



Small Business & Entrepreneurial Ecosystem Assessment & Strategy

DECEMBER 11, 2019

PREPARED BY:



CONTENTS

ACKNOWLEDGEMENTS	3
EXECUTIVE SUMMARY	5
METHODS	6
STATE OF FORT WORTH'S ECOSYSTEM	7
TO ACHIEVE FURTHER SUCCESS, FORT WORTH NEEDS TO...	9
MEASUREMENT & TRACKING	20

APPENDIX

APPENDIX A: BENCHMARKING	21
APPENDIX B: CASE STUDIES	27
KANSAS CITY CASE STUDY	29
NASHVILLE, TN	36
ATLANTA, GA	44

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EXECUTIVE SUMMARY

As one of the fastest growing cities in the U.S., the City of Fort Worth, TX is widely recognized as a “city-to-watch” in the coming years. To further capitalize on its growth and economic potential, Fort Worth completed its first-ever Economic Development Strategic Plan in 2018. This plan lays out an ambitious roadmap for the City’s economic development program, which is focused around three goals:

Goal 1: Establish Fort Worth’s Competitive Edge

Goal 2: Become a Hub for Creative Businesses

Goal 3: Ensure Community Vitality

Among robust strategies and initiatives to further establish Fort Worth on the national and international stage is a commitment to quality of place and economic prosperity at the neighborhood-level. It is this effort to achieve a balance of competing globally while ensuring that both small local businesses and entrepreneurs are supported that will lead to Fort Worth’s success in the coming years.

A critical component of this approach is growing and strengthening Fort Worth’s entrepreneurial ecosystem.

Fort Worth is beginning to recognize that there is a significant difference between a local, family-owned business, a startup, and a business with high growth potential. Some offer the opportunity for new jobs and tax revenue while others provide amenities, good, and services that underpin the community’s culture and sense of place, and are necessary for attracting talent that the growing businesses need. This symbiotic relationship means that all are needed in a thriving entrepreneurial ecosystem.

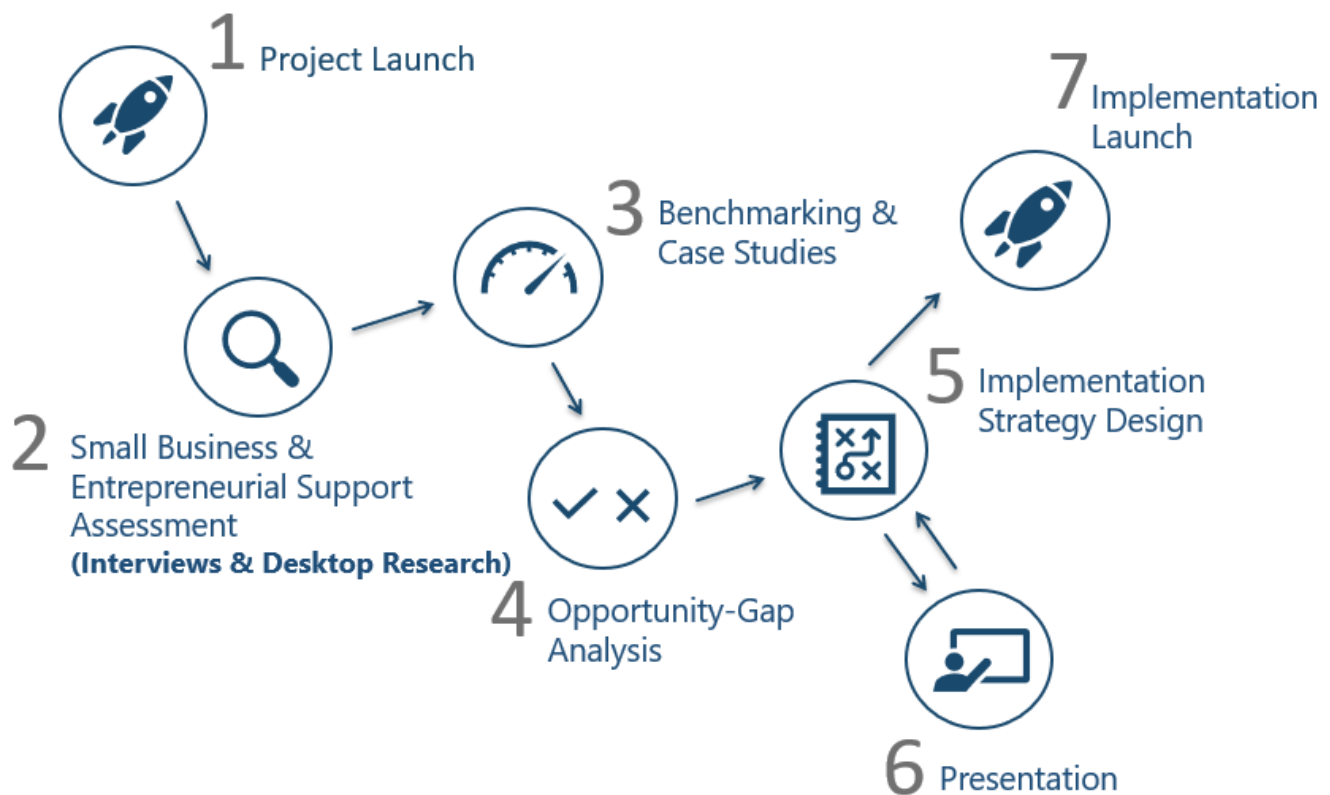
A more robust local ecosystem, and enhanced City programming to help nurture the ecosystem, can help Fort Worth achieve each of the goals laid out in the 2018 economic development strategy. Support for high growth ventures can create new jobs and foster innovation across the city. A strong ecosystem also attracts creative entrepreneurs who thrive in regions that embrace innovation, diversity, new ways of thinking, and new ways of doing business. Finally, a strong ecosystem can help build strong local neighborhoods and communities, bolstering anchor businesses and engaging a wide and diverse business community.

METHODS

This project began in early 2019 with an assessment of the small business and entrepreneurial support network within Fort Worth and the region. This assessment was completed over the course of three site visits by the consultant team, which included a series of interviews and focus groups with entrepreneurs, small business owners, service providers, the three Fort Worth chambers, and other individuals and organizations that regularly engage with the entrepreneurial ecosystem (see the acknowledgements for a list of those who provided input).

As part of the assessment of Fort Worth's small business and entrepreneurial ecosystem, indicators of entrepreneurial activity were benchmarked against ten top U.S. startup communities. This analysis is summarized in Appendix A. The benchmarking exercise identified places that are leading in terms of growth, Main Street support, and startup activity. To understand *why* and *how* the entrepreneurial ecosystems in these communities are succeeding, in-depth research was conducted for three case studies: Kansas City, MO, Nashville, TN, and Atlanta, GA (see Appendix B).

Using inputs from the previous tasks, the project team developed the following work plan, which is designed to close the gaps and exploit emerging opportunities related to the entrepreneurial ecosystem in Fort Worth.



STATE OF FORT WORTH'S ECOSYSTEM

Fort Worth's Entrepreneurial Ecosystem Ranks High

Fort Worth ranks highly when benchmarked against leading metros with robust entrepreneurial ecosystems. A recent ranking of the *Best 20 Cities for Startups and Entrepreneurs* by the commercial real estate blog, Commercial Café, ranks Fort Worth #12, specifically citing the City's strategic efforts to strengthen jobs, talent, funding, and image. Commercial Café gave Fort Worth high marks for housing affordability, tech education, and employment growth.¹

Of the 11 entrepreneurial ecosystems evaluated as part of the assessment for this report, Fort Worth is a leader. Our assessment benchmarked Fort Worth on a host of measures, including indicators that tracked early stage ventures and the development of more innovative high-growth companies. The City's strengths are in overall rate of self-employment, early-stage business growth (2-10 employees), minority self-employment, and ownership; Fort Worth also ranked highly on a composite innovation index and startup activity index. Fort Worth's performance lagged on measures of self-employed business growth, women self-employment, veteran business ownership, and Main Street entrepreneurship activity.

The Community Wants to See Greater Connectivity & Inclusivity Among Fort Worth's Ecosystem Assets

Fort Worth has a history of leading innovations in the oil and gas sectors, aerospace, and life sciences. However, as the City's growth accelerated over the past decade, the entrepreneurial community has not kept up with the overall pace of growth. As noted in the City's 2018 Economic Development Strategic Plan,

Fort Worth has all of the building blocks needed to support a higher level of entrepreneurship: TECH Fort Worth and other strong support organizations, talented entrepreneurs and workers in the city and metro area, innovative companies and higher education institutions in the area, and a growing menu of real estate options suitable for tech firms and startups... What Fort Worth and the entire metro area lack is a robust networking environment for local entrepreneurs and tech workers.

Project interviews with local entrepreneurs and key partners in the regional entrepreneur ecosystem yielded a similar set of conclusions. Fort Worth has tremendous assets for new and growing businesses. Sophisticated business services and capital are available in the region, and they have helped spawn the start-up and growth of many exciting companies. But accessing these support tools and networks can be a challenge. Aspiring and new entrepreneurs may not know where and how to get help, and it can sometimes be a challenge to break into local business networks.

The lack of an inclusive, robust networking environment is a limiting factor for growing Fort Worth's entrepreneurial ecosystem. Overcoming this hurdle will require recognizing and owning the City's 'small town' culture, pushing

¹ *Top 20 Best U.S. Cities for Startups*, Commercial Café, accessed September 2019, <https://www.commercialcafe.com/blog/top-20-startup-us-cities-2019/#methodology>.

boundaries to open doors wider, and offering not a hand-out but a 'hand-in' to minority business owners and entrepreneurs who are currently underrepresented and under supported.

Fortunately, important new initiatives to address these shortcomings are already underway. In addition to this City-led project, other community partners are actively engaged. At the same time, Fort Worth's entrepreneurial engine is chugging along, with great companies starting up every day.

Examples of Ecosystem Inclusivity, Programming, & Culture can be Found in Atlanta, Kansas City, and Nashville

The project team's work on the ground in Fort Worth was supplemented by extensive outside research and in-depth case studies of ecosystem building in three other U.S. communities: Atlanta, Kansas City, and Nashville. (Detailed case studies can be found at Appendix B.) These communities were highlighted for several reasons. First, they have enjoyed recent success with new ecosystem-building initiatives. Second, like Fort Worth, the regions—especially Nashville and Atlanta—are enjoying periods of rapid population and economic growth. Finally, all three communities are especially focused on building more inclusive ecosystems, which is an important component of this project.

Several lessons emerge from recent efforts in these benchmark cities.

First, an active and conscious commitment to inclusive ecosystem building is needed. Women, minority, and veteran entrepreneurs often face unique barriers to business start-up and growth, and may find it especially challenging to engage in traditional business networking activities. A renewed focus on helping these entrepreneurs can produce important outcomes in terms of nurturing world-class companies and in building a stronger—and more inclusive—community for business owners.

Second, City programming matters. Mayors in Kansas City and Nashville have prioritized ecosystem building and this commitment is reflected in City programs that strive to be small business friendly. Initiatives like KC BizCare are designed to make all City services as "entrepreneur-friendly" as possible.

Finally, culture matters. All these communities brand themselves—to both local and global audiences—as great places for entrepreneurs. Mayors champion local companies via awards programs and via active public participation in ecosystem building events and programs. Local media actively covers local companies, and local people are encouraged to consider entrepreneurship as a career option.

TO ACHIEVE FURTHER SUCCESS, FORT WORTH NEEDS TO...

Enhance Support for Minority Entrepreneurship

For the purpose of this work, we consider minority entrepreneurs to include racial/ethnic minorities, women, and veterans. An overall goal is to create greater opportunities to start and grow businesses for anyone in Fort Worth, thus creating a diverse ecosystem. The City of Fort Worth has several specific resources that primarily focus on supporting minority small businesses and entrepreneurs housed within the Guinn Entrepreneurial Center.

The benchmark analyses conducted as part of this project revealed mixed results for Fort Worth:

- Fort Worth has the highest rate of minority self-employment among the benchmark communities and ranks among the top for overall minority business ownership.
- Fort Worth's rate of Hispanic or Latino Self-employment leads all benchmarked communities.
- Rates of Black or African American self-employment in Fort Worth is slightly below benchmark average.
- Fort Worth ranks in the middle of benchmark communities on measures of self-employment for women and the local share of women-owned businesses.
- Measures of veteran self-employment in Fort Worth area about average with benchmark communities.

The data presents a solid picture of progress, but much more can be done to both encourage higher rates of business start-up among minority residents of Fort Worth and to improve the growth and success rates of existing companies. So, while in the aggregate Fort Worth is performing well, there is more work to be done. The interviews conducted confirm this and the case studies point to best practices for specific strategies that should be adopted.

Critical gaps in the ecosystem regarding minority entrepreneurship and small business in Fort Worth fall into five categories:

- Limited knowledge among some minority residents about where and how they can access business services and where they can network with other minority entrepreneurs and small business owners.
- Need for greater uptake of services by minority small businesses and entrepreneurs and then the support to start, sustain, and scale – this requires greater access to services and networks that generate investment and revenues. These services exist for potential government contractors through procurement support, but more needs to be done to support those seeking to start and grow competitive companies outside of government contracting.
- Disconnect between small business and entrepreneurs, and large established companies in Fort Worth. This disconnect leads to a lack of strong business-to-business relationships that result in purchasing, contracting, and investment.
- Limited availability of services and support networks in neighborhoods with higher concentrations of minority-owned businesses and underserved populations of potential entrepreneurs among both adults and youth.

- Pool of capital targeted to minority business and entrepreneurs to invest in scalable opportunities once capacity is built.

To address these gaps, we recommend the following strategies:

- **Catalog, Share, and Track Progress of Minority Businesses in the City:** Fully integrate with and utilize the newly acquired SourceLink service, Sparkyard, to support greater integration of minority small business and entrepreneurs into the full ecosystem.
- **Bring Programming and Services to the Neighborhoods:** The James E. Guinn Entrepreneurial Campus provides a centralized focal point for the provision of services to small businesses and entrepreneurs. While that works, more needs to be done to bring programming and information to the neighborhoods in order to increase access and therefore, increase diversity.

Build on the identity and importance of neighborhoods. That includes utilizing neighborhood assets (libraries, schools, community centers) to promote and support entrepreneurship, creating a distributed, but connected, system. This includes programs, meet-ups, mentoring, networking for neighborhood-based small businesses and youth. When necessary, programming should be provided in Spanish or other languages.

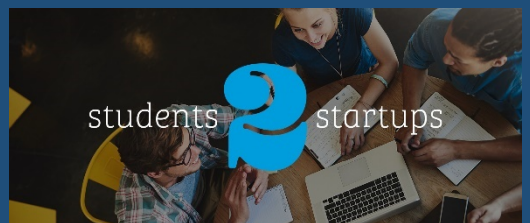
- **Expand Minority Chamber Partnerships:** City contracts are only a small piece of the pie for minority businesses. Work with chambers to develop tactics, metrics, and mutually agreed upon outcomes tied to the funding that the City currently provides. This includes:
 - **Increasing Mentorship Program Offerings:** These programs should be tied into the youth entrepreneurship program as well as the minority chambers partnerships. Programming could focus on contracting via expanded Mentor-Protégé types of programs and an expansion of the M-Crew mentoring program at Tech Fort Worth.
 - **Supporting an Anchor Institute Initiative:** Work with the Fort Worth Chamber to partner with the City and Minority Chambers to connect minority businesses and entrepreneurs to anchor businesses. Work with partners to develop and support an anchor initiative that strengthens connections, builds understanding and trust, and that leads to investment and business-to-business opportunities.

Examples from Atlanta, GA

Access to capital has historically been a challenge for minority entrepreneurs. Atlanta has developed capacity to address this issue. The Gathering Spot, "a private membership club in downtown Atlanta, was founded two years ago by Ryan Wilson and T.K. Petersen, who curate their membership list to foster balance between entrepreneurs from local colleges, representatives of Atlanta companies like Coca-Cola and Chick-fil-A, and celebrities from the city's entertainment industry. It caters primarily--but not exclusively--to Atlanta's black community."



