

# eMERGE INSIGHTS

VENTURE ACTIVITY AND INVESTMENT TRENDS

**MIAMI TECH  
RESILIENCE  
SHINES  
THROUGH**

## TOP TRENDS

TO WATCH IN  
FLORIDA  
INVESTMENTS

**VC INVESTMENTS  
IN LATIN AMERICA  
AMID THE PANDEMIC**

**HSBC BANK  
UNIQUELY  
POSITIONED  
IN THE TECH  
INDUSTRY**

**CHILE  
IS TAKING ITS  
INNOVATION  
GLOBAL**

**BRATTER PA:  
ENTREPRENEURS NEED  
LONG-TERM IMMIGRATION  
STRATEGY**

IN PARTNERSHIP WITH



KNIGHT  
FOUNDATION

# TABLE OF CONTENTS



4	Letter from the team About eMerge Americas	8	1H 2020 Highlights	10	Florida Snapshot	20	Chile Is Taking Its Innovation Global
6	Letter from the Editor	9	Metro Area & State Rankings for VC	14	Top Trends to Watch	22	Bratter PA: Entrepreneurs Need Long-Term Immigration Strategy
				16	VC Investment in Latin America Amid the Pandemic	26	Methodology
				18	HSBC Bank Uniquely Positioned in the Tech Industry		

# Letter From The Team

COVID-19. Social unrest. A contentious election season. 2020 has been a stop, start year with pressures that have lurched us into an unpredictable climate beleaguered with challenges for entrepreneurs and investors. We took this as a rallying call - anchored in our mission to connect the dots within the tech ecosystem - that resulted in powerful and deeply introspective conversations with our corporate partners, startup founders, higher education institutions, and government officials - because, ultimately, we all must work cohesively to create a thriving tech and entrepreneurial hub that is greater than the sum of our parts.

Without a doubt, this has been a tumultuous and watershed year on diversity and inclusion. The national conversation around systemic racism has caused businesses to shift from talking about the problem and to start propelling progress on racial equity across every area of their organization. While many companies are at different points in this journey, we hope the takeaways from the national conversation will help them challenge certain aspects of their business model to move the needle on racial equity and, in turn, create real, and

significant value for their businesses. For eMerge Americas, we learned that the way forward isn't about doing more of the same - it's deciding what we're willing to do differently, including how we ensure our resources and content advance the diverse founders we have in our local ecosystem.

At the time of this report's publication, the South Florida region has seen an unbelievable sprint in VC activity and a collective effort to close the year with positive news. For example, ShipMonk and MDLive closed massive funding rounds, the Center for Black Innovation officially launched with national support, and the first COVID-19 vaccines have been delivered to local South Florida hospitals - just to name a few. As 2020 proved, no one can say for sure what 2021 will bring. Yet, this special report draws on the Pitchbook data from the first half of 2020 to set an optimistic stage for what's to come.

Our community will continue to emerge stronger and more resilient than ever before. Our strength is, and always has been, our resiliency.



Left to right: Diane Vidoni, COO of eMerge Americas; Felice Gorordo, CEO of eMerge Americas; Melissa Medina, President of eMerge Americas

# About eMerge Americas

eMerge Americas is the premier technology event connecting the Americas, held annually at the Miami Beach Convention Center. By connecting global industry leaders and investors with corporate business executives, government leaders, and entrepreneurs, eMerge Americas is transforming Miami into the tech hub of the Americas. In 2019, eMerge Americas attracted more than 16,000 attendees and more than 400 participating companies from over 40 countries. eMerge Americas serves as a catalyst to propel innovation and investment in South Florida and Latin America. The eMerge Americas founding partners include: Medina Capital, A-Rod Corporation, Greenberg Traurig, Knight Foundation, Miami-Dade County, and the Miami Herald. For more information about eMerge Americas, please visit: [emergeamericas.com](http://emergeamericas.com)

## OUR TEAM



**FELICE GORORDO**  
CEO,  
eMERGE AMERICAS



**MELISSA MEDINA**  
PRESIDENT,  
eMERGE AMERICAS



**DIANE VIDONI**  
COO,  
eMERGE AMERICAS



**ASHLEY ABDULLAH**  
DIRECTOR OF MARKETING,  
eMERGE AMERICAS



**NANCY DAHLBERG**  
INSIGHTS EDITOR



**DOREEN HEMLOCK**  
INSIGHTS EDITOR

# Letter From the Editor

## Now more than ever, #MiamiTech resilience shines through

What a year it has been. The COVID-19 health crisis and the crushing recession it unleashed has been devastating to our community. If there is any silver lining in all this, it is that the tech sector and South Florida's tech startups have shown amazing resilience as a whole, and the tech and startup community mobilized quickly to launch programs and fund resources to support one another and the region at large. There's long been a need for a more diversified South Florida economy – not one so reliant on hospitality/tourism and real estate. COVID made the case loud and clear that tech needs to be a larger economic driver – and be there for the whole community. The Black Lives Matter movement of 2020 spurred the tech community to look inward at our inclusivity, and what we've seen is there is work to do.

"The events of 2020 have proved to be an inflection point -- one that shined a harsh but veritable light on the disparities in access to opportunities and resources for groups of entrepreneurs in Miami," said Leigh-Ann Buchanan, VentureCafe Miami's Executive Director.

The Miami-Dade Beacon Council's Technology Committee rolled out MiamiTech.Works, a one-stop-shop portal with local information aimed at connecting those recently laid off or underemployed with local reskilling opportunities in tech, such as short courses by local coding schools, personalized career development coaching and one-on-one access to hiring managers of companies currently looking for workers.

The Knight Foundation funded a number of initiatives, such as Black Angels Miami focused on getting more black and brown professionals involved in startup investing, as well as Black Girl Ventures and Culture Shift Labs. In the early days of the pandemic, Knight and Krillion Ventures also formed a successful pop-up program, SWOT305, to provide free 1-on-1 coaching, cohort-based classes and forums with investors about how entrepreneurs could make the best decisions with the resources they have to weather the storm, said Raul Moas, Knight's Miami Program Director.

Knight also funded a scholarship program for Wyncode Academy's coding bootcamps, and other organizations stepped up with more grant programs, scholarships, additional office hours, informational webinars and resources. "It has been remarkable how people have helped other people in need. Information was almost real-time available for people and businesses," said Laura Gonzalez-Estefani, founder and CEO of TheVentureCity. "We have learned that together we are stronger." The work continues on all fronts, but we have positive momentum in the ecosystem to report:

> In October, Private equity giant Blackstone announced it would be setting up a large office in Miami, bringing as many as 215 tech-focused jobs, paying average annual salaries of \$200,000. This follows last year's news of SoftBank Group significantly growing its presence in the Magic City, and Kaseya and OfferUp increasing hiring.

