



WELCOME/OPENING REMARKS FROM PSOJ PRESIDENT JOSEPH M. MATALON AT THE PSOJ FAMBIZ AWARENESS SEMINAR TO BE HELD ON TUESDAY, MAY 18

Ladies and Gentlemen, Good Morning!

It is my distinct pleasure to welcome you this morning to the first of six awareness seminars to be held this week throughout the island as part of the PSOJ's FAMBIZ project. I congratulate you for making the decision to participate in this workshop.

On your behalf I am pleased to welcome our seminar leaders Dr. Robert G. Blunden, Associate Professor of Strategic Management at Dalhousie University's School of Business Administration in Canada, and Ms. Pernille Fischer Boulter, Founder and CEO of Kisserup International Trade Roots Europe and Canada Inc. They both come to us through EduNova in Canada, with whom the PSOJ has enjoyed an excellent working relationship over several years. Bob, I understand, was himself a key player in his family's business and therefore brings a unique perspective, also as an academic who has studied the subject extensively. Bob and Pernille, thank you for agreeing to work with us on this project and we eagerly look forward to your taking our seminar participants through this initial component of the FAMBIZ project.

I also acknowledge with gratitude our sponsors, who not only believed in the project and its objectives, but have also demonstrated their support in a tangible way. To the Inter-American Development Bank, Scotiabank, Development Bank of Jamaica and Pan Jamaican Investment Trust Ltd. we say "Thank You" - without your support we would not have been able to embark on this important initiative.

There is no doubt that, for Jamaica's economy to grow and prosper, we must harness the entrepreneurial talent that resides in our people. While many people believe that foreign direct investment is the key factor for growth in Jamaica, it is clear that this relationship is tenuous at best. It is a fact that Jamaica has had one of the highest rates of FDI in the world, yet the country continues to suffer from low growth. It is now apparent that one of the keys to more sustained growth is for us to invest in the development and growth of small and medium sized enterprises, and at the same time, resolving the structural issues that exist in our economy.

Like many economies throughout the world, family businesses have played a significant role in the development of the Jamaican economy. Conservative estimates suggest that 65% to 80% of all the businesses in the world are family-controlled, including many of the largest companies. Empirical evidence tells us that in Jamaica, as in Latin America and the rest of the Caribbean, the most powerful corporate groups are controlled by families.

At this particular time in our history – when many businesses are facing serious downturns, established family businesses that have survived over many generations will likely have an edge in that, by their very nature, they are tightly-knit, values-driven, people-focused organisations that live and learn by their mistakes and the cyclical nature of the economic upswings and downturns. They have a natural advantage over other businesses in that the knowledge and experience of how to deal with economic downturns has been handed down through the generations.

As a member of a family business myself, I can attest that your decision to participate in this seminar is not only a wise one in terms of the potential impact on your own family business, but also for the impact that the collective decisions of the 100 family businesses that are expected to participate this week can make on the Jamaican economy. At this time, more than ever before, we need every Jamaican to play his or her part in reviving the fortunes of our beloved island.

Ladies and Gentlemen, as I have said publicly on many occasions, significant growth in our country's economy will come as a result of the growth of micro, small and medium-sized enterprises and particularly family owned and controlled businesses. Creating good governance procedures is one of the most important steps that a family business can take to enhance the likelihood of success for the business and for the family. It is my hope that this seminar will pique your desire to embark on a process to update the strategies and governance systems in your family business in order to ensure that your business grows and is sustained over many generations.

Once again, thank you for the interest and commitment that brought you here this morning. I hope that this will indeed be a morning well spent and a meaningful investment in the future of your businesses.

JOSEPH M. MATALON
PRESIDENT
THE PRIVATE SECTOR ORGANISATION OF JAMAICA