Atlanta has also worked to get students experienced with entrepreneurship. The Students2Startups program by Invest Atlanta and WorkSource Atlanta subsidize Atlanta-based students to complete entrepreneurial-focused internships with Atlanta startups. The program, though not limited to minority populations, has inclusion and access for underserved populations within its mission and in its first year the program hosted 14 students comprising 50% women and 86% people of color. The payment that interns receive, which is supported by both the startups and subsidized by the program, helps disadvantaged students participate who typically would not have the luxury of working for free.



- **Continue Procurement Work and Assistance at the City, But Move the City's Economic Development Beyond Procurement:** Utilize procurement to better integrate minority access to existing programs, including tech-centric programs and organizations. Focus economic development efforts on starting and scaling businesses including greater penetration into the neighborhoods and greater penetration into tech industries and ecosystem.
- **Increase Minority Access to Capital:** Partner and network with minority-focused capital groups and programs for investment in scalable opportunities once capacity is developed. If none are locally identified, work with partners to develop relationships with external networks. Programs to help new entrepreneurs become more 'investment ready' are also needed.
- **Start Early:** Increase programming and communications geared towards minority youth.

ENCOURAGE VETERAN ENTREPRENEURSHIP

Veterans make up a significant portion of Fort Worth's population—over 12% compared to about 6% for the State and U.S. Across Texas, veteran business owners are an important part of local ecosystems. Because Texas is home to many military bases and facilities, it is home to a relatively large population of veterans and veteran-led companies. But, on a relative scale, Texas ranks fairly low. When population is taken into account, Texas' veteran-owned business base ranks among the smallest in the U.S. on a per-capita basis.²

Veterans face a unique set of circumstances when they embark on an entrepreneur's journey. They may be highly talented and highly skilled, but their skill sets, and credentials, may not directly align to civilian business needs. Their ability to access needed support, such as business start-up capital, can be limited. The contributing factors for veterans fall in-line with other minority groups: lower amounts sought leading to lender mismatch, low credit scores or insufficient credit history, and the need to seek out help.³ Similarly, veterans were trained in a culture quite different from the commercial business world. They must create new networks and new business models that combine the best of the military world with the best of the commercial world.

Bridging these cultures is the most important facet of many veteran business development efforts.

The military trains people to become leaders, take charge, and make difficult decisions quickly, in a tight-knit "top-down" system. On the contrary, existing entrepreneurial communities are generally loosely-defined networks. Differences in style and even use of language can exacerbate the difficulties, isolating veteran entrepreneurs from others.⁴ This relates back to the difficulties accessing capital – specifically when it comes to seeking help early in the process vs. trying to figure it out on their own.

Like most people, veterans tend to be more open to seeking help from other veterans and people who 'get them'. A 2016 Forbes article put a fine point on this, proposing to highlight the stories of veteran entrepreneurs and "...the

² *Veteran-Owned Businesses and Their Owners*, U.S. Small Business Administration Office of Advocacy, April 2017, <https://www.sba.gov/sites/default/files/advocacy/435-veteran-owned-businesses-report.pdf>.

³ *Financing Their Future: Veteran Entrepreneurs and Capital Access*, Federal Reserve Bank of New York & U.S. Small Business Administration, <https://www.newyorkfed.org/medialibrary/media/smallbusiness/2017/report-on-veteran-entrepreneurs-and-capital-access.pdf>.

⁴ *Veterans suffer from 'culture shock' when returning to university*, ScienceDaily, 2019, <https://www.sciencedaily.com/releases/2019/04/190426100341.htm>.

entrepreneurial ecosystem they have created for themselves.”⁵ Therefore, just like it is important for the City to work in close partnership with the Black and Hispanic Chambers to better support minority businesses, it will be important to partner with veteran organizations in the community to better serve military personnel in their entrepreneurial endeavors. Coincidentally, many members of the minority chambers are also veterans.

The closest Veterans Business Outreach Center for Fort Worth’s veteran entrepreneurs and small business owners is located at the University of Texas Arlington (UTAVBOC). UTAVBOC’s primary focus is delivering the Boots to Business program, which is a program out of the U.S. Small Business Administration that provides entrepreneurial education and training to active duty service members, veterans, and spouses.⁶ UTAVBOC also acts as a connector to other resource partners for veteran entrepreneurs and business owners. Most veterans learn about the programs and services available to them when they go through the military’s Transition Assistance Program (TAPS). Veterans that become entrepreneurs after they have been retired from the military for some time are often not aware of the resources available to them through the UTAVBOC. In addition to UTAVBOC, a host of other private and non-profit organizations also operate in North Texas to help veteran entrepreneurs. Examples include Dallas’ Veteran Women’s Enterprise Center of North Texas and a soon-to-open local office of Bunker Labs, a national network for veteran entrepreneurs. Various local and state government efforts are also in place. For example, The Texas Veterans Commission created an Entrepreneur Program in 2013 that provides a “Veteran Verification Letter” for veteran-owned businesses, business assistance, and community outreach to connect Veteran entrepreneurs with resources.⁷

Fort Worth is a “destination of choice” for many veterans, who move to the region after their military service ends. These veterans deserve high-level support and encouragement if and when they opt to start a new company. Specific actions the City can take to better support veteran entrepreneurs include:

- Increase Awareness of UTAVBOC:** Veterans who do not become entrepreneurs until they have been out of the military for several years are typically unaware of the additional resources available to them through the UTAVBOC. Ensure partners at the Business Assistance Center are aware of the role UTAVBOC plays in supporting veteran entrepreneurs and know to check if their clients are veterans. List the UTAVBOC on the City’s website, the Sparkyard site, and elsewhere.
- Expand Programming Focused on Veterans:** There are many regional and national programs and services available to veteran entrepreneurs in Fort Worth; there is also an opportunity for the City to better connect its veteran-entrepreneur community through events, meet-ups, and other programming. Design these events with the purpose of educating veterans about existing services available to them and cultivating relationships with other experienced entrepreneurs—veteran and non-veteran.



⁵ *Why The Military Is The Best Entrepreneurship Training Program In America*, Forbes, 2016, <https://www.forbes.com/sites/markrockefeller/2016/08/03/why-the-military-is-the-best-entrepreneurship-training-program-in-america/#1891d7c53d60>.

⁶ Boots to Business, accessed September 2019, <https://sbavets.force.com/s/>.

⁷ Texas Veterans Commission, Veteran Entrepreneur Program, accessed September 2019, <https://www.tvc.texas.gov/entrepreneurs/>.

- **Engage with the EDGE Conference:** An upcoming opportunity for Fort Worth to step into the veteran entrepreneurial ecosystem in a meaningful way is the upcoming VeteranEDGE (Engage, Develop, Grow, Elevate) Conference in Dallas in March 2020, hosted by Syracuse University's Institute for Veterans and Military Families (IVMF)' ARSENAL of entrepreneurship programs. According to the conference website: *"This unique event is dedicated to veteran and military spouse business owners, their growing ventures and the ecosystem that supports them. VeteranEDGE is the largest gathering in the country of veteran business owners, supporters, stakeholders, VIPs, influencers and CEO's from fast-growing veteran-owned businesses."*

The City should connect with conference organizers and discuss ways to support the event in a way that is beneficial for Fort Worth's resident veterans. This may include marketing support, exhibiting at the conference, sponsoring attendance/providing transportation for Fort Worth Veterans, etc.

Introduce Programming for Youth Entrepreneurship

Many of the recommendations in this report focus on how to build more buzz around entrepreneurship and small business in Fort Worth. How can the City get more local people interested and excited about their community's entrepreneurial potential? Experience from many other locations suggests that youth entrepreneurship programming can greatly aid this mission.

Youth entrepreneurship typically involves classes or youth-serving activities where young people can learn the entrepreneurial mindset. Training typically focuses on identifying local opportunities and developing new ideas and strategies to capture these opportunities. It does not place undue emphasis on business skills such as writing a business plan or accounting. Learning to "think like an entrepreneur" is the primary objective.

Youth engaged in entrepreneurship programs have understandably shown greater interest in business and business start-ups, but they are also more engaged in school and more excited about the experiential learning opportunities associated with starting a new business. They also gain key 21st century skills that better prepare them for the world of work.

Several local school and area programs now support youth entrepreneurship efforts, but this work could be greatly expanded and enhanced. Key local partners should begin investing to expand youth entrepreneurship programming in Fort Worth, with a primary focus on youth in middle school and high school. If possible, programming should be available in the K-12 schools and in other organizations that serve area youth. These latter groups might include the YMCA/YWCA, Boys and Girls Clubs, the Scouts, and other after school activities.

- **K-12 Entrepreneurial Education Program:** The City of Fort Worth lacks a significant programmatic focus on youth entrepreneurship. It should publicize existing efforts and support more expanded efforts in schools and elsewhere. This effort could build on existing programs that operate in Fort Worth or in other parts of North Texas. Potential partners include Junior Achievement of the Chisholm Trail, NFTE North Texas, Youth Entrepreneurs, and the Young Entrepreneurs Platform, among others. In addition to formal training within K-12 schools, expanded summer camp offerings, with a business or entrepreneurship focus, are also needed.



- **Create Youth Entrepreneurship Program Clearinghouse:** Numerous small youth entrepreneurship programs operate in Fort Worth and North Texas. Most operate in isolation and are not well-recognized outside of their specific schools or program participants. Efforts to better publicize these opportunities are needed. The new Sparkyard platform offers an opportunity to better publicize youth entrepreneurship programs in Fort Worth and beyond.
- **Expanded Business Pitch Competition:** The Fort Worth Independent School District (FWISD) should consider an expanded business pitch competition that engages all area high school and middle school students. This effort could build on the existing FWISD MVP (Most Valuable Pitch) competition, which now engages students from five area schools. Other competitions should also be encouraged. For example, many localities, including Dallas, have embraced the Lemonade Day program where young people compete for the most innovative and productive lemonade stand.
- **Mentorship Program:** Existing entrepreneurs and business owners are typically excited about the opportunity to work with and mentor young entrepreneurs. Fort Worth's primary Chambers of Commerce should create new programs that connect their members to serve as mentors and coaches for budding young entrepreneurs.

Open the Door Wider to Businesses

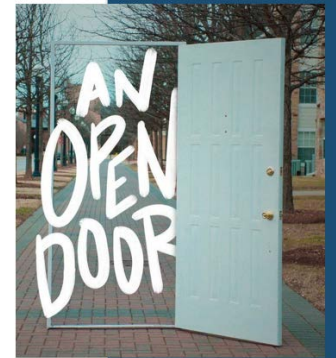
Fort Worth's city government and key partners connect with businesses in multiple ways. Presently, the Fort Worth Business Assistance Center (BAC) serves as the hub for much of this activity, providing business start-up assistance and support for new and existing companies that want to get to the next level. The BAC is a true asset for the City, and is recognized by entrepreneurs as an excellent resource for those seeking to start a new venture or to access needed business support services.

While many entrepreneurs access the BAC, small businesses engage with many other parts of City government as well. These varied City services should be reviewed and scrubbed to ensure that they are "small-business friendly" to the greatest possible extent. Strong entrepreneurial ecosystems do not only provide excellent specialized services to start-ups; they ensure that all local government services are "business friendly" and are focused on helping new and growing companies succeed.

Fort Worth's economic development team should consider a number of actions that can enhance the proactive business support provided by the BAC and its partners, while also ensuring that other City agencies provide enhanced and improved services to small business owners and entrepreneurs. Where possible, City programs should provide advanced business support and acceleration services, while reducing paperwork burdens and others costs in areas such as zoning, planning, and licensing. This effort could be modeled on the BizCare program currently operating in Kansas City. BizCare provides guidance on navigating and complying with City rules and regulations, while also ensuring that aspiring and existing business owners can tap into ecosystem resources managed by the City and by outside partners as well.

Several specific policy actions can support these goals:

- **Embrace the Sparkyard Effort:** The effort should make it much easier for local people to access needed resources for business start-up and growth. Where possible, City officials should publicize Sparkyard as a key "first stop" for all local entrepreneurs and business owners. (sparkyard.co)
- **Review Existing Regulations and Policies:** Sponsor an in-house review of existing rules and regulations to identify areas where legacy rules and practices may create undue burdens for small business.
- **Provide Additional Guidance to New Firms:** In addition to supporting efforts such as Sparkyard the City should produce its own guide on "How to Start a Business in Fort Worth." This introductory tool should also be accompanied by guides/checklists focused on key sectors, such as how to start a food-related business or a construction business. These latter guides should focus on the rules and licenses needed for these target sectors.
- **Create a Small Business Ombudsman Function:** Identify or designate an existing City employee to serve as a "small business ombudsman" who can be a troubleshooter and advocate for small business owners that have concerns about existing City services and programs. Among other things, this individual could serve as a resource for small businesses as they navigate the City's planning and permitting processes.
- **Expand and Revitalize the Business Assistance Center:** The City's economic development and small business support services should be expanded and revitalized. If possible, a new full-time staff member--an Ecosystem Ambassador—should be hired with a mission of focusing exclusively on supporting entrepreneurs and small businesses. This individual should serve as the public face of the BAC, bringing more programming and activity on-campus while also introducing new BAC-sponsored programming in neighborhoods across the City.



Connect and Communicate Around Fort Worth's Entrepreneurial Ecosystem Internally and Externally

Fort Worth's traditional brand is "Cowboys and Culture". This message is attractive to many audiences, but it does not necessarily portray Fort Worth as place where innovation happens. The city has a long history of bringing ideas to market, yet its present-day entrepreneurial ecosystem is relatively small for the size of the city. Useful business support services are in place, but the entrepreneurial community has not succeeded in engaging a wider and more diverse swath of the local business population.

What makes Fort Worth's entrepreneurial ecosystem special? The answer to that question is the story that needs to be told. The City of Fort Worth is viewed as highly supportive of entrepreneurs. But it is not necessarily a leader in the space and actively controlling its message about its own role in the ecosystem. The following recommendations are things that the City can do to establish and communicate its role in the entrepreneurial ecosystem and bring more people into the system.

- **Include Efforts to Connect the Entrepreneur Ecosystem into Overall Marketing Strategy for Economic Development:** The 18 Month Progress Update for Fort Worth's Economic Development Strategy recommends that the City prioritize promoting the success story of Fort Worth through a more aggressive media strategy.⁸ Much of this recommendation is about marketing for business attraction with a new website dedicated to economic development, and a strong media campaign coordinated among partners. Entrepreneurs, and specifically minority entrepreneurs, should represent a unique targeted audience within the City's new marketing strategy and specific tactics should be developed and carried out to reach this audience.
- **Build a Compelling Brand for Fort Worth's Entrepreneurial Ecosystem:** The marketing strategy for economic development will likely include imagery and styles that can be utilized for marketing and communications specific to the entrepreneurial ecosystem. Therefore, what we mean by 'brand' in the context of marketing Fort Worth's entrepreneurial ecosystem is not the look, but the feel; it's the story the City tells about itself as an entrepreneurial and innovative place. The objective of this initiative is to strengthen the connection and association between the local entrepreneurial community and Fort Worth, the place.

Branding initiatives can be broken down into audiences, messages/themes, and channels.

- **Audiences:** The first step in creating a brand identity is always market research. As outlined above, this strategy is designed to amplify the City's support for entrepreneurs and small business owners who need a Sherpa to navigate Fort Worth's great entrepreneurial ecosystem, and offer a 'hand-in'. The specific audiences delineated as part of this research include minority entrepreneurs—specifically black, Hispanic, and women entrepreneurs—youth, and veterans as well as the traditional entrepreneurs in tech and high-growth businesses. A secondary audience would be the general public, targeted with an awareness campaign to inspire others to consider entrepreneurship. Each of these groups have different communication styles and preferred channels; therefore, unique marketing and communication strategies must be considered for each target group to send the message that Fort Worth is a place for them—for all entrepreneurs.