> In the Inc. 5000 list of fastest growing companies, South Florida was well represented with 157 companies making the list, up from 149 companies in 2019 and 125 in 2016. Arteza, the art supplies e-commerce startup, ranked at the top in South Florida for 3-year growth of 7,551 percent. Other tech and startup companies in the top 100 include

ZeroBounce, Ecosystems, TaxFyle and Springbig.

> And despite it all, venture capital flows slowed but did not shut down, following the South Florida's record-setting 2019. In the first half of the year, as the following pages of this report will show, the Miami metro ranked 11th in the country in the first half of the year. Major fundings so far in the second half include a \$50 million equity investment into telehealth pioneer MDLIVE, now valued as a unicorn, and a \$72 million raise for Neocis, a Miami healthcare-robotics company.

So far in 2020, Miami Angels, South Florida's largest angel network with about 100 members, invested over \$2.3 million in nine new Florida-based deals and made five follow-on investments. The group has also seen more engagement with higher meeting attendance because of the convenience of Zoom.

What's more, Miami-based TheVentureCity, which funds 68 startups globally, reports that many of its startups raised or are currently raising in the middle of a pandemic. LAB Ventures has resumed fundraising for its new \$50 million fund for proptech, one of Miami's growing startup sectors.

While in-person conferences, networking and pitching events were shut down by COVID, including eMerge Americas signature conference, eMerge, Venture Café, Endeavor Miami and many other community organizations didn't miss a beat by holding investor talks, showcases and pitching events virtually. As might be expected, some startups were able to seize opportunity during the pandemic, particularly in areas like telehealth, remote work and schooling, logistics and e-commerce.

Papa, which connects the elderly with "Papa Pals" for help with life's everyday challenges, raised \$18 million in venture capital, despite the pandemic. "The loneliness epidemic has only been exasperated by the pandemic. We launched virtual visits in an effort to provide assistance from a distance during this time," said Andrew Parker, Papa's founder and CEO.

Edtech startup Caribu grew 10X literally overnight, said CEO and co-founder Maxeme Tuchman. "For

families during the pandemic, their #1 priority was to stay safe, but their #2 priority has been to stay sane. Caribu, fortunately, fits squarely in that second priority and I am truly grateful that we've been able to help kids and their families stay connected in a more fun, engaging, and educational way during this very difficult time."

Similarly, Arteza has seen major increases in demand and new customers. "The levels we are experiencing are significantly greater than pre-pandemic, nearly catapulting us a year beyond our proposed roadmap," said Brenda Freeman, who was named CEO of Arteza this year. "We've also expanded as a company, nearly doubling our staff and continuing to hire ambitiously."

Several other South Florida tech companies have new CEOs this year. Magic Leap's board selected Peggy Johnson, a Microsoft executive with more than 30 years of experience bringing tech enterprise solutions to market. Plum and Nymbus also have new CEOs, all industry veterans.

The Miami tech community is in a position to benefit from the remote work surge, as more people in tech can work from anywhere, Moas says. The need for a strong, inclusive tech hub is great because 2020 has "elevated, once again, our region's dependence on highly susceptible and vulnerable sectors in the economy, tourism and hospitality in particular," he said. "The folks in Miami who are the least prepared to take a hit are the ones taking the biggest hit."

Adds Felecia Hatcher, co-founder for Center for Black Innovation: "I think we, in some ways, stopped focusing on are we building the next unicorn here in South Florida and started asking is the collective ok? We need community more than ever, and we should never stop trying to build it. The year has also taught us that we must widen the scope of what community means, and use what we can in moments of crisis to gather and support each other."

I am honored, once again, to be authoring this report for eMerge Americas and for you. Come along as we explore our region's trends in startup building and venture capital.

--Nancy Dahlberg

# 1H 2020 Highlights

**\$690.23 MILLION**  
INVESTED

**75**  
DEALS

**11TH** IN THE NATION  
VC INVESTMENTS  
BY DOLLAR VOLUME

**48%** ANGEL OR SEED STAGE DEALS

Coming off a record year for venture capital in 2019 and then slammed by a global pandemic that has been devastating to the South Florida economy, the Miami-Fort Lauderdale metro area nevertheless showed its strength, relatively speaking, in the first half of 2020, attracting most of the venture capital dollars in the state. Once again, startups in healthcare-related sectors showed the most resilience – and if trends from 1H 2020 hold, even growth.

**\$690.23 million** was invested in South Florida startups and later-stage companies in **75 deals**. The total was led by a **\$350 million first-quarter round** for Magic Leap. Still, that 1H total compares to **\$1.7 billion across 79 deals during the first half of 2019**.

Florida ranked **6th** in the U.S. for dollar value of deals for the first half of 2020. South Florida was **11th among metro areas**, and came in just behind Atlanta, which had the highest total in the Southeast.

