

The technology industry is a sizeable and diverse economic sector. Like the state's granite rocky peaks and fertile plains, the tech industry has an inspirational and productive fabric underpinning and enabling the industry's sustainable growth.

Deconstructed



Global

- \$3.6 trillion
- (Source: CompTIA)



U.S.

- \$1.0 trillion
- 26% of Global market
- 168,000 companies
- (Source: U.S. Census; CompTIA)

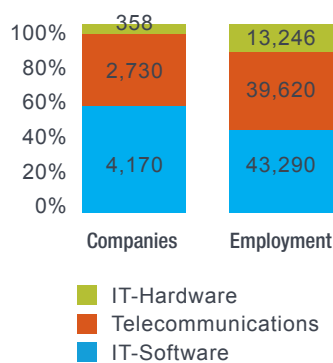


Colorado

- \$49.6 billion
- \$26.5 billion in gross state product and \$25.9 billion in region exports
- 10,100 companies
- (Source: EMSI 2012)



Metro Denver/Boulder

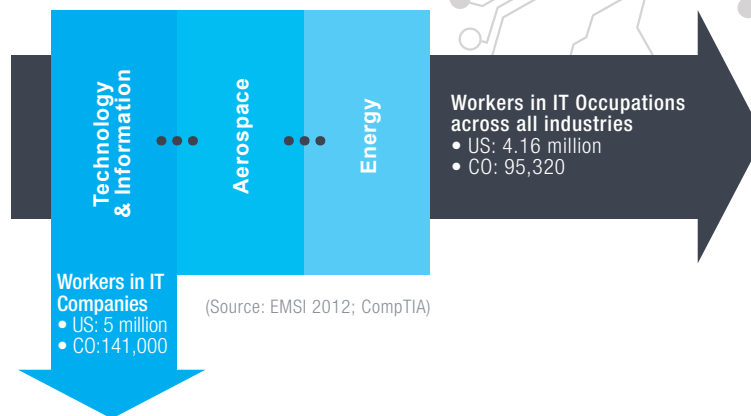


(Source: Development Research Partners)

There are two distinct elements of the IT workforce:

1. Workers within IT companies
2. Workers in IT occupations

IT Workforce



Wages and Payroll

Colorado remains competitive with the national average, especially considering the reasonable cost of living in the state.

- U.S.: \$103,500 average annual wage, \$8.7 billion total payroll (2011)
- Software: \$95,830 average annual wage, with \$4+ billion total payroll (2012)
- Telecommunications: \$92,360 average annual wage, with \$3.7 + billion total payroll (2011)

(Source: U.S. Bureau of Labor and Statistics)

83% of software technology companies in the Denver/Boulder Metro Region are small and medium businesses (SMB).

FABRIC

Public-private partnerships, interconnected networks, forward-thinking leadership and an innate entrepreneurial spirit form the weave of our industry's fabric, all working continually to fortify the state's Technology and Information industries and make Colorado a great place to be successful.



Public-Private Partnership

The Colorado Technology Association is aligned with the Governor's Office of Information Technology as well as the Governor's Office of Economic Development and International Trade to drive Colorado's Blueprint for economic development. This public-private partnership is coordinated through the virtual Industry Collaboration Office. Initiatives are organized through a framework of six core objectives to provide line of sight to the 14 key industries and regions in the state to identify job growth inhibitors and create meaningful partnerships to address these gaps quickly and effectively.

The sampling of recent achievements below illustrate the state's momentum and progress toward becoming the nation's premier location for the Technology and Information industries.

1: CREATE A BUSINESS-FRIENDLY ENVIRONMENT

Technology companies thrive in Colorado.

- Colorado's corporate income tax rate of 4.63 percent is one of the lowest and most competitive tax structures in the region. (Source: The Tax Foundation)
- Legislation adopted in 2012 provides for economic growth and new job creation. HB 12-1029, the "Save Colorado Jobs Act," creates incentives for companies looking to relocate to or expand in Colorado.

