

# The tech scene is growing in South Florida, but it has a ways to go

By **DAVID LYONS** FEB 14, 2021 AT 12:02 PM

The COVID-19 pandemic could wind up boosting South Florida's standing as a national hub of technology-related businesses, dependent on a workforce that some executives describe as more skilled than most people think.

An increasing number of companies are looking to move to Florida because of high taxes and strict pandemic restrictions in places like the Northeast and California, development officials say.

They contend that Florida sometimes gets a bad rap for its technology potential.

"Look at the universities in South Florida," said Robert Barlick, region head and managing director of the private wealth management group in Florida and Latin America for the **financial giant Goldman Sachs**. "The University of Miami, Florida International University and Miami-Dade College — we also draw from the rest of the state and the rest of the country."

Is there enough skilled labor here to suit the needs of business?

"The answer for us has been yes," said Keith Koenig, CEO of the **statewide retailer City Furniture**, which is based in Tamarac. "We've been able to almost leapfrog other companies — not just in our industry — with technology applications that have been developed by our local team or in partnership with other companies."

He said that any company expecting to succeed needs to stay up to date or be left behind.

"South Florida and Broward County is a very ripe area for smart people that can help any business improve its technology," Koenig said.

Kelly Smallridge, president and CEO of the **Business Development Board** of Palm Beach County, asserted that today's workforce is more pliable than in the past, a factor that works to the industry's advantage.

“Technology resides in every industry,” she said. “You can take a technology person out of a logistics company and move the person into an aviation aerospace company.”

Bob Swindell, president and CEO of the **Greater Fort Lauderdale Alliance**, said Broward County has always been a source of skilled workers for those companies that needed it. In the early 2000s, after Motorola laid off a number of workers in Plantation, the mobile phone company Blackberry and General Dynamics wanted to locate design centers in the spaces Motorola vacated.

He said neither company worried about where they would get the employees. They wanted to locate there, Swindell recalled, “because the talent’s there.”

But South Florida has a mediocre ranking nationally as a technology employer. According to the most recent annual “Tech Talent” survey by CBRE, the real estate services firm, the tri-county area ranked No. 37 out of 50 North American job markets for technology.

In total occupations, there were 66,990 jobs, a 28.1% gain during the period between 2014 and 2019, the survey showed. Most of the jobs were in the fields of software developer and programmer, and support jobs for data bases and systems. The average salary: \$88,845, with senior management jobs reaching an average of \$149,330. The year-end 2019 employment figures in the report do not reflect the effect of COVID-19, CBRE said,

In South Florida, the demand for those skills is high.

Citrix Systems, one of South Florida’s long-running technology firms, has roughly 150 vacancies posted on job boards since mid-January. The company is seeking managers, engineers, product designers and sales-related professionals.

John Wensveen, chief innovation officer at Nova Southeastern University in Davie, and executive director of the nascent Alan B. Levan NSU Broward Center of Innovation, believes there is an “abundance” of talent in the area.

“What we don’t have is an abundance of qualified talent,’ he said.

Wensveen said the center’s proposed offerings of accelerated certification programs is something the industry “is crying out for.”

Broward Mayor Steve Geller, who backs the center, said he thinks South Florida eventually will get a lift in various technology employment and other industry rankings.

“Do I think we’re going to replace Boston or California or even perhaps the Research Triangle in North Carolina?” he asked. “I think you’re going to see South Florida moving up in the rankings and I think you’re going to see them continue to improve. It’s our hope to be in the Top Ten. We’re not going to be Silicon Valley. We’re not going to be Boston.

We’re not going to be Austin.”

As the 2000s unfolded, homegrown efforts to develop new companies got institutional lifts from the Knight Foundation in Miami and from Florida Atlantic University in Boca Raton. The latter started the **FAU Tech Runway in 2014** to provide an environment for entrepreneurs and their new companies to get started.