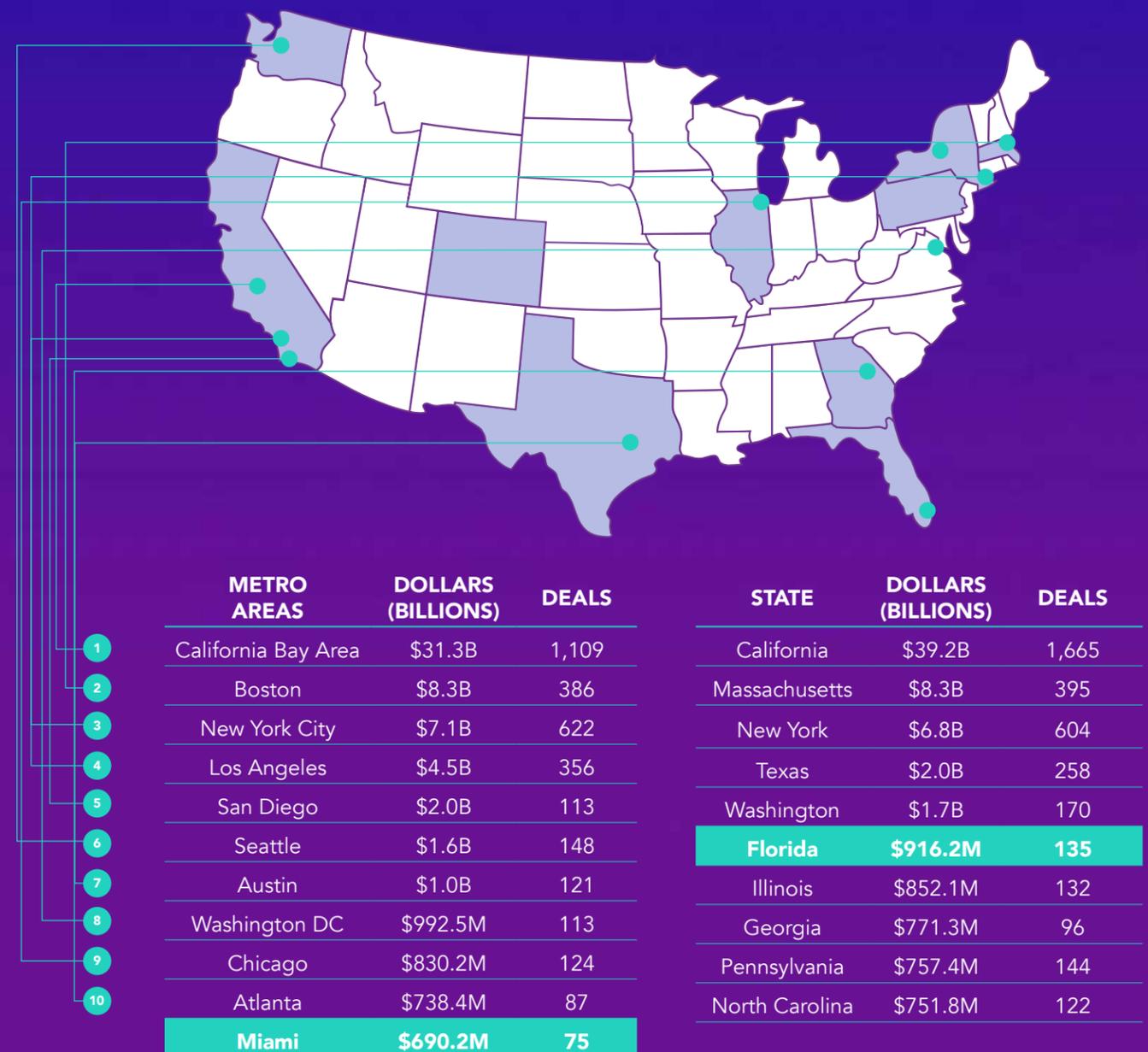
Startups based in the Greater Miami area snagged **75%** of the state’s venture capital take in dollars and **56% of the deals**.

Healthcare is on a tear. Nearly **4 out of every 10 deals** were healthcare related – either health-tech, biotech, pharma or healthcare services – in the first half in South Florida. Those deals represented more than **half a billion dollars**.

**48%** of the deals in 1H 2020 in South Florida were angel or seed stage deals, down from 2019. But three of every 10 deals were later stage (Series B or higher) in 1H 2020, sharply up from **21%** in all of 2019.

# Metro Area and State Rankings for VC

While 67% of U.S. venture capital dollars came from San Francisco-Silicon Valley, New York and Boston, the Miami metro ranked 11th in the country by deal value in the first half of 2020 but drew far fewer deals than the top 10. Like in 2019, Florida ranked 6th in the country by deal value. Three southern states made the top 10. Nationally, the first half of 2020 saw \$69.6 billion invested in 5,058 deals, about on track with last year, despite the pandemic.

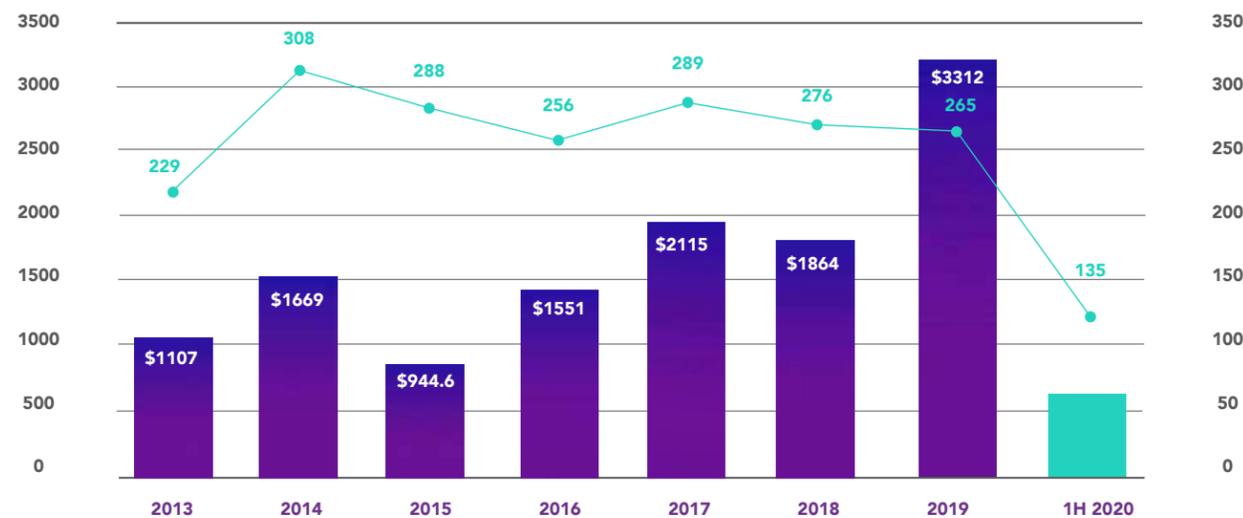


\*Source: Pitchbook \* Reported by CB Insights

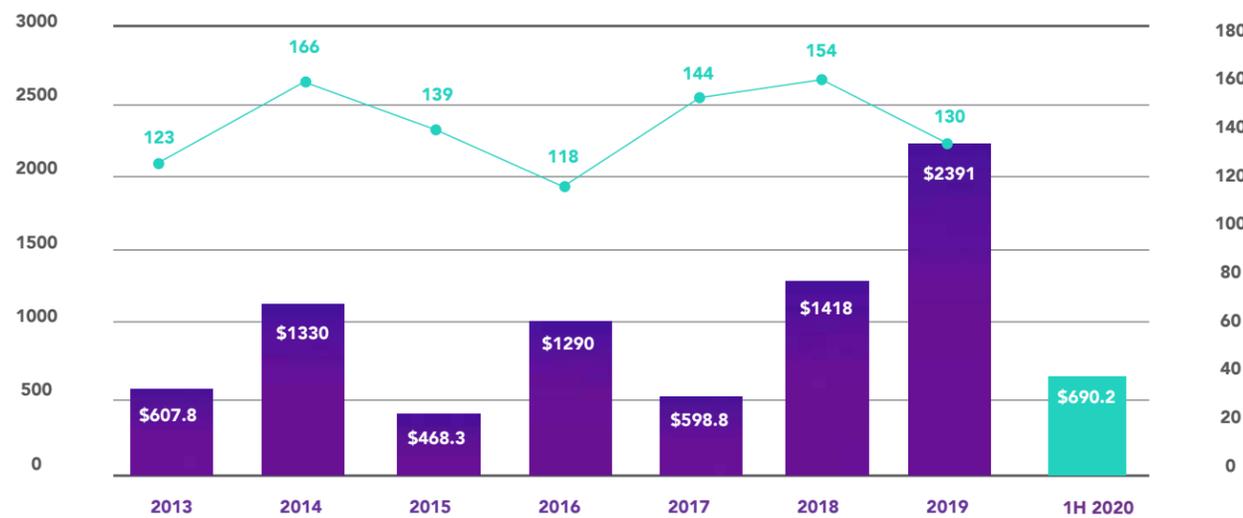
# Florida Snapshot

\$916.2 million of VC dollars flowed into the Sunshine State in the first half of 2020, with help from large rounds by Spatial Networks, Mize and ObvioHealth. In the first half, the number of deals were on pace with recent