⁸ *Fort Worth Economic Development Strategy Plan: 18 Month Progress Update*, TIP Strategies on behalf of City of Fort Worth, TX, August 2019, <http://fortworthtexas.gov/ecodev/edplan/StrategicPlanUpdate-Aug2019.pdf>.

Work with ecosystem partners, like the Chambers and educators, to engage with these groups to understand their specific needs, brand perceptions, etc. Also use the market-research as an opportunity to cultivate meaningful, authentic relationships. Check in on these important stakeholders on a regular basis and consider them Fort Worth's entrepreneurial ecosystem brand-ambassadors. The marketing tactics employed should elevate THEIR voices.

Once the internal-audiences have been engaged in an ongoing marketing campaign, develop goals, strategies, and tactics for marketing beyond Fort Worth's borders to external audiences. External audiences might include entrepreneurs looking for a vibrant ecosystem to establish their next venture, investors, or 'earned' media from national and international outlets.

- **Message/Theme:** When it comes to entrepreneurship, the City of Fort Worth's values are culture, creativity, and inclusivity and, therefore, should be the central themes in the storytelling. With its "Y'all means all: Everyone's welcome in Fort Worth, Texas" campaign, Visit Fort Worth put inclusivity front-and-center as part of the city's overall branding. Expand on this theme. Lead the narrative that Fort Worth is a place for entrepreneurship for all.

For an example of bringing in culture to the narrative, look to the branding of the new ecosystem portal, Sparkyard, which gives a nod to the city's historic stockyards. Creativity, and becoming a hub for creative businesses is a central goal in the City's Economic Development Strategic Plan and the discussions and decisions that led to the development of that goal should be carried into the messaging and storytelling.

Telling the stories will require hearing directly from Fort Worth entrepreneurs, and helping them write their stories. Simplify the process by creating a template that is on-brand with the City's economic development marketing and enlist partners to collect the stories using the template. The template might be as simple as one PowerPoint slide that is used for social media posts with a headshot of the entrepreneur, and 3-4 sentences about their story about what it means to be an entrepreneur in Fort Worth. Prepare a standard set of 5-10 questions that each entrepreneur is asked, and use the responses to write their short-story for the card. The goal is to use storytelling to elevate these individuals as examples for others in the community.

- **Channels:** The channels employed to tell Fort Worth's story about entrepreneurship will depend on the preferred communicating methods of each targeted audience noted above; but are likely to include a mix of traditional and digital media and in-person programming. Not every post or piece of material needs to be completely on-brand, but they should serve the underlying goals outlined in this report and reflect the styles and imagery created for the City's overall economic development marketing.

- **Enhance the Public Face of the Guinn Entrepreneurial Campus:** The Guinn Entrepreneurial Campus is an excellent setting for the City's hub for entrepreneurial programming and economic development efforts; however, its physical presence needs to be strengthened. It goes unnoticed by motorists and others passing by, and it is hard to find for newcomers.

- Create signage for the Guinn Entrepreneurial Campus using the new economic development branding. The signage should be visible to motorists and pedestrians traveling along Route 287/E Rosendale Street and I-35W.



Parklet, Source: <http://www.kirstenthof.com/downtown-princeton-parklet.html>

- Activate the campus by employing creative placemaking tactics in outside areas that are within view of the street. Possible ideas include a mural reflective of the tenants' vision for Fort Worth's entrepreneurial ecosystem; 'parklet' style meeting, gathering, and event spaces; signage featuring current programs and initiatives; and a place for 'pop-up' space that local entrepreneurs could utilize to increase visibility of their own brand.
- Extend the presence of the Guinn Entrepreneurial Campus beyond the site by making physical connections under I-35W to Evans Avenue and the Public Library (to start). Increase walkability between the two nodes with creative and inviting signage, lighting, and other streetscaping tactics designed to both allow walkability between the two hubs as well as draw the attention of motorists. Work with the City's planning department to begin with 'tactical urbanism' approaches that are in-line with the future branding for economic development around entrepreneurship.

It is notable that the Guinn Entrepreneurial Campus is located between two of the City's designated Urban Villages, South Main and Evans & Rosendale, and can be activated as a connector between the two places.

- Create simple, highly-visual hard-copy marketing materials that feature the Guinn Entrepreneurial Campus to be used as a take-home at off-campus events. This might be a postcard-sized handout with a simple call to action: visit the new economic development website to learn more. City economic development staff should keep a few cards in their bags to be used like a business card for the campus.
- **Create New Awards and Other Programming to Help Spread the Word:** As highlighted in the case studies, it is important for entrepreneurs and service providers to feel supported by their elected leaders and government officials – it helps strengthen connectivity and culture within the ecosystem as participants feel they are working toward shared goals and the general public is aware of, and in support of, their hard work. One way to do this is to offer awards that recognize entrepreneurs and ecosystem builders. The City should host an annual awards event where the Mayor recognizes small businesses and entrepreneurs that are supporting the city's overall vision and goals. Potential award categories to celebrate include Main Street businesses, youth entrepreneurs, health-related startups, etc.
- **Continue to Celebrate Global Entrepreneurship Week:** Global Entrepreneurship Week (GEW) typically happens in mid-November. This global event is quickly growing in popularity in Fort Worth. The City should continue to take an active role in organizing and sponsoring events that are a part of GEW Fort Worth.

- Where 2019 was about increasing quantity, 2020 should be focused on quality. Work with partners to review GEW overall, as well as individual events, to begin planning for 2020. Ask the following to start the conversation: What should be kept? What needs to be improved? What needs to be removed? What needs to be added?
 - The City should take an active role in coordinating between groups to plan for GEW and supporting planning with project management/coordination. Begin the process by creating a shared calendar of events that partners can populate with programming for the 2020 GEW by the City and GEW partners. Consider a shared online drive where partners can exchange content and information.
 - Work with partners to develop a series of simple metrics for GEW that can be tracked annually to measure success of the efforts. Metrics might include number of events, number of participants, digital media engagement (website traffic or social media), etc. Consider a digital survey to be completed by event participants to provide feedback.
 - Support GEW with marketing and communications that is specifically targeted to the minority and youth groups.
 - Carry the momentum forward by continuing the conversations online – use the #throwbackthursday hashtag to remind people of the conversations that started in November 2019 and continue to advance those stories.
 - Plan an event, or series of events, to announce the new mayoral entrepreneurship awards during GEW 2020.
- **Improve Online Permitting and Business Assistance:** The City's online permitting system is dated and difficult to navigate. To help current and prospective entrepreneurs with starting or expanding their businesses in Fort Worth, work with the City's Planning Department to overhaul and upgrade this system to allow easy use by all types of users. Before taking on this task, review best practices by other cities, including KC BizCare by Kansas City, MO (www.kcmo.gov/programs-initiatives/kc-bizcare). Create a diverse focus group of entrepreneurs and developers to be the city's partners in beta-testing the new system as it is developed.

MEASUREMENT & TRACKING

Metrics are needed in order to track progress and effectiveness. Based on the analysis, case studies, and work completed for this project, below are the recommended metrics for regular monitoring by Fort Worth.

- Self-Employed Business Growth (YourEconomy.org)
- Stage 1 Business Growth (YourEconomy.org)
- Stage 1 Employee Growth (YourEconomy.org)
- Best 20 U.S. Cities for Startups and Entrepreneurs by Commercial Café (if updated in 2020)
- Self-Employment Rate (Emsi)
- Women Self-Employment Rate (Emsi)
- Minority Self-Employment Rate (Emsi)
 - Black or African American sub-group (Emsi)
 - Hispanic or Latino sub-group (Emsi)
- Self-Employment Rate by Age (Emsi)

We recommend a system where City staff regularly gathers the data, and reports on progress. Ideally some of the individual metrics would be reported on and thought through with critical partners in the ecosystem.

Note that there were other data sources used for benchmarking in this report; however, those sources have not been updated and we recommend only using data that are reliably updated. The minority, women, and youth self-employment data were obtained from Emsi, a proprietary data source that Camoin 310 uses for economic research and analysis. In order to track these metrics, the City will have to engage with a data provider, or one of their users, to collect this information. A local college or university likely has a subscription to a data provider and can help the City track these metrics.

Beyond the macro-level benchmark metrics, we also recommend that the City has metrics related to its programs and services. These relate to satisfaction and effectiveness with the programs by those being served. There are different ways to do this. One would be to survey all the clients that the City engages with once a year using a standard survey tool that is very simple (4-5 questions on a scale of 1-5).

1. How satisfied are you with the customer services you received?
2. How satisfied are you with the technical advice that you were given?
3. How accessible do you feel are programs and services in Fort Worth?
4. Would you recommend this to other businesses or entrepreneurs?
5. Any other comments?

This simple, standard tool will provide the City with information to understand its customer service satisfaction and continue to improve its performance. Down the road, the City may want to consider partnering with Sparkyard and the ecosystem partners to integrate a larger assessment system.

APPENDIX A: BENCHMARKING

BENCHMARKING

How does Fort Worth's entrepreneurial ecosystem stack up against top U.S. startup communities?

As part of the Audit of Fort Worth's small business and entrepreneurial ecosystem, indicators of entrepreneurial activity in Fort Worth were benchmarked against ten top U.S. startup communities. Key findings from that assessment are provided below.

Summary of Rankings

Indicator	Fort Worth, TX (Tarrant Co.)	Atlanta, GA (Fulton Co.)	Austin, TX (Travis Co.)	Columbus, OH (Franklin Co.)	Kansas City, MO (Jackson Co.)	Los Angeles, CA (Los Angeles Co.)	Miami, FL (Miami-Dade Co.)	Nashville, TN (Davidson Co.)	Pittsburgh, PA (Allegheny Co.)	Saint Louis, MO (Saint Louis Co.)	Washington DC
Self Employment Rate, 2018	3	10	4	8	7	2	1	5	9	6	11
Self-Employed Business Growth, 2015-2018	7	6	5	1	9	11	8	2	4	10	3
Stage 1 Business Growth, 2015-2018	3	6	4	5	7	2	1	8	11	10	9
Stage 1 Employee Growth, 2015-2018	3	6	4	5	9	2	1	8	11	10	7
Women Self-Employment Rate, 2018	8	1	4	7	6	5	9	11	10	2	3
Women Owned Business Rate, 2012	4	2	7	6	8	5	3	9	11	10	1
Minority Self-Employment Rate, 2018	1	8	2	6	7	9	11	4	3	5	10
Minority Owned Business Rate, 2012	2	5	10	4	7	8	1	9	3	11	6
Veteran Owned Business Rate, 2016	5	5	7	3	6	5	4	1	11	10	8
Change in Patents Issued, 2016-2018	6	2	11	3	4	9	5	7	10	8	1
Innovation Index, Stats America, 2016	4	2	1	9	8	7	10	6	5	11	3
Human Capital, Stats America, 2016	5	2	2	10	7	8	11	9	4	6	1
Startup Activity, Kauffman Index, 2017	4	5	4	7	6	3	1	10	11	9	8
Main Street, Kauffman Index, 2017	9	11	11	6	8	3	5	7	1	10	2
High Growth, Kauffman Index, 2017	6	5	2	3	8	9	11	4	7	10	1
Average Ranking	5	5	5	6	7	6	5	7	7	9	5
Overall Ranking	1	3	4	6	9	7	5	8	10	11	2

Of the 15 indicators evaluated, Fort Worth ranks #1, closely followed by Washington D.C., Atlanta, GA, and Austin, TX. However, overall ranking is less important to consider than performance on individual indicators. The City's strengths are in overall rate of self-employment, early-stage business growth (2-10 employees), minority self-employment, and ownership; Fort Worth also ranked highly on a composite innovation index and startup activity index. Fort Worth's performance was average-to-lagging on measures of self-employed business growth, women self-employment, veteran business ownership, and Main Street entrepreneurship activity.

Note: All rankings are based on the weighted-average of the proportion of population each group represents. For example, women make up 48% of total employment in Tarrant County and, therefore, a rate of 48% was applied to determine the ranking among the benchmark communities.

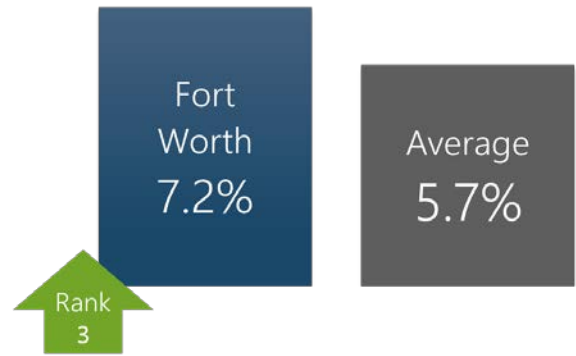
SELF-EMPLOYMENT

Fort Worth's overall rate of self-employment is above average.

Leading industry sectors include:

- Professional, Scientific, & Tech Services: 18.3% (8% above average)
- Educational Services: 12.0% (6.1% above average)
- Other Services: 24.1% (4.2% above average)
- Real Estate and Rental and Leasing: 19.5% (4.2% above average)

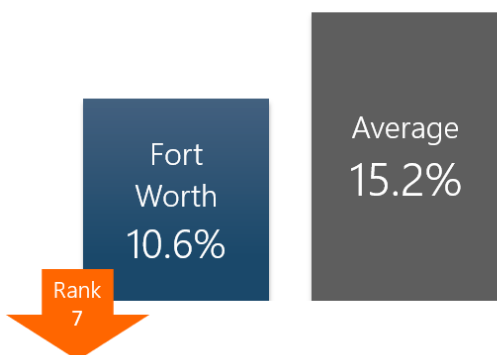
Self-Employment as Percent of All Employment, 2018



SELF-EMPLOYMENT BUSINESS GROWTH

Fort Worth lagged in self-employment business growth from 2015-2018.

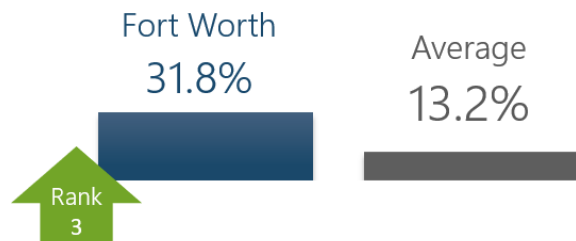
Self-Employment Growth, 2015-2018



STAGE 1 COMPANY GROWTH (2-9 EMPLOYEES)

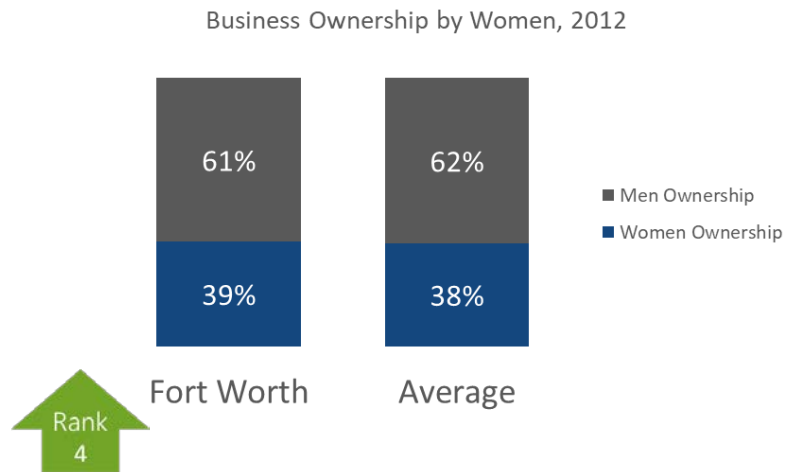
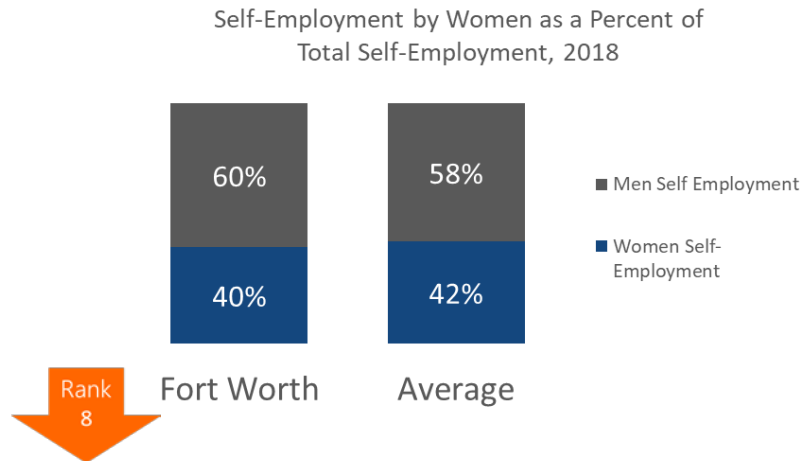
Fort Worth's leading in Stage 1 business growth, suggesting that many self-employed businesses became Stage 1 companies from 2015-2018.

