

# Miami Gets Some Money for Its Army of Tech Startups

By **Jonathan Levin**

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- Company brings incubator concept to market wanting for funding
- Firm has invested in Credit Karma, Twilio and other startups



Venture capital firm 500 Startups opened an office this month in Miami, a boost for the fledgling technology hub that's seen companies form and then struggle to secure funding.

Bedy Yang, a managing partner with the Mountain View, California-based company, said the office will serve as its base of operations for South Florida and Latin America, in addition to other markets in the eastern U.S. where the early-stage startup invests. The

firm, which looks for talented entrepreneurs and helps them build companies, is occupying 7,200 square feet in a downtown Miami building.

"It's the final piece of the puzzle," said Yang, whose company has invested in startups including Credit Karma and Twilio.

Miami was ranked the No. 1 city for startup activity in the U.S. last year by an Ewing Marion Kauffman Foundation index that tracks the industry. But many companies fizzle early on and few ever reach the \$1 billion valuation mark. Entrepreneurs in Florida attribute that failure in part to a lack of funding.

Technology company 500 Startups has about \$400 million in multiple funds, according to Yang. The firm could also receive as much as \$450,000 in grant funding from the Miami Downtown Development Authority, an independent agency of the City of Miami that's been seeking to spur growth in the local investment community.

Chief Executive Officer Christine Tsai became the primary face of the investment firm last year after revelations about co-founder Dave McClure's misconduct toward women came to light. McClure addressed his behavior in a blog post last year titled: "I'm a Creep. I'm Sorry."