

## Miami's Bid to Attract Latin American Startups

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The United States technology sector is dominated by a few clusters, mainly Silicon Valley, San Francisco, Seattle, Austin, New York City and Boston but is there room for one more? Miami hopes so.

The South Florida city is far behind the big players in regards to venture capital and entrepreneurial clout but it does have a solid financial system, sunny weather and most importantly a huge amount of talented Latin Americans.

"This is our natural advantage," says Jerry Haar, Director of the Pino Global Entrepreneurship Center at Florida International University .

The recent tech boom has spread from Silicon Valley throughout the Americas, and Miami wants to be the place where Latin Americans start their businesses.

Susana Amat, the co-founder and director of the University of Miami's Launch Pad and one of Miami's biggest champions of entrepreneurship, is confident about the city's potential.

"Miami will be the tech hub of the hemisphere within five years," she said.

Indeed, the startup trend in Miami is hot right now. Miami-based Open English, an online language learning platform, landed \$43 million in investment in July. Amat's Launch Pad recently announced it will open Miami's first technology accelerator program in 2013 and provide \$25,000 grants to high-potential entrepreneurs.

You can see the impact on the ground as well. The city has hosted a number of well-attended hack-a-thons and meet-ups this year. The LAB Miami, a shared work space targeted to creative startups, is expanding in size from 720 square feet to 10,000 square feet this winter and hopes to increase its member base from 24 to 150 next year.

In many ways, Miami has definite advantages over Latin America, especially in regards to business environment. The U.S.'s clear and enforceable system of rules is attractive to Latin American entrepreneurs who want to avoid the red tape and corruption prominent in places like Sao Paolo, Mexico City or Buenos Aires. The U.S. patent system also guarantees that new ideas will be protected and provides a safe environment to take risks and innovate.

Miami has a few advantages over the rest of the U.S. as well. It is diverse, bilingual and welcoming to immigrant entrepreneurs. A base in the city can help a company reach both the U.S. and Latin American markets. A vibrant art scene has added culture and creativity and there is a lot of potential investment. Thanks to the many wealthy Latin American families that have parked their money in Miami banks (and real estate) there is more financial capital per capita in Miami than in any other U.S. city.

But there are obstacles. For example, how does one attract talent and the need to improve education and continue developing the entrepreneurial ecosystem?

"We love Miami but it's tough," Nicolai Bezsonoff, the Colombian co-founder of .CO, told the Miami Herald recently. "What Miami-Dade, Susan [Amat] and Launch Pad are doing is great, but there has to be more of that."

There is a lack of investor education and engagement in the startup community. There is also a restrictive national immigration system that makes things more difficult than they should be.

Fortunately for Miami, its ties to Latin America provide a unique advantage. Entrepreneurs like Bezsonoff and co-founder Juan Diego Calle are expanding their business and actively supporting the local entrepreneurship scene.

Attracting the most talented entrepreneurs from an emerging region and mixing them into the U.S. entrepreneurial system is a recipe for success. If Miami's public, private and academic sectors can create the right environment the investment will come, entrepreneurs will set up shop and successful businesses will be created.

Haar points out that all existing tech hubs have "mother ships" like Google (among others) in Silicon Valley, Microsoft in Seattle and Dell in Austin that drive local innovation. Miami has made progress but to become a regional tech hub it needs some clear success stories and a "mother ship" idea. Maybe it can import one from Latin America.