DEAL FLOW INTO FLORIDA COMPANIES BY NUMBER OF DEALS AND DOLLARS, BY YEAR



DEAL FLOW THROUGH THE YEARS, SOME WITH MEGA-ROUNDS



■ Dollar Value by Year (\$M USD) ■ Number of Deals by Year

\*Source: Historical data tracked by Pitchbook (includes Pitchbook revisions); 2019 data from Pitchbook but includes 4 deals tracked by CB Insights or author's research

# Top Florida Deals Outside South Florida, 2020

TOP FLORIDA DEALS OUTSIDE SOUTH FLORIDA 1H 2020

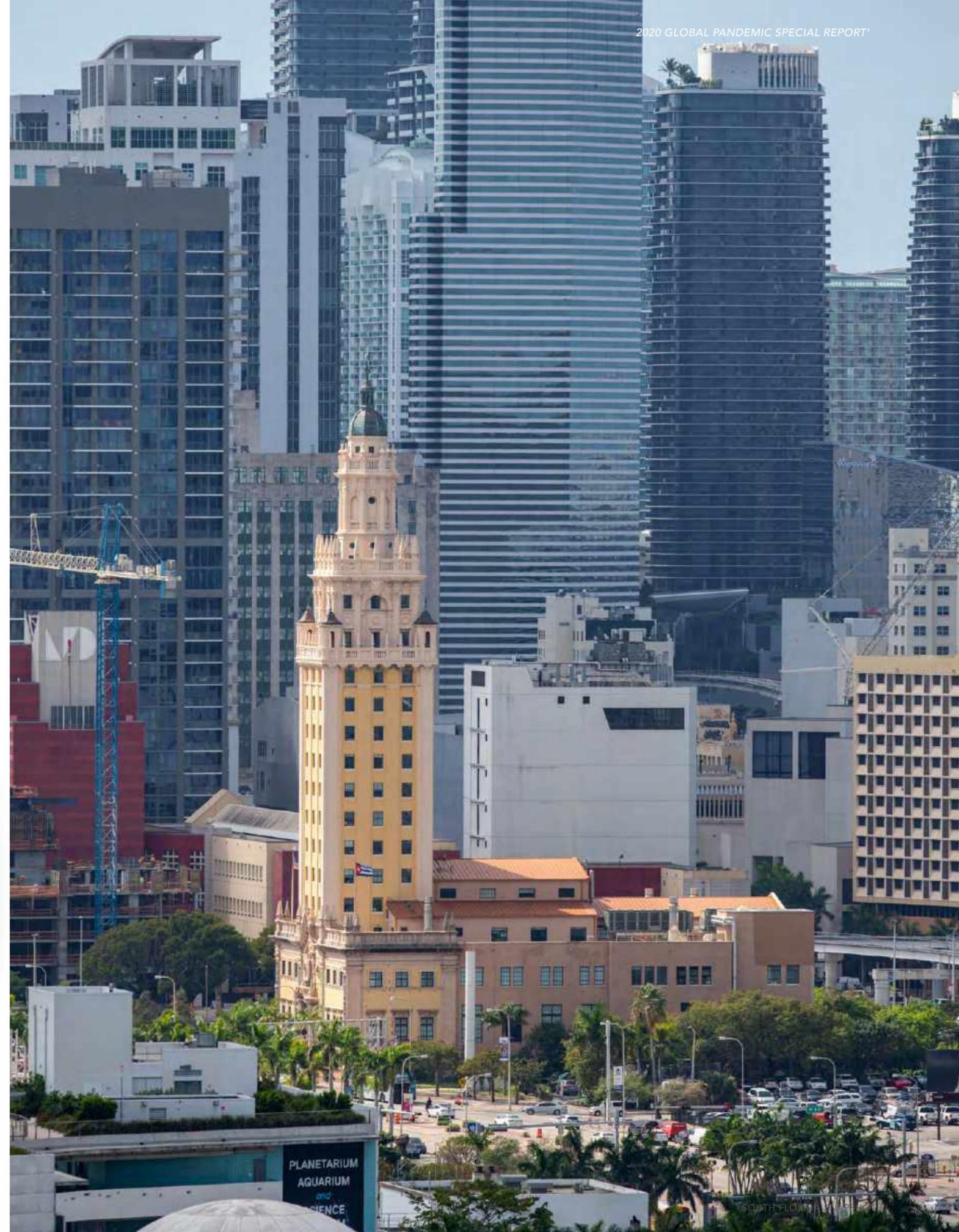
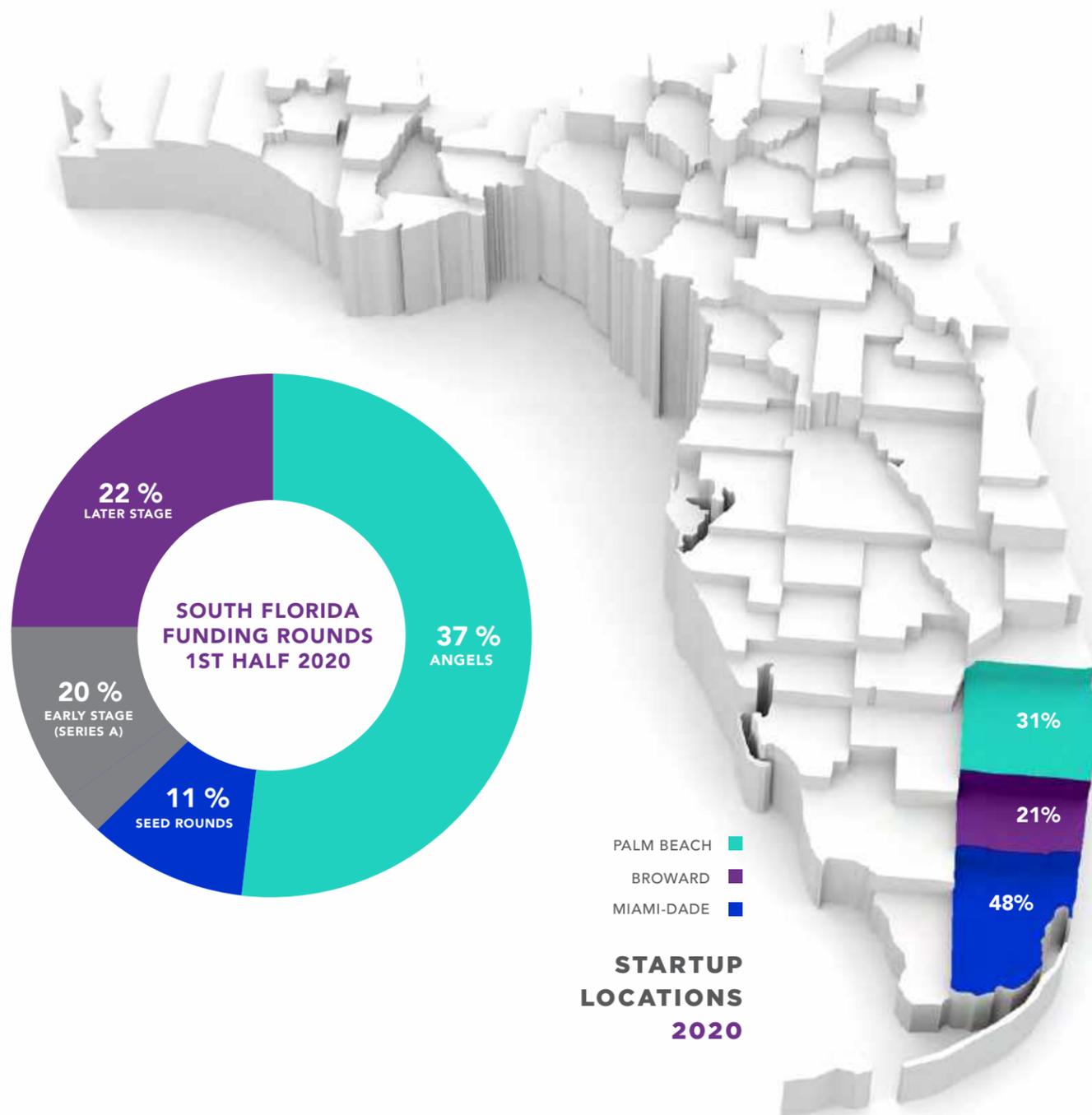
COMPANY	ROUND	SECTOR	HQ
Spatial Networks	\$47 million	Geospatial data collection	St. Petersburg
Mize	\$20 million	Consumer engagement platform	Tampa
ObvioHealth	\$19 million	Healthcare technology	Orlando
OXFIT	\$16.8 million	Robotics technology/stealth	Pensacola
TELEPATHY LABS	\$15 million	Chat bot technology	Tampa
Feathr	\$12 million	Ad-tech	Gainesville
VIOLET DEFENSE	\$10.5 million	Health-tech	Orlando
peerfit	\$10 million	Health-tech	Tampa
healthē	\$9.63 million	Circadian and biological lighting	Melbourne
OneRail	\$5.8 million	Logistics software	Orlando

