



COLORADO

KEY INDUSTRY FINANCIAL SERVICES



INDUSTRY FACTS

2013 TOTAL EXPORTS

\$931 MILLION



NUMBER OF COMPANIES

10.3K

AVERAGE ANNUAL EMPLOYMENT

219.8K

As the "Wall Street of the West," Colorado's Front Range is one of the few areas outside of the Northeast with a substantial financial services industry in three key market segments: banking and finance, investments, and insurance.

Banking and finance is comprised of transaction-oriented companies including commercial banks and credit unions, lenders, credit agencies and mortgage bankers. Investments include companies involved in securities and commodities trade, real estate investment trusts (REITS, and portfolio management. Insurance companies provide all types of insurance ranging from life, accident and health, to pension and welfare funds businesses.

Financial Services Assets

Colorado is a growing global financial center with an innovative ecosystem and unmatched talent pool. Colorado's Front Range is the major financial center between Los Angeles and Chicago. In addition, Denver is home to a branch of the Federal Reserve Bank and is the location of one of only six U.S. Mints. The Denver Mint manufactures all denominations of circulating coins and stores gold and silver bullion, producing a record 5.7 billion coins in 2013. Colorado's competitive environment, strong technology base, and sound transportation infrastructure attract several Forbes Global 2000, Fortune 500, and Inc. 500 Fastest Growing companies. Fourteen companies headquartered in Colorado were included on the Forbes' 2014 Global 2000 list, nine companies were included on the 2014 Fortune 500 list with revenues totaling more than \$93.6 billion, and 14 were named among Inc. 500's fastest-growing private companies. These growing companies and entrepreneurial business environment are propelling forward with significant venture capital and investment activity. According to PricewaterhouseCoopers' MoneyTree Report, Colorado companies in the financial services industry attracted nine deals totaling \$76.8 million in venture capital over the past five years. Across all industries, nearly 480 Colorado deals valued at a combined \$2.6 billion closed over the past five years.

Major Employers

- Anthem Blue Cross and Blue Shield
- Charles Schwab
- FirstBank Holding Company
- Great-West Financial
- JP Morgan Chase & Co.
- State Farm Insurance
- TIAA-CREF
- U.S. Bank
- Urban Lending Solutions
- VISA Debit Processing Services
- Wells Fargo

Workforce

Colorado's financial services industry includes a large pool of talented, skilled workers. Compared with the age distribution across all industries, the financial services industry has a larger share of employees that are older than 35 years old.

More than 39 percent of financial services-related occupations in Colorado require

TOP OCCUPATIONS BY EMPLOYMENT

1. Personal Financial Advisors

2. Securities, Commodities, and Financial Services Sales Agents

3. Insurance Sales Agents

4. Customer Service Representatives

5. Tellers

ANNUAL
PAYROLL
\$15.4
BILLION

DID YOU
KNOW?

About 3 percent of the 70K certified financial planner certificates in the U.S. are held in CO. (Certified Financial Planner Board of Standards, Inc., 2014)

The Business School at the University of Colorado Denver is the largest accredited graduate school of business in the Rocky Mountain West. (The University of Colorado Denver, 2014)

Metro Denver is among the top 10 metro areas for the fastest-growing jobs in the finance sector. (Forbes, 2013)

CO ranked 3rd for amount of private-equity investments companies received in 2012, \$26.8 billion. (Private Equity Growth Capital Council, 2013)

Denver ranked among the top 10 U.S. cities for financial advisor startups. (AdvicelQ/Meridian-IQ, 2011)

Note: An establishment is defined as a single physical location that produces some form of economic activity. One company can have multiple establishments.

Sources: QCEW Employees, Non-QCEW Employees, Self-Employed, & Extended Proprietors – EMSI 2014.2 Class of Worker; The Brookings Institution

a high school diploma or equivalent, while 57 percent require a bachelor's degree or higher. The majority of the financial services-related occupations require some sort of on-the-job training.

Education and Training

The higher education system in Colorado provides an excellent support system for the financial services industry in the state and offers a broad range of technical, scientific, and specialized degrees. There are 28 public institutions of higher education in Colorado, consisting of 13 four-year and 15 two-year public institutions offering financial services-related programs. In addition, there are more than 30 private and religious accredited institutions and nearly 15 private occupational and technical schools offering more than 130 financial services-related programs throughout the state.

Key Locational Factors

1. Access to a large, highly qualified workforce

- Of Colorado's adult population, more than 37 percent have completed a bachelor's or higher-level degree, making Colorado the second-most highly educated state in the nation behind Massachusetts. (U.S. Census Bureau, 2012 American Community Survey)
- Bloomberg Businessweek recognized three Colorado universities among the nation's "Best Undergraduate Business Schools" in 2014. The Daniels College of Business at University of Denver, the College of Business at Colorado State University, and the Leeds School of Business at the University of Colorado Boulder ranked within the top 100 undergraduate business programs in the nation. (Bloomberg Businessweek, 2014)

2. Low to moderate costs of doing business

- Colorado has the nation's ninth-best tax climate for small businesses and entrepreneurs, according to the Small Business & Entrepreneurship Council's "Business Tax Index 2014." The index evaluates state taxes on personal income, capital gains, dividends and interest, among other factors to determine each tax system's overall cost to small business. (Small Business & Entrepreneurship Council, 2014)
- Colorado's \$16 registration fee for brokers and dealer representatives is one of the lowest in the nation. (State of Colorado, Division of Securities)

3. A pro-business environment and competitive tax structure

- Colorado offers single-factor tax apportionment, which assesses taxes on a company's sales in the state only. Along with few regulatory burdens, Colorado's corporate income tax rate of 4.63 percent is one of the lowest and most competitive tax structures in the nation. (State of Colorado; The Tax Foundation)
- *Forbes* ranked Colorado fifth on its 2013 "Best States for Business and Careers" list. Colorado's cost of doing business is 2.4 percent below the national average and the state received its highest rankings for labor supply (first overall), growth prospects (fourth overall) and quality of life (ninth overall).

4. A central location and easy global access

- DIA was the fifth-busiest airport in the nation and 15th-busiest worldwide in terms of passenger traffic in 2013. DIA is home to 16 commercial carriers that offer scheduled nonstop service to nearly 180 destinations worldwide. (U.S. Bureau of Transportation Statistics, 2014; Airports Council International 2014; and Denver International Airport, 2014)
- Metro Denver's unique geographic location in the Mountain time zone makes it the largest region in the U.S. to offer one-bounce satellite uplinks. This capability provides companies with real-time connections to six of seven continents in one business day. (Metro Denver Economic Development Corporation)

Learn more about Colorado's finance industry at www.advancecolorado.com/financial.



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