



Colorado  
Technology  
Association



# Colorado Tech Industry Report

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The definitive tech hub between the coasts

# Executive Summary

## THE 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, 2019
- 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
<b>United States</b> 524,912
<b>Colorado</b> 17,416
<b>Metro Denver</b> 10,151

Source: Cyberstates.org

Education in Colorado
<b>31</b> Public Colleges & Universities
<b>34</b> Private Colleges & Universities
<b>285</b> Occupational Schools

Source: Colorado Department of Higher Education

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

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

Rank	Company	Revenues (\$M)
109	Arrow Electronics	\$29,676
188	DaVita	\$16,368.6
225	Qurate Retail	\$14,070
232	DISH NETWORK	\$13,621.3
271	Ball	\$11,635
294	Molson Coors Brewing	\$10,769.6
320	DCP Midstream	\$9822
380	Liberty Media	\$8,040
419	Newmont Goldcorp	\$7,253
498	Western Union	\$5,589.9

FORTUNE 1000: Antero Resources (\$4,139.6), MDC Holdings (\$30,065.2), Zayo Group Holdings (\$2,604), Cimarex Energy (\$2,339), Woodward (\$2,325.9), Liberty Oilfield Services (\$2,155.1), Century Communities (\$2,147.4), Maxar Technologies (\$2,141), Summit Materials (\$2,101), EchoStar (\$2,091.4), Whiting petroleum (\$2,081.4), SM Energy (2,0567.1), & Vail Resorts (\$2,011.6)

Source: fortune.com, 2019

## 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.

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

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

### Tech Driven Economy

With the 5th highest concentration of technology jobs relative to overall the 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:

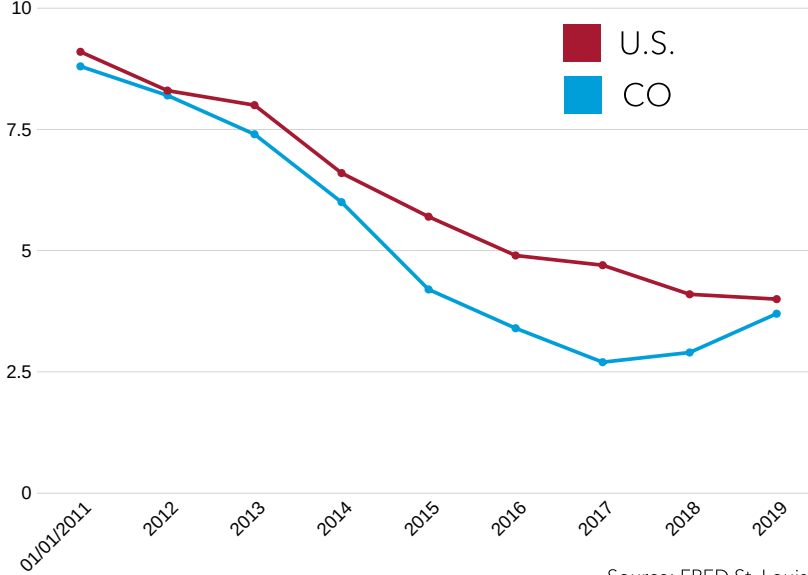
# VCs invested over \$1 billion in Colorado in 2019

Source: Colorado Sun

# TECHNOLOGY & EMPLOYMENT

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

Unemployment Rate (CO vs U.S.)