TOP FUNDED SOUTHFLORIDA COMPANIES IN 1H 2020

COMPANY	ROUND	SECTOR	HQ
magic leap	\$350 million	AR/Spatial Computing	Plantation
ORTHOSENSOR	\$42 million	Surgical devices	Dania Beach
encompass	\$33 million	Commercial products	West Palm Beach
BOLT	\$30 million	Micro-mobility/e-scooters	Miami Beach
PredaSAR	\$25 million	Space technology	Boca Raton
EXUMA Biotech	\$19 million	Biotech startup in oncology	West Palm Beach
NYMBUS	\$12 million	Financial technology	Miami Beach
DermaSensor	\$11.5 million	Health-tech/devices	Miami
Honorlock	\$11.5 million	Application software	Boca Raton
Bidtellect	\$10.48 million	Ad-tech	Delray Beach
Fanatiz	\$10 million	Streaming sports platform	Miami

# Let's Dig Deeper

What did South Florida funding rounds look like?  
Where are the startups based?



# Top Trends to Watch

## Healthcare most active industry (again)

The venture numbers are in for the first half of 2020, and once again, healthcare-related companies showed outsized strength in the Miami-Fort Lauderdale startup ecosystem – and growth even during a global pandemic. After encompassing 23% of the deals in 2018 and 30% of the deals in 2019, health-tech, medical device, biotech/pharma and health/wellness services companies got off to a solid start in 2020, with 37% of the deals. Yes, we see a trend. Of the 28 deals in healthcare, 10 were in health-tech, 8 were medical device companies, 7 were in the biotech or pharma space, and 3 were in other services.

Expect healthcare to close out the year strong. Since the second-quarter stats were tallied, three significant funding announcements rolled in. In September, telehealth pioneer MDLIVE, based in Miramar, announced it has raised \$50 million in equity and \$25 million in debt, resurrecting speculation an IPO may be in the plans for next year. A few weeks later, elder-tech solution Papa, which has been on a tear selling its service to health insurance plans nationwide, announced an \$18 million Series B round, and entrepreneurship runs in the founder's family. Papa's founder and CEO Andrew Parker is the son of MDLIVE's founder, Randy Parker. Aegle, a biotechnology company backed by Florida's New World Angels and DeepWork Capital, raised an additional \$5.6 million in September after attracting \$4 million in January.



Randy Parker, former CEO of telehealth pioneer MDLIVE. In September, MDLIVE announced it has raised \$50 million in equity and \$25 million in debt, resurrecting speculation an IPO may be in the plans for next year.

This all shows that healthcare-related technology and biotechnology startups are one of the clusters of promise and impact for South Florida economic development, as accessible, affordable healthcare is out of reach of many. Miami already has the second largest health district in the U.S., South Florida's universities and colleges have a growing number of programs and degree curriculums serving the industry, and the diverse population base along with the number of senior citizens who call South Florida home make for a compelling place to test and roll out new solutions.

## Later-stage deals are trending (again)

The Miami-Fort Lauderdale metro area is always hot market for angel and seed stage deals, and this shouldn't be a surprise because the metro area often ranks tops in the U.S. for new business creation. In the past few years, new funds serving up seed or Series A investments have formed too. Yet, perhaps

because of the pandemic crisis, the two categories fell back in number of deals in the first half and made up 48% of the deals (down from 66% in 2019). It's a trend we saw nationally also, with first-time financings and completed seed stage deals down significantly in the first half.

