

Table of Experts: Exploring the Future of Tech, Innovation & Education

Apr 22, 2021, 4:05pm EDT

When the national and global technology community writes, tweets or speaks about South Florida, are they telling a complete story? They often mention a burgeoning tech hub centered around a city – Miami – long heralded as a sun-drenched beacon of tourism and global trade, and itself hemispheric hub of tech innovation.

But consider the tech corridor it anchors – a “mega-region” stretching 120 miles along the Atlantic and home to six million residents. The South Florida technology region may be more than it may appear by reading the news.

Miami has a host of locally launched and newly lured tech firms and unicorns, such as mobility, logistics hubs and neighborhood kitchens operator Reef Technology, and newly arrived home rental platform Zumper.

Up the coast is a fairly compelling tale of tech successes. Greater Fort Lauderdale locals Ultimate Software, Chewy and eBuilder boast almost a combined \$15 billion in exits. Neighbor Magic Leap has raised some \$3 billion in funding. Global computer networking platform, Citrix, is based in Fort Lauderdale. It was founded, however, by an executive who worked at the birthplace of the IBM PC – Boca Raton, itself home to health care disruptor Modernizing Medicine, a recipient of some \$300 million in funding.

That’s South Florida’s technology landscape. Some think it’s emerging. Others would argue it’s already here.

At a recent South Florida Business Journal virtual panel discussion in partnership with Nova Southeastern University’s Alan B. Levan | NSU Broward Center of Innovation, key stakeholders from across the region’s technology, education, venture investment and innovation sectors gathered to discuss what’s here – and what’s next.

Entitled “Growing the South Florida Innovation Ecosystem,” the panel explored how cross-sector collaboration is helping ideate, incubate, fund and accelerate the region’s growth and stature and position it as the nation’s next great tech hub. They addressed the trends, challenges, opportunities and strategies it faces and its prospects for tomorrow.

“This was the first time such a panel was convened under one roof representing key stakeholders from across the tri-county region representing innovation, technology, entrepreneurship, government, and academia,” said John Wensveen, Ph.D., NSU’s chief innovation officer and executive director of the Levan Center, a public-private partnership between NSU and Broward County.

“That’s the mountain we’ve been trying to move – to reveal South Florida’s already existing and growing presence as a location destined to become a nationally ranked tech hub,” he said. “With the ingredients in place, some would argue we’re already there.”

The 54,000-square-foot center is hosted on the university's suburban Fort Lauderdale campus – a location considered by many to be South Florida's 50-yard-line between Miami to the South and the Palm Beaches to the north. The center's three themes (innovation, technology, entrepreneurship) and four pillars (ideate, incubate, accelerate, post-accelerate) elevate the innovation ecosystem across the region and beyond.

Is South Florida on the verge of a new movement around innovation, technology, and entrepreneurship? Are the big names relocating to "Miami" or South Florida having an impact? What do recent trends mean to South Florida in terms of challenges, opportunities and strategies?

Panelists explored the current state of innovation in South Florida and what it means for the future as it relates to a united tech corridor.

"The fact that maybe because it's in this early stage, it creates the opportunity for a tremendous amount of collaboration, instead of competition," said Andrew Rosman, dean of the H. Wayne Huizenga School of Business and Entrepreneurship. "There's a lot of buzz around innovation, technology and entrepreneurship across the nation, resulting in emerging opportunities at an accelerated pace. South Florida is no exception."

As president and publisher of the South Florida Business Journal, Melanie Dickinson has witnessed how the region has become intensified by the unprecedented influx of entrepreneurs, especially in the tech sector. The Levan Center's debut, scheduled for July, is timed perfectly to be "just what we need to help nurture and grow the innovation ecosystem that we're all seeing happening right now."

As an "outsider looking in," Anna Mason, managing partner of Rise of the Rest Seed Fund at Revolution LLC, has been impressed with the infrastructure that has been proactively implemented to support the technology ecosystem. It clearly incorporates every relevant level, including education, the business sector and government.