Stage 1 Growth
% Change in Number of Businesses, 2015-2018



WOMEN ENTREPRENEURSHIP

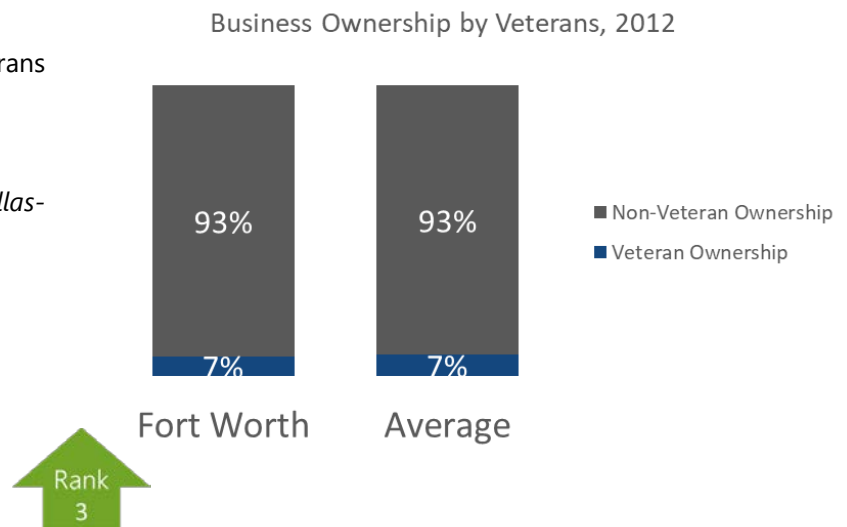
Fort Worth's rate of self-employment by women is below average while the rate of women-owned firms is slightly above average.



VETERAN ENTREPRENEURSHIP

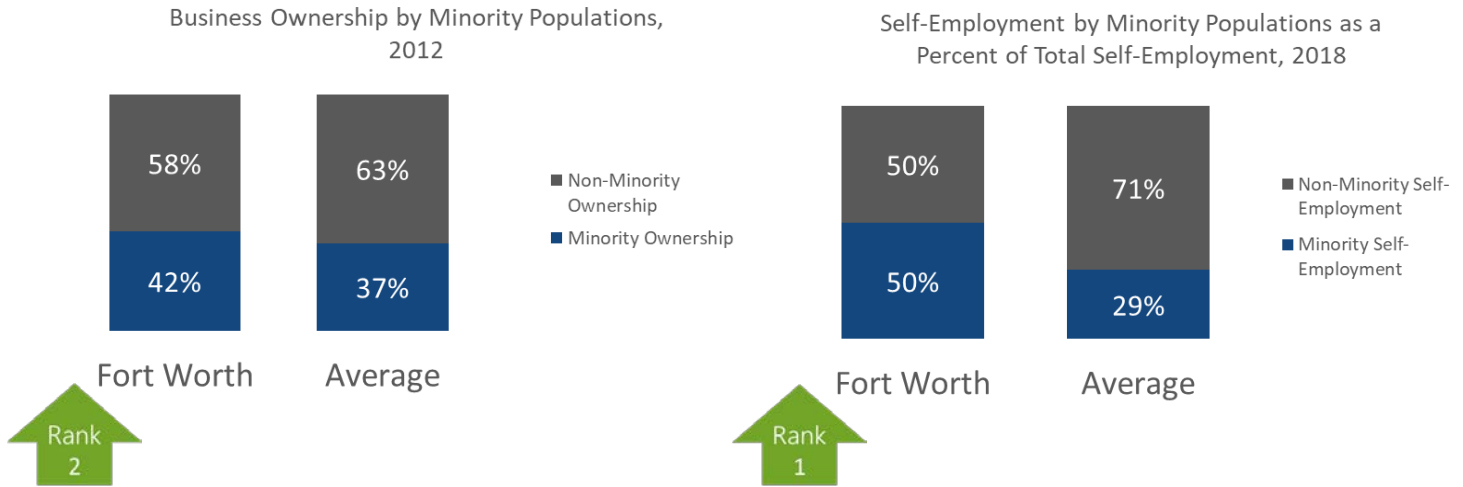
Fort Worth's rate of self-employment by veterans is average.

Note: The data for this indicator is for the Dallas-Fort Worth Metro.



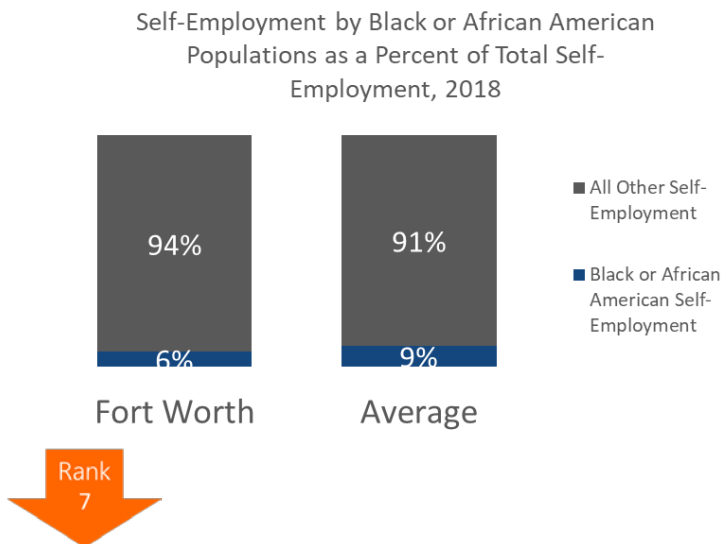
MINORITY ENTREPRENEURSHIP

Fort Worth has the highest rate of minority self-employment among the benchmark communities and ranks among the top for overall minority business ownership.



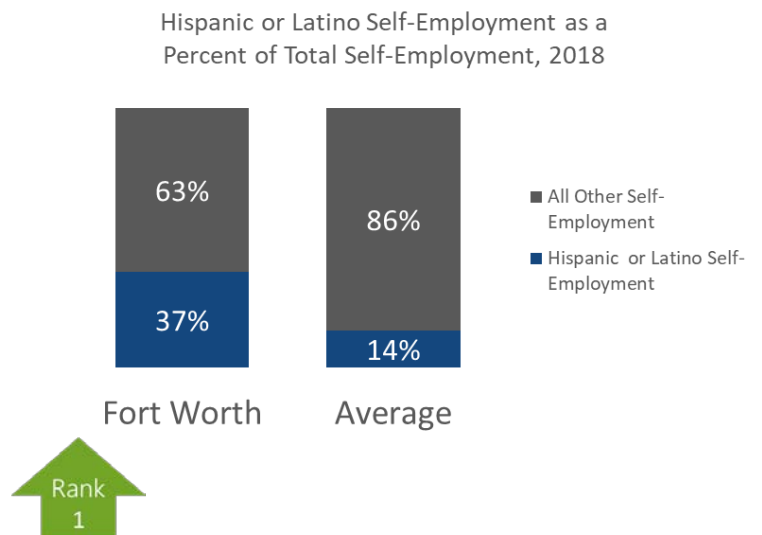
BLACK OR AFRICAN AMERICAN SELF-EMPLOYMENT

Fort Worth's rate of Black or African American self-employment is slightly below average.



HISPANIC OR LATINO SELF-EMPLOYMENT

Fort Worth is leading self-employment by Hispanic or Latino workers.



INDICATOR DEFINITIONS

Self-Employment Rate, 2018 | The proportion of self-employment relative to total employment. The higher the proportion of self-employed workers, the higher the ranking. Data from Emsi.

Self-Employed Business Growth, 2015-2018 | The growth in the number of businesses with the individual business owner or sole proprietor (1 job) working for themselves. The higher the growth rate, the higher the ranking. Data from YourEconomy.org.

Stage 1 Business Growth, 2015-2018 | The growth in the number of businesses with 2-9 employees. The higher the growth rate, the higher the ranking. Data from YourEconomy.org.

Stage 1 Employee Growth, 2015-2018 | The growth in the number of employees at businesses with 2-9 employees. The higher the growth rate, the higher the ranking. Data from YourEconomy.org.

Women Self-Employment Rate, 2018 | The percent of female self-employed workers. The closer to 50% (meaning 50% of all self-employed workers are female and 50% are male) the higher the ranking. Data from Emsi.

Women Owned Business Rate, 2012 | The percent of female business owners in relation to the overall percent of the female population. The lower the percentage point spread between female owned and the total female population, the higher the ranking. Data originated from US Census Survey of Business Owners.

Minority Self-Employment Rate, 2018 | The percent of minority self-employed workers compared to the percent of all minority workers. The lower the percentage point spread, the higher the ranking. Minority groups include all non-white groups, and includes the classification of *Two or More Races*. Data from Emsi.

Minority Owned Business Rate, 2012 | The percent of minority business owners in relation to the overall percent of the minority population. The lower the percentage point spread between minority owned and the total minority population, the higher the ranking. Data from US Census Survey of Business Owners and 2010 Census.

Veteran Owned Business Rate, 2016 | The percent of veteran owned business in relation to the overall percent of

the total veteran population. The lower the percentage point spread between veteran owned and total veteran population, the higher the ranking. Data is by MSA. Data originated from US Census Survey of Entrepreneurs, 2016 and US Census American Community Survey 2013-2017 Estimates.

Change in Patents Issued, 2016-2018 | Percent change in patents issued from 2016-2018. The higher the percent change, the higher the ranking. Data from the United States Patent and Trademark Office, 2016-2018.

Innovation Index, Stats America, 2016 | The Innovation Index synthesizes metrics that analyze human capital and knowledge creation; business dynamics; business profiles; employment and productivity; and economic well-being. The ranking represents study area's overall Innovation Index score, relative to the other study areas. Index provided by Stats America.

Human Capital & Knowledge Creation, Stats America, 2016 | This index suggests to what extent a study area has a labor force and population to engage in innovative activities. The ranking represents the study area's overall score, in relation to the other study areas. Index provided by Stats America.

Startup Activity, Kauffman Index, 2017 | Ranks study areas based on new business creation, market opportunity, and startup density. The ranking represents the study area's overall score in relation to the other study areas. Index provided by the Kauffman Foundation.

Main Street, Kauffman Index, 2017 | This index measures small business activity via density, survival rate, and rate of small business ownership within each study area. The ranking represents the study area's overall score in relation to the other study areas. Index provided by the Kauffman Foundation.

High Growth, Kauffman Index, 2017 | This index ranks metros based on outputs associated with growth entrepreneurship like jobs and revenue. The ranking represents the study area's overall score in relation to the other study areas. Index provided by the Kauffman Foundation.

APPENDIX B: CASE STUDIES

INTRODUCTION

Defining and describing regional entrepreneur ecosystems remains more of an art than a science. Numerous models and approaches can be found in the field and in the academic literature.⁹ This project follows a framework first developed by EntreWorks Consulting and key partners which emphasizes key policy-related components of successful entrepreneurial ecosystems.¹⁰ This model identifies several core elements of successful ecosystems, which include:

- *Talent*: Building a regional talent base
- *Capital*: Providing diverse sources of capital to help firms start and grow
- *Business Assistance*: Providing easy access to technical assistance
- *Specialized Infrastructure and Facilities*: Meeting the unique space needs of entrepreneurs
- *Community Culture*: Honoring and embracing entrepreneurship
- *Regulatory/Government Support*: Cutting red tape and promoting flexibility

A local economy's prospects are driven by a host of factors. Many, if not most, of these influences are not subject to direct control by local leaders and policymakers. These include historical legacies, the impact of local geography and natural factors, and the overall condition of the global, national, and local economies. Even the best ecosystem building programs will not succeed if other background conditions are poor. However, if these conditions are favorable, a robust ecosystem can make a difference in encouraging local people to start businesses, to enhancing business growth prospects, and in attracting and retaining talent.

The objective of this Case Study Analysis was to look at three leading entrepreneurial ecosystems in communities with similar attributes to Fort Worth. We sought to learn what is driving the ecosystem building efforts in these places, and the role that the City government and its partners are playing in supporting those efforts, to understand what the City of Fort Worth can do better support its own entrepreneurial ecosystem. Case Study cities were selected based on an understanding of the challenges Fort Worth is facing in its ecosystem building efforts – based on interviews and focus groups with service providers and entrepreneurs in the community, combined with findings from the benchmarking analysis provided in Appendix A.

The three case studies chosen include Kansas City, MO; Nashville, TN; and Atlanta, GA. The findings from that analysis are summarized below.

⁹ Center for Rural Entrepreneurship, Center for Regional Economic Competitiveness, EntreWorks Consulting, "Entrepreneurial Ecosystems in Appalachia: Literature Review" Appalachian Regional Commission, September 2018, <http://www.entreworks.net/Download/ARC%20Lit%20Review.pdf>.

¹⁰ Ibid

KANSAS CITY CASE STUDY

Like Fort Worth, Kansas City was built on cattle and railroads. Thanks to its central location and major stockyards, Kansas City became an important transshipment point for beef and other products in the late 1800s and early 1900s. As the economy grew and diversified, other economic engines emerged. Major corporations such as Hallmark, H.R. Block and Sprint sprung up, and today, Kansas City anchors a thriving two-state regional economy.

Marion Labs was another home-grown business that emerged in the mid-20th century. Its founder, Ewing Marion Kauffman, became an important civic leader, owning the Kansas City Royals baseball team and supporting numerous local charities. His foundation, the Ewing Marion Kauffman Foundation, ultimately became a major force in supporting entrepreneurial ecosystem building efforts around the US, and its role in the Kansas City ecosystem's development cannot be underestimated.

Like many Midwestern cities, Kansas City struggled with deindustrialization beginning in the late 1970s and beyond. The economy remained stable, but was never booming—especially compared to technology hot spots like Silicon Valley or Seattle. The area can best be defined as a “second-tier region,” i.e, a smaller metro area that lacks the deep networks and specialized resources found in larger, world-class metro centers.¹¹

Conscious and focused ecosystem building efforts began to gain traction in the early 2000s, as the Kauffman Foundation began investing in a host of local pilot programs and demonstration projects. Many of today's leading ecosystem players, such as KCSourcelink and the Pipeline acceleration program, can trace their origins back to this period. At first, these efforts operated independently and were not viewed as core components of the region's economic development strategies. However, perspectives changed over time, and community leaders across the board now embrace the important mission of ecosystem building and development. Beginning in 2011, the Greater Kansas City Chamber of Commerce unveiled its “Big 5” list of major community goals, which included the goal of making Kansas City into “America's Most Entrepreneurial City.” Today, this goal is widely touted and promoted, with local officials, such as Mayor Sly James highlighting entrepreneurship as core agenda item. A related effort, KC Rising, is led by the Kansas City Civic Council. This plan seeks to increase economic growth and the development of new companies in the Kansas City region.

As this compelling goal has gained public attention and other commitments, the regional ecosystem has also thrived. A 2012 study described the regional ecosystem as “fragmented.”¹² Today, the region is typically described as a “hot startup city” and “an environment that is affordable, vibrant, and truly supportive of its entrepreneurs.”¹³

¹¹ Mayer, Heike, *Entrepreneurial Community in Kansas City: From Fragmented to Collaborative?* (November 1, 2012). Available at SSRN: <https://ssrn.com/abstract=2184357> or <http://dx.doi.org/10.2139/ssrn.2184357>.

¹² Ibid

¹³ “We Create Making KC America's Most Entrepreneurial City: Year 5.” KC Source Link, <https://www.kcsourcelink.com/docs/default-source/documents/wecreatekc-year5-kansas-city-entrepreneurship-report-web.pdf>.

Today's Ecosystem in Kansas City

Kansas City is home to a diverse and robust set of organizations and community assets in each of the core ecosystem functional areas. As noted above, many of these organizations can trace their origins back to the early 2000s when the Kauffman Foundation, the Kansas state government, and other organizations began to actively invest in building local capacity to support start-ups and high-growth ventures. Below, we offer a brief review of various local and regional initiatives in each of the core framework areas noted above.

TALENT

Like many regions across the US, Kansas City is investing heavily to develop talent across the board. For example, improving early childhood education remains as one of the "Big 5" regional goals, and the KCRising effort has also identified talent development as a core goal. When it comes to "entrepreneurial talent," Kansas City also supports a number of interesting initiatives. As a first cut, Kansas City does an excellent job of understanding its entrepreneurial talent pool. According to KCSOURCELINK, in 2019, the region was home to nearly 146,000 microenterprises, which make up around 74% of all area businesses. Main Street businesses account for 24% of local ventures, and second-stage (1%) and innovators (1%) make up the remaining share of local firms.¹⁴ Each type of business has unique needs and benefits from focused programming which will be discussed further below. These business support programs offer a means to groom the region's "entrepreneurial talent."

At present, none of the area's universities, including flagship institutions in Kansas and Missouri, are considered to be major drivers of entrepreneurial activity.¹⁵ Several programs are now in place to address this shortcoming. These include the Whiteboard to Boardroom and Digital Sandbox programs which provide training and coaching to professors and researchers seeking to commercialize ideas.

Beyond direct provision of education, Kansas City supports several successful programs that help newer entrepreneurs pursue high-growth potential business opportunities. The best known efforts include the Helzberg Entrepreneurial Mentoring Program and the Pipeline Entrepreneur Immersion program. Pipeline began operations as a state-funded program in Kansas, but now operates as a private non-profit that supports entrepreneurs operating in Kansas, Missouri and Nebraska.

Finally, Kansas City institutions have invested to develop research talent. The Stowers Institute for Medical Research is one of the world's largest privately-funded biomedical research centers. In addition, the region has invested heavily to promote the life sciences, via the BioNexus cluster initiative and the regional Animal Health Corridor.

¹⁴ "Why Does KC Entrepreneurship Matter?" *KC Source Link*, https://www.kcsourcelink.com/docs/default-source/documents/we-create-kc_2019-web-2.pdf?sfvrsn=430df16f_2.

¹⁵ For background see Goe, W. Richard, et al. "Measuring Entrepreneurial Activity and Kansas and Missouri Universities." *Berkeley Roundtable on the International Economy*, 16 Mar. 2016, <https://brie.berkeley.edu/sites/default/files/brie-working-paper-2016-81.pdf>.

CAPITAL

Kansas City is also home to wide array of capital resources. While it does not host a thriving venture capital scene, Kansas City is generally considered to be a decent place to raise money for new or growing ventures.¹⁶ Surveys of local entrepreneurs find general satisfaction with the range and diversity of capital sources available to Kansas City-based entrepreneurs. KCSourcelink tracks company financing efforts and provides detailed information on capital resources for all phases of company growth.¹⁷

Kansas City's ecosystem advocates excel in identifying and seeking to close capital gaps. Organizations like KCSourcelink regularly assess strengths and weaknesses in the local ecosystem, and, when pressing gaps are identified, they seek to directly address them. Several new investment vehicles were developed in this way. The Digital Sandbox provides small grants to help researchers and founders in the difficult proof of concept phase, providing seed funds of up to \$20,000. Similarly, the KC Rise Fund was created to further incentivize venture capital investments in early stage venture.

The region's ecosystem resources are having a clear impact on capital access for local entrepreneurs. KCSourcelink estimates that, in 2017, 70% of local firms that received outside financing also received support or referrals from Sourcelink.¹⁸ In addition, the number of local investors and the number of local equity deals has also grown in recent years.

BUSINESS ASSISTANCE

Kansas City has long pioneered new models for providing services to business owners. Today, KCSourcelink serves as the primary entry point for support services and programs. Based at the University of Missouri-Kansas City and initially funded with support from the Kauffman Foundation, KC Sourcelink opened for business in 2003. It was originally designed to address a common complaint that local entrepreneurs were struggling to find resources and to tap into networks of peers and colleagues. The Kauffman Foundation served as the lead initial investor, and the program operates with an annual budget of roughly \$750,000.

From the beginning, the KCSourcelink team focused on developing a diverse set of funding sources to complement the initial Kauffman investments. It created USSourcelink (now known as Sourcelink), a consulting practice, to bring the KCSourcelink resource navigator tool to other regions.¹⁹ Today, the Sourcelink team has provided services and support to many locations around the US, including work in both Fort Worth and Dallas.

KCSourcelink began operations with the intention of serving as a "resource navigator," linking entrepreneurs to resources via a web page, a phone call-in center, and various events and other promotional activities. The current

¹⁶ Yasuyuki Motoyama, Jordan Bell-Masterson. "Leveraging Regional Assets: Insights from High-Growth Companies in Kansas City." *Kauffman*, <https://www.kauffman.org/what-we-do/research/2013/08/leveraging-regional-assets-insights-from-highgrowth-companies-in-kansas-city>.

¹⁷ "Funded Kansas City Startups." *KC Source Link*, <https://www.kcsourcelink.com/guides/loans-grants-and-funding/funded-kansas-city-startups>.

¹⁸ "We Create Making KC America's Most Entrepreneurial City: Year 5." *KC Source Link*, <https://www.kcsourcelink.com/docs/default-source/documents/wecreatekc-year5-kansas-city-entrepreneurship-report-web.pdf>.

¹⁹ Brown, C. Taylor. "Paths to Entrepreneurship." *Entrepreneurship & Education at the Kauffman Foundation*, <https://www.kauffman.org/thoughtbook2015/paths-to-entrepreneurship#kansascitystartupvillage>.

SourceLink partnership list includes 249 organizations operating in Kansas City and the surrounding 18-county region.²⁰

KCSourcelink and its partner organizations operate around a shared vision that focuses on a number of key ecosystem building strategies:

- Building a Pipeline
- Fostering Connections
- Promoting Opportunity
- Investing Capital
- Engaging Corporate Partners
- Measuring Impact

The basic KCSourcelink resource navigator still exists today as a website and call center program, serving as a “business concierge” that provides referrals to thousands of local entrepreneurs each year. KC Sourcelink has also supported creation of new programs to fill ecosystem gaps, and also works in collaboration with other partners and resource navigators, such as the City’s BizCare customer service site.

KCSourcelink’s local impacts have been extensive. Since 2003, its various programs have helped provide connections and services to more than 35,000 local business owners. Each year, Kansas City-based startups create more than 15,000 local jobs and, in 2017, they attracted more than \$540 million in outside investments.²¹

SPECIALIZED INFRASTRUCTURE AND FACILITIES

Kansas City is not home to a single hub or center for entrepreneurship. Instead, it operates with a mix of locations and facilities that are located across the region in both Missouri and Kansas. The Kauffman Foundation’s headquarter building is regularly used for larger meetings and events, and the space was designed to serve as a public venue. Kauffman Foundation staff work from these offices, but there are no other ecosystem support programs housed there. The UMKC Innovation Center is located nearby on Troost Avenue, which has served as an historical dividing line between wealthy and poorer sections of Kansas City. Numerous programs, including KCSourcelink and the local SBTDC programs, operate out of the Innovation Center. City leaders are also currently discussing creation of an innovation district on Troost Avenue and 18th street, several miles north of the Kauffman Foundation and Innovation Center locations.²² This Keystone Innovation District is being modeled on the 16 North (Indianapolis) and Cortex (St. Louis) innovation district efforts.

²⁰ “We Create Making KC America’s Most Entrepreneurial City: Year 5.” *KC Source Link*, <https://www.kcsourcelink.com/docs/default-source/documents/wecreatekc-year5-kansas-city-entrepreneurship-report-web.pdf>.

²¹ “We Create Making KC America’s Most Entrepreneurial City: Year 5.” *KC Source Link*, <https://www.kcsourcelink.com/docs/default-source/documents/wecreatekc-year5-kansas-city-entrepreneurship-report-web.pdf>.

²² Collison, Kevin. “Keystone Innovation District Concept Taking Shape, Big Civic Endeavor at 18th and Troost.” *CitySceneKC*, 27 Feb. 2019, <https://cityscenekc.com/keystone-innovation-district-concept-taking-shape-big-civic-endeavor-at-18th-and-troost/>.

Some ecosystem building efforts have not succeeded. In the mid-2000s, local leaders invested to support creation of the KC Start-up Village, which sought to capitalize on Kansas City, Kansas' designation as an early site for Google Fiber.²³ The effort gained much public attention, but ultimately was not successful. Nonetheless, the Kansas City region hosts a diverse array of facilities focused on various aspects of ecosystem development. Examples include the Hammerspace Community Workshop (Makerspace), the Enovation Center (Commercial Kitchen), the Blue Hills Contractor Incubator, and numerous other incubator and coworking facilities.

COMMUNITY CULTURE

Community culture is an area of particular strength for Kansas City, and can likely be attributed in part to the important role of the Kauffman Foundation. As noted earlier, Kansas City prides itself on pursuing the stated goal of becoming America's most entrepreneurial city. It invests in programs to nurture entrepreneurship, and supports numerous programs, events, and awards that recognize great entrepreneurs in all walks of life.

KC Sourcelink plays an essential role as a local champion, producing an award-winning annual report that not only shares program outcomes but also offers a snapshot of the state of entrepreneurship in Kansas City. Meanwhile, KCSourcelink and other organizations host hundreds of events each year. Global Entrepreneurship Week (November 18-22, 2019) has been a major undertaking in Kansas City since it was first unveiled twelve years ago. Last year, more than 5,000 people participated in local events during the week. KCSourcelink also hosts a "Shop Local" website that offers a guide to hundreds of local companies and a calendar with networking and other events nearly every day.

These activities are further bolstered by dozens of other events, awards, and business competitions. A weekly One Million Cups meetup is available. Competitions and awards programs are available for many different groups and types of entrepreneurship, including youth, formerly incarcerated residents, UMKC students, and for entrepreneurs operating in emerging clusters like fintech, life sciences or animal health.

Finally, the region has a thriving media scene focused on entrepreneurs and the innovation economy. These business leaders are regularly highlighted in the business press and in newspapers like the Kansas City Star and Kansas City Business Journal. In addition, specialized newsletters, like Startland and Silicon Prairie News, also cover the scene.

REGULATORY/GOVERNMENT SUPPORT

Thanks to hub organizations like KCSourcelink, it is a simple process to access programs and support to start or grow a business in Kansas City. The local government is also on board via its KC BizCare website, a one-stop shop for local business.²⁴ This service center, part of the City's 311 system, has operated since 2009, and provides a host of support to local businesses. It offers a checklist for business start-up, along with easy guidelines on various rules, licenses, and the like. It also collaborates with KCSourcelink to ensure that customers can obtain more specialized business support services as well. Other community resources, such as the Mid-Continent Library's Square One Small Business program also helps residents with business start-up questions.

²⁴ "City of Kansas City, MO." *KC BizCare*, <http://kcmo.gov/kcbizcare/>.

While Kansas City has made major advances, local leaders and entrepreneurs recognize that further progress is needed. They point to several challenge areas. Inclusion is a major focus of current efforts, as minority entrepreneurs report some barriers to full engagement with the region's ecosystem resources.²⁵

A number of high growth entrepreneurs have called for better coordination within the regional ecosystem. They note that many new and high-profile ecosystem building efforts are underway in Kansas City, but that there could be better linkages and connections between these efforts. These "patchwork" initiatives could be improved, especially by building better ties between Kansas City's business establishment and its new and emerging entrepreneurs.²⁶ Finally, local leaders note that area universities could be better engaged and could serve as more important drivers of innovation and R&D.

Summing Up Kansas City

Cautions about the limits of ecosystem impacts are directly relevant to the case of Kansas City, where local and regional ecosystem building efforts are among the most advanced and successful of any region in the US. A deep and strong regional ecosystem is in place, and the prospects for starting and growing a successful company are excellent. Yet, many local leaders note that Kansas City is falling behind, as regional growth rates lag other communities, including North Texas.²⁷ Concerns about lagging growth helped to spur creation of the KCRising effort.

While Kansas City still seeks to rev its growth engines, it can build on more than a decade of experience in creating a robust and effective entrepreneurial ecosystem. Several lessons emerge from this experience.

EMBRACE ECOSYSTEM BUILDING AS CONSCIOUS STRATEGY

Leaders in Kansas City have consciously embraced ecosystem building as a strategy to advance regional economic development. This commitment runs across the region, and is embraced from the high levels of business, in public programs like KCBizCare, and in the daily work of dozens of non-profits addressing various aspects of ecosystem development.

COMMIT FOR THE LONG HAUL

Kansas City has been in the business of ecosystem building since the 1990s. They continue this work today and would likely agree that work of ecosystem development is never finished. It is a process of constant change and transformation. In their efforts to position Kansas City as "America's most entrepreneurial city," local ecosystem partners have combined patience with a spirit of experimentation. Programs and initiatives constantly evolve, as some experiments shut down (e.g. Startup Village) and new programs tackling new challenges (e.g. KC RiseFund) are rolled out.

²⁵ See, for example, "EDCKC Supporting Techweek Diversity and Inclusion in Tech Entrepreneurship Track." *Economic Development Corporation of Kansas City*, 26 Sept. 2018, <https://edckc.com/edckc-supporting-techweek-diversity-and-inclusion-in-tech-entrepreneurship-track/>.

²⁶ Yasuyuki Motoyama, Jordan Bell-Masterson. "Leveraging Regional Assets: Insights from High-Growth Companies in Kansas City." *Kauffman*, <https://www.kauffman.org/what-we-do/research/2013/08/leveraging-regional-assets-insights-from-highgrowth-companies-in-kansas-city>.

²⁷ Ziegler, Laura. "Why Kansas City Is Falling Behind Even As Its Economy Grows." *KCUR*, <https://www.kcur.org/post/why-kansas-city-falling-behind-even-its-economy-grows#stream/0>.

THINK BIG: FOCUS ON HIGH GROWTH

Kansas City's ecosystem efforts help all types of entrepreneurs, but much of their recent new programming is targeted to high growth ventures that will help create new jobs and new wealth. Programs like Pipeline and HEMP avoid new startups, and target companies and entrepreneurs with significant growth potential. Given this focus, the programs also push participants to think bigger in terms of markets, focusing on building global success stories as opposed to serving only local markets.

DON'T FORGET YOUR HISTORY

Ecosystem building efforts in Kansas City reflect the region's history. Entrepreneurship programming builds on the legacies of Ewing Marion Kauffman and other business leaders. Today's emerging focus on inclusion has similar historic ties, and seeks to recapture Kansas City's role as a business hub for African-Americans. These historical connections matter as they help to "normalize" entrepreneurship as a core part of Kansas City's regional identity.

NASHVILLE, TN

Thanks to its strategic location, Nashville has long been a key business center for the South. It has served as a major distribution center, a center for leading industries including music and health care, and as a home to major universities and other anchor institutions. Following the turn of the century, the city's growth accelerated, and Nashville went from being a typical southern city to a thriving metropolis. Nashville even surpassed Memphis as the largest city in the state and the middle Tennessee region has emerged as the state's economic engine.²⁸

By virtue of this diverse and healthy economic base, Nashville has long been a hub for creativity, innovation, and entrepreneurship. The city's strengths in music and the arts attracts artists and industry leaders from around the globe and gives the region its creative energy and unmatched entrepreneurial spirit. The community's intrinsic ability to collaborate and innovate drove the entrepreneurial ecosystem to grow organically for decades, with limited government involvement.

However, the 2008 Great Recession hit Nashville hard, and policy leaders looked to entrepreneurship and innovation to help the regional economy recover. They became acutely aware of how the local entrepreneurial ecosystem is a critical driver of economic growth and sustainability, and became more intentional about supporting entrepreneurship and innovation. In 2012, a comprehensive plan was developed by the State to make Tennessee the "#1 state in the Southeast for entrepreneurs to launch and grow a company."²⁹ The result of this effort was Launch Tennessee (LaunchTN), which coordinates all the states entrepreneurial activities through a distributed network of public and private partners. This coordinated effort produces a strong alignment around shared objectives, productive division of tasks between State and local organizations, and an ease when scaling pilot programs.³⁰

In Nashville, LaunchTN builds on economic development planning work led by the Nashville Chamber of Commerce and other partners. LaunchTN supports the Nashville Entrepreneur Center (The EC), which offers concept screening, four annual acceleration cohorts, classes, mentorship, and access to capital. Additionally, The EC offers a specialty program, Bunker Labs, whose mission is to help veteran and military spouse entrepreneurs establish successful businesses. To date, The EC has raised \$13.3 million in capital.³¹

These investments are generating real results, and Nashville is emerging as an up-and-coming "superstar" city, attracting talented workers and entrepreneurs. With additional redevelopment in the city after the Great Recession,

²⁸ "Comprehensive Economic Development Strategy for the Greater Nashville Region," Greater Nashville Regional Council, 2018-2022, <https://www.gnrc.org/DocumentCenter/View/656/Comprehensive-Economic-Development-Strategy-FY18-22>.

²⁹ "Entrepreneurship and Innovation in Tennessee," *Launch Tennessee*, 2012, <http://launchtn.org/wp-content/uploads/2014/02/LaunchTN-Innovation-Report-2012.pdf>.

³⁰ TEconomy Partners, LLC "Analyzing Tennessee's Entrepreneurial Landscape: Key Findings and Recommendations," *Launch Tennessee*, 2018, <https://launchtn.org/wp-content/uploads/2019/01/FY19-Report.pdf>.

³¹ "Nashville Entrepreneur Center," *Launch Tennessee's*, <https://launchtn.org/providers/nashville-entrepreneur-center/>.

by 2017 the number of people under 35 in the city double within a decade, to 155,000.³² It is also being recognized as a great place to do business, especially for women entrepreneurs.³³ In sum, Nashville's robust entrepreneurial system is founded in a culture of creativity and is being spurred by strategic efforts by the City and State to connect and inform.

Today's Ecosystem in Nashville

Nashville has historically had strengths in culture, talent, and capital and, as noted above, following the recession started focusing on strengthening other core ecosystem functional areas around business assistance, infrastructure, and regulatory/government support. Today, Nashville offers the entrepreneur community a deep bench of organizations and community assets. Below we offer a brief summary of the various local and regional initiatives in each of the core framework areas.

TALENT

Developing a robust talent pool is a top priority for Nashville and the middle Tennessee region. In addition to the region's excellent higher education institutions, the City is focusing efforts on increasing access to education for all, as well as deepening the talent pool for growth sectors.

The State has been working to reform its postsecondary education system with a goal to increase the percentage of Tennesseans who hold a postsecondary education from 32% to 55% by 2025. As part of this effort, in 2016 the Nashville Promise Zone program was established. The Zone covers 46-square miles of neighborhoods to the south, east, and north of downtown Nashville and brings together nearly 100 City and non-profit partners working to improve the collective impact of services related to housing, jobs, education, infrastructure, and economic opportunity.³⁴ While this effort does not have a specific entrepreneurship focus, its work on 'equity and lifting up residents, particularly African-Americans', bringing state-sponsored programs to neighborhoods where residents face the largest obstacles to entering or reconnecting with postsecondary education will grow the talent pool for entrepreneurs and small businesses looking to hire and grow.³⁵ These efforts are beginning to generate real results – in 2019, Nashville's population had a higher rate of educational attainment of 41.2% compared to the U.S. average of 31.3%.³⁶

For students entering higher education, Nashville's colleges and universities offer a number of programs and opportunities that encourage student innovation and entrepreneurship. Belmont University's Center for

³² Ben Casselman, "Nashville's Star Rises as Midsize Cities Break Into Winners and Losers," *New York Times*, Dec. 16, 2018, <https://www.nytimes.com/2018/12/16/business/economy/nashville-birmingham-amazon.html>.

³³ Richie Bernardo, "2016's Best & Worst Cities for Women-Owned Businesses," *WalletHub*, February 22, 2016, <https://wallethub.com/edu/best-places-for-women-owned-businesses/19254/>.

³⁴ "The Nashville Talent Hub Report," *The Lumina Foundation Talent Hub*, November 2018, <https://www.nashville.gov/Portals/0/SiteContent/MayorsOffice/docs/2018-nashville-talent-hub-report.pdf>.

³⁵ "Nashville Named Talent Hub by Lumina Foundation," *Nashville Area Chamber of Commerce*, <https://www.nashvillechamber.com/blog/2017/nashville-named-talent-hub-by-lumina-foundation>.

³⁶ "CBRE's 2019 "Scoring Tech Talent Report": Nashville Stands Out in Tech Labor Pool Growth, Millennial Population, and Brain Gain," *CBRE*, July 17, 2019, <http://www.cbre.us/people-and-offices/corporate-offices/nashville/nashville-media-center/cbres-2019-scoring-tech-talent-report-nashville-stands-out-in-tech-labor-pool>.

Entrepreneurship is a nationally recognized program that offers student's the ability to manage on-campus businesses and gain real world applicable skills. Of the over 200 businesses started by Belmont alumni in the past 10 years, over 80% are still in business, though it is unclear how many of those businesses remain in the city.³⁷ Additionally, Vanderbilt University's Owen Graduate School of Management's Accelerator Summer Business Institute connects college undergraduates and recent grads with real projects with companies for a four-week summer program. Vanderbilt University also hosts the Wond'ry, an innovation center whose purpose is to transform ideas into real-world applications. The Wond'ry allows students the opportunity to explore and experience new fields of study and technologies. Recent ventures include a company that uses block chain technology to help refugees move money and a company fighting opioid addiction.³⁸

When it comes to talent, Nashville's strength is in tech. It was among the top ten fastest growing tech talent pools in the last 5-years, and it ranks among the top 10 markets for gender diversity in tech occupations.³⁹ There are several technology-focused educational programs in the region supporting tech-talent. The Nashville Software School is a community-funded non-profit started by a local serial entrepreneur with a mission to expand the software developer workforce. They offer accessible programs to help jumpstart students' careers. Additionally, the Greater Nashville Technology Council, in collaboration with the NTC Foundation, run the APPRENTi program. The program places competent people in mid-tier tech jobs, providing both training and a competitive salary.

Important for women entrepreneurs in particular, is access to high quality health care. ChildcareNashville is an initiative of The Community Foundation of Middle Tennessee and provides an online resource for those seeking licensed childcare and provides a one-stop access point to see what providers are in your area, current availability, quality rating, and contact information to take next steps.

CAPITAL

Access to capital resources is a major advantage of Nashville's entrepreneurial ecosystem. The city boasts a thriving venture capital scene as well as some of the most affluent suburbs in the country.⁴⁰

There are a number of venture capital, private equity, and angel investment firms in the community, like investment GenCap America, Jumpstart Foundry, Pharos Capital Group, and Claritas Capital. These companies invest in the range of real estate, health care business, technology, communication, and more. In recent months, startups in Nashville have been breaking records for the amount of venture capital raised. Teeth-straightening startup

³⁷ "Thomas F. Cone Sr. Center for Entrepreneurship." *Center for Entrepreneurship Belmont University* <http://www.belmont.edu/business/centers/entrepreneurship/index.html>.

³⁸ Buchanan, Leigh. "The Best-Kept Secret in Nashville: Its Thriving Tech Scene." *Inc.*, 4 June 2018, <https://www.inc.com/magazine/201806/leigh-buchanan/destination-nashville-tennessee.html>.

³⁹ "CBRE's 2019 'Scoring Tech Talent Report': Nashville Stands Out in Tech Labor Pool Growth, Millennial Population, and Brain Gain." *CBREUS*, <http://www.cbre.us/people-and-offices/corporate-offices/nashville/nashville-media-center/cbres-2019-scoring-tech-talent-report-nashville-stands-out-in-tech-labor-pool>.

⁴⁰ Bolton, Jason. "Memphis vs. Nashville: The vast divide in affluence between Tennessee's two largest metros", *Memphis Business Journal*, 11 Oct. 2017, <https://www.bizjournals.com/memphis/news/2017/10/11/memphis-vs-nashville-the-vast-divide-in-affluence.html>.

SmileDirectClub raised \$380 million by the end of 2018; OneOncology cancer care network raised \$200 million, and solar energy company Silicon Ranch Corp. raised \$60 million in April of 2019.⁴¹

LaunchTN and The EC have helped improve the access to capital in Nashville, primarily through the Nashville Capital Network, which invests in early-growth stage companies looking for \$1 to \$3 million in financing; they also provide mentoring and manage multiple investment funds. Angel Capital Group provides capital for traditionally high-growth industries (technology, software, biotech) but do not provide funding for traditionally Main Street businesses such as restaurants and retail.

The recently established KivaNashville is working to close that gap. This is a crowdlending program designed to provide low-cost loans to small businesses in Nashville looking for \$500 to \$10,000 in funding. For businesses in Nashville's Promise Zone, the State will also kick in resources for women- and minority-owned businesses.⁴²

While there are significant resources for tech and high-growth companies, Nashville's neighborhood and Mains Street businesses, particularly minority-owned businesses, are struggling to adapt to the rising rents and cost of doing businesses associated with a growing economy. A sort of 'commercial gentrification' is occurring. Following the closure of a local beloved coffee shop that couldn't keep up with its rent payments, the City has begun to frame the issue, and is currently working with small businesses and other partners to address things like lease negotiations. A minority business advisory council has also been formed and will be working with the Mayor's office to ensure that the local small business community that is so critical to Nashville's culture and sense of place, is able to sustain, and thrive.⁴³

BUSINESS ASSISTANCE

Nashville is a little late to the game when it comes to connecting its entrepreneurial network. The city just embraced the KCSOURCELINK model and is currently developing a digital resource navigator, which will help businesses at any stage understand and access resources. This effort was piloted by the Nashville Entrepreneur Center in 2018 with 30 partners. Seeing the value of this tool, the community is planning to continue growing the platform, with a goal of helping over 10,000 businesses in 5-years.⁴⁴



A co-working space in Nashville, TN. InDo (Inspiration Domain) offers a range of membership levels and work spaces to accommodate a range of entrepreneurs and

⁴¹ Mazza, Sandy. "Nashville startups lead the state in venture capital, raise record investment", *Tennessean*, 16 July 2019, <https://www.tennessean.com/story/money/2019/07/17/nashville-startup-vc-venture-capital-funding-tennessee/1739686001/>.

⁴² Mulgrew, Thomas. "Mayor Briley Announces Three Tools to Help Local Businesses Prosper In Honor Of Small Business Week", *Nashville.gov*, 6 May 2019, <https://www.nashville.gov/News-Media/News-Article/ID/8546/Mayor-Briley-Announces-Three-Tools-To-Help-Local-Businesses-Prosper-In-Honor-Of-Small-Business-Week.aspx>.

⁴³ Olmos, Stassy. "Small, minority-owned businesses struggle with Nashville's growth", *WKRN.com*, 26 June 2019, <https://www.wkrn.com/news/nashville-2019/small-minority-owned-businesses-struggle-with-nashvilles-growth/>

⁴⁴ Mulgrew, Thomas. "Mayor Briley Announces Three Tools to Help Local Businesses Prosper In Honor Of Small Business Week", *Nashville.gov*, 6 May 2019, <https://www.nashville.gov/News-Media/News-Article/ID/8546/Mayor-Briley-Announces-Three-Tools-To-Help-Local-Businesses-Prosper-In-Honor-Of-Small-Business-Week.aspx>.

Prior to the Entrepreneurial Center's investment into the SourceLink navigation portal, the local startup community developed its own blog and digital network for entrepreneurs, called #NASHPRENEURS. This website features stories, articles, videos, and other content to help small businesses start and grow in Nashville.⁴⁵

SPECIALIZED INFRASTRUCTURE AND FACILITIES

At current count, Nashville has over 20 co-working spaces, accelerators, incubators, and maker spaces. They range from nationally recognized WeWork to home grown one-location facilities. Some are purely office space while others offer more mentorship, business support, and networking events. Typically, they offer a configuration of private and public working areas, meeting rooms, and break areas (with snacks, coffee, and in a few cases, beer). Specialty spaces include photo and video facilities, rehearsal space, and space to rent for social events. It is possible the co-working space market is saturated at this point, as several co-working spaces have moved or appear to be inactive. Regardless, no matter where you are on the entrepreneurial spectrum, there is a product out there that will fit your needs and provide you the resources needed to grow.

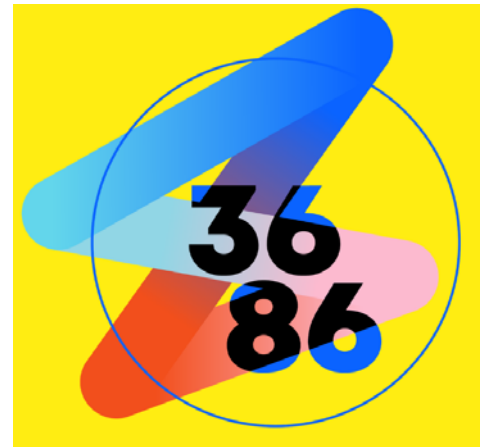
An in-progress and specialty real estate project, OneC1ty, is turning theory into practice with its multifaceted approach to healthy living and working. The complex is a combination of work space, living space, retail space, and green space that also provides a focus on fitness, clean eating, events, and innovation.⁴⁶ The product the developers are producing at OneC1ty reflects the innovative approach to living and working that appeals to the entrepreneur.

Particular to the city, the Nashville Business Incubation Center (NBIC) supports the growth and development of small businesses. In operation for 32 years, NBIC has started an incubator program which provides space and training for accepted entrepreneurs and offers loans of up to \$25,000 after graduation. To date, NBIC has graduated 127 businesses.⁴⁷

COMMUNITY CULTURE

As noted in the introduction, the deeply creative, collaborative, and artistic culture of Nashville is engrained in its entrepreneurial ecosystem, which gives the region an advantage over other startup ecosystems who lack this societal attribute.

The Nashville Entrepreneur Center largely plays the role of convener and champion for the ecosystem, which has over two dozen annual events and community organizations which cater directly to entrepreneurs. Mostly for those in the tech field, the city boasts more specific events and groups events that cater to design thinking, women programmers, healthcare analytics, social media, Black in Tech, and LGBT+ in Tech.



The 36|86 Entrepreneurship Festival highlights the best and latest in technology and entrepreneurship. It's eye-catching logo, above, helps brand the conference, named after the city's geographic coordinates.

⁴⁵ "Nashpreneurs brings together the best content created for and by entrepreneurs in Nashville and beyond", *Nashpreneurs*, <https://www.nashpreneurs.com/>.

⁴⁶ "About ONEC1TY", *ONEC1TY*, <https://www.onec1tynashville.com/about/>.

⁴⁷ "We Cultivate Programs and Workshops to Help you Grow", *Nashville Business Incubation Center*, <https://nbiconline.com/programs/>.

