Colorado Tech Industry Report

The definitive tech hub between the coasts
Natural resources and agriculture are no longer Colorado’s lone drivers. Instead, a rapid transformation of business through technology has catalyzed a diverse ecosystem. Leadership in cybersecurity, health, aerospace, cloud, engineering and more have made Colorado the best place to start and grow a business. Colorado’s unique work-life balance and soaring tech wages make it easy to see why the Centennial State has become the definitive tech hub between the coasts.

Across the U.S.

1st
Best State Economy
Source: usnews.com

2nd
State Tech and Science Index
Source: State Technology and Science Index, 2018

4th
Best Metro Area for Startups
Source: Forbes.com

4th
Impact of Technology on State Economy
Source: Cyberstates.org

5th
Most Innovative State
Source: WalletHub, 2019

5th
Venture Capital Investments per State
Source: usnews.com

Tech Business Establishments

United States
524,912

Colorado
17,416

Metro Denver
10,151

Source: Cyberstates.org

Tech Sector Contribution to the Economy

United States
$1.8 trillion
10.2%

Colorado
$48 billion
14.5%

*The tech sector has made the largest impact in Colorado’s economy

Education in Colorado

31
Public Colleges & Universities

34
Private Colleges & Universities

285
Occupational Schools

Source: Colorado Department of Higher Education

FORTUNE 500 In Colorado

109. Arrow Electronics
188. DaVita
225. Qurate Retail
232. DISH NETWORK
271. Ball
294. Molson Coors Brewing
320. DCP Midstream
380. Liberty Media
419. Newmont Goldcorp
498. Western Union
TECHNOLOGY & INNOVATION ECOSYSTEM

Colorado enjoys a healthy mix of startups, mid-market companies and enterprise firms.

HQ to 10 Fortune 500 companies & 23 Fortune 1000 companies
List based on revenue of the nation’s publicly traded companies

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Revenues ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>109</td>
<td>Arrow Electronics</td>
<td>$29,676</td>
</tr>
<tr>
<td>188</td>
<td>DaVita</td>
<td>$16,368.6</td>
</tr>
<tr>
<td>225</td>
<td>Qurate Retail</td>
<td>$14,070</td>
</tr>
<tr>
<td>232</td>
<td>DISH NETWORK</td>
<td>$13,621.3</td>
</tr>
<tr>
<td>271</td>
<td>Ball</td>
<td>$11,635</td>
</tr>
<tr>
<td>294</td>
<td>Molson Coors Brewing</td>
<td>$10,769.6</td>
</tr>
<tr>
<td>320</td>
<td>DCP Midstream</td>
<td>$9,822</td>
</tr>
<tr>
<td>380</td>
<td>Liberty Media</td>
<td>$8,040</td>
</tr>
<tr>
<td>419</td>
<td>Newmont Goldcorp</td>
<td>$7,253</td>
</tr>
<tr>
<td>498</td>
<td>Western Union</td>
<td>$5,589.9</td>
</tr>
</tbody>
</table>

Bloomberg's Brain Concentration Index Ranking
The Brain Concentration Index (BCI) tracks business formation within metro areas with a population of 90,000 or more as well as employment and education in STEM categories.

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fort Collins, CO</td>
</tr>
<tr>
<td>2</td>
<td>Boulder, CO</td>
</tr>
<tr>
<td>3</td>
<td>San Jose, CA</td>
</tr>
<tr>
<td>4</td>
<td>Durham, NC</td>
</tr>
<tr>
<td>5</td>
<td>San Francisco, CA</td>
</tr>
<tr>
<td>6</td>
<td>Washington, DC</td>
</tr>
<tr>
<td>7</td>
<td>Raleigh, NC</td>
</tr>
<tr>
<td>8</td>
<td>Madison, WI</td>
</tr>
<tr>
<td>9</td>
<td>Seattle, WA</td>
</tr>
<tr>
<td>10</td>
<td>Denver, CO</td>
</tr>
</tbody>
</table>

Source: Bloomberg analysis of data from U.S. Census

Tech Driven Economy
With the 5th highest concentration of technology jobs relative to overall employment base (10.3%) and the 4th highest impact on the state economy (14.5%), the Colorado technology sector is a key economic driver.

Source: Cyberstates.org

Where Unicorns Roam
Colorado is home to an increasing number of "unicorns". Recent additions include Guild Education, one of the few female-led companies in the country to hit the $1B+ valuation milestone.

Source: Denver Business Journal

Smartest State in the West
Colorado has the highest percent of college-experienced adults, including the 2nd highest number of Bachelor's degree holders, making Colorado the most educated state west of the Mississippi.

Source: WalletHub

Top 10 Growth City
Denver ranks among the top cities in the country for tech growth. Colorado’s low cost of living, soaring tech wages, and unbeatable quality of life have contributed to a robust tech talent pool in the Front Range.

Source: CBRE
INVESTMENT AND M&A ACTIVITY IN 2019
Investment into local technology companies was a key driver of economic growth

Unicorn Spotlight

**Evercommerce**

Evercommerce provides software services to small- and medium-sized businesses in the health, wellness, health, and home services markets. Evercommerce’s products help these businesses manage payments, marketing, sales, HR, and much more. Silver Lake Partners led Evercommerce’s most recent funding round, closing at over $2 billion.

Source: Colorado Business Journal

**Guild Education**

Guild Education works with Fortune 1000 companies to help provide education opportunities for entry-level applicants. Guild is one of only a handful of companies to reach unicorn status led by a female CEO, Rachel Carlson. Guild’s $1 billion round was led by General Catalyst.

Source: Colorado Business Journal

**Ibotta**

Ibotta, a cash-back rewards application that offers users rewards at hundreds of retailers, closed a $1 billion dollar fundraising round in 2019 led by Koch Disruptive Industries.

Source: Built in Colorado

M&A Timeline

**April**

Merrick & Co. acquires Benham Energy & Chemicals Business from Haskell

Source: Colorado Business Journal

**June**

Bow River Capital acquires Dynamix Energy Services, LLC and Dynamix Engineering Ltd.

Source: Morrissey Goodale LLC 2019

Congruex LLC acquires Terra Technologies LLC

Source: Bizwest.com

**July**

Thomas Bravo acquires a majority interest in LogRhythm

Source: Built in Colorado

Bottom Line:

VCs invested over $1 billion in Colorado in 2019

Source: Colorado Sun
TECHNOLOGY & EMPLOYMENT

Colorado has a highly educated workforce focused on STEM and computer science disciplines.

Since the end of the market crash in 2011, Colorado has managed to stay under the U.S. average unemployment rate and, in general, has recovered faster than the United States’ economy.

The median tech wages in Colorado is 97% higher than median wages in the U.S.

The U.S. has seen a 16.1% rise in net tech employment since 2010.

The largest percentage increase occurred in 2012 with a 2.88% increase from the previous year.

A new tech company is launched every 72 hours in Colorado.

Colorado Tech workers make, on average, 98% more than the average private sector worker.
Employment Statistics

Considered one of the top 10 states with top tech-talents in the nation, Colorado boasts higher than average salary levels for many different tech positions.

**Computer & Mathematical Occupations (overall)**

- **Denver**
  - $98,460 Annual Mean Wage
  - 77,050 Total Local Employment

There are more than 146,000 Jobs in the Tech Sector in Colorado.

The Denver/Boulder region increased its tech workforce by more than 25,000 jobs. This represents a 30.9 percent growth. The region also saw an influx of tech workers from out of state.

- **Source:** CBRE, 2019

**Annual Mean Wages for Denver Tech Jobs**

<table>
<thead>
<tr>
<th>Job</th>
<th>Mean Wage</th>
<th>Total Local Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer &amp; Information Research Scientists</td>
<td>$117,780</td>
<td>190</td>
</tr>
<tr>
<td>Computer Systems Analysts</td>
<td>$95,530</td>
<td>6,250</td>
</tr>
<tr>
<td>Information Security Analysts</td>
<td>$97,650</td>
<td>2,260</td>
</tr>
<tr>
<td>Computer Programmers</td>
<td>$95,990</td>
<td>2,110</td>
</tr>
<tr>
<td>Software Developers: Applications</td>
<td>$106,040</td>
<td>19,520</td>
</tr>
<tr>
<td>Software Developers: Systems Software</td>
<td>$127,440</td>
<td>7,230</td>
</tr>
<tr>
<td>Web Developers</td>
<td>$87,920</td>
<td>1,410</td>
</tr>
<tr>
<td>Database Administrators</td>
<td>$95,570</td>
<td>1,820</td>
</tr>
<tr>
<td>Operations Research Analysts</td>
<td>$82,280</td>
<td>540</td>
</tr>
<tr>
<td>Network &amp; Computer Systems Administrators</td>
<td>$87,280</td>
<td>7,470</td>
</tr>
<tr>
<td>Computer Network Architects</td>
<td>$118,730</td>
<td>4,530</td>
</tr>
<tr>
<td>Computer User Support Specialists</td>
<td>$62,890</td>
<td>9,090</td>
</tr>
<tr>
<td>Computer Network Support Specialists</td>
<td>$72,400</td>
<td>2,640</td>
</tr>
<tr>
<td>Statisticians</td>
<td>$83,990</td>
<td>770</td>
</tr>
<tr>
<td>Computer Occupations: All Others</td>
<td>$106,040</td>
<td>11,000</td>
</tr>
</tbody>
</table>

- **Source:** Bureau of Labor Statistics

The Denver/Boulder area’s tech talent labor pool makes up 6.50% of the total employment, 2.8% higher than the U.S. average.