Education seeding next-gen talent

To many, the future begins with higher education. Spanning this three-county, multi-cultural "mega-region" of more than 6 million people are 10 colleges, universities and research institutions luring professors and leadership educating the next generation of technologists in sectors such as IT, security, health care, fintech and others.

Along with those technologists relocating here, either for the much-heralded opportunity of a burgeoning market, or a virtual workplace in the sunshine made obvious and possible amid Covid-19, a skilled tech workforce is critical to the future of the region's ecosystem. "Too many locals attend out-of-state universities to earn their degrees, and never return," said Manish Hirapara, CEO of PeakActivity. "Firms need them to stay so local talent can be developed."

"Some universities are developing accelerated degree, certification or stacked credential programs to upskill and reskill students with the credentials demanded by industry," Wensveen said. This way, the market will build its base and rely less on the need to import the talent.

"Couple these skills with students' lived experience gained only by working in the space and the region could find the talent it needs," said Lillian Roberts, founder and CEO of Xendoo. "It is a

unique skill set that for you to be able to think, move, and run at the speed of a startup and the constant change that happens in startups.”

“A regional perspective is helping,” added Michael Udine, vice mayor of Broward County. “As universities collaborate together and with local employers, innovation hubs become a breeding ground for next-generation talent.”

But it needs to start earlier, he noted, in high school with coding skills, IT courses, “even the soft skills that help fledgling employees navigate the confusing complexities of the workplace,” he said.

“The 10 major universities in South Florida are pushing out a lot of good talent,” Udine said. “We need to make it welcoming for them to stay here and by scaling up with a lot of these companies and by doing what we need to do as government and as a region, I think we're on our way to doing that.”

An infusion of capital – and Investors

Headlines have teemed recently with news of venture capital firms and investors moving to the market. They include Founders Fund, Blackstone, iSquared Capital, Citadel, Icahn Enterprises and Starwood Capital. Most are hot in pursuit of the region’s technology, fintech, health care, logistics and aerospace disruptors and innovators. Venture-backed companies based in greater Miami raised \$2 billion in 2020, according to CrunchBase.

By these examples and others, the pursuit of capital is “no longer a problem,” Roberts said. “Anybody from any stage can find the money they need. And it's smart money – the operator money that's here.”

“The scale of exits is changing the marketplace. Along with the national players attracted to the local market, all those local exit execs have become investors,” said Ron Antevy, the e-Builder CEO who oversaw the company’s \$500 million exit in 2018.

South Florida investors once were limited to wealthy execs who made their fortunes elsewhere and relocated here. But they often invested in their hometowns. “Now, the region is flush with money looking for opportunities,” Udine said.

“We have a network of people that are willing to invest,” said Udine, who himself recently invested in a start up through the Start Engine platform.

One concern raised was the social implications of investing. “Many tech start-ups have family, friends and angels able and willing to make seed investments at the earliest stages. Countless other start-ups don’t have those relations or connections,” said Raul Moas, Miami program director with the Knight Foundation.

So it was good news to hear in late 2020 that the SoftBank Opportunity Fund would dedicate \$100 million for Black, Latinx and other minority-owned startups.

“I'm thrilled that SoftBank has made such a huge commitment,” Moas said. Without it, “not only are we kind of creating a less equitable and less inclusive kind of community and society but we're also keeping a really good number of smart talented, kind of gritty hustlers out of the game.”

Government's role in building an ecosystem

With academia and businesses already collaborating, the obvious next partner is government. From cities to counties, even at the state level, government can play a critical role in the innovation ecosystem. As is being discussed at the national level, government can drive investments in infrastructure, serve as conduit for relationships, even implement or loosen restrictions to facilitate entrepreneurship. As one panelist said, its role should be to “stay out of the way and don’t over-regulate.”