While there is ample support in Nashville's tech scene, more traditional entrepreneurial resources exist in Nashville too, further broadening the support services within the city. Networking groups like CONNECT Nashville, Greater Nashville Networking, Nashville Networking Business Luncheon, and SCORE Nashville all provide access to experienced business owners via networking events, workshops, or mentorships. The Nashville Chamber of Commerce is equally deeply involved in the startup scene organizing events and leading the branding buzz (#nashpreneurs). Their signature Leadership Connect program creates an annual cohort of small, community-minded business owners who learn from each other, while advocating for city-wide policy at the same time. In addition, they run a Business Studio aimed at small businesses running events and trainings, and sharing information via newsletter.⁴⁸

The EC has dedicated resources to several programs to increase diversity in entrepreneurs. Their Diversity and Inclusion Initiative provides scholarships that include a free year of CoWork Membership (The EC's coworking facility) and tuition to the EC's 14-week PreFlight Program which focuses on creating a product, branding and marketing, and generating revenue. The initiative focuses on women, veterans, color, students, LGBTQIA+, and foreign-born, with an advisory board of nine to direct efforts and review applications.⁴⁹ Additionally, the EC has a year-long program for founders of color called Twende (Kiswahili for "Let's Go"). Twende includes monthly programming, community and mentorship, and support.

Educational institutions are also responsible for the flurry of entrepreneurial activity within the city. As it pertains to competitions, Lipscomb University's Center for Entrepreneurship, Vanderbilt University, and MTSU all offer pitch and business plan competitions that in most cases, offer cash awards.

News outlets in Nashville abound. Be it the *Nashville Business Journal*, *Venture Nashville Connections*, or the *Nashville Post*, these sources provide abundant business sections, events calendars showing important tech events, and overall treat startups as a valued part of the business community. Other news sources such as the *Nashville Ledger*, *Launch Tennessee*, *Tennessee Tribune*, *GCA's The News*, *Member News* from the Entrepreneurs' Organization Nashville, the *Startup Southerner*, and *The Tennessean* also highlight startups and technology in the city.^{50,51} This high level of support further illustrates the degree to which the entrepreneurial ecosystem is supported in Nashville. There is even a podcast devoted to the entrepreneurial ecosystem, *Navigate: Nashville's Entrepreneur Ecosystem*.



First, it's all music, all the time. Second, it's friendly. There are just shy of 650,000 residents in Nashville proper... but the city residents are still small-town charming.

Source: <https://www.entrepreneur.com/article/253384>

⁴⁸ "Leadership Connect", *Nashville Area Chamber of Commerce*, <https://www.nashvillechamber.com/economic-development/small-business-resources/leadership-connect>.

⁴⁹ "Diversity & Inclusion Initiative", *Nashville Entrepreneur Center*, <https://www.ec.co/diversity>.

⁵⁰ Hunckler, Matt. "A Guide to Nashville Tech Startup Growth Resources", *Powderkeg*, 1 Nov. 2018, <https://powderkeg.com/guide-nashville-tech-startup-growth-resources/>.

⁵¹ Pilkey, Quinn. "Entrepreneurial Ecosystem Spotlight: Nashville, TN", *Launch OPEDIA by FundingSage*, 26 Jan. 2018, <https://fundingsage.com/entrepreneurial-ecosystem-nashville-tn/>.

REGULATORY/GOVERNMENT SUPPORT

As mentioned throughout, the State of Tennessee has created an infrastructure that has benefited not only the whole state but Nashville’s entrepreneurial ecosystem, led by LauchTN.

On the City of Nashville’s website, with one click you can find Nashville demographics, more about the city’s culture, and how to do business with the city. This is important for those in need of permits or inspections, or those writing a business plan or considering relocating to the city. The City recognizes that to the extent they can facilitate their required processes, constituents can get to business and generate economic activity within the city. To this end, many processes are now completed digitally on the city’s new Nashville Business Portal.⁵²

Additionally, the City of Nashville is implementing recommendations in its recent disparity study to ensure equity in purchasing procedures. They have created an Equal Business Opportunity Program and passed an ordinance with “race and gender conscious goals, application, triggers for investigation, and penalties for non-compliance”; drafted procurement code; instituted M/WBE goals; and working on increasing support services and expanding diversity goals on public-private partnerships and economic development goals.⁵³

Tennessee also has a robust state-wide system to track business needs and provide support via mentorship, funding, and other resources, Tennessee SmartStart™. This is an online platform by which budding businesses can get a solid footing by refining their business model and connecting with resources across the State. The platform is run through the Business Enterprise Resource Office (BERO) within the Tennessee Department of Economic and Community Development, whose focus is on economic inclusion, disseminating best practices, and providing statewide reports on Disadvantaged Business Enterprises (DBEs).⁵⁴

Summing Up Nashville

We see the following themes within the available network of services that have contributed to Nashville’s current success.

FOCUS ON TARGET INDUSTRIES

The City of Nashville’s entrepreneurial resources share a common thread – many focus on technology. The role of innovation and advancements in technology is important in most any economy, but it has a particularly important role in Nashville in supporting growth in the city’s other key sectors of health, logistics, and music and entertainment. Accordingly, entrepreneurial resources focus heavily on the target industries Nashville wants to develop, apparent in organizations such as The Great Nashville Technology Council. This targeted approach has amplified the tech sector and created a hub so often sought after within this sector.

TALENT IS ATTRACTED TO PLACE & CULTURE

⁵² “Simplifying How to Start and Grow Your Business in Nashville”, *Nashville Business Portal*, <http://nashvillebusinessportal.com/>.

⁵³ “Equal Business Opportunity Program Update”, *Nashville.gov*, 7 May 2019, <https://www.nashville.gov/News-Media/News-Article/ID/8624/Equal-Business-Opportunity-Program-Update.aspx>.

⁵⁴ “About BERO.” *Tennessee Department of Economic and Community Development*, <https://www.tn.gov/ecd/small-business/bero/bero-about.html>.

Nashville is simply a place where people want to be. Whether you're a computer programmer with an exciting new healthcare app in development, or a musician working to release their first single, Nashville's entrepreneurial community offers aspiring entrepreneurs an opportunity to work with top talent in a city whose culture and energy inspires creativity, innovation, and inter-disciplinary collaboration or "happy collisions". Nashville's natural mixing of arts with science and technology (S.T.E.A.M.) is arguably unmatched by any other city in the U.S., which is what makes it a unique destination for so many looking to start a business.

STATEWIDE SUPPORT + LOCAL PARTNERSHIPS = SUCCESS

The private-public partnership that is LaunchTN is a unique factor that stands out among these case studies. The depth of unwavering support at the State-level, combined with community-specific programming means programs can systematically reach more people, and be adapted to meet local needs. Without this network created by the State, it is unlikely that Nashville would have nearly the resources, and success, it has had.

EVENTS, EVENTS, EVENTS!

If there is one thing that Nashville knows how to do, it is entertain. Events generate buzz about entrepreneurship happenings, share resources, and create a more solidified entrepreneurial network. While they are planning intensive and often weather dependent, events are invaluable ways for entrepreneurs to learn from one another, ask the questions they need, and feel supported within the community.

BETTER BRANDING

The Music City is a leader in generating content be it via hashtag, podcast, or 'old-fashioned' eNewsletter. This digital representation both cultivates the community within the city, and portrays its image globally.

THE RIGHT INFRASTRUCTURE FOR THE RIGHT RESULTS

With a plethora of co-working spaces, incubators, educational programs, and networking opportunities, it's easy to 'find your tribe' in Nashville.

LEADERSHIP AND SUPPORT FROM ELECTED OFFICIALS

It is important for entrepreneurs and service providers to feel supported by their elected officials, and Nashville's elected officials, in particular the Mayor, demonstrate the power of what strong champions for an entrepreneurial community can achieve. They don't just show up for ribbon cuttings (though that is important!), Mayor David Briley and City staff are constantly engaging with the ecosystem with open ears to identify and understand the challenges entrepreneurs are facing and use that information to direct City policy and programs.

ATLANTA, GA

Like Fort Worth and the other cases, Atlanta's early growth was driven by its role as a regional rail terminus and the subsequent establishment of many iconic American companies who anchor the metro's dominance in the corporate business world today, including The Coca-Cola Company, Home Depot, UPS, and Delta Airlines. Atlanta is also one of the country's leading technology centers with significant strengths in FinTech, Smart Cities, Health IT, and Cybersecurity, which are driving innovation and investment in Advanced Manufacturing, Advanced Logistics, and Digital Entertainment sectors.

Perhaps as instrumental as its early transportation strengths, Atlanta's modern economy was shaped by its history around race and culture. For instance, elite black colleges were established in the late 1800s, supporting growth of a black middle and upper class despite Jim Crow laws of the time. Linking this history to today, Atlanta is a dominate hub for minority entrepreneurs and, therefore, serves as a good case for Fort Worth to study as it works to better support minority business owners in its own city.

Entrepreneurship efforts began in Atlanta with a focus on technology and innovation. The Georgia Research Alliance (GRA) was established in 1990 to increase the capacity of Georgia's universities to spur the technology-driven economy. GRA was created from 1) a failed bid for a major semiconductor technology corporation in 1983, and then 2) an initiative to create a permanent organization to develop the high-tech industry in 1984 by then Governor Joe Frank Harris. In the following decades, the nonprofit has worked to align business and universities with state government to compete for federal funding.⁵⁵

Georgia State leadership has also guided communities on how to support entrepreneurs from a policy perspective. The Entrepreneur & Small Business Office (ESB) of the Georgia Department of Economic Development started its Entrepreneur Friendly program in 2004 when Governor Sonny Perdue made entrepreneurship and small business development a priority.⁵⁶ Becoming an "Entrepreneur Friendly Community" involves a strategic planning process to evaluate and identify ways to support entrepreneurs lead by a representative committee.⁵⁷ Atlanta's economic development strategy incorporates this approach, and "Foster Innovation and Entrepreneurship" is one of the three pillars.

While Atlanta's initial efforts to support innovation and entrepreneurship were focused on technology-intensive industries, the city has since enlarged its tent to be more inclusive. Current ecosystem efforts are focused on helping many different types of new ventures, and entrepreneurs. The region has developed an especially strong reputation as a welcoming place for African-American entrepreneurs. Atlanta has long served as a center for black entrepreneurs, and locales like Sweet Auburn Avenue were booming business centers in the 1900s. Today, this historical legacy is being revitalized, and the national business media frequently touts Atlanta as a leader for black entrepreneurs.

⁵⁵ "A Novel Way to Grow Georgia's Economy." *Georgia Research Alliance*, http://gra.org/page/1002/about_gra.html.

⁵⁶ Brooks, Melanie. "Georgia Becomes 'Entrepreneur Friendly'." *Inc.*, 3 Feb. 2006, <https://www.inc.com/news/articles/200603/georgia.html>.

⁵⁷ "Entrepreneur Friendly Community Initiatives", *Georgia Department of Economic Development* <https://www.georgia.org/small-business/connect/community-initiatives>.

Meanwhile, Atlanta's technology firms and major universities serve as talent magnets that attract innovators and creative talent to the region. Atlanta is gaining in minority representation here too; 25% of the city's tech-employees are black, as opposed to 6% in San Francisco.⁵⁸

Today's Ecosystems in Atlanta

Atlanta's entrepreneurial ecosystem is booming. The City and region have strengths in each of the core ecosystem framework areas. A brief review of various organizations, and initiatives that contribute to the entrepreneurial ecosystem is provided below.

TALENT

Atlanta's got talent.

With a workforce 5.1 million strong, metro Atlanta represents the 9th largest labor market in the nation and is expected to be the 8th largest by 2020. Employment in the region totals nearly 3 million and is expected to grow by 1.2% annually through 2023. Atlanta has also historically ranked in the upper echelon of metro areas for annual job creation. Since 2015, the region has added approximately 254,000 new jobs, ranking Atlanta 4th in total job creation nationally during this period (EMSI, 2019.Q2).⁵⁹

Driving Atlanta's deep talent pool are 57 colleges and universities in the region. While they do not all have a significant focus on entrepreneurship, the sheer number of graduates helps feed the continuously evolving Atlanta workforce and support the levels of expertise needed in an integrated entrepreneurial system. Highlighted below are a sampling of programs creating talent throughout Atlanta.

Georgia Tech is a dominant source of tech-talent for the region, and its Enterprise Innovation Institute (EI²) is a global leader in technology-driven commercialization, which has been instrumental to Atlanta's strengths in technology-related sectors. Their mission is to "increase the competition of enterprises in Georgia through the application of science, technology, and innovation." EI² hosts a dozen programs within the three fields of commercialization, entrepreneurship, and business services to help increase the economic impact and competitiveness of Atlanta's businesses and beyond. From helping Georgia Tech students and faculty bring their innovations to market, to assisting minority businesses with accessing capital, these programs cover a wide breadth of offerings; all linked to Georgia Tech's deep resources for research, and a global network of top experts.⁶⁰

⁵⁸ McCorvey, J.J. "Atlanta's Black Tech Founders Are Changing Entrepreneurship in America. Can They Avoid Silicon Valley's Mistakes?" *Fast Company*, 6 Aug. 2019, <https://www.fastcompany.com/90378268/atlantas-black-tech-founders-are-changing-entrepreneurship-in-america-can-they-avoid-silicon-valleys-mistakes>.

⁵⁹ "World-Class Talent Pool", *Georgia Power*, <https://www.selectgeorgia.com/resources/publications/why-atlanta/world-class-talent-calls-atlanta-home/>.

⁶⁰ "Programs", *Georgia Tech*, <https://innovate.gatech.edu/programs/>.

Atlanta Technical College's new Center for Workforce Innovation prepares students for the workforce by combining curriculum that directly supports jobs in industries with companies in Atlanta such as Home Depot, Georgia Power, and SunTrust. Programs focus on skilled trades, IT and coding, and aviation.⁶¹

The Students2Startups program by Invest Atlanta and Worksource Atlanta subsidize Atlanta-based students to complete entrepreneurial-focused internships with Atlanta startups. The program, though not limited to minority populations, has inclusion and access for underserved populations within its mission and in its first year the program hosted 14 students comprising 50% women and 86% people of color.⁶² The payment that interns receive helps disadvantaged students participate who typically would not have the luxury of working for free.

VetToCEO, located northwest of Atlanta in Marietta, is a program dedicated to training and empowering veterans to run, start, or buy a business. Over seven weeks, veterans are taught marketing, mission, financial management, raising capital, and networking. Classes are held online and recorded for future watching.⁶³

The Urban League of Greater Atlanta, whose mission is to increase economic opportunity for African Americans and others, provides four programs for youth – one that links a career in construction with obtaining your GED; one that mentors 9th through 12th grade students; one which helps those aged 18-24 with educational and career goals; and one which specially works with those who have been involved in the juvenile justice system.⁶⁴ In addition to providing youth services, they offer a suite of other services for entrepreneurs.

CAPITAL

Atlanta earned the brand of "Transaction Alley" when policy leaders lifted caps on credit-card interest rates and annual fees in 1987, subsequently attracting a slew of payment processing companies that grew into a dominate FinTech sector.⁶⁵ Following the emergence of the finance scene, super-angle and venture capital started flowing into the region. In 2018, Atlanta companies raised \$932.5 million in venture capital and as of October 2019, venture funding totaled \$1.1 billion.⁶⁶

There are many opportunities for receiving capital for high-growth, technology-focused startups, and many of Atlanta's entrepreneurial support organization can help match funds with pertinent opportunities. ATA (Atlanta Technology Angels) for instance, focuses on funding early stage companies seeking \$200K-\$2M. Capital through loans, bonds, and incentives is also available for businesses via the City of Atlanta's economic development arm, Invest Atlanta. In their 2019 Ecosystem Guide, Startup Atlanta lists seven angel investors, 15 sources for non-

⁶¹ "Center for Workforce Innovation", *Atlanta Technical College*, <https://atlantatech.edu/centerforworkforceinnovation/>.

⁶² "Students2Startups", *Invest Atlanta*, <https://www.investatlanta.com/businesses/startups-creatives/students2startups>.

⁶³ "VetToCEO Program", *VetToCEO*, <https://www.vettoceo.org/>.

⁶⁴ "Youth Services", *Urban League of Greater Atlanta*, <http://ulgatl.org/youth-development/>.

⁶⁵ "Georgia: The 'Transaction Alley' for Payment Processing." *PCWorld*, 31 May 2017, <https://www.pcworld.com/article/3199035/georgia-the-transaction-alley-for-payment-processing.html>.

