

Breaking America: How startups can thrive in the United States

It's been a strong couple of years for the UK's tech and fintech scenes. In 2021, investment in the fintech sector rose to £30.7B according to KPMG. Likewise, since the start of 2022, tech startups in the UK have raised around £12.4B, putting Britain ahead of China when it comes to startup investment.

Temps de lecture : minute

21 July 2022

This impressive level of investment puts British startups in an amazing position to begin scaling operations. In doing so, many businesses will begin to assess the possibility of starting operations in a new continent, such as the United States.

Taking a business across the Atlantic is never easy, but with the right guidance, startups can manage the process in a sensible manner. In doing so, companies in the field can take advantage of new business opportunities, which exist away from Britain. One business that recently undertook this process was SEON, the Anglo-Hungarian fraud prevention company who closed a USD \$94M Series B round of investment earlier this year. Since the beginning of 2022, the company has called America its home having set up an office in Austin.

In this article, Jimmy Fong, the company's Chief Commercial Officer, explains why SEON chose to start operations in Austin. Jimmy provides insights into why so many large tech businesses have set up shop in the emerging metropolis and offers guidance for startups who might now want to follow suit. Alongside these pieces of strategic advice, Jimmy details some of his favourite aspects of life in Austin, detailing what

makes the city so special and why it was the obvious choice as a new home for the company.

The perfect home for tech

We considered a number of locations before deciding to set up our first US office in Austin. Obviously, we'd heard all the stories about other tech businesses opening major headquarters there, but it wasn't until we got out here for ourselves that we really felt that sense of magic in the air. After a couple of days in the city, it becomes hard to escape the feeling that a serious boom is happening here right now, and even more difficult to not get caught under its alluring spell.

I think it's safe to say Austin isn't a normal 'city' in Texas. It's a non-traditional startup hub, which represents a clear breakaway from Silicon Valley and its culture, which often felt inescapable in the 2010's. By contrast, Austin offers a quirkier, more inclusive working environment, while still boasting amazing talent density. I think if you're running a startup, it's so important to surround yourself with other like-minded, forward-thinking companies and that's what you're getting here.

Staff to scale

If you're a startup, then you're probably looking to scale, either now or in the very near future. Austin is the perfect city to meet those goals, especially for those working in the tech sector. We know this first-hand, as we spent a lot of time assessing local labour markets within the United States, including Austin before making our decision. That process involved assessing job boards, demographic breakdowns, and average salaries to help give us an idea of the talent on offer in different places, as well as any other features of specific local workforces that could benefit us.

Not only does the city offer tremendous depth when it comes to tech-

related talent, but there's a high proportion of bilingual individuals in the region. In particular, the city has many Spanish speakers, possibly due to the city's proximity with the Mexican border. People who can speak multiple languages have major value in scaling startups, especially when looking to explore new markets, so this was a major benefit for us.

Culture on tap

It's not just Austin's amazing restaurants and bars, which make it such a suitable choice for startups. The city has several other traits that make it well-suited for companies at this stage of their growth trajectory. For one, Austin is an ultra-bikeable city, which is quite rare in the United States. This is really important, especially as less people are now learning to drive. At SEON, we've become huge fans of TakeWheels, a safety-first micromobility service that offers affordable electric biking options, which make commuting fun.

Time to unwind

I'm sure everyone working at a startup will agree with me when I say that things can get quite stressful at times. The nature of this work means that people are often stretched thin and required to take on a lot of responsibilities. After a tough day, many of us need to let off some steam and relax, which is always easier to do in a city with a great sense of culture, amazing spots for food and cool bars. That's exactly what you're getting with Austin, it's a city with huge pull, and not a place you're rushing to get home from.

Personally, I'm a big fan of the city's amazing restaurants and have fallen in love with a local place called Terry Black's BBQ. With that said, Austin is more than just brisket and steaks, the number of high-quality food trucks in the area is simply incredible. I've also been blown away by *Uchiko*, which by my money, serves some of the best Japanese food

outside of Japan. Both are great places to do business as well as explore the menu, two things that seemingly go hand in hand in Austin - talking shop and food!

More broadly, Austin also has SXSW, an event that still offers something unique in the world of festivals. When you put all that together, it's clear to see why so many startups and tech businesses have chosen the city as their home. Maybe it won't be long before other hypergrowth startups in Europe begin to take note, dust off their cowboy boots and Stetsons and decide to join us over there. There will no doubt be a rack of ribs and some bourbon ready for them when they do!

So, to summarise here are my top three tips for any startup considering Austin as a new home:

1. Take advantage of the highly skilled and diverse workforce and use it to support your own scaling goals.
2. Embrace the city's unique vibe and try and to imbue it into your company's own working culture.
3. Take time to involve yourself with some of the community's most popular startup groups and media titles, such as *AustinInno* and *BuiltIn Austin*.

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