Not to be overlooked, “govtech” is a growing part of the tech sector, Mason added. The digital transformation facing the private sector isn’t being overlooked by those in the government sphere, and she sees 2021 as a “renaissance” among municipalities and government organizations who saw their roles as essential during the pandemic. They realize they need to be prepared for “forced innovation,” she said.

As with the Levan Center, Broward’s collaboration with NSU can create a much-needed catalyst for business improvement and an accelerated pace of change.

Several panelists, however, noted how cities and counties play an even more basic role. Markets like South Florida are seeing real estate values and sale prices achieving never-before-seen levels. Roberts, Udine and others cautioned that affordable housing must be ensured, especially when, as seen in other markets, a booming, higher-paying tech sector, can run up home prices and rental rates – and chase employees in core industries, like hospitality and tourism, farther from the city center.

That also means improving public transportation, both to improve low-cost commuting options and keep streets uncluttered with vehicles.

Cities and counties also play a role by investing in cultural projects. In Miami, the creation of the Underline beneath the Metrorail tracks has opened a new recreational and entertainment space in formerly unutilized areas, Moas said.

“That is interesting, unique and engaging and attaches people to place,” he said. “Quality of life will absolutely be a driver in this new world order, if you will, around where talent chooses to be.”

South Florida as a global hub

Miami has long been considered the “gateway to the Americas.” With six international airports and seaports, the moniker applies to the entire region. As the world flattens, new business, both opportunities and relocations, as well as talent will come calling on South Florida. The region’s growing tech and business services infrastructure, as well as its ease of travel and connections, have placed it in the same conversations as New York, London, Beijing or Shanghai.

What’s more, the redistribution of global talent broadens local opportunities and thinking. When Hirapara was forming a new machine learning start-up, he required the unique insights of a surgeon, a technologist and a business executive. All were located in South Florida, which helped distill diverse problems into solvable solutions.

“Ultimately, innovation solved a specific problem by having people representative of different walks of life who we went to on this journey together – people that you wouldn't find in a closed ecosystem,” he said.

From aspiring world city to multicultural hub, South Florida has become a global destination especially enticing for the creative class.

“You have a global perspective and you’re able to attract ideas and people from around the globe,” Moas said. “That’s absolutely essential to being an emerging and successful hub in tech or in the knowledge economy.”

Future challenges & opportunities

Panelists were asked about the foreseeable challenges impacting South Florida’s long-term tech success and what its innovation ecosystem needed to support early-stage and young startup companies. Opinions were mixed. Antevy’s \$500 million exit notwithstanding, his biggest challenge has always been finding ways to “compare notes” with fellow entrepreneurs.

Melissa Medina, president of eMerge Americas, said South Florida must leverage its evolution from a “gateway” destination to “a global hub.” She called the opportunity “incredible” for the community – one that must be embraced. Moreover, the community must “create bridges with newcomers” and incorporate them into part of the fiber and DNA of the next phase of South Florida tech,” she said. It’s “a tremendous opportunity to capitalize on the momentum and become a major hub where startups thrive.”

All this won’t happen on its own, Hirapara advised. His firm doesn’t wait for opportunities to arrive, or for federal, state and local governments to collaborate, or for locals to discover who those newcomers are. He builds the bridge.

“We can’t do enough marketing,” he said. “We’re rallying behind shared success if we can get winners coming out of South Florida for solving complex problems, then those successes go right back into the ecosystem. One of the greatest things about other ecosystems with connected parts is as one part succeeds, it cascades down to the other parts. So, I feel like we’re putting awareness on the map of who these startups are by having us trade with each other.”

Wensveen characterized South Florida’s current state as a “rapid accelerated age of disruption” that’s only going to accelerate further and become more disruptive to our potential benefit. Investments in infrastructure will continue to grow and position the region as state and global gateway. Atop that, growth among innovation centers, incubators and accelerators will establish the region as “one of the great platforms that continues to have the ability to be able to have that kind of pull.”

It won’t happen on its own.