⁶⁶ Azevedo, Mary Ann. "From The Shadows Of The Fortune 500, Atlanta Emerges As A Tech Hub." *Crunchbase News*, 3 Oct. 2019, <https://news.crunchbase.com/news/from-the-shadows-of-the-fortune-500-atlanta-emerges-as-a-tech-hub/>.

traditional funding (micro funds, grants, support services, and more), about 35 opportunities for venture capital, and eight incentive options at the city, state, and national level (several tax credits and exemptions).⁶⁷

Specific to small business, Georgia Tech's E² operates the Atlanta Minority Business Development Agency Business Center (Atlanta MBDA) which is funded by the Department of Commerce Minority Business Development Agency (MBDA). The Center helps Minority Business Enterprises (MBE) access capital including through federal SBA (Small Business Administration) loans.⁶⁸

Access to capital has historically been a challenge for minority entrepreneurs; Atlanta has developed capacity to address this issue. The Gathering Spot, "a private membership club in downtown Atlanta, was founded two years ago by Ryan Wilson and T.K. Petersen, who curate their membership list to foster balance between entrepreneurs from local colleges, representatives of Atlanta companies like Coca-Cola and Chick-fil-A, and celebrities from the city's entertainment industry. It caters primarily--but not exclusively--to Atlanta's black community⁶⁹."

BUSINESS ASSISTANCE

Leaders in the Atlanta entrepreneurial ecosystem, like previously mentioned Invest Atlanta, Metro Atlanta Chamber, and the Urban League of Greater Atlanta all provide business technical assistance to increase the capacity and skills needed by entrepreneurs.

For its part, the Urban League of Greater Atlanta houses The Entrepreneurship Center (TEC). Sponsored by The Coca-Cola Foundation and Wells Fargo (among others) TEC offers the Small Business Start Up Accelerator, an 8-week program to learn business fundamentals. Additionally, their Small Business Strategic Growth Accelerator provides coaching and development assistance over a 6-month program, focusing on business that are ready to grow.⁷⁰

With 203,000 women-owned businesses in Metro Atlanta, but only 2% of those businesses scaling past the \$1M revenue mark, then Mayor Kasim Reed (mayor from 2010-2018) wanted to equip women business owners with the resources need to minimize unique challenges specific to women entrepreneurs. Enter the Women's Entrepreneurship Initiative (WEI). WEI has an incubator space for women entrepreneurs, networking and engagement activities, and mentorships for young innovators.

SPECIALIZED INFRASTRUCTURE AND FACILITIES

Atlanta is a sprawling city. As an entrepreneur trying to start and run a business, it could be easy to feel lost and lonely in this large metro; yet, Atlanta has found ways to connect the entrepreneurial ecosystem by creating nodes of activity purposefully designed by and for entrepreneurs.

⁶⁷ "2019 Ecosystem Guide." *Startup Atlanta*, <http://www.startupatlanta.com/atlguide>.

⁶⁸ "Atlanta MBDA Business & Advanced Manufacturing Centers", *Georgia Tech*, <https://mbdabusinesscenter-atlanta.org/>.

⁶⁹ Albert-Deitch, Cameron. "How a New Generation of Black Entrepreneurs Built Atlanta's Hot Startup Scene." *Inc.com*, Inc., 18 Dec. 2018, <https://www.inc.com/magazine/201902/cameron-albert-deitch/atlanta-georgia-black-entrepreneurs-networking-mailchimp-2018-surge-cities.html>.

⁷⁰ "Our Programs." *Urban League*, <http://ulgatl.org/programs/>.

According to Startup Atlanta, there are 13 accelerators, three clubs, three co-living developments, seven incubators, and 23 workspaces in Atlanta.⁷¹ Some focus on a particular industry (most notably the Advanced Technology Development Center (ADTC), Georgia Tech's technology incubator). Others focus on a particular sized startup, a particular geography within Atlanta, on civic or social entrepreneurship, and some focus on a minority or gender affiliation.

In addition to many of the 'typical' entrepreneurial support facilities that are found in most cities, like downtown incubators and coworking spaces, Atlanta has had success employing the role of real estate development in placemaking and community building as a way to foster interaction and collaboration among Atlanta's entrepreneurial ecosystem. One of the first examples of this approach is the Atlanta Tech Village, which was built in 2012 with the mantra "Startups take a village, you've found yours."⁷²

More recent projects are taking the village-model to a new level and creating live-work projects. Pittsburg Yards is an adaptive reuse project. Selected as a City Accelerator program, the City of Atlanta will join El Paso, Long Beach, Newark, and Rochester in developing projects that, "support the growth of local minority-owned businesses and the creation of additional jobs in each community." Furthermore, the project will, "help address four major challenges experienced by minority-owned businesses: limited access to capital based on traditional underwriting criteria, debt service payment capabilities, difficulty purchasing commercial space, and preparing for business growth."⁷³ With residences prices at 60 percent of area median income, the project will feature spaces for tradespeople and artisans and include office spaces, a commercial kitchen and indoor amphitheater.⁷⁴

The Guild is another example of providing living and working spaces surrounded by a supportive community. With the tagline "A space for changemakers." The Guild offers membership that includes an efficiency apartment, shared spaces, and programming like workshops and guest lectures, all with the purpose to "thrive and maximize their place in the world."⁷⁵ The Community Wealth Building Accelerator is housed at The Guild, whose purpose is to advance business opportunities "for existing minority-owned small businesses seeking to open or retain a brick and mortar retail location in the Atlanta area."

Also, with the purpose of supporting Atlanta's entrepreneurs, is the iVillage@MLK. Constructed from 13 decommissioned shipping containers, this business



Pittsburg Yards in the Beltline's Southside Trail Corridor is aimed at creating live-work spaces that generate jobs. This image of Phase 1 will be ready for occupancy in late 2019.

⁷¹ "Places." *Startup Atlanta*, <http://www.startupatlanta.com/places>.

⁷² "Atlanta's Startup Hub." *Atlanta Tech Village*, <https://atlantatechvillage.com/>.

⁷³ "City of Atlanta Selected for City Accelerator Program." *Invest Atlanta*, <https://www.investatlanta.com/impact-insights/city-of-atlanta-selected-for-city-accelerator-program>.

⁷⁴ Keenan, Sean. "Along the Beltline's Southside Trail Corridor, Pittsburgh Yards Is Eying Late-2019 Debut." *Curbed Atlanta*, 13 Aug. 2019, <https://atlanta.curbed.com/2019/8/13/20803728/pittsburgh-yards-construction-atlanta-community-beltline>.

⁷⁵ "The Guild." *The Guild ATL*, <https://www.theguildatl.com/>.

incubator is located at a public transit station making it accessible and visible.⁷⁶ The development coincides and leverages a \$10 million TIGER grant from the US Department of Transportation to revamp MLK Drive to improve accessibility to the area.

Also, of note is Sweet Auburn, which is also the new home to HQ Auburn, a black-owned co-working location and business incubator. Both are two excellent efforts to help bring Sweet Auburn back to its roots of inclusion and business success.⁷⁷

COMMUNITY CULTURE

With its historical roots in black entrepreneurship, the numerous companies that have started and succeeded in Atlanta (Mailchimp as one example), and the many options for live/work endeavors, the sense of community and pride in the entrepreneurial ecosystem is strong in Atlanta. Many different organizations act as champions, connectors, and storytellers; all helping to strengthen the startup community network locally and regionally and open the doors to newcomers, particularly minority groups.

One of the strongest voices is Startup Atlanta, which exists solely to see the startup community thrive and expand. This nonprofit has one main product: their 2019 Ecosystem Guide which amasses all information in one document (<http://www.startupatlanta.com/atlguide>). It is essentially a one-stop for any resource an entrepreneur might need. Startup Atlanta's efforts are supported by other organizations that also have a part to play in Atlanta's ecosystem – Atlanta Technology Angels, EO Atlanta, Invest Atlanta, and Metro Atlanta Chamber. Invest Atlanta is the economic development arm of the City of Atlanta and also acts as a clearinghouse of information.

Metro Atlanta Chamber is another strong proponent of the entrepreneurial ecosystem. They support cooperate innovation and sponsor the Open Innovation Forum which aims to match needs of major corporations with the solutions from growth and mid-stage companies, universities, and startups in metro Atlanta.⁷⁸

In addition to blog posts, event listings, and other resources, the Atlanta Small Business Network features a series of ongoing business shows on network television that features Atlanta's small businesses.⁷⁹ Additionally, Atlanta Inno is an online resource specifically created to support and report on Atlanta's entrepreneurs. It is part of a nationwide platform American Inno that aims to create the largest network of innovators in the country.⁸⁰

In addition, much of the entrepreneurial culture is spurred from Atlanta's robust entertainment scene. Musical talents that engage some of the most popular artist in the world live in Atlanta, which adds a creative, innovative element to the entrepreneurial scene.

⁷⁶ "iVillage at H.E. Holmes Station." *CoUrbanize*, <https://courbanize.com/projects/he-holmes-ivillage/information>.

⁷⁷ Turner, Chanell. "Sweet Auburn: A Resilient, Atlanta Hub for Black Business Ownership." *Atlanta Small Business Network*, 14 Feb. 2019, <https://www.myasbn.com/small-business/entrepreneurship/sweet-auburn-a-resilient-atlanta-hub-for-black-business-ownership/>.

⁷⁸ "Open Innovation Forum," *None Sights*, <https://ninesights.ninesigma.com/servlet/hype/IMT?userAction=Browse&documentId=7a458a77277461dbcbc404e33fd574e5&templateName=&documentTableId=1008809492095619867>.

⁷⁹ "Small Business," *Atlanta Small Business Network*, <https://www.myasbn.com/small-business/>.

⁸⁰ "Newsletter Archive," *Atlanta Inno*, <https://www.americaninno.com/atlanta/newsletters/>.

REGULATORY/GOVERNMENT SUPPORT

Georgia was one of the first states to come out with a program designed to support small businesses and entrepreneurs with its Entrepreneur Friendly Community Initiatives. The steps communities in Georgia are suggested to take include:

1. Identify a local champion
2. Increase community awareness and generate support for strategies
3. Identify local entrepreneurs
4. Identify unique local resources
5. Engage with entrepreneurs for feedback
6. Work with your team to develop the strategy, request "Entrepreneur Friendly" designation
7. Implement strategy and participate in the "Entrepreneur Friendly" community network events.

Detailed best practices are listed on the State's website, here: <https://www.georgia.org/small-business/connect/community-initiatives>. The State has created a network of participating communities who are expected to share their experiences and learn from each other.

Despite its leadership in supporting minority small businesses and entrepreneurs, the State continues to put inclusion at the forefront of its current efforts, with a wealth of resources for women, minorities, youth, and veterans.

<h3>YOUTH</h3> <p>Are you an entrepreneur under the age of 18? Georgia has special resources and opportunities available to help you start, grow and expand your business in the state and beyond.</p> <p>READ MORE</p>	<h3>VETERANS</h3> <p>Our veterans are an integral part of Georgia's businesses and communities. Explore the numerous resources and services available to our men and women in uniform.</p> <p>LEARN MORE</p>
<h3>WOMEN</h3> <p>We are proud to rank No. 5 in the U.S. for the greatest number of female-owned firms. Explore the resources and opportunities we have specifically for our women entrepreneurs.</p> <p>READ MORE</p>	<h3>MINORITIES</h3> <p>Get certified as a Minority Business Enterprise, and you'll open the door to all kinds of new opportunities, resources and services. We'll direct you to the right partners to begin the process.</p> <p>READ MORE</p>

Source: <https://www.georgia.org/small-business>

The Georgia Association of Minority Entrepreneurs exists to provide resources, mentoring and training to businesses owned and managed by minorities.⁸¹

Invest Atlanta is the official economic development authority for the City of Atlanta, yet they are branded like anything-but your typical municipal offshoot. Invest Atlanta is focused toward customer service and business support. For businesses, they provide access to a range of services from Federal Opportunity Zones to their Creative Industries Loan Fund to their tech talent pipeline coined Students2Startups. They offer information on financing opportunities, tax incentives, workforce training, and site selection. Their NPU-V Small Business Improvement Program provides grants of \$3,000 to \$10,000 to qualified property owners in distinct neighborhoods of Atlanta for exterior and interior renovations. They also offer a Small Business Loan Program that connects city residents with federal, state, and local loans, some of which include loans directly to Atlanta small businesses within accelerators,

⁸¹ "Minority Business Enterprise," *State of Georgia*, <https://www.georgia.org/minority-business-enterprise>.

those looking to purchase a vendor cart, and those businesses that support job creation in distressed neighborhoods.⁸²

Summing Up

As one of the most robust entrepreneurial hot spots in the country, Atlanta boasts some scalable lessons for Fort Worth. The main themes below explain what has worked for Atlanta's ecosystem.

GOOD FOR ALL BUSINESS, GOOD FOR ALL PEOPLE

Seven Fortune 100 companies are headquartered in Atlanta including Coca-Cola, The Home Depot, UPS, and Delta Airlines. This creates mentorship and sponsorship opportunities, capital opportunities, and infrastructure to help startups scale. When a city is invested in all businesses, entrepreneurs succeed. And when the economy serves more people, it does better. Overall, when someone starts a business that is successful, it is good for everybody – the people being served by the business and meeting a need; the community leaders who can show continued prosperity; the people who started the business by increasing wealth and ideally, enjoyment; those hired because of the business; and those who want to start a business and see positive examples of it happening within their community.

EXPLAIN THE ECOSYSTEM

Having the resources is one thing; packaging the resources is another. Startup Atlanta does this through its Ecosystem Guide and corresponding website. All the information you need to get started is in one document, or on one webpage. Not only does this allow the user easy access – it shows a cohesiveness to city-wide efforts, helping brand the community and its culture. Amassing all the resources in one spot further accentuates the scale and breath of options. Add a dictionary and you help people talk the talk and become brand ambassadors.

ROOTED IN PLACE, WITH GLOBAL REACH

While the ecosystem in Atlanta is very much place-based, digging deeper one sees reach both state-wide and nationally. For instance, Atlanta's chapter of the Entrepreneurs' Organization (EO) means it is connected to 60 counties and over 14,000 entrepreneurs worldwide. Local Chapters linked to national organizations or affiliations like the Urban League and MBDA mean national connections.

MULTIPLE CENTERS OF GRAVITY ARE NECESSARY IN LARGE DISPERSED PLACES

Atlanta is sprawling metropolis, but it has found a way to overcome that and connect the entrepreneurial community through a network of physical and digital spaces that bring the community together. Density creates the energy necessary to keep everyone involved, and engaged.

ECOSYSTEMS REFLECT HISTORICAL LEGACIES

As noted in the introduction, Atlanta's economy and entrepreneurial ecosystem in 2019 reflects its historic economic development and institutional resources that allowed the community to grow and prosper. The success of many

⁸² "Atlanta Small Business Loan Programs", *Invest Atlanta*, <https://www.investatlanta.com/businesses/small-businesses/small-business-loan-programs>.

national and global companies that were home-grown in Atlanta, has led to access to financial resources, innovation, supply chain opportunities, and mentor opportunities for entrepreneurs and small businesses in the region.

Additionally, the social capital and opportunity for financial gain that followed the establishment of black colleges in the 1800s – a time when educating black students was not encouraged - allowed a strong black middle class to emerge in Atlanta over generations. This is important today for black entrepreneurship because personal wealth and access to financial resources from people within an individual's network (i.e. family investors) is often a critical component of a person's ability to pursue, and succeed in, entrepreneurial endeavors.

ENGAGE EVERYBODY. DON'T TRY TO PICK WINNERS.

Atlanta's first efforts to grow entrepreneurship were focused on supporting technology firms and Georgia Tech. Over time, the city has moved to take a more inclusive approach across industry sectors and business types. This is an important evolution as the lines between industry sectors in the economy continue to blur. It is also nearly impossible to know which business is going to be the next 'unicorn'.