Since its inception, the Runway has helped launch more than 117 early-stage companies, creating 587 jobs and 200 internships; employing 96 FAU students. They earned more than \$275.5 million in revenue and raised more than \$113.4 million in investment capital.

This summer, the Runway will have a companion in the startup assistance field when the innovation center at NSU opens for business. The founders see the center as not only a launching pad for new startups and technologies, but a venue that would be an “economic engine” that helps industries such as aviation and aerospace, financial services, global logistics, headquarters, life sciences, manufacturing and the marine business.

“It seemed like the greatest challenge these companies were having was finding qualified skilled talent, and as a result they were having trouble determining whether they could stay here in South Florida,” said Alan Levan, a longtime financial entrepreneur who heads **BBX Capital of Fort Lauderdale**.

Another aim is to encourage collaboration among people with ideas, Levan said. “There’s not a lot of great collaboration in technology and innovation — it’s pretty much close to the vest.”

The center will contain more than 54,000 square feet and will be open to students, entrepreneurs, educators and others from all around South Florida. Levan, Broward County and NSU are jointly funding the project.

Many companies are headed for South Florida out of their frustration over high taxes in the Northeast and the general chaos and rising cost of living both there and in California. But they like that Florida Gov. Ron DeSantis says they can do business here without the threat of a lockdown.

In Broward and Palm Beach counties, development leaders are fielding calls daily from CEOs and their surrogates about what the region has to offer..

In Miami-Dade, Miami Mayor Frances Suarez, in response to a Silicon Valley operative's tweet about moving to Miami, casually asked, "How can I help?"

"Our inquiries are up now than ever before since COVID," said Smallridge, at the Business Development Board of Palm Beach County.

They're coming from financial service firms in the Northeast and California. Goldman Sachs is looking for a place to locate its \$8 billion asset management division. Elliott Management is expected to [move its Manhattan headquarters](#) to West Palm Beach..

Barlick, the firm's regional head of private wealth management group, said he could not speak to Goldman's plans for the division. But he did say the firm's presence will grow here.

"I think we will have a larger footprint in South Florida given the growth here," he said. "It's not only that we have home grown talent — our education system has driven a lot of that. People from across the country want to be here."

While happy to encourage business from Wall Street, Palm Beach County also has eyes for California.

"California is really a new market for Florida," Smallridge said. "Now we're seeing all types of technology companies."

Many of them are looking for more political and economic stability than their home states offer. Top executives have a dim view of governors using mass lockdowns as tools to try to curb COVID-19. In short, many think Florida is managing the crisis better, despite a recent spate of spikes in new infections and the uneven distribution of vaccines.

"Florida's ability to offer certainty is what's turning the heads of so many executives around the United States," Smallridge said. "They simply cannot afford to be open one day and closed the next day."

Jessica De Vecchio, economic development manager for Boca Raton, is measuring progress in the numbers of corporate jets flying into the local airport and the real estate agents and developers seeking homes and office space for executive-level clients.

"They're coming in for a real estate play, and we're getting them to open an office here," she said. "That's definitely a COVID silver lining, if you will."

Del Vecchio said Boca Raton is still recruiting in California, placing an ad in a San Francisco newspaper urging the locals “to trade your sunsets for sunrises and save money.”

Among the recent companies committing to Palm Beach County is Colony Capital, a real estate and investment firm that moved its corporate headquarters to Boca Raton from Los Angeles.

Since his tweet went viral last month, Suarez has campaigned via phone and social media to persuade California entrepreneurs frustrated by that state’s higher taxes, higher cost of living and overextended social services to consider moving to the Miami area, [the Miami Herald reported](#). The mayor’s communications office did not respond to a request for comment.

**“What it really comes down to is we’re seeing a lot of tech and we’re seeing a lot of finance,” said Philippe Houdard, chair of the Miami DDA and CEO of Pipeline Workspaces. “Some investors say Silicon Valley is getting stale. That’s not to knock it. There’s a desire now to disperse and decentralize and to go to other cities like South Florida.”**