2: RECRUIT, GROW AND RETAIN BUSINESS

Colorado enjoys a healthy mix of startups, mid-size, satellite offices for large firms with HQs outside of Colorado and large firms.

- Colorado has the eighth-best economic outlook in the nation. (Source: 2012 ALEC-Laffer State Economic Competitiveness Index)
- Denver and Boulder ranked ninth in USA Today's 2012 "Top 10 Cities for Technology Start-ups". (Source: USA Today 2012)
- Colorado ranked fifth overall on Forbes' 2012 "Best States for Business and Careers" list. (Source: Forbes 6.27.12)
- Colorado ranked eighth as the next boom state positioned to grow and prosper, second for its high-tech business concentration, third for its business creation rate, and fifth in science, technology, engineering, and mathematics job concentration. (Source: National Chamber Foundation 2012)

3. INCREASE ACCESS TO CAPITAL

More investment is needed to support the state's vibrant entrepreneurial environment.

- TechStars and Foundry have over \$350 million to invest in start-ups. (Source: USA Today 8.24.12)
- Rocky Mountain Venture Capital Association (RMVCA) reported 22 investments totaling \$90.31 million in Q4 2012.
- Colorado ranked third for 2011 venture capital investments per \$1000 of GDP. (Source: Pricewaterhouse Coopers, MoneyTree Report 2012; Bureau of Economic Analysis 2012)



5. EDUCATE AND TRAIN THE WORKFORCE OF THE FUTURE

Colorado has a strong, highly educated workforce, focused on growing in STEM related disciplines.

- Metro Denver ranked first among the nation's largest metropolitan areas for total population gain in the 25- to 34-year age group between 2008 and 2010, according to the Brookings Institution. (2012)
- The nine-county region ranked 10th out of the 50 largest metro areas in software employment concentration in 2012. (Source: Development Research Partners)
- The state ranked third in computer specialists as a share of the workforce. (Source: Tech American Foundation *Cyberstates* 2011)
- Boulder ranked third in tech-worker concentration while Denver ranked 17th. (Source: *Cyberstates* 2011)
- Colorado is the third-most highly educated state in the nation behind Massachusetts and Maryland. (Source: U.S. Census Bureau; 2011 American Community Survey)
- Denver ranked fifth among the nation's top 10 "Hotspots for Startup IT Jobs." (Source: PayScale, Inc. 2012)

6. CULTIVATE INNOVATION AND TECHNOLOGY

A state of independent thinkers, Colorado is a natural fit with startups and fast-growing companies.

• Colorado has 24 federal laboratories, one of the highest concentrations of federally funded science and research centers in the nation. Employing 7,964 scientists and engineers and generating a more than \$1.5 billion annual economic impact to the region, these federal labs have contributed greatly to the evolution of Metro Denver's high-tech industries. The labs also stimulate significant tech transfer opportunities among higher educational and area companies in critical areas such as climate research, space science, and renewable energy development.

(Source: MetroDenver.org)

- Launched in 2011, the Colorado Innovation Network (COIN) aims to connect innovation leaders and inventors to solutions and ideas through which they can foster new technology development.
- The inaugural Denver Startup Week in 2012 showcased the region's entrepreneurial community. It featured 70 events and 4,000 people in attendance.

4. CREATE AND MARKET A STRONGER COLORADO BRAND

Colorado is widely recognized as a great place to live and do business.

- In 2013, the Governor unveiled an effort to broadly rebrand Colorado to attract more tourists, talented professionals and business. The program, called brandCO, seeks to outperform the nation in net job growth and attract out-of-state talent.
- Boulder is the nation's most creative city, according to a recent ranking by news website *The Daily Beast* (2012) based on data from *The Rise of the Creative Class*.
- Kiplinger's Personal Finance magazine ranked Denver among the top five "Best Cities for Young Adults." Contributors identified "best" cities as those that have strong employment growth, a highly educated and tech-savvy population, and a reasonable cost of living.



