



Ministerial Statement

By

Senator, the Hon. Michael M. Fahy JP

Minister of Home Affairs

Wednesday December 2nd 2015

America's Cup - Business Opportunities in Bermuda

Madam President, earlier this year I reported on business opportunities for Bermuda's local entrepreneurs arising from the America's Cup presence in Bermuda. Today I'd like to give a brief update on how small and medium-sized businesses are taking advantage of this opportunity.

Bermuda's hosting of the 35th America's Cup in Bermuda is truly an honour for our Island. 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 Bermuda.

In this regard the BEDC had 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 allowed 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 brought 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 BEDC has been busy assisting businesses in taking advantage of these opportunities. Back in May and June BEDC, in collaboration

with the AC Business Connect partnership, hosted a series of public information sessions across the Island on the America's Cup business opportunities. Since that time BEDC has acted as a conduit for the America's Cup to funnel business development opportunities and AC35 information to the businesses on its business register. BEDC has distributed the following business opportunities and information to its business register, on its website, and in its reception area:

- America's Cup Bermuda Information
- America's Cup Merchandise and Licensing
- America's Cup Business Connect
- America's Cup Security Services RFP
- America's Cup Junior Graphic Designer Internship
- America's Cup Event TV Request for Proposal
- America's Cup Request for Information - Bermuda Print and Branding Supplier
- America's Cup Printed Programme RFP
- America's Cup Louis Vuitton World Series Exhibitor Application and Overview America's Cup Louis Vuitton World Series Bermuda Trophy and Prizes Design Competition
- America's Cup Community Sailing Poster Design Competition (Ages 9-14)
- America's Cup Facilities Construction Expressions of Interest RFP
- America's Cup Fun Zone RFP

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, be proactive and register at www.bedc.bm.

The BEDC participated on the selection committee of vendors for the America's Cup Louis Vuitton World Series Event Village along with the ACEA, the ACBDA, the Bermuda Chamber of Commerce, and the Bermuda Tourism Authority. BEDC also played a key role in organising and facilitating the Endeavour Day activities in the Town of St. George's on the Thursday before the World Series event.

Since May BEDC officers have met with and provided various forms of advice and support to hundreds of entrepreneurs on America's Cup business opportunities. From literally walking entrepreneurs step-by-step through the Business Connect

portal to facilitating introductions with key contacts - from helping businesses to access bank financing and credit to supporting businesses in negotiating license agreements - the BEDC has done it all.

Madam President, since Bermuda did such a fantastic job in hosting the America's Cup Louis Vuitton World Series in October, there have been questions asked about what difference did the event make to businesses? While actual economic impact numbers will be revealed in due course from the ACEA and ACBDA, the feedback that BEDC has received from businesses and entrepreneurs is that the World Series did indeed make a difference to their enterprise. Please indulge me while I share some of the feedback.

Let me first tell you about Michelle Weldon, a young lady who has a passion for baking and for the last couple of years dabbled in a small part-time home bakery business named Xquisite Treats specialising in mouthwatering cupcakes. Ms. Weldon earlier this year took BEDC's Entrepreneurship Course and through that registered her business on BEDC's register. This then allowed her to receive early emails about America's Cup opportunities. She attended the public meetings to find out more information and contacted BEDC to speak to the officers there. She was encouraged to apply to be a World Series Event Village vendor and after pondering for some time she decided to submit an application.

Xquisite Treats ended up being selected as one of the 59 vendors to! BEDC was able to assist by way of advice, support, and also financing to allow Ms. Weldon to be prepared with inventory and product for the 3-day event.

When asked how she felt about the experience and business opportunity, she replied, *"This weekend was definitely an experience, and has made me more determined to try for 2017 ... I actually took some orders during the weekend. Passed out cards and linked up with other vendors who want to work out deals for future events and parties. I think this was a productive weekend overall. "*

Then there was celebrated artist and established entrepreneur, Jill Amos Raine, who was also selected as a vendor and summed it up by saying *"it was great fun to be part of this prestigious event!"* She indicated she did well selling original paintings, prints, and many copies of her new Bermuda Top Ten Wildlife books. She validated BEDC's involvement by expressing, *"Thanks to the committee and to yourselves for your invaluable support!"*

Madam President, innovative and creative jeweler Alexandra Mosher was very excited to be selected as a vendor at the World Series. She shared, *"We fared well in so many ways! The exposure was phenomenal. The credibility that comes with an AC approved small business is phenomenal. The practice run/realisation about how much work we will need to do for AC in 2017 was a HUGE eye opener, and we are already making plans to hire staff and build the brand and our inventory levels to a world class standard. Just looking at the premium world-wide branding was inspirational. I pretty much lost my voice talking to so many people, bonded with my staff in a very exciting way, and really enjoyed the pride of being a part of such a big event!"*

And one of the most inspirational stories was that of Carlita Burgess, owner of a new startup business called Lifestyles Co. Limited. Mrs. Burgess and her friend, Miki Caines, found themselves victims of our challenged economy and suddenly unemployed during summer 2014. With their savings depleted and struggling financially, they turned to entrepreneurship out of necessity, and in December 2014 Lifestyles was born. Soon after, they heard about Bermuda winning the America's Cup bid and jumped into action learning any and everything they could about the America's Cup.

They made contacts, attended meetings, did research online, and eventually came to BEDC. We assisted them in accessing financing for inventory, securing a letter of credit for customs duty, and negotiating a license agreement with ACEA until 2017. When asked about their World Series experience they remarked, *"Thank you, thank you, thank you! What an experience. We had three days of non-stop activity at our booth. The bags flew off the shelves, the most asked question was where can we buy after this event and where is the store? People even wanted to buy on-line. We had people from all countries, they were simply amazed ... We made great connections over the last three days locally and internationally. We have been asked to connect with a few local corps to assist with branding. A huge thank you to you and your team at BEDC."* Their America's Cup experience has validated their business concept and now led them to having a shop front location on Front Street, leading them from unemployment to employment and business ownership.

Madam President, BEDC's support and assistance has not just been limited to vendors in the World Series. We have also assisted graduates of our Small Business Construction Incubator in accessing construction projects, and many businesses in other industries accessing opportunities through the multiple RFPs, RFIs, and EOIs I listed earlier. The BEDC will continue to provide business support and advice to any entrepreneur who wants or needs help.

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.

In closing **Madam President**, the BEDC has progressively grown its local and international partnerships and considers its partnership with the ACEA and the ACBDA 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 eco-system; 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.