



## Project Profile: Florida

### Impact Statement

The Action Plan developed for the Florida Defense Exchange (FDX) under this project will strengthen the current and future capabilities of the defense industrial base in a state with critical defense assets. The portal will: enhance the ability of current defense suppliers to meet increased DOD needs through expanded collaboration and diversified customer bases; assist non-aerospace and defense industry firms in expanding into Department of Defense (DoD) services and contracts; provide workforce development opportunities in the aerospace and defense industry; and reduce reliance of defense-dependent communities by exploring commercial opportunities that build on their expertise and competencies. This project, referred to as “Phase 1,” increased the ability of the Florida Department of Economic Opportunity (DEO) and Enterprise Florida, Inc. (EFI) to help key defense suppliers in the state achieve DOD customer objectives.

### Key Project Takeaways

The OEA Industry Resilience program funding enabled the Florida Department of Economic Opportunity to fully explore and confirm the viability of designing a web portal. Engaging industry stakeholders/defense contractors and state partners was critical to defining the need and assessing optimal approaches for design and maintenance of the future website. Program support – both funding from OEA and peer-to-peer learning from other grantees – enabled DEO to recognize their opportunity to develop and internally manage a portal with more features and functionality, enabling them to own the system and providing flexibility to add and adjust over time. Stakeholder and defense contractor feedback clearly articulated a need for cybersecurity compliance support, which will be a primary focus of a Phase 2 proposal to OEA.

### Project Description

#### Rationale

Florida hosts 20 major military installations and numerous large defense contractors such as Lockheed Martin, Northrop Grumman, Raytheon, General Dynamics, and Harris, that perform a significant amount of work to protect our national security. The 2017 Florida Defense Industry Economic Impact Analysis estimated that DoD directly spent around \$4.4 billion in Florida in aerospace products and parts manufacturing, which accounted for more than 10,000 direct jobs.

More broadly, DOD spending generated \$84.9 billion in economic impacts (over 9 percent of the 2016 gross state product) and support nearly 802,000 direct, indirect, and induced jobs across the state. Installations are responsible for 56% of these impacts with procurement contracts and transfer payments both generating 22% of impacts each. Over the last five years, Florida increased the value of all defense contracts performed in-state by 36.5% compared to the U.S at 4.8%.

However, Florida is challenged by the concentration of its aerospace and defense industry in 3 of its 67 counties. Nearly two-thirds (\$8.6B) of all private-sector defense contracts are performed in Brevard,



Orange, and Okaloosa counties, putting them at greater risk in the event of defense spending changes. This also presents an opportunity to build on existing capabilities to expand capacity, capabilities, and expertise and increase access to defense contracts across the state.

The Florida Defense Exchange is a critical asset needed to leverage existing expertise, connections, and experience in the aerospace and defense industry across the state, contributing to a strengthened and more diversified defense industrial base. The impact on businesses and their ability to fulfill defense contracts will bolster a more resilient aerospace and defense industry and economy in Florida.

### Program Activities

The Phase 1 project's primary deliverable – an action plan for how Florida would approach developing and implementing an online portal -- is designed to use information and communication technologies to improve connections among the defense contractors and government entities within the state. Florida DEO undertook four activities to fulfill their agreement commitments and build the action plan for the Portal:

Develop stakeholder workgroups. The project team assembled a group of Florida defense industry professionals to provide their expertise and insights about Florida's defense industry and challenges from a supplier's perspective. This group, FEDWG, was critical in helping to shape DEO's vision and requirements into a framework that articulates a path for developing the plan for the Florida Defense Exchange.

Research data sources for the Florida Defense Exchange web portal. To determine the type of content and data sources to use in the web portal, the project team, in collaboration with the FDX Working Group, investigated various content, data sources, and resources that would support the goals and objectives of FDX. They reviewed an extensive set of content sources and publicly available data sources to gather information about the defense and aerospace sectors in Florida and identify risks and opportunities for the state.

