

MAYOR FRANCIS SUAREZ: TECHNOLOGY AND DIGITAL ASSETS ARE TRANSFORMING MIAMI

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Featuring:

Francis X. Suarez, Mayor of Miami

Roman Regelman, CEO of Asset Servicing and Head of Digital, BNY Mellon

Moderated by Tom Hoare, Deputy Chief Communications Officer, BNY Mellon

TOM HOARE: Hey everyone, it's Tom Hoare. Thanks for joining us for another episode of the BNY Mellon Perspectives podcast series, where we bring you the conversations that are shaping the global economy, the financial services industry, and the world.

We've got a great conversation for you today. Last week, we sat down with the Mayor of Miami, Francis Suarez. You may have seen Mayor Suarez in the news lately – he's embarked on an ambitious campaign to make Miami what he calls the "next Silicon Valley." As the post-COVID world takes shape, he wants Miami, long nicknamed the Magic City, to be an epicenter of talent and innovation, and he has put digital assets and cryptocurrency at the heart of this campaign.

So it's only natural that he sat down with the CEO of BNY Mellon's Asset Servicing and Digital business, Roman Regelman. Roman was a principal architect of the big news we made earlier this year when BNY Mellon announced that we would be making a major move, a major push, into the digital assets space. He's responsible for the bank's Digital strategy alongside our Asset Servicing business, and as part of that, he leads our Digital Assets unit.

Roman and Mayor Suarez share a tremendous passion for digital assets, and I think that passion comes through in this discussion. They talked about leadership, innovation, and how digital assets is reshaping banking, and potentially one of America's most vibrant cities.

Thanks for listening as always. Enjoy this great conversation, and as always, share your feedback! Listen, rate, review; tell us whatever you think wherever you listen to your podcasts. We'll see you at the next episode. Thanks everyone!

ROMAN REGELMAN: Thank you so much for being with us.

MAYOR FRANCIS SUAREZ: You're welcome.

ROMAN REGELMAN: It's really, really a pleasure.

MAYOR FRANCIS SUAREZ: Welcome to Miami.

ROMAN REGELMAN: Thank you. Actually, on that point, I came to this country in '91 and my first vacation in America was in Miami.

MAYOR FRANCIS SUAREZ: Smart man.

ROMAN REGELMAN: I lived in Boston, it was a 26-hour drive.

MAYOR FRANCIS SUAREZ: Wow.

ROMAN REGELMAN: I came here, I met some friends. I talked to some people, and they told me the mayor is an immigrant. And you know, who was the mayor in this city?

MAYOR FRANCIS SUAREZ: My father.

ROMAN REGELMAN: That's right.

MAYOR FRANCIS SUAREZ: That's amazing.

ROMAN REGELMAN: It was so inspirational for me. Being an immigrant, to know the mayor of a major city is an immigrant like me. I mean, I still remember this thing. So I am really honored to be here.

MAYOR FRANCIS SUAREZ: Well, it's an honor for me to be here. We stand on the shoulders of our forefathers of prior generations, and it's an amazingly beautiful thing in this country where the American dream is really a creation of a country that was built by immigrants. I think that's a beautiful thing, and the immigrant spirit is alive and well in Miami. It's a spirit of taking chances. It's a spirit of working hard. It's a spirit of honoring the family, and those are the building blocks of a great society.

ROMAN REGELMAN: So maybe tell us about your leadership journey. From being born in the city, the way you are right now.

MAYOR FRANCIS SUAREZ: It's like being on a turbulent plane, a plane that has a lot of turbulence. No, it's been great. It's been a blessing. First of all, I had the honor of being able to represent people in the city I was born in. So I'm the first mayor of Miami in the whole history, 125 years, that was actually born in the city of Miami. This goes to your point of there being immigrants, and so that's exciting for me. I think number two, for me, I got to see my father as a man. So I grew up in a very unique situation. I got to see somebody who was a transformational leader, someone who I admired greatly and still admire, someone who had come to this country at 12 with nothing, didn't speak the

language. In short order, [he] got a full scholarship to university, got graduate degrees from the best universities in the country and became the first Cuban mayor. So I was very blessed and very lucky. I have a great support system in my family, both on my parents' side and my sibling side, and on my own wife's side and her siblings. So I'm very blessed. And so for me, what I do every day is, after thanking God for waking up, it's being grateful for this opportunity to create a city that I think is going to be the city of the future.

ROMAN REGELMAN: So talking about a city of the future, what is it like to run the city during this crisis?

MAYOR FRANCIS SUAREZ: I actually was doing five national interviews a day. I was working probably harder than I've ever worked.

ROMAN REGELMAN: All from home.

MAYOR FRANCIS SUAREZ: All from home, and I realized that there's something happening here, this metamorphosis of the virtual world. Where now you can be anywhere and everywhere instantly from one moment to the next. And I realized then that our world was going to change in ways that we're never going to see the old world again. And that is another reason why I felt really like pushing tech in Miami was important to allowing us to sort of turn the page from one generation to the next and build an economy that not only will serve my generation, but my children and my unborn grandchildren.

ROMAN REGELMAN: So, talking about tech: I lead innovation and digital for Bank of New York Mellon. We announced our effort in digital assets, as you know, as we discussed.

MAYOR FRANCIS SUAREZ: Yeah.

ROMAN REGELMAN: You are obviously creating the city, which is a magnet for innovation as well.

MAYOR FRANCIS SUAREZ: Yeah.

ROMAN REGELMAN: What's in your mind, the role of digital assets, as you progress on this journey?

