



BOULDER'S INNOVATION ENGINE

DYNAMIC LEADERSHIP IN ECONOMIC VITALITY

New Innovation Blueprint 3.0 Helps Foster Creative Entrepreneurship

Over the past decade, Boulder, Colorado, has solidified its position as a preeminent center for innovation and entrepreneurship. This did not happen by accident. Rather, business, government, academic, and community leaders leveraged a unique set of advantages to create an environment in which new businