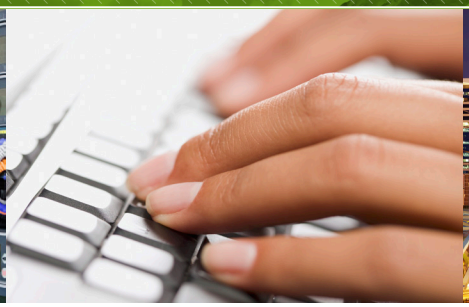
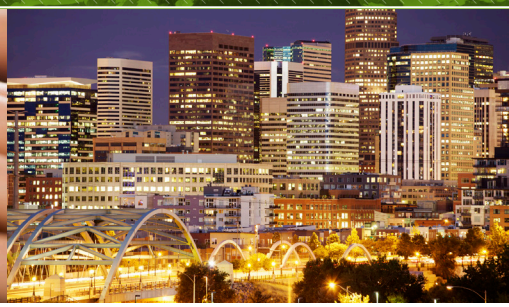
COLORADO

ADVANCED INDUSTRY TECHNOLOGY AND INFORMATION

INDUSTRY FACTS

2013 TOTAL EXPORTS

$100 MILLION

TOP 3 EXPORT MARKETS

1. Canada
2. Japan
3. Mexico

NUMBER OF COMPANIES

10.9K

AVERAGE ANNUAL EMPLOYMENT

146.8K

Colorado's technology and information key industry is sizeable and diverse, supporting business activities in all other sectors of the economy.

Technology and information enterprises are high-knowledge, human capital-based businesses that are expanding globally. The technology and information industry includes companies that may develop, produce or provide software, hardware, telecommunications, data management, Internet-based services and other information services. Specifically, companies included in this industry help deliver voice, data and video to end users, and includes landline and wireless telephone communications companies, radio and television communications services, and cable and Internet service providers. Companies in this industry are also involved in activities ranging from the development of off-the-shelf software products to customer computer programming, computer facilities management, computer systems design and data processing services. The technology and information industry also includes companies manufacturing computers, computer storage solutions to manage and protect business information, storage media, and circuit boards. Computer training and electronic and precision equipment repair and maintenance services are also included.

Technology and Information Assets

Colorado's entrepreneurial ecosystem and talented technology and information workforce create a premier hub for technology and information companies and industry activities. Colorado's central geographic location and extensive infrastructure provides companies with ease of deliverability and accessibility across the U.S. and around the world. Colorado's strong corporate presence of large and small technology and information companies alike contributes to the hotbed of startup activity in Boulder, and is expanding throughout the Front Range. Colorado is a leading high-tech state with the third-highest concentration of high-tech workers in the nation and has the seventh-most innovative economy in the United States. The state's technology and information industry is further supported by the Colorado Innovation Network (COIN), which is a catalyst for economic prosperity through innovation by partnering with government, business and civil society to foster collaboration around global ideas, talent, capital and the entrepreneurial spirit.

Major Employers

- AT&T Corporation
- CenturyLink
- Comcast Corporation
- DISH Network
- Hewlett Packard
- IBM Corporation
- Level 3 Communications
- Oracle Corporation
- Sprint Corporation
- Verizon

Workforce

Colorado's technology and information industry includes a large pool of talented, well-educated, and highly skilled workers. The age distribution of workers in the technology

TOP OCCUPATIONS BY EMPLOYMENT

1. Software Developers, Applications
2. Software Developers, Systems Software
3. Computer Systems Analysts
4. Computer User Support Specialists
5. Customer Service Representatives

ANNUAL PAYROLL $15.2 BILLION

DID YOU KNOW?

Colorado launches a digital technology company on average every 72 hours. (Built In Denver, 2013 Colorado Startup Report)

Colorado has four of the top 10 cities for technology startups. (Engine, 2013; Ewing Marion Kauffman Foundation, 2013)

Boulder and Denver are among the most inventive metro areas in the U.S. (The Brookings Institution, 2013)

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; WISERTrade.

and information industry is concentrated in the younger age brackets, especially in the 35-44 age group. Compared with the age distribution across all industries, the technology and information industry has a larger share of employees that are between the ages of 25 and 54 years old.

The majority of technology and information-related occupations in Colorado require at least a bachelor's degree or higher. Of the technology and information-related occupations, about 32 percent require some sort of on-the-job training.

Education and Training

The higher education system in Colorado provides an excellent support system for the technology and information industry in the state and offers a broad range of business, management, information technology, and technical degrees. There are 28 public institutions of higher education in Colorado, consisting of 13 four-year and 15 two-year public institutions offering technology and information-related programs. In addition, there are almost 40 private and religious accredited institutions and nearly 15 private occupational and technical schools offering more than 200 technology and information-related programs throughout the state.

Key Locational Factors

1. The ability to attract and retain high-quality technology and information professionals and entrepreneurial talent

- Colorado had the third-highest tech-worker concentration in 2012, with 8.7 percent of the state's private sector workforce employed in technology firms. Colorado ranked sixth for average high-tech wage, 11th for absolute number of high-tech businesses, and 15th for absolute employment in the high-tech industry. Colorado tech workers earn 98 percent more than the average private sector worker. (TechAmerica Foundation, Cyberstates 2013: The Definitive State-by-State Analysis of the U.S. High-Technology Industry, 2013)

2. A central location and easy global access

- 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, providing companies with real-time connections to six of seven continents in one business day. (Metro Denver Economic Development Corporation)
- 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)

3. Direct access to a large and growing customer base

- Colorado ranked fifth for 2012 venture capital investments per $1,000 of gross domestic product. Venture capital investments are often highest in states with a strong culture of innovation and entrepreneurship. (PricewaterhouseCoopers, MoneyTree Report, 2013; Bureau of Economic Analysis, 2013)

4. Low to moderate costs of doing business and a competitive tax structure

- *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).
- 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)

Colorado's advanced industries include aerospace, advanced manufacturing, bioscience, electronics, energy and natural resources (including Cleantech), technology and information and infrastructure engineering. For more information about available grants, visit www.advancecolorado.com/aiprograms.

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

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