“We have to do a better job of creating a whole life-cycle model that collaborates with all of the sectors of all of the stakeholders and take existing successes and market the heck out of that so people know there are great things happening and then be very welcoming to newcomers and allowing them to be successful.”

Udine recounted how he recently had lunch with mayors Francis X. Suarez of Miami, Scott Singer of Boca Raton, and Dean J. Trantalis of Fort Lauderdale. They saw the region as a hemispheric hub, but much more. Udine described it as #305954561 – each county’s area code – a shared identity that erases county lines and promotes the region.

It's about "connecting the dots," said Medina, whose father, Manny Medina, built the NAP of the Americas, a network access point he later sold to Verizon, but not before the massive, 750,000-square-foot data center and Internet exchange point put Miami and South Florida on the global tech map.

Beyond connecting entrepreneurs, universities, investors and government sector enterprises, tech leaders must showcase the almost intangible assets that set South Florida apart.

"I think playing to our strengths is key. We have a diverse workforce, a multicultural community, the great tax structure," she said.

Spanning South Florida's Atlantic coast, some refer to it as "Silicon Valley of the East." Medina isn't buying it. She prefers to leave out any mention of "Silicon Beach," or comparisons to New York or Boston or Atlanta, she said.

"We are our own unique tech hub and we're growing our own unique ecosystem," she said. "There's enough space for all of us, and all we need to do is play to our strengths."

What will the South Florida innovation ecosystem look like in five years?

Michael Udine: We're in the middle inning stages of something great and we don't want to leave people behind. One of the things that make us great is our diversity. Five years from now, there's going to be exponentially more mentors and people available to make those connections with the next generation of future unicorns. It's an exciting time to be a part of it.

Melissa Medina: Just think of everything under the word "more" - more success stories, more established as a global tech hub, more amazing female founders that are not only great success stories, but that are giving back to the community and building more businesses here. If we create that cycle, five years from now we're going to look back at this conversation and just say that we were all right, that the elements were all coming together and the story is going to be that South Florida is a thriving global tech hub.

Manish Hirapara: I'm from here, but only now have made some of these connections. The Levan Center is bringing us together. So having these resources will let us be connected five years from now and be in the big leagues. I always think the big get bigger. We're going to be in that elite top 10, if you will, of innovation and ecosystems.

Ron Antevy: There's going to be more scale ups here and companies that stay here. It's going to be a very positive conversation. This is exciting. For years we've talked about all this stuff and I feel like the traction is finally here. Yes, we're in the early stages. But man, it gets me fired up to think we all were some small part hopefully of helping the community get to a really great place on innovation and technology.

Lil Roberts: We're going to be changed in such a positive way on so many levels that we haven't even begun to realize yet. Think about the children, and all of these conversations that the parents who go home and their conversations with their children. These children grow up thinking, "everything is possible," and they think what innovation they can do. We're going to have not only a culture of people who will grow up and stay in South Florida, which we haven't had before, but we're also building wealth for all people of South Florida. We're building that foundation for our community.

John Wensveen: A tech hub typically is defined by one, two, maybe three different types of technology. South Florida is not going to be defined by one or two or three very specific areas that we're known for. We're going to be known for so many other things, new industries that emerged that we're not even aware of yet or they take another life that we're not familiar with yet. The future is here, but we don't know really what it looks like.

Anna Mason: I've actually had goosebumps hearing everyone talk about the growth and opportunity. We should be talking about retention in every meaning of the word. Are we retaining our young people to stay in the region, are we retaining all this extraordinary talent that has moved to the region, are we retaining companies we're building and scaling here, are we retaining the roots of equity and diversity and inclusion that are so critical, and are we looking at our positive net revenue retention? These will be incredibly important mile markers of how much growth and excitement translates into tangible outcome and results.

Source: <https://www.bizjournals.com/southflorida/news/2021/04/22/exploring-the-future-of-tech-innovation-education.html>