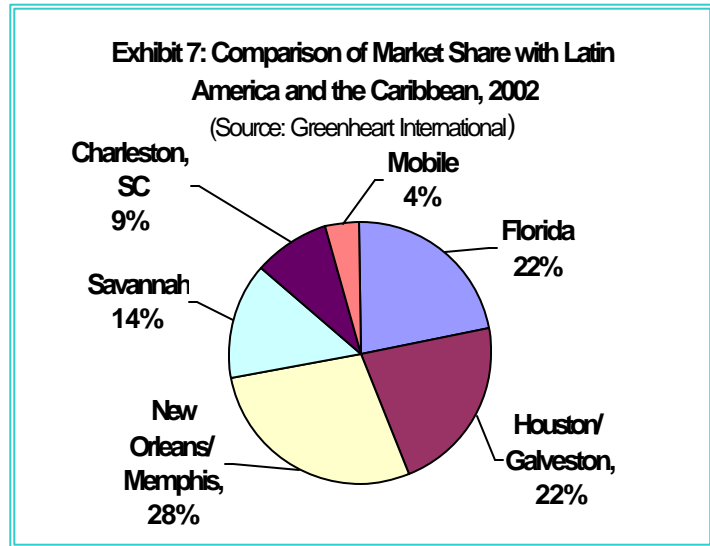
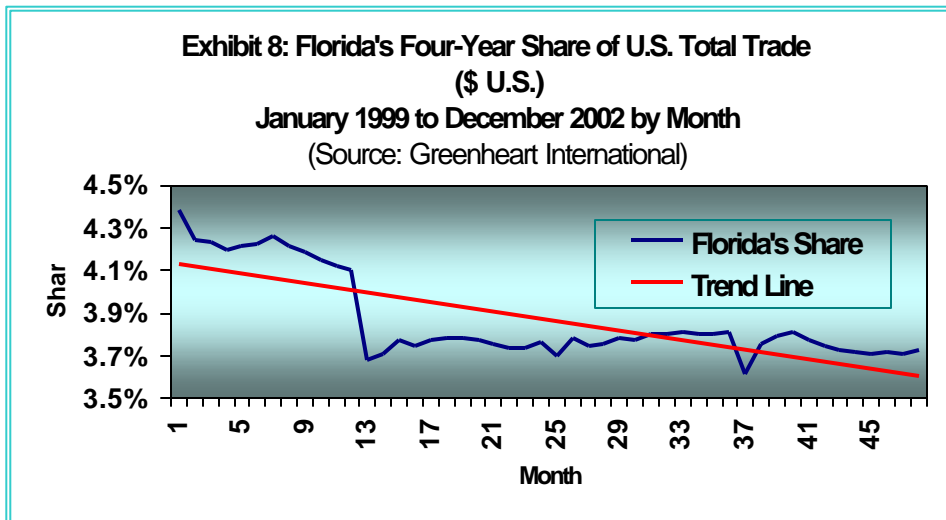


IV. MARKET SHARE ANALYSIS

Florida trades with more than 100 countries in regions around the world, as shown in Exhibit 6, but trade with its neighbors to the south predominates. The comparative shares of Florida and its competitors in these markets are shown in Exhibit 7. Both within the U.S. and off its shores, the competition is ever alert to opportunities to capture these attractive markets. Florida also dominates the cruise industry, but new ports and new industry trends are reshaping the pattern of cruising. In the face of this competition, how do we protect our existing markets and fulfill our future trade potential?



An analysis of Florida's share of U.S. international trade over the past four years demonstrates the compelling need for the state and its maritime community to be vigilant both in protecting its relationships with its traditional trading partners and in developing new relationships. As Exhibit 8 illustrates, over the past four years, Florida's share of U.S. trade has declined. In January 1999, Florida accounted for 4.4 percent of U.S. trade; by December 2002, that share had dropped to 3.7 percent. The decline of just over half a percentage point seems low. Nevertheless, **if Florida had just maintained its share of U.S. trade, by the end of 2002 the state's total trade would have been \$3 billion higher.**



At the end of 2002, Florida had the third largest market share loss in the

U.S.; of the large trading communities, only San Francisco and Seattle/Tacoma had higher losses in share, no doubt caused by their technology trade, which plummeted after the decline in "dot.com" activity. Among the port communities that gained market share are Texas (Houston/Galveston), Louisiana (New Orleans), Georgia (Atlanta/Savannah), Alabama (Mobile), and South Carolina (Charleston). These are communities the Florida seaports named as competitors.

As discussed in the next section, these Florida competitors all experienced varying changes in their share of U.S. trade. Charleston, for example, experienced slow growth in market share; Atlanta/Savannah and the New Orleans catchment areas experienced strong growth rates. While several of these regions have been growing sporadically, others such as Atlanta/Savannah and Mobile, in particular, show steady growth. Constant-growth competitors are more troublesome for Florida because they imply a permanent strengthening of conditions such as market shifts and transportation improvements that favor growth, rather than episodic factors.