Research other states. The project team sought information from OEA and numerous states to learn from others that had launched state programs that mirror the portal requirements set forth by DEO and the FEDWG. They identified four that were particularly relevant to the task at hand in Florida: the Maryland Defense Network, the Washington Military Exchange, the Georgia Defense Exchange, and the North Carolina Matchforce. The team prepared a matrix comparing the features and capabilities of each portal on dimensions such as application architecture, features, functionality, design/layout/ mobile responsiveness, and use of data visualization to enhance understanding of DOD spending. They identified approaches used in each to determine if there were efficiencies that Florida might leverage in their action plan.

Action plan development and sustainability plan. Based on the feedback and collaboration with the DEO, EFI, and the FDX Working Group, the team produced a portal evaluation report and the Action and Sustainability Plan. The detailed plan summarizes steps taken, lessons learned, research findings in



numerous aspects of design, and articulates a path for developing and implementing a portal that can meet the needs of Florida's defense and aerospace industry.

The action plan team operated under the assumption that lessons learned and articulated in the report would inform a Phase 2 award from OEA to develop and implement the portal according to the recommended specifications. Stakeholder feedback obtained during Phase 1 indicated that there is a need for assistance with cybersecurity compliance. To address this need, Florida DEO is incorporating a cybersecurity training program into their Phase 2 application to OEA.

## Resiliency Impacts

### Increasing Awareness of the Defense Industrial Base

The work undertaken to complete Deliverables 1 and 2, developing stakeholder workgroups and understanding the research data for the portal, had an impact on raising awareness of the defense industrial base in Florida. The Working Group included representatives from government and industry and provided an important forum to understand industry needs and the importance of the sector to the state's economy. The meetings of the Working Group and subgroups enabled participants to share information and insights as they collected and organized information to shape the direction of the action plan for the portal. Overall, engagement led to broader and deeper understanding of the defense and industry sector in Florida and insights into how to address expressed needs.

### Enhancing Force Multipliers to Support the Defense Industrial Base

The extensive stakeholder meetings convened in the summer and fall of 2019 involved partners and intermediaries important to meeting the defense sector's needs in Florida. These meetings helped build understanding, support, and capacity among the participants, which included Space Florida, the Florida Chamber, Associated Industries of Florida (the state NAM affiliate), Florida Makes (the state's MEP Center), as well as smaller vendors, entrepreneurs, and venture capital investors. All expressed support and interest in program and were engaged in the need to continue to develop and highlight defense as an important sector in the state. They developed a mutual understanding of the benefits to collaboration in this work and agreed to work together to identify, develop, and deploy available assets.

## Cybersecurity Preparedness

The Action Plan did not address the need for cybersecurity awareness and contractor compliance with DOD cyber requirements beyond the cyber security of the portal itself. However, input from stakeholders and defense contractors highlighted the importance of cybersecurity compliance across the defense supply chain. To that end, Florida DEO decided to leverage the portal development design and implementation process and address the cybersecurity of Florida's defense contractors by incorporating cybersecurity elements into the proposal for a Phase 2.



## Other Community Benefits

### Alignment with State Programs

DEO reported that the process of conducting research, engaging stakeholders, and developing the action plan fostered increased alignment across all involved due to better appreciation for and realization of the importance of the defense sector. In particular, small manufacturers that are defense contractors sometimes don't develop relationships with state officials, but this initiative provided an opportunity to exchange information, build relationships, and helped the companies understand how the state can support their efforts. DEO anticipates that building and launching the portal will encourage and sustain this expanded communication.

## Lessons Learned

### Most Important Lessons Learned

Florida DEO was diligent about researching lessons learned from other OEA grantees that developed portals. They reported that taking the time to learn what worked and what did not is critical for any state considering developing a similar portal. Project staff talked about the project with representatives from other states and attended the annual Convening and found that both informed the direction in Florida. Specifically, they learned about new questions to address and available tools to assist in that effort. They recommended that OEA should consider asking applicants to do similar background research even before applying for OEA funding to better inform the proposal. Project staff also expressed appreciation for materials shared at the Convening such as the matrix from CREC showing which grantees were engaged in which activities. This enabled them to quickly see the big picture so they could seek out and learn from the other awardees that had engaged in similar work.