

# South Florida **BUSINESS JOURNAL**

## Why Florida is the 5th-best state for entrepreneurs

*By Celia Ampel*  
*December 22, 2014*

Florida is one of the best states to start a business, according to a Small Business & Entrepreneurship Council report released this month.

The state ranked fifth for its entrepreneur-friendly policies, after South Dakota, Nevada, Texas and Wyoming. The Washington D.C.-based nonpartisan research organization ranked states based on small business-related taxes, regulatory environment and government spending.



Ranjini Chandirakanthan of  
Cassel Salpeter & Co.

"From a federal and state tax standpoint, [Florida is] a very attractive place to start businesses, or frankly, to relocate businesses," said Jim Cassel, chairman and co-founder of Miami investment banking firm Cassel Salpeter & Co.

After all, the state doesn't take personal income tax, estate tax or inheritance tax — but that's just one piece of what will draw entrepreneurs to Florida in 2015, Cassel said.

Here are three reasons South Florida entrepreneurship experts believe small businesses will grow here in the coming year:

## **Venture capital and angel investors are moving in.**

This year, venture capital firms Scout Ventures and Richmond Global Ventures opened offices in Miami, demonstrating national and international interest in the South Florida startup scene.

But that's just the beginning, Florida Venture Forum President Kevin Burgoyne said.

"Just in the last three weeks, I've had meetings with four different venture investors who are in the process of opening offices in Miami," he said.

As more investors set up shop in South Florida, there will be less reason for startups to move outside the state, Burgoyne said.

"There's always been a little bit of money in South Florida," he said. "But money that is willing to invest in early- and mid-stage companies often comes from outside the state, and there is an increasing amount of money that is based here in Florida. That's very encouraging."

South Florida entrepreneurs have more resources than ever before.

It's more than just money, said Ranjini Chandirakanthan, who leads the technology practice at Cassel Salpeter & Co. South Florida entrepreneurs have more access to mentorship, workspace and other resources than ever.

"Money, culture [and] access to human capital all make an ecosystem," she said. "And I think it's here. For the savvy entrepreneur with a great idea, I think it's easier to tap into that network here."

Coworking spaces like the LAB Miami, accelerators such as Venture Hive and scores of other organizations and events have helped change the landscape for local startups, Burgoyne said.

"It really is just remarkable what resources are available — in almost all cases, at little or no cost to an entrepreneur," he said.

**Local universities are training the next generation to think like entrepreneurs.**

South Florida's universities are focusing resources on entrepreneurship through startup resource centers and world-class researchers, Cassel said.

Florida Atlantic University opened its Tech Runway accelerator this year, while Miami Dade College announced plans for its Idea Center.

Opko Health CEO Dr. Phillip Frost has also put his checkbook into recruiting top-notch researchers to the area, Cassel said.

"Unlike LeBron, they really do bring their talents to South Beach and stay," he said.