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Blue-sky diversity

Diversification is the buzzword in many discussions on Bermuda's economy. That goes double for Budget season.

Despite its broad-ranging title and massive economic contribution (fuelling at least 60 percent of all activity), international business (IB) has its share of domestic naysayers. Detractors claim the island's heavy dependence on foreign-owned companies—the global insurance industry in particular—leaves our future on shaky ground. Yet the insurance sector, despite M&A and soft markets, continues to be our highest GDP generator. And IB isn't just about reinsurance. Home to a panoply of industries, the Bermuda market is far more diversified than many competing jurisdictions. Investment funds, trusts, private client and estate planning, international shipping companies, shipping and aircraft registers—we have multi ecosystems servicing global clients and markets.



At the BDA, we are continually encouraging innovation. We work to set a conducive platform for entrepreneurs; for new ideas and technologies; for ground-breaking ways our island can parlay its world-renowned financial reputation into a next-generation proposition. One that makes sustainable sense for an isolated North Atlantic island with limited manufacturing and few natural resources other than a human-capital quotient that's the envy of places many times our size.

Innovation isn't generated by government (as volunteered by the Minister of Finance at this week's annual Budget Breakfast gathering). New ideas are driven by creative thinkers in the private sector. People who dream up possibility, then make it happen. Folks like Fred Reiss who conceived of the first Bermuda captive, giving birth to a whole industry. Or Bob Clements and Bob Newhouse, founders of the excess liability market. Or David Graham, of Conyers Dill & Pearman, who realised British liner fleets and ocean tankers would be far better served by a Bermudian Red Ensign.

That type of novel thinking is rarely recognised in the present. It takes a while for people to get it. Innovators must convince early adopters, then followers enjoy the fruits. There is innovation percolating in Bermuda today. Sharp, creative minds who understand Bermuda's unique value are busy re-imagining the island's future. The BDA team has had the privilege of connecting with numerous individuals who have big plans for Bermuda—not only for the next few years, but for decades to come. They're focusing on fields like fintech and regtech, deep-ocean research, fashion, biomed, life-science, artificial intelligence, nearshore solutions, climate-change projects, and high-net-worth investment.

Case in point is BDA consultant Stafford Lowe, a key driver for a collaborative fintech think-tank called Bermuda 4.0. What began late last year as a brain trust of like industry minds exploring the streamlining, cost-cutting possibilities of blockchain and other distributed ledger technologies (DLT) is fast morphing into an actual incubator/accelerator for new business. Supported by participants from legal, regulatory, accounting, reinsurance and telecommunications spheres, Bermuda 4.0 is building a platform for entrepreneurs to create transformative technologies—connecting global innovators with Bermuda-based multinationals seeking technological evolution. The BDA is proud to assist Bermuda 4.0's development—to incubate an incubator, as Stafford puts it.

We've also initiated a project to make Know Your Customer due diligence less burdensome for service providers and directors and company principals. We brought together representatives from banks, law firms, corporate service providers and the regulator to see how we can use financial technology, encryption and Key ID recognition to save time, money and resources while complying with ever-growing and complicated regulatory requirements.

There are umpteen examples of Bermuda enterprises pushing the status quo. Ventures like Trunomi, Nova, Fireminds, Cedent, Amplius, Connectech, and many more. In the past week



alone, our BDA team has worked with several innovators who believe in the promise Bermuda holds for both digital and traditional economies.

Cameron Snaith is a Bermudian stretching boundaries in New York City via an enterprise he co-founded called [Bleeker.co](#). A Columbia and Princeton grad who is now a research affiliate with the MIT Media Labs' Social Computing group, Snaith envisioned a new-look company that could boost productivity, provide mentorship, and foster ingenuity across industry sectors by creating innovation clusters—ideas that could eventually become concrete and commercialised. “A talent company for the innovation era,” he calls it.

Stan Stalnaker was another visitor. Fifteen years ago, he founded Bermuda company [Hub Culture](#), a global network that launched a digital currency called ‘Ven’ and hosts collaborative charitable networking events around the world. This summer, he’s staging the first AI-to-AI event in Bermuda using an Ethereum blockchain brain named Zeke. “Humans,” says Stan, “are invited.”

Bermudian [Catherine Quin](#) blends the worlds of fashion, art and philanthropy. A London-based lawyer-turned-designer, whose eponymous line has won attention from big-name fashion press, she brings her connections back to the island this summer for the America’s Cup. As well as launching her latest collection, Quin is also masterminding a gala fundraiser mixing art and environmental foundations to benefit non-profits for marine and climate change-research.

Yet another Bermudian, Leicester, UK-based Dr Carika Weldon, is staging a [four-day conference](#) in Bermuda this week that has attracted genome scientists from around the world. Hers is the rarefied field of splicing, a mechanism tied to gene regulation that is being closely studied by cancer researchers to find possible new therapies for treatment.

We welcome these and other blue-sky thinkers and all their entrepreneurial energy into our marketplace. Who knows if the next big idea will be born from their endeavours, or those of like minds pushing innovation in any number of industries? What’s clear is that such fresh diversity of focus will only make our jurisdiction richer.

ABOUT VIEWPOINT

A monthly blog by BDA CEO Ross Webber, with commentary on industries, issues and influencers affecting Bermuda as a global financial centre. Comments and feedback can be sent to ross@bda.bm

ABOUT BERMUDA BUSINESS DEVELOPMENT AGENCY (BDA)

The BDA encourages direct investment and helps companies start up, re-locate or expand their operations in our premier jurisdiction. An independent, public-private partnership, we connect prospective companies to industry professionals, regulatory officials, and key contacts in the Bermuda government to facilitate domicile decisions. Our goal? To make doing business in Bermuda straightforward and beneficial.