Yet, starting in 2019 and continuing into 2020, later-stage deals have jumped. Later-stage deals, defined here as Series B or higher, comprised 32% of the deal total in the first half of 2020. That pace is quite a jump from 21.5% in 2019 and 13% in 2018. What's more, it's on par with national trends. If the pace of the 1H continues nationally, both late-stage deal count and deal value will end higher than in 2019, a record.

Helped by the outsized Magic Leap round of \$350 million, later-stage companies in South Florida attracted just over \$514 million in the first half. That's three-quarters of all the dollars flowing to South Florida companies.

The second half of the year has also started out strong for later-stage companies: In addition to MDLIVE's \$50 million equity raise, Ubicquia, a smart-city technology startup that relocated its HQ to Fort Lauderdale this summer, announced a \$30 million Series C funding round.

## Other trends to watch

**Fintech rebounds and continues to be a strong sector for South Florida:** In 2018 financial technology companies made up 18% of the South Florida deals, but in 2019 there were just 12 deals making up 9%. Watch out for 2020: The pace was strong in the first half with 17 deals, or 23% of the deals so far. And in the 3rd quarter, Marco Financial, a Miami-based fin-tech company focused on the Latin America market, announced it had raised \$26 million in debt and equity financing, its first institutional round.

**Sectors to watch:** Ad-tech and ed-tech showed strength, with four deals each in the first half; real estate-tech companies closed 5 rounds. For the first time, there was a significant showing (4 deals) in clean-tech. Among the 75 deals, 10 identified themselves as AI, machine learning or big data companies.

**Who's leading the companies?** Men. Of the 56 companies that raised a million dollars or more, only three were led by female CEOs: Bolt Mobility (Julia Steyn), Aegle Therapeutics (Shelly Hartman) and Carson Life (Sonia Guzman), according to Pitchbook's data. That's of course only one indicator – some of the other 53 companies may have a female co-founder – but it's a trend to watch.

Pitchbook reported that nationally, investment in women-led companies has trended down so far this year.

## Both locally and nationally, exit activity languishes

There were no exits tracked in either Miami-Fort Lauderdale metro area or the state of Florida in the second quarter of 2020. There were just three exits tracked in the state in Q1, led by CareCloud's \$32 million exit. Nationally, the exit count is on track to be the lowest since 2011, according to Pitchbook. Davie-based mortgage loan processing fintech Wemlo announced in September it was being acquired by REMAX. Terms of the deal were not disclosed.

## Other deals of note: Keep an eye on key Israel connections

Insightec, whose chairman and CEO is Maurice R. Ferre, announced in March that it had raised \$150 million in a Series F investment round led by Koch Disruptive Technologies. Insightec's incisionless surgery technology is FDA approved for the treatment of essential tremor and tremor-dominant Parkinson's and is used in more than 65 medical centers worldwide, including in South Florida. Its global headquarters is Israel but its U.S. base is Miami. Ferre, who co-founded Mako Surgical, was named Insightec's CEO in 2016 and guided the company toward its current focus on neurology. What's more, another Israeli company now calls the Magic City its U.S. headquarters. Tabit, a hospitality-tech company, announced in April it had raised \$35 million to fund its continued U.S. expansion that will be directed from Miami. In recent years, Israeli startups have increasingly been choosing Florida for their launching pads to enter the U.S. market, and community efforts are underway to accelerate that trend.

# VC Investment in Latin America Amid the Pandemic

Despite the ravages of coronavirus, venture capital investment in Latin America held relatively steady in the first half of 2020, according to the Association for Private Capital Investment in Latin America known as LAVCA.

A total \$1.2 billion in venture capital was invested across 170 transactions in Latin America during the half. That's down from a record \$2.5 billion invested in 204 transactions year earlier, when Softbank's new \$5 billion Latin American Innovation Fund boosted the total, the group says.

But excluding the rounds led by Softbank, the first half this year represented "the highest half-year total on record for VC deal value for LAVCA," the New York-based group says in its mid-year report. Early-stage startups attracted the majority of VC investment in Latin America during the first half this year: \$679 million through 82 deals. Especially hot: "Startups specializing in digital platforms that offer e-commerce, education, finance and health care products have been uniquely positioned, as much of the region's quarantined consumer base shifts toward tech-enabled solutions," says LAVCA. Among the most active VC dealmakers in the region during the half: Canary, with 22 deals and DOMO Invest, with 12. They were followed by Kaszek Ventures, Maya Capital, Redpoint events and monashees, says the report.

Cash kept flowing into investment funds during the half too. Fundraising for Latin America-focused private capital funds rose 30 percent in the period from a year earlier to \$1.7 billion. Two-thirds of that new cash went to venture capital and private credit funds, says LAVCA.

Still, total investment from all types of private capital slipped in Latin America in the half, dropping to \$3.6 billion from a record \$7.4 billion a year earlier. That's partly because investments in

local currencies translated into smaller amounts in dollars, as the Brazilian real alone lost 26 percent of its value against the dollar in the period. Brazil routinely attracts the most private capital among regional nations.

Exits accelerated in the period, however. The dollar value of exits rose to \$5.1 billion from \$3.7 billion a year earlier, mainly through strategic sales. "As the Americas recover, public markets have strengthened at a faster pace, and fund managers are eyeing public offerings in the US and Brazil," says LAVCA.

Venture capital investment into Latin America has been soaring. LAVCA tallied \$4.6 billion in VC investment in the region last year, up from \$2 billion in 2018 and just \$500 million two years earlier. The \$1.2 billion investment in the first half this year more than doubled the full-year tally for 2016.

---Doreen Hemlock



Doreen Hemlock, Insights Editor



# HSBC Bank Uniquely Positioned in the Tech Industry

International bank, HSBC, realizes that whether it is a startup or a fast-growing business, a banking partner that understands the complexities of the technology industry is of the utmost importance. Prior to, during and after the COVID-19 pandemic, HSBC has developed the solutions and services needed to achieve their client's ambitions. A global bank with a physical presence in over 60 markets, HSBC is uniquely positioned to help companies with ambitious development and adapt alongside as industry trends continue to evolve.

With the launch of its venture-debt initiative in June 2019, the bank has already committed to lending more than \$125 million to high-growth companies in three initial deals. This is part of the bank's push to build long-lasting relations with customers worldwide, especially in the technology industry. HSBC offers boots-on-the-ground assistance and expertise around the world, with units working in time zones around the clock. Its nearly 160 years of experience means familiarity with companies large and small in every industry. The bank provides the gamut of services, from cash management to loans, foreign exchange, credit lines and introductions to venture-capital groups and other partners.

