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## Tech aficionados mingle as start-up movement grows in New Jersey

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New Jersey's start-up technology scene might not be Silicon Valley, but those within its niche circles believe it is on the precipice of fame.

There are no glitzy corporate campuses — but there are plenty of residents seeking to turn their apps, software and products into a reality and, increasingly, a network of incubators, accelerators and support groups that aim to help such entrepreneurs every step of the way.

The network of organizations hold programs ranging from formal start-up pitch seminars and advice panels all the way to causal cookouts — such as one that took place Sunday in a picnic area in Fort Lee along the Hudson River, where dozens of tech aficionados talked shop while they munched on hot dogs and hamburgers as their 'brain food.'

The grass roots organizations are helping set the stage for an environment that fosters not only entrepreneurship, but the necessary investment from angel investors and venture capitalists, experts say.

"If you look at the scene today, compared to when I started my incubator four years ago, it's a whole other world out there," said Mario Casabona, who founded TechLaunch, a Kinnelon-based accelerator that nurtures technology startups by injecting capital into them. "There are co-working stations, incubators, accelerators and universities teaching entrepreneurship. The whole tech world in New Jersey has changed."

The numbers back up Casabona's hunch: Two critical funding resources needed to spur startups are angel investment and venture capital — both of which are on the upswing in New Jersey. The state ranks 36th among all 50 states, up from 43rd in 2014, according to the 2015 Kauffmann Index, a yearly report that tracks state-by-state angel investment trends. New Jersey also is among the top 10 states to experience the biggest increase in rank year-to-year, according to the index.

This is important, Casabona said, because an increase in angel investment flowing into start-ups raises the profile of a region as a whole.

"With angel investment, you get credibility as a start-up," he said. "After that, you'll need more money and can go to venture capitalists or institutional investors."

Venture capital flowing into New Jersey startups has also seen a dramatic increase so far this year, according to a MoneyTree Report by PricewaterhouseCoopers and the National Venture Capital Association with data from Thomson Reuters. In the first half of 2015, more than \$54 million venture capital funding has flowed into New Jersey software startups — more than double the amount invested in all of 2014, according to the report.

"Nothing is easy in the start-up community, but is it a good time to do a technology startup? The answer is 'yes,'" Casabona said. "You can meet so many other people through mentors and a support system that just wasn't there three or four years ago."



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The first 'tech cookout' was held Sunday, August 9, 2015, at Ross Dock Boat Basin in Palisades Interstate Park.

While Casabona's gets companies off the ground with capital, other organizations are trying to spur a collaborative community, according to Carlos Abad, the founder of LaunchNJ, a nonprofit organization dedicated to accelerating the entrepreneurial ecosystem in New Jersey.

Abad's group — which boasts 2,500 active members — is host to start-up pitch events where entrepreneurs can get advice from industry leaders and play host to get-togethers of like-minded people to ignite creativity and innovation, he said.

"We have a lot of smart people in this state who have smart ideas, but there are some who have — as I call it — low entrepreneurial IQs," Abad said. "I started this group because, especially in the technology start-up scene, you need that community aspect from a very early stage. We get together entrepreneurs and developers in the same place."

Once entrepreneurs begin building viable start-up businesses in New Jersey, Abad said it will create a "critical mass" that will continue to attract investors.

Other groups also are attempting to create a tech-community in New Jersey that will grow over time: On Sunday, it was GDG North Jersey, a Google developer's group, that held the 1st Annual North Jersey Tech & Entrepreneur Cookout, which attracted dozens of tech-aficionados from across the state, including Abad.

Todd Nakamura, GDG North Jersey's founder, said it is host to many events throughout the year, such as talks and hack-a-thons, but he wanted to organize a more "laid back" event.

"When I meet start up founders in New Jersey, the most common question I'm asked is 'Do you know any good developers?'" Nakamura said. "Events like these keep the scene moving forward — you meet people who are like minded and have different skill sets. It's an opportunity to make connections and make partnerships."

Tom Tobin, a Caldwell resident, came to Sunday's event as a way to mesh with the technology scene before launching a beta of his startup Modelshop, an analytic application platform, in the fall.

"I've hired a few people through these events and a few others," Tobin said. "They get people to talk about technology and gets a lot of like-minded people together."

Michael Onwuka, a test engineer from Paramus, said events like the one on Sunday are indicative of the growing passion for technology across New Jersey.

"It might not be as loud as Silicon Valley, but there are always people trying something new," he said. "It's exciting. There is really no 'knowledge ceiling' here; there is a wide variety of people to gain a lot of experience from."

Nakamura said he hopes anyone in New Jersey who harbors an idea but thinks turning it into a viable business is too daunting will consider attending grass-roots meetings in the state.

"We are in the shadow of New York City, but there is no reason why this scene can't succeed," Nakamura said. "At these events there are founders, technologists, developers — all of whom are willing to help the scene thrive. A lot of good things are happening."

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