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TECHNOLOGY

## Magic Leap, the local \$2 billion startup, is finally live. It doesn't come cheap.

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Magic Leap, the secretive Plantation-based tech company that has raised more than \$2 billion in venture capital to build sophisticated 3D software, has finally come to market.

Wednesday, the company announced The Magic Leap One Creator Edition is now available for purchase online. But the average computer user is unlikely to rush out and buy it. The Creator Edition is being marketed to "developers and creators" at a retail price of \$2,295, and it's available only in select cities. (Miami is one of them.)

The idea is for these front-line developers to create content and even virtual "worlds" that, in turn, can someday be accessed by consumers through a Magic Leap headset, which is expected in the future.

The current package comes with software and a headset that lets users add layers of computer-generated images and applications to the world around them. It also includes a web browser and a social platform to connect with other Magic Leap users.

The result: common programs like email and videos "float" in the real world in front of the user, reported CNBC, which got a preview.

"It's hard to explain what it's like using Magic Leap, a problem the company has admitted," wrote CNBC's Todd Haselton. "You aren't tethered to another computer. You can walk around freely (though I felt a bit weird with it on my head since it's like trying to walk around with swimming goggles on)."





CNET's Scott Stein reported that while he wasn't "blown away," he still believes "it's the best AR headset experience I've had to date"—including the developer version of Microsoft's HoloLens, a competitor product, which costs \$3,000.

"I can tell you this: the Magic Leap One isn't vaporware," meaning a mirage, he wrote. "It's real, and it works. Whether it's more than a developer prototype, and whether it amazes you, is another story."

Wired Magazine, which also got an early look, noted glitches.

"...It wasn't great at first," Jessi Hempel reported. "The headset was beautiful, and unlike others I've tried, it felt light on my head. A disc-size battery and computing pack, built like a small CD, fit easily in my front pocket. A main menu popped up in front of me, the field of view large enough that it didn't seem narrow.

"But as great as this was, there were glitches," Hempel wrote. "When I tried to use the hand controller to navigate to a football demo, the controller didn't respond; the experience appeared frozen."

And Adi Robertson, senior reporter for tech site The Verge, said that while there may be a future for augmented reality, Magic Leap may not be it.

"...It doesn't seem like a satisfying computing device or a radical step forward for mixed reality," Robertson wrote. "Magic Leap's vision is a compelling alternative to that of Silicon Valley's tech giants. But there's a baffling disconnect between its vast resources and parts of its actual product. I genuinely believe Magic Leap has given me a glimpse of the future of computing, but it might take a long time to reach that future, and I'm not sure Magic Leap will be the company that gets there first."

If not, it will be something of a blow to Florida and its tech community. The state has pledged more than \$8 million in subsidies to support the company. At last year's eMerge America's conference on Miami Beach, Abovitz said there were now approximately 800 Magic Leap employees in South Florida. The company's website still lists dozens of openings in Plantation. With its numerous venture funding rounds totaling billions, the company, founded in 2011, became South Florida's most buzzed-about startup of the decade.





"Florida has always been a blank canvas for innovation, and we hope to be one small part of that incredible story," Abovitz said Wednesday in a statement. "Our launch of Magic Leap One Creator Edition begins the next chapter of our journey to empower creators in Florida, the U.S., and around the world. This is a joyful moment for all of our employees, and we look forward to working with a diverse and forward-thinking set of developers, artists, creators, and businesses right here in Florida and everywhere."

The company has plenty of room to grow. Currently, Magic Leap occupies only about 25 percent of its 1-million-square-foot facility, a space previously occupied by Motorola. Bob Swindell, president of the Greater Fort Lauderdale Alliance, Broward County's main economic development agency, said Magic Leap has exceeded his group's milestones and continued to have its full support.

"We need to make sure to not take them for granted," he said.

Philippe Houdard, the head of the Miami Downtown Development Authority's Innovation Advisory Group and the co-founder of co-working space Pipeline, said Wednesday's announcement shows Magic Leap is delivering on its promise to put South Florida on the global tech map.

"It validates what can be done here [in South Florida]," he said. "It's no secret that some companies may harbor reservations about what the talent pool is like here; they may question whether they can attract quality people to contribute to their efforts. But this is a company that's doing it."

Magic Leap's viability had been questioned by observers after the company experienced delays and lawsuits, including sexual harassment and trade secrets complaints — and a negative review by Beyonce, who reportedly found the version she tested boring after she got a sneak peak around the winter of 2016-2017.

In an interview with Wired published Wednesday, Abovitz said he regretted the hype that led up to the product rollout.

"I think we were arrogant," he said.

But the company still has believers. Last month, AT&T took a stake in the company that valued Magic Leap at \$6.3 billion.







The company also is collaborating with developer Weta Workshop to create a video game called Dr. Grordbort's Invaders, "a hyper-realistic action game in which evil robots have chosen your living room to stage an invasion," the company said in a release. The company declined to say whether it has had talks with any other video game developer.

Variety reported Wednesday that a Magic Leap Two headset, designed for consumers, is on the way, though Magic Leap founder Rony Abovitz declined to say when, or how much it would cost.

"We are going to be integrating Magic Leap Two in AT&T's 5G cell network," Abovitz told Variety. "It is going to [go] much wider. Magic Leap One is really about creators and spatial computing enthusiasts."

