



FSAE Foundation Think Tank White Paper September 7-8, 2007

Executive Summary

The Issues, Impact, Opportunities and Challenges for Florida of a Post-Embargo Cuba

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As the United States, and especially Floridians, prepare for a changing of the guard in Cuba, the Florida Society of Association Executives and the FSAE Foundation recognized the importance of examining Cuba's current situation, its plans for the transition (insofar as can be gleaned from intelligence sources), and the anticipated repercussions of a post-Fidel era. This multi-faceted topic provided the structure and focus for the September 2007 FSAE Foundation Think Tank.

FSAE designed the Think Tank so that senior-level association executive participants would focus on:

- ❖ Identifying key business and professional issues in Cuba and their eventual impact on Florida and the U.S.
- ❖ Defining the steps that FSAE and its members' associations should take now in order to make maximum use of future opportunities, once it is again legal for US companies and organizations to conduct business with Cuba
- ❖ Developing strategic plans in relation to these opportunities
- ❖ Finding the right person(s) as resources in developing the plans and then assigning responsibilities for the job

FSAE Think Tank participants would neither adopt nor promote specific policy positions or solutions regarding the Cuban situation. The Think Tank mandate was to provide accurate information to FSAE members to help them develop an effective Cuba-Florida strategy and plan for their respective constituencies.

The facilitator and expert presenters provided the framework in which Think Tank participants learned to approach the political and economic realities of Cuban issues in a knowledgeable way. Ultimately, the Think Tank's objective is to help FSAE and its members prepare for future opportunities and challenges in a post-embargo Cuba.

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Key Findings

One of the roles of the FSAE Foundation is to serve as a resource on relevant topics and to stimulate discussion among FSAE members and outward to FSAE members' members. The agreed-upon purpose of the Think Tank and White Paper is to provide information and resources to those associations and their members that have (or may consider) an interest in doing business or creating strategic partnerships in Cuba. Following several days of lively discussion on issues and possibilities, Think Tank participants developed key findings for associations in general and for respective member organizations whose industries have a particular stake in doing business with Cuba:

1. Eventually, there will be significant business and professional opportunities in Cuba for the United States and especially for Florida-based associations and non-profit organizations. However, **no business activity can be initiated until changes in U.S. law make it legal to conduct business in Cuba.**
2. Given the possible window of opportunity that may arise after Fidel Castro dies, there is a sense of urgency for those organizations that already know they will want to do business with Cuba. These groups need to examine the situation and prepare a strategic plan that responds to different transition scenarios. Each scenario has different risks, consequences, and rewards and needs that must be examined – with the clear understanding that there is no certainty about Cuba's future. **It is crucial that companies and organizations become aware of these scenarios and plan for each one.**
3. **Associations need to become well informed about Cuba and possible future developments.** They should educate their membership about the challenges and opportunities that may arise in a post-embargo Cuba.
4. Florida associations should recognize that **other states and other countries are ahead of Florida with respect to being prepared for potential business opportunities in Cuba.** Where relevant, each association/industry needs to be prepared to discuss these issues and then to develop its own strategic road map.
5. Because it serves such a broad cross-section of industries and professions in Florida, **FSAE should be prepared to serve as a conduit for information and education about key opportunities in Cuba,** especially the legal potential for associations and their members to enter into joint ventures with their Cuban counterparts.
6. **FSAE members should prepare to take on a mentoring and leadership role for their respective professions/industries** once it becomes legal to do business with Cuba.
7. While they are focusing on the outcome of doing business in Cuba, **Florida associations and industries must be aware that there are serious political ramifications and sensitivities to be considered as long as there is a "Castro" in power in Cuba.**
8. **FSAE associations should seize the opportunity to network, collaborate, and exchange with professionals and associations in Cuba to the extent US law currently allows.** As an example, professional societies could assist in validating the credentials of counterpart professionals in Cuba and provide education and training to help prepare the Cuban workforce for an open environment.

The Think Tank Agenda & Design

To ensure that the 25 association executive Think Tank participants would have available the most current and valid information on Cuba, the FSAE Foundation secured subject matter experts to present cutting-edge research related to the situation in Cuba today, economic challenges and opportunities of a post-embargo Cuba, key characteristics and viewpoints of Cuban Americans regarding Cuba, strategic needs, and recommendations. Electronic versions of the presentations used are available at www.fsaefoundation.org.

Aida Levitan, Ph.D., APR, one of the most nationally recognized Hispanic marketing communication leaders in the U.S, served as facilitator for the event and authored this White Paper. Levitan is president and CEO of Levitan & Palencia, LLC, a Miami-based agency that provides advertising, public relations and marketing services to U.S. and Spanish clients. In 2004-2005, she served as vice chair of Bromley Communications, the number one Hispanic advertising agency in the nation. from 2001 to 2004, she was Chair and CEO of Publicis Sanchez & Levitan, the number eight agency in the U.S. She has received the PRSA Royal Palm Award, the U.S. Department of Commerce MBE Legend in Communication and the Hispanic Magazine national *Adelante Award*, among many other recognitions. She served as 2004 president of the Association of Hispanic Advertising Agencies.

Jorge Piñón, former president of Amoco Oil de México and president of Amoco Oil Latin America, was one of two expert resources for the Think Tank. Piñón had served as the top BP executive running its Western European supply and logistics operation until his retirement in 2003. Piñón is currently an international energy consultant, a senior research associate and former director of the Cuba Business Roundtable at the University of Miami's Institute for Cuban and Cuban-American Studies. He focuses on energy, ethanol, microeconomics, and infrastructure reconstruction. He is also a frequent guest energy analyst on CNN En Español, CNN International, Bloomberg Financial News Services, and other news outlets.

Carlos Saladrigas, Co-Chairman of the Cuba Study Group, chairs Premier American Bank, headquartered in Miami, and is a member of the Board of Directors of Progress Energy and Advance Auto Parts. He was co-founder and CEO of The Vincam Group, listed in 1998 as the largest Hispanic-owned company in the U.S., later (2000) acquired by ADP. Saladrigas is a member of the Hispanic Advisory Board for PepsiCo. He holds an MBA with honors from Harvard University and a BBA, *cum laude*, from the University of Miami.