worked together more purposefully and harmoniously; and no city owes its progress more to the aggressive, forward-thinking endeavors of its citizenry."

That statement has rung true throughout the history of the region. 'Forward thinking citizens' have played an integral role in making Houston the vibrant metropolis it has become. Testaments to their efforts are all around us: our ship channel, responsible for an estimated economic impact of nearly \$11 billion; the Texas Medical Center, which sees five million patients annually; the world's largest livestock show and rodeo; major sports franchises, as well as stadiums in which to showcase them; and our world-class museum district.

We are fortunate to live in such a prosperous region. Houston's gross area product is \$384.9 billion. If we were an independent nation, our region's economy would rank 21st in the world, ahead of Austria, Saudi Arabia, Poland and Indonesia. Twenty-four Fortune 500 companies are headquartered here, ranking Houston third behind New York City and Chicago.

Houston is indisputably the "energy capital of the world". Our region is the leading domestic and international center for virtually every segment of the oil and gas industry. In addition to traditional hydrocarbon-based products, Houston also plays host to alternative fuel and wind energy interests. In total, more than 3,600 energy-related establishments call our region home.

Yet, our economy as a whole is highly diversified. Houston has the largest medical district in the world. That coupled with research institutions based here has made it the seat of important biotechnology research and development. Founded nearly half a century ago, NASA has made Houston a hub for the aerospace industry. Our rapidly emerging industries range from coffee to nanotechnology.

By virtue of our highly developed transportation infrastructure, the region is well positioned to take advantage of an increasingly global economy. Our port facility ranks first in the nation in foreign tonnage. Our airport system is the fourth largest in the United States. We also have access to an extensive railway network.

We are a region of entrepreneurs. While many of our larger corporate enterprises are household names, small and mid-size businesses also thrive in the Houston region. There are approximately 76,000 businesses with 100 or fewer employees in the Houston area, which collectively employ roughly one in four area workers and provide \$20.2 billion in annual payroll. *Fortune Magazine* listed 13 area companies – more than any other city in the nation – among the 100 fastest-growing firms in the United States.

As Gov. Hobby alluded, our region's prosperity is not an accident. It took a concerted effort to get us where we are today. Likewise, building on our prosperity will take effort, especially in light of an increasingly competitive global economy.

In the spirit of other bold initiatives that have contributed to our region's success, the Greater Houston Partnership launched *Opportunity HoustonSM*, a \$40 million investment campaign to fight for higher paying jobs, as outlined in our 10-year Strategic Plan. We envision a Houston that ranks among the 'top-ten' regions of the world. Our specific 10-year objectives are to contribute to the addition of 600,000 new jobs and \$60 billion in capital investment, and to

increase foreign trade to \$225 billion. The Partnership will be acting in concert with regional allies like IACCGH to achieve these objectives.

I am pleased to announce that we have received commitments for more than \$20 million toward our *Opportunity HoustonSM* campaign goal. We anticipate raising the full amount by spring. I thank the IACCGH for being one of our founding investors.

Pursuant to our Strategic Plan, we will focus our relocation efforts on specific sectors. These include: aerospace and aviation; energy and petrochemicals; information technology; medical and biotechnology; and finally, nanotechnology. Further, we will invest in tools that will allow us to identify companies that can relocate or expand in the Houston region. We will share those leads with 36 regional economic development allies.

Opportunity HoustonSM will contribute to the continued growth and success of our economy in a number of ways. Business recruitment, expansion and retention in the region will help build a strong tax base, which will in turn serve the one million new residents projected to move into our region over the next 10 years. *Opportunity HoustonSM* will help sustain economic development momentum, even during economic downturns. It will create employment opportunities for residents and will attract new, skilled professionals to the region.

Through *Opportunity HoustonSM*, we also plan to build on the region's strong commercial ties to other countries. International outreach will continue to be a priority of the Partnership as we work towards achieving Vision 2 of our plan: establishing Houston as a leading gateway to foreign markets.

The Partnership has made India a focus of its international outreach over the last two years. We hosted three inbound delegations from India's infrastructure, engineering and petrochemical sectors.

Last June, the Partnership co-led a business development mission to India. We are very grateful for the support we received from Jagdip Alhuwalia and the IACCGH, our partners in this initiative. Likewise, we are appreciative of the assistance we received from the Indian Consulate General of Houston.

The Partnership's interest in leading a trade mission to India stemmed from our recognition of the rapidly expanding trade between the two regions. Trade between Houston and India has grown more than 288 percent in the last five years from approximately \$500 million in 2001 to \$1.9 billion in 2006.

The Houston region's Indian population is also rapidly growing. The Census Bureau's 2005 American Community Survey estimates it at nearly 73,000.

We are confident that trade between the Houston and India will continue to grow. The Partnership stands ready to assist Indian enterprises in setting up operations in the Houston region. We are also eager to help Houston-based enterprises conduct business in India.

As we strive to meet the objectives of *Opportunity Houston*SM and our 10-year Strategic Plan, we look forward to working with the IACCGH and the region's growing Indian population.

For more information on our vision for the future of the region, please consult our dedicated Web site: www.opportunityhouston.org.