



SUP-X[®] INSIGHTS

**Today's Guests: Thomas Buchar and
Christopher Malter of The South
Florida Accelerator**



Thomas Buchar and Christopher Malter give us an overview of The South Florida Accelerator, one of South Florida's premier accelerators and first innovation aggregator. Thomas and Christopher will also provide key insights into what a successful relationship between an accelerator and entrepreneur entails.

BF: Hi Chris, thanks for joining us today. Can you tell us a little about The South Florida Accelerator and its objectives?

CM: Thanks, Bob, for having us. TSFA is an innovation aggregator that funds and nurtures start-ups in digital health, medical devices, IoT, human capital enterprise and FinTech, We opened in February of 2016. Through our "Off-Ramp" Model, we rapidly increase the valuation, minimize the risk and maximize the return for both our entrepreneurs and stakeholders. We have offices in downtown Fort Lauderdale within the Broward College building as well as a location in Miami's Life Science and Technology Park. We're also currently working on opening a location in Tampa and we hope to have that completed sometime in 2017.

BF: You mentioned your "off-ramp" model. What is that exactly?

CM: Our model works differently than other accelerators. Rather than start with a company, we start with an idea or concept that we know is marketable, and more importantly, we know is validated. This validation comes from our conversations that we have with our strategic partners. These organizations are aware of acute pains that they are experiencing either internally and/or externally, they will share these key insights with us and then it is our job to locate or create the right team, IP, or entrepreneur that is capable of being bolted on seamlessly to our partners.

Essentially, we are making "tailor made" startups for companies that can't always find the right IP, talent, or management team that is needed to expand into cutting edge verticals.

BF: That's a fascinating model and it is different from most other accelerators. I guess one key to that is your ability to line up corporate partners to provide that "off-ramp" as you call it. I know that you're a relatively new operation, but tell us a little about your corporate partners - who have you lined up thus far, is there a

certain number you need per location, do the companies have a certain typical profile or are they varied in nature?

CM: I guess young is good. We've aligned with numerous globally-recognized companies located in Florida, nationally and internationally. We are quite focused and dedicated to our key target areas including medical devices/digital health, cyber security, IOT, Fintech and HCM. Citrix, Synecron, Moffitt, SATO Technologies and Spyder, as well as companies and organizations in Israel, Asia, Africa and Europe have come on board as partners thus far and we're continuing to add partners as well.

BF: Interesting. Do you have any projects currently in the works that you could describe in general that would give our audience a real-world example of off-ramping?

CM: Sure. I can give you two. So we are currently working with a multinational in accelerating the maturation of a technology that needs to be perfected and effectively integrate its technology into its organization, build its management, operations and workflow for potential acquisition. Another is the creation of a bioinformatics company whereby we would partner with a global cancer research company and its patient base to offer access targeting advanced cancer patients. This is off-ramping.

BF: Out of curiosity, with your model being different, does that mean that you operate with cohorts like other accelerators or not? Regardless, how many companies can you work with at one time or what is your capacity at each location?

CM: As an innovation aggregator, our model is not traditional. Therefore, we do not work with metrics traditionally associated with accelerators relying on cohorts ending in demo day and funding. Rather we understand the needs of our partners and build from that starting point. This may mean that the technology exists, but the team needs to be sourced and assembled and nurtured. Or the technology needs to have some level of validation through a proof of concept or a functioning MVP or minimal viable product that needs funding. And we do that as well. With all that said, in 2017, we are looking to add between 12 to 17 companies to our ecosystem.

BF: Entrepreneurs these days are consistently exposed to old and new incubators and accelerators, almost to the point of market saturation. What are some of the more important factors startups and entrepreneurs should consider when contemplating an accelerator?

TB: Good question, Bob. The model most accelerators use is still the original and it hasn't changed since 2005. This model works sometimes, but it relies heavily on one or two startups being very successful, while the others fail entirely.

Entrepreneurs should look at several factors when entertaining the idea of applying for an accelerator. First, a good accelerator will be your partner, both because they want you to succeed and because they will take equity and own a part of your company. This means you have somebody in your corner who is incentivized to share their resources and talents with you for a shared success.

A good accelerator also has talented people who have started businesses before. This is a critical resource as being a founder is a unique experience. The most skilled person in the world might not be a good founder and, unfortunately, you can only find that out one way. The old adage rings true: If you're the smartest person in the room, then you're in the wrong room.

Lastly accelerators should be driven by metrics. They should be accountable as much as you are, and this means having milestones that you both have to reach. For accelerators this might mean building out your management team and getting your documents in place, whereas for a startup it would be hitting sales numbers or showing progress towards an MVP.

BF: Fair enough. So if that's what makes for a good accelerator, what differentiates a startup's ability to make the most of their experience in an accelerator? It's a two-way street here.

TB: Since being at an accelerator is time constrained, startups really need to focus from the beginning. To be successful they need to execute, leverage the resources and not be afraid to fail.

Execution is the name of the game. When a startup is part of an accelerator they should have one or two goals and focus maniacally on those. If the management team isn't executing and reaching the milestones set forth for them, then it shows that they aren't leveraging the accelerators resources and network either enough or in the right way.

Leveraging an accelerator's resources goes hand in hand with execution. By joining an accelerator a startup is provided with many resources and opportunities. It is up to the entrepreneurs and their teams to leverage these in order to reach their milestones. And make sure to ask questions. You don't know what you don't know, but that should encourage you to ask questions whenever you have access to knowledgeable people.

Startups also can't afford to be afraid. Being open to risk is an essential element of being an entrepreneur and that should extend to the whole team. Sometimes being in a startup means pivoting over and over and if you are afraid to adapt, you will miss opportunities when they are presented to you.

BF: Thomas, you've worked with a lot of startups ranging from Chicago to Silicon Valley to Austin. As someone relatively new to South Florida, what do you see as the strengths of the startup/tech ecosystem here and where do we need to improve?

TB: South Florida is well positioned to have a thriving innovation economy. We are gaining the culture, people want to start companies here, and they aren't afraid to try and fail, that alone is a huge positive.

That said, we have some weaknesses as well. Access to capital here is weak - there is less than \$100 million managed and available in the state for early stage companies. Another is the fragmentation we see among different organizations. To have a successful ecosystem we need all of the parts to work together, the parts are universities, startups, venture capital, and corporations. Right now they operate apart from one another and we have to change that if we're going to create a sustainable knowledge based economy.

BF: I couldn't agree more. Thanks, gentlemen, for being our guests today. And we look forward to having you, Thomas, speak on our "Innovate or Die" panel at SUP-X.

TB: Thanks, Bob. We look forward to being a part of the event and meeting your attendees there.

Editor's Note:

For more information on The South Florida Accelerator please visit <http://www.tsfa.co/>