Interconnected Networks

These organizations work collectively to put Colorado's technology industry on the map.

- Association of Information Technology Professionals
- Boulder Denver New Tech
- CHIMSS
- Coalition for a Connected West
- Code for Communities
- Colorado Cable Television Association
- Colorado FIRST
- Colorado Innovation Network
- Colorado Office of Economic Development and International Trade
- Colorado Office of Information Technology
- Colorado Photonics Industry Association
- Colorado Technology Association
- Colorado Telecommunication Professionals
- Colorado Telecommunications Association
- CORE Colorado
- CORHIO
- Founder Institute Denver Chapter
- Information Systems Audit and Control
- KidsTek
- National Center for Women in Technology
- OpenColorado
- OpenWorld Learning
- Place Matters
- Rocky Mountain Information Management Association
- Rockies Venture Club
- Rocky Mountain Venture Capital Association
- Silicon Flatirons
- Society of Information Manager
- Society of Women Engineers
- Startup Colorado
- TechStars
- TIE Rockies The Indus Entrepreneurs



Entrepreneurial Spirit

Entrepreneurial spirit, perhaps founded in our pioneer roots and nourished by the Rocky Mountain experience, is a core competency in our business environment.

- Colorado is among the top 10 states for entrepreneurship and innovation.

(Source: U.S. Chamber of Commerce 2012)

- Colorado is ranked 5th in entrepreneurial activity.

(Source: 2011 Kauffman Index of Entrepreneurial Activity)



Doing business in Colorado

A hotbed of entrepreneurial activity, the state also draws major corporate regional offices by virtue of its central location and extensive infrastructure. These are some of the companies doing business in the state.

- | | | |
|--------------------------|----------------------------------|--------------------|
| • AccuCode | • Hughes Cloud Services | • Rally Software |
| • Alcatel-Lucent | • IBM | • Raytheon |
| • Arrow Electronics | • IHS Inc. | • ReadyTalk |
| • Aspenware | • Integro | • Reed Group |
| • AT&T | • Intelligent Software Solutions | • Ricoh |
| • Avaya | • Istonish | • Rivet Software |
| • BI incorporated | • iTriage | • Sanmina |
| • Brocade | • Kovarus | • Seagate |
| • CenturyLink | • Latisys | • SendGrid |
| • Cisco Systems | • Level 3 Communications | • ServiceNow |
| • Comcast Business Class | • Liberty Media Corporation | • SpectraLogic |
| • CommVault | • Lockheed Martin | • Statera |
| • Confio Software | • MapQuest | • Swiftpage |
| • Datavail | • Mercury Payment Systems | • T-Mobile |
| • DigitalGlobe | • Microsoft | • TeleTech |
| • DirecTV | • Motivity Solutions | • Using Miles |
| • DISH Network | • Neudesic | • TrackVia |
| • EffectiveUI | • NewsGator | • Verizon |
| • EchoStar | • Oracle | • ViaWest |
| • Four Winds Interactive | • Otterbox | • Votigo |
| • FullContact | • Pearson eCollege | • Wayin |
| • Google | • Ping Identity | • Webroot Software |
| • Green House Data | • Pivotal Labs | • Zayo |
| • Hitachi Data Systems | • Quantix | |
| • HOSTING | • Pivotal Labs | |

“I’ve come to think of Boulder as my laboratory for thinking about startup communities.... Boulder’s entrepreneurial density, combined with the geographic concentration of entrepreneurial activity around the Boulder downtown core, makes downtown Boulder a hotbed of startup activity.”

From *Startup Communities: Building an Entrepreneurial Ecosystem in Your City*

- Brad Feld

“Colorado has a vast network of assets including world class research institutions and federal labs, universities, innovative companies, and a highly educated workforce. Aligning, leveraging and integrating these assets around opportunities to grow the advanced industries will establish Colorado as a global competitor and technology hub, and turn Colorado’s basic research strengths into viable companies that remain here.”

- Ken Lund, Executive Director,
Colorado Office of Economic
Development and International Trade



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