Based on its size, HSBC also represents an important buyer and investor in technology too. Buying technology solutions for its over 200,000 employees worldwide, focusing on trends in artificial intelligence, cloud computing and cybersecurity. "HSBC is doing something unique in the technology space – we are deploying the capabilities and market

reach of our 2.7 trillion-dollar platform, to support earlier stage, emerging technology businesses. When it comes to start ups, we will open doors across IT and innovation ecosystems, corporate VC, commercial and investment banking, all of which are quite often highly relevant to entrepreneurs and their investors. No other global bank is truly set up to do what we do." – Geoff Headington, Managing Director, Head of Global Venture Capital Coverage Group, HSBC

To build off these initiatives the bank has also voiced the importance of teaming up with eMerge Americas. In the effort to transform Miami into the tech hub of the Americas, Milagros Resto, Director, Florida Market Executive, HSBC states, "our expertise and international connectivity is also available to Florida's corporations and tech startups. Partnering with eMerge was a great opportunity to strengthen our ties with the local tech community and to share our story, successes and lessons-learned in the U.S. and across the world."



HSBC is proud to support eMerge Americas and their commitment to helping the technology and entrepreneurial ecosystem in Florida.

[business.us.hsbc.com](https://business.us.hsbc.com)



Together we thrive

HSBC Bank USA, N.A. Member FDIC. Copyright 2020. ALL RIGHTS RESERVED.

# Chile is taking its innovation global

A decade ago, Chile launched its public accelerator program Start-Up Chile, drawing innovators from around the world and energizing its tech sector. The government initiative turned the Pacific Coast nation into a hub for entrepreneurship in Latin America.

Now, many Chilean ventures are looking to grow internationally, and ProChile, the country's export promotion bureau, is assisting the mature companies through its new GoGlobal program.

German Rocca, ProChile's trade commissioner in Miami, serves as point man for the program in the United States. He and his team help introduce Chilean entrepreneurs to potential U.S. partners that can offer business services, venture-capital funding and more.

"There's a healthy tech ecosystem here in Miami, with players looking to help companies from Latin America. It's a perfect match for us," says Rocca. "We help the Chilean ventures navigate the ecosystem because not every partner makes sense for every company coming."

Chile has become an innovation hub in Latin America, partly because of strong government support for tech in diverse fields from health to education, finance to software. The Start-Up Chile program provides seed capital equity-free. And GoGlobal, launched by ProChile and Chile's Corfo agency, this year is helping some 40 ventures tap four markets: Peru, Colombia, Mexico and the US – to name just two initiatives.

Also key to Chile's tech allure: well-regarded universities, the top spot in Latin America on the World Bank's ranking for ease of Doing Business, plus a plethora of trade agreements that facilitate export, says Rocca.

The small South American country is encouraging tech to diversify from more traditional exports like

copper, salmon and wine and to take its innovation global to meet world needs.

Chile's GenoSur, led by biotech PhD Matias Gutierrez, is among Chile's success stories in the U.S. market. It's opening a factory to make Covid-19 test kits near Miami International Airport, expecting to employ 80 people there by January. It's also starting a Miami area lab to process the test results, including some likely to come from Dominican Republic and other nearby nations, says Gutierrez. GenoSur took part in last year's GoGlobal program, and with help from ProChile's Miami office, set up in the Cambridge Innovation Center (Miami) and incorporated in Florida. It had been exporting DNA test kits to the U.S. market. When coronavirus hit, it rejiggered the kits for Covid-19, sold some one million units in Chile, and with that record, found a U.S. funder to back Florida expansion, says Gutierrez.

Other companies making U.S. headlines: NotCo, which has funding from Amazon founder Jeff Bezos and uses machine-learning to make plant-based foods including mayonnaise; Lazarillo, an app for the blind that adjusts voice settings to let smartphones speak GPS directions to users; Cornershop, an app that allows grocery delivery from multiple stores for the same order; Algramo, a smart dispensing system that lets you refill containers with select amounts, without buying new packaging; and Solubag, a plastic-bag replacement that dissolves in water in five minutes.

"The Chilean ecosystem is now mature, with highly-qualified talent with interesting solutions," says Rocca. "They're just lacking the bridge to connect these solutions to the right people in the right places." ProChile is helping Chile's innovators find those links in the US and beyond.



**CONSIDER CHILE, AND  
DISCOVER A WORLD  
OF INNOVATION**

**#madeinchile**

**ProChile**

**CHILEAN  
PROMOTION  
BUREAU**

**Chile**

# Bratter PA: Entrepreneurs Need Long-Term Immigration Strategy

JOSHUA BRATTER  
FOUNDER, BRATTER PA IMMIGRATION LAW FIRM



When coming to the United States to start a venture, many entrepreneurs think about the U.S. visa they will need. Better yet: Consider a long-term immigration strategy, including not just your initial visa but also, the visas you will need later for investors and key staff, plus your exit options.

That's the advice of Joshua Bratter, an immigration lawyer working with Latin American entrepreneurs and investors for two decades since the early days of "Silicon Alley" in Miami Beach. He says it's smarter to plan for the "immigration life-cycle" of your business, not only your immediate needs.

"You have to have an elastic immigration strategy that can allow for business growth, the inclusion of subsequent personnel and potentially, for acquisition," says Bratter. "And at the same time, you have to be thinking about, "What if it goes bad? What are the contingencies?"

Immigration to the United States is complicated these days. The Trump administration has restricted some immigration categories, added agencies to the process and raised fees. Coronavirus also has slowed approvals because of shutdowns or reduced hours at consulates and limits on air travel.

But Washington is prioritizing new investment, tech and job creation, so visas are available for Latin American tech entrepreneurs. Approvals tend to be easier for people in ventures with a track record.

"A company that has received a seed round or has

developed a product is in a better position for visas than one in a conceptual state," says Bratter. "And those Latin American entrepreneurs who already have a successful entity they've developed and grown in Latin America are better positioned too." Bratter and his team in Miami Beach and West Palm Beach work with incubators, accelerators and individual firms. He's now helping a Latin American biotech company structure their US venture and obtain eight visas, including O1 visas for extraordinary skills for the founder and some researchers, plus E2 visas for investors and key staff. Some of the visas have been secured, and some remain in process.

Waiting for potential U.S. visas – often for months, with no guarantee of approval - can be emotionally tough for innovators, who are accustomed to adapting fast. "It requires enormous resolve," says Bratter.

His advice: "Go in there, thinking you are going to win." Devise a long-term strategy with your lawyer and "adhere to the letter of the law in a very rigid, disciplined way." Immigration isn't a field of law with negotiations or settlements: It's a yea or a nay, says Bratter. "You have to be prepared."

**BRATTER**<sup>PA</sup>  
IMMIGRATION LAW FIRM

A HIGH PERFORMANCE TEAM  
FOR  
HIGH PERFORMANCE PROFESSIONALS.

BRATTERPA.COM



ANDREW PARKER, FOUNDER & CEO OF PAPA

**"TALENT IS EVERYWHERE AND MIAMI IS A GREAT PLACE TO FIND IT!"**

Encourage more people to come here. Miami has a lot of benefits and the ecosystem is getting more exciting every day. Miami can be a hub for innovation and the more startups launched from here, the better." - Andrew Parker, founder and CEO of Papa

**"WE ARE TRULY ONLY AS STRONG AS OUR MOST VULNERABLE NEIGHBORS. RESKILLING DISPLACED TALENT AND UPSKILLING THE WORKFORCE IS THE WAY FORWARD FOR A STRONGER, TECH-ENABLED AND CRISIS PROOF ECONOMY."** - Christine Johnson, VP of Innovation, Economic Development at Miami-Dade Beacon Council



CHRISTINE JOHNSON, VP OF INNOVATION, ECONOMIC DEVELOPMENT AT MIAMI-DADE BEACON COUNCIL

"We are in the process of finalizing fund-raising for the PropTech fund, so the next 12 months we'll be focused on investing -- supporting our existing ventures and investing in new companies." - Tigre Wenrich, LAB Ventures Managing Partner



CLAUDIA DURAN, MANAGING DIRECTOR OF ENDEAVOR MIAMI

**"WORKING TOGETHER AS A COMMUNITY HAS BEEN VERY IMPORTANT IN NAVIGATING THIS CRISIS."**

Making peer-to-peer connections for deeper conversations was our focus, in order to help entrepreneurs support each other. Also, our mentor network was key in helping entrepreneurs face their challenges and find possible solutions. Our work was to make sure we connected them to the right mentors at the right time." - Claudia Duran, Endeavor Miami Managing Director



JOHANNA MIKKOLA, CO-FOUNDER & CEO OF WYNCODE ACADEMY

**"OUR BIGGEST CHALLENGE AS A COMMUNITY REMAINS HOW DO WE GET MORE SOUTH FLORIDA RESIDENTS INTO THE TECH SCENE?"**

What programs can we create together to train and hire local people, so that we don't rely so much on tourism, hospitality, and real estate?" -Johanna Mikkola, co-founder and CEO of Wyncode Academy



FELECIA HATCHER, CO-FOUNDER OF CENTER FOR BLACK INNOVATION

"I have seen founders who have dug deep, stayed positive, led with compassion, acknowledged the unknown, and all while juggling their teams, customers, investors, and families. It has been inspiring to see our founders kick into high gear and rise to the challenge of leading during a crisis." - Melissa Krinzman, Krillion Ventures Managing Partner

"Given our focus on B2B software and the insistence on long funding runways at the time of writing a check, our portfolio has been very resilient. For example, our companies that focused on logistics or tools for remote work have been able to significantly expand their business during 2020. For those companies that were negatively impacted, we focused on extending runway, adjusting the business model and finding ways to take advantage of short term opportunities to create long term value." - Mark Volchek, Las Olas Venture Capital Managing Partner

"Since January, we have invested in 17 companies, led the Series A of SimpliRoute, and made a few other follow-ons and counting. We are hoping to invest in another 20 seed tickets of \$100K before the end of the year." - Laura Gonzales-Estefani, TheVentureCity CEO and co-founder

**"FOR PEOPLE IN A POSITION TO PROVIDE FUNDING ..."**

look at your current portfolio and do better. I truly believe there is an oversaturation in awareness that [venture capital inequity] is an issue, but largely no one is held accountable about not providing funding, or at a minimum funding pathways for Black founders, and it's disappointing." - Felecia Hatcher, co-founder of Center for Black Innovation



LIL ROBERTS, FOUNDER & CEO OF XENDOO

**"THERE ARE CHALLENGES IN EVERY DECADE WHEN YOU LOOK BACK OVER TIME."**

The ones who come through it the best are the companies that have teams that believe 'nothing is impossible' and that 'the sun will shine again.' At Xendoo, this is the core of who we are and we are wildly passionate about helping small business owners!" - Lil Roberts, founder & CEO of Xendoo

# Methodology

Pitchbook includes equity investments into startup companies from outside sources. Investment does not necessarily have to be taken from an institutional investor. This can include investment from individual angel investors, angel groups, seed funds, VC firms, corporate venture firms, and corporate investors. Investments received as part of an accelerator program are not included, however, if the accelerator continues to invest in follow-on rounds, those further financings are included. All financings are of companies headquartered in the U.S. Venture analytics services differ by the way they track venture, including the type of deals included and when the deals are counted. Some don't include

angel funding, but Pitchbook does. We chose to use Pitchbook for its inclusiveness and for consistency. Not all deals in Pitchbook's data could be independently verified. Data about Florida and South Florida venture capital results include only companies with their primary headquarters in the state.

No data set is perfect. Dozens of funding rounds go undisclosed, are reported erroneously by venture analysis firms, or are added or revised months or years later. If you believe we've missed something, please email us at [insights@emergeamericas.com](mailto:insights@emergeamericas.com). We will update the data set for future reports.

---

**eMerge Insights Authors:** Nancy Dahlberg is a business writer, editor and researcher. Most of Nancy's career was spent with the Miami Herald and her expertise is writing about entrepreneurs. Find her South Florida startup coverage at [RefreshMiami.com/news](http://RefreshMiami.com/news).

Doreen Hemlock is a business reporter for the Sun Sentinel covering energy, ports and other topics. Born in New York and raised in U.S. Virgin Islands, she worked 14 years in Peru, Venezuela and Puerto Rico for varied media.

*This report has been produced in partnership with Knight Foundation and FIU.*

---



The John S. and James L. Knight Foundation supports transformational ideas that promote quality journalism, advance media innovation, engage communities and foster the arts. Since 2012, Knight Foundation has invested more than \$30 million in nurturing an entrepreneurial ecosystem by connecting innovators, attracting investments and growing the city's talent base. A founding partner of eMerge Americas, Knight's strategy focuses on building an entrepreneurial ecosystem.



Florida International University is Miami's public research university and in less than five decades has become a top 100 public university, according to U.S. News and World Report's Best Colleges. FIU is focused on student success and research excellence, with nearly \$200 million in annual research expenditures.





eMerge   
Americas

[www.emergeamericas.com](http://www.emergeamericas.com)

©2020 eMerge Americas