MAYOR FRANCIS SUAREZ: Well taking a step back. I think, first of all, as a city and as a company, you innovate or you die. I mean, if you don't innovate, you're not keeping up with what your customers want and if you don't do that, you're going to fall behind. So it was a particularly special moment for me when BNY Mellon announced that they were going to hold crypto on behalf of their clients, because it was the day after I had taken, gone out on a limb and convinced my commission by a four to one vote, to allow us to pay our employees in Bitcoin, to accept Bitcoin and to potentially hold it on our balance sheet.

MAYOR FRANCIS SUAREZ: So once that happened in the *Wall Street Journal*, I was so excited. I woke up, I was so pumped up and I literally got five copies of the *Wall Street Journal*. And I actually sent it to all five of my councilmen. I said, if the oldest bank in the world, in the history of the United States has...

ROMAN REGELMAN: The Alexander Hamilton bank...

MAYOR FRANCIS SUAREZ: ...If the Alexander Hamilton bank has the ability and the foresight to do this, we're on solid ground. We're not on shaky ground.

ROMAN REGELMAN: So, you're convincing your commissioners. Obviously that creates a lot of buzz. This is the city where you are attracting a lot of talent. How do you think about retaining talent, and how to make sure it's not a situation where people come here [temporarily], they actually stay here and make the city vibrant?

MAYOR FRANCIS SUAREZ: So for many years, Miami has been a transit city. People come vacation, they come when they want to retire, they come for a season. I think what we're trying to do is something that is more substantive, something that's more sustainable. We've been traditionally a construction and a tourism economy, and somewhat a finance economy. But I think what we've created here is a combination of macro factors. Being the lowest tax city in America, or having the lowest crime of any big city, working on almost no homelessness. Then focusing on quality of life, investing in parks, investing in culture, museums, and investing in sports. We're the only city in the world that has all the sports teams plus Formula One that we just got a couple weeks ago.

ROMAN REGELMAN: It's amazing.

MAYOR FRANCIS SUAREZ: Isn't that great?

ROMAN REGELMAN: So excited.

MAYOR FRANCIS SUAREZ: So it is. So you'll be here, I'm sure, and we're creating a dynamic city and the reason why is there's a fundamental truth. Nobody. Nobody, and I haven't met anybody yet, maybe you know somebody, has figured out how to live yesterday again. So once you live yesterday, it's gone. So the biggest decision that we have to make is where are we going to live today and where we're going to live tomorrow. So I think that means that when you create a city that has the best quality of life offerings, you have the best opportunity to win the decision of where people want to live. Once you aggregate the capital and you create economic opportunity for all, you are creating the conditions for the next generation of great companies, and that's what we want to be positioned for.

ROMAN REGELMAN: So actually, it parallels to our journey. As the country's oldest bank, we're in a transformation journey. So I think the question I have for you is, what advice do you have for us, as we work with the public sector? Because it's critical for us...

MAYOR FRANCIS SUAREZ: Sure.

ROMAN REGELMAN: As the clients, as the stakeholders.

MAYOR FRANCIS SUAREZ: I think being bold, like what you've been. I think being connected, which you are obviously doing right now. I think understanding that relationships matter, but innovation matters as well. We want to have a certain reputation. And the reason why we're involved in digital assets is because we want to be seen as the most forward city in America on new technologies. So

we saw an opportunity on digital assets and we said, "Hey, this is not an opportunity that we can pass up." If we really want to be known as a tech forward city, we've got to take some chances. This is one that frankly was a chance when we took it, but thanks to you and others, so many others, it's becoming more and more mainstream every single day.

ROMAN REGELMAN: Right.

MAYOR FRANCIS SUAREZ: So we look back, we look like geniuses from back then. I remember, crypto was far, Bitcoin was far less in value when I said, "Hey, I wish we could hold it on our balance sheet." If we were to hold it on our balance sheet, we would have made about 20, 25 percent on our balance sheet, and I'd be a very popular guy.

ROMAN REGELMAN: Yeah, no people ask me, what's the best time to get into digital assets? I say, "It's like planting a tree. The best time was 10 years ago. The second best time is now."

MAYOR FRANCIS SUAREZ: Exactly. No, listen, there are always dips. You know what I mean? So, I mean, if I were somebody thinking about it, monitor the dips; when there's a dip that you feel comfortable, get in on the dip. But I think that the asset, and I don't mean to give investment advice, but the asset is one where, when you see governments continue to print money, even the U S government, \$1.9 trillion in the American rescue plan. \$2.2 trillion in the infrastructure plan. You're talking about \$4 trillion worth of money and money circulation. There is a palpable fear about inflation and things like that, and people want to hedge. So it's a hedge that's becoming very popular. It's a hedge that is becoming very mainstream. And so we'll see where it goes.

ROMAN REGELMAN: So talking about governments, needless to say, complex situation and the country, complex situation in the world. What are you most hopeful for? For the future of this city and this country?

MAYOR FRANCIS SUAREZ: What I'm most hopeful for is that we have a new generation of innovators and creators that are creating the companies of tomorrow. So the companies of tomorrow are going to look radically different than the ones of today. We're going to be using data science. We're going to be using artificial intelligence. We're going to be focused on the environment. We're going to have a tremendous amount of fintech with crypto and blockchain applications. We're going to have machine learning. We're going to have a different world where the decisions that we make are going to be impacted by the technology that we use. So for us, we need to be well-positioned there. We need to make sure that every single resident in our community has an opportunity to be successful in that world. And frankly, I see it very clearly, the vision, and I know that's where we're heading and I just want my city to be prepared for it.

ROMAN REGELMAN: It's really an honor to be with you. Thank you for attending our event. And you know, we'll watch what you do, and we want to be part of the journey.

MAYOR FRANCIS SUAREZ: Thank you so much, the honor is mine.

ROMAN REGELMAN: Thank you.