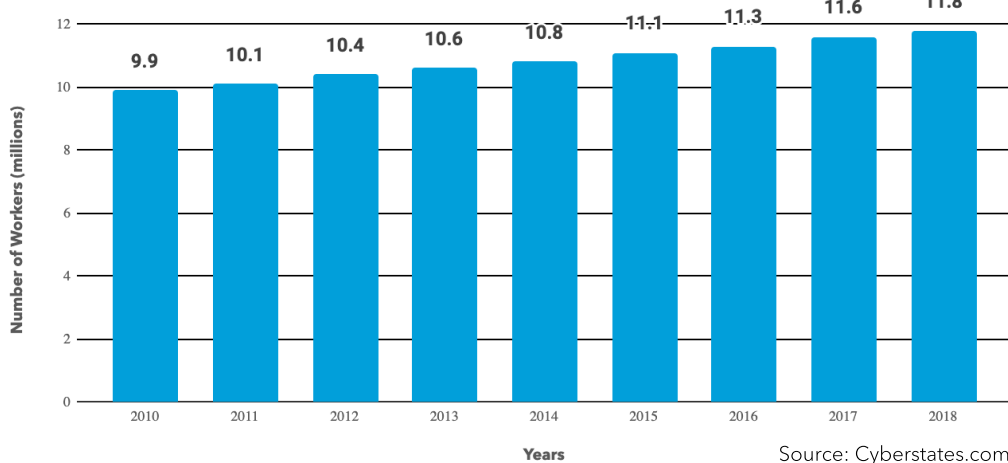
Since the end of the market crash in 2011, Colorado has managed to stay under the U.S. average unemployment rate and, in general, has recovered faster than the United States' economy.

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

Source: Cyberstates.org

Source: FRED St. Louis

Net Tech Employment Trend in U.S.

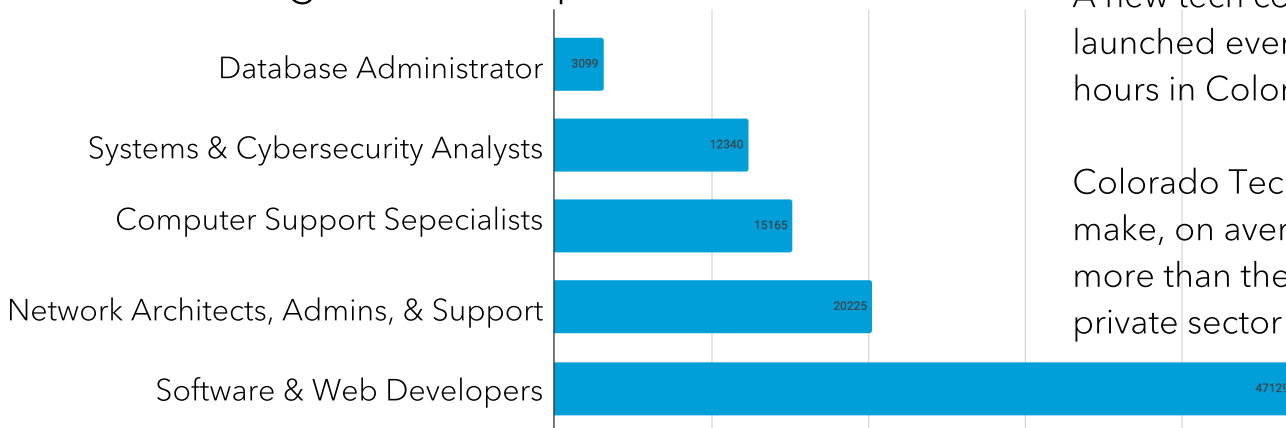


The U.S. has seen a 16.1% rise in net tech employment since 2010.

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

Source: Cyberstates.com

## Leading Tech Occupation Jobs



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.

Source: Cyberstates.com

# 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

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\$98,460  
Annual Mean Wage

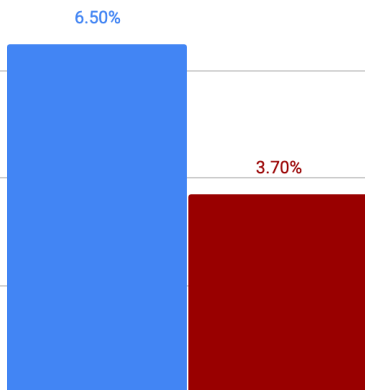
77,050  
Total Local Employment

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

■ Denver/Boulder ■ U.S. Average



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.

## Annual Mean Wages for Denver Tech Jobs

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

Source: Bureau of Labor Statistics