

Business Booms at Houston Hispanic Chamber of Commerce's Annual Expo

April 3, 2009

Rob Kuznia--HispanicBusiness.com

Even though the U.S. economy is in shambles, the Houston Hispanic Chamber of Commerce is in the midst of a remarkable boom.

Little wonder, then, that the chamber's business expo on Thursday was twice the size of last year's. And that the 16th annual luncheon that accompanies it witnessed record attendance.

While the U.S. economy suffers from skyrocketing unemployment and a GDP that in 2008 sank to a 25-year low, the 30-year-old Houston Hispanic Chamber of Commerce is rocketing upwards. In the past two years, the Hispanic chamber has -- not doubled, not quadrupled -- but grown nearly six times over.

During that time, membership has mushroomed from 500 to 2,800 businesses and individuals. The headquarters has moved from a small office building in the outskirts of town to a 12-story building in the heart of downtown Houston.

"Despite what we are hearing throughout the country, we are doing better than ever," said Dr. Laura Murillo, president and CEO of the Houston Hispanic Chamber of Commerce. "We went from being one of the smallest chambers of commerce in Texas to one of the largest."

This year's luncheon drew 1,400 guests, surpassing the previous record of 1,100. This year's expo -- which had its debut last year -- doubled its number of its corporate sponsors, attracting nearly 200. It also doubled its number of participating businesses, to 65.

"We had sponsors from Miami, California -- we even had an international sponsor from Mexico," said Murillo, speaking loudly by phone over a celebratory toast by board members after the event. "This has been a phenomenal response."

In an illustration of the Hispanic chamber's growth, its ranking in the Houston Business Journal's annual list of top-25 Houston-area chambers has risen sharply. (All told, the region is home to roughly 40 full-fledged chambers.)

The Houston Hispanic chamber's standing has improved from No. 25 in the 2007 list to No. 4 in 2009. To be sure, the Hispanic chamber is a long ways from the topping the list: The rankings are based on the size of the organizations' operating budgets, and the perennial winner, the Greater Houston Partnership, boasts a budget 10 times larger. But the Hispanic chamber's \$1.4 million budget is just \$100,000 shy of the third-place winner (Greater Conroe Lake) and about \$1 million behind the second-place winner (South Montgomery County Woodlands Chamber), according to the magazine.

Chamber officials attribute the organization's meteoric ascent to a confluence of factors.

For starters, Houston's Hispanic population has exploded, doubling in size from 1990 to 2005 to 1.3 million. In 1990, Hispanics constituted less than a quarter of the city's population; by 2005, the figure was 38 percent -- a virtual dead heat with the white population.

Also, many large corporations have only recently begun to aggressively target the Hispanic market. Recent additions to the chamber's list of corporate sponsors include Wal-Mart, Mas Club, ING and Capital One. Another sponsor, Amegy Bank of Texas, picked up the tab for the chamber's recent relocation, and even covered the cost of retrofitting the building.

"Name any large corporation in Houston, you see them trying to better assess the strategic opportunities in that market," said Gilbert Herrera, the chamber's treasurer. "It's just a pure business decision -- there's this big, growing market. ... Ten years ago, you didn't see that."

Finally, the chamber has taken a proactive approach to improving. Two years ago, its board of directors launched an effort to create a 10-year strategic plan for 2008-2018.



Dr. Laura Murillo, president and CEO, and George Y. Gonzalez, chairman of the board, of the Houston Hispanic Chamber

The ambitious plan includes not only growing the chamber membership, but also using the chamber's influence to improve the lagging representation of Hispanics in positions of political and corporate power.



presentation to non-English-speaking chamber members. For contractors, the chamber may offer expert advice on how to procure contracts from the federal stimulus package.

To join the chamber, businesses need not be Hispanic-owned. Though Murillo doesn't know the statistics, she said, "if you go to any of our events, you'll find that up to one-third of everyone in the room is something other than Hispanic."

The nation's sixth-largest metropolitan area, Houston didn't begin to feel the effects of the recession until late 2008, a year after it officially began.

This owes largely to how roughly half of the region's economy is tied to the energy market. As every owner of an automobile will surely recall, during much of 2008, the price of oil was in the stratosphere. Though this brought much pain to the overall economy of the nation, it was a boon to Houston's.

But oil prices eventually plummeted, and three months later -- in November or December -- the recession finally caught up to Houston, too, said Herrera, the founder of Herrera Partners LP, an investment banking and financial consulting firm.

In January, all the city's large energy companies announced massive layoffs -- Halliburton, Baker Hughes, Schlumberger, Conoco Phillips -- and more cuts are around the corner, Herrera said.

"People expect things to get worse instead of better," he said. "We probably won't see much recovery in Houston until 2010. ... The punch line for Houston is: as energy prices go, so goes Houston."

Meanwhile, Jeff Moseley, CEO and President of the Greater Houston Partnership, praised the Hispanic chamber for its success.

"They've been growing in stature in the community," he said. "We absolutely see the Houston Hispanic Chamber as strong allies."

Photos: Top--George Y. Gonzalez, the Houston Hispanic Chamber of Commerce's Board Chairman and a partner at Bracewell & Giuliani, addresses the crowd. Bottom--The event boasted record attendance; the halls were filled with attendees, presenters, and Chamber members. Images courtesy the Houston Hispanic Chamber of Commerce.

To better implement the plan, the board in March of 2007 recruited Murillo, then the senior executive director at the Memorial Hermann-Texas Medical Center. Under her leadership, the full-time staff has grown from four to 13, all of them bilingual and college-educated -- some with Ivy League degrees. Murillo said although the chamber is technically a non-profit organization, "We do not have a not-for-profit mentality. We have a business mentality."

This means the chamber understands that its customers want some bang for their buck. Put another way, participating businesses want more business. The chamber, she said, strives to deliver.

For instance, for a bank seeking to attract more Hispanic customers, the chamber may host a Saturday seminar in which Spanish-speaking loan officers give a

