



Ministerial Statement
by

Senator, the Hon. Michael M. Fahy, JP
Minister of Home Affairs

Wednesday, May 27th 2015

America's Cup- Business Opportunities in Bermuda

Madam President, I am pleased to report on Bermuda's local entrepreneurial progress and how we are building Bermuda's businesses and entrepreneurs.

The Bermuda Economic Development Corporation (BEDC) is Bermuda's foremost resource for small and medium-sized businesses and community enterprises and is committed to ensuring that businesses have access to effective technical guidance, financial assistance, useful relationship networks, pertinent business intelligence, and accurate and timely business advice so that they have the best chance at success. The services the BEDC provide every day is a testament to its commitment to grow a strong local business sector.

Bermuda's hosting of the 35th America's Cup in Bermuda is truly an honour for our Island nation. However, the main event in 2017, along with the World Series in 2015, and the other complementary events and programmes over the next few years provide an unparalleled opportunity for our country, our people, and of course our unique businesses.

In this regard the BEDC has formed a partnership with the America's Cup Event Authority (ACEA), the America's Cup Bermuda

(ACBDA), and the Bermuda Chamber of Commerce called AC Business Connect to ensure that all Bermudian businesses and entrepreneurs are:

- (1) aware of the potential business opportunities emerging out of AC35; and
- (2) well prepared and positioned to respond quickly and professionally when those opportunities arise.

This partnership allows the ACEA/ACBDA access to an established platform to deliver their message and opportunities to over 5,000 small and medium-sized businesses on BEDC's business register. It also brings access to a team of committed qualified business development professionals who have experience in assisting hundreds of Bermuda's local businesses become successful.

Madam President, the first tangible demonstration of this collaborative partnership between the four organizations is with the joint hosting a series of information sessions over the next two weeks. A road show of sorts, the idea is to speak directly to local businesses throughout the Island.

Last night the first session was well attended in St. George's at BIOS with active engagement and questions from the businesses in attendance. By the end of the meeting, the excitement of the America's Cup was infectious and it was evident that entrepreneurs clearly had "aha" moments.

The roadshow will next take the partners to Sandys Middle School in the Somerset on Thursday May 28th from 6:00pm to 7:30pm and finally ending at Heritage Worship Centre in North East Hamilton next Tuesday June 2nd from 6:00pm to 7:30pm. As stated previously, the main objective of these information sessions is to provide businesses with first-hand information

on the events planned and the opportunities available over the next couple of years and to allow entrepreneurs to ask direct questions.

The BEDC, through this partnership, has agreed to act as a conduit for the America's Cup to funnel business development opportunities and AC35 information to the businesses on its business register. The BEDC has also agreed to participate on the selection committee of vendors for the AC World Series Event Village to take place on Front Street in October. Applications will be released on June 1st with applications due on July 1st.

Madam President, you will recall back in February 2015 I launched BEDC's Business Register as a necessary tool not just for the BEDC and the Government, but also for businesses themselves. This America's Cup partnership highlights that businesses who don't register or keep their details updated will miss out on key business opportunities distributed through the Business Register. As such, I would encourage local businesses to be proactive and register at www.bedc.bm.

The BEDC will also continue to provide business support and advice to any entrepreneur who wants help to fine-tune their proposal to be submitted for the America's Cup.

Lastly, the BEDC has its various financial support products ready, such as its Loan Guarantees and Micro Loans, to assist businesses with being successful in executing any America's Cup opportunities received. The BEDC is well positioned to assist businesses financially with any America's Cup opportunities as it has the ability to provide a total of \$6M in guarantees. Currently BEDC is holding a portfolio supporting 50 local businesses (38 Loan Guarantees and 12 Micro Loans) with guarantees totaling \$1,767,520 allowing \$5,567,792 in bank financing to be

accessed. Although this portfolio is sizeable, the BEDC has capacity to support more businesses, and as such, is ready and willing to do so.

In April 2015, the ACBDA released the Potential Economic Impact (PEI) Assessment Report that was prepared for the Bermuda bid. Total PEI in terms of direct spending on-island was estimated to be in the region of approximately \$250M and that additional visitors will not only visit Bermuda during the AC35 event but also post 2017 through legacy tourism. This number was estimated to be 46,000 additional legacy tourism visitors. The BEDC, in its role, is actively engaging local entrepreneurs to create products, services, and experiences that capture and retain these additional potential customers.

In closing **Madam President**, the BEDC has progressively grown its local and international partnerships and considers this partnership with the ACEA, the ACBDA, and the Bermuda Chamber of Commerce to be a significant one to the Island. The role it is playing in supporting a successful America's Cup through positioning local businesses to be viable and thriving cannot be overlooked. This partnership validates the work currently taking place in Bermuda to build an entrepreneurial ecosystem; facilitating access to future entrepreneurial opportunities for our Island's entrepreneurs; and further exposing Bermuda and all it offers as an entrepreneurial hub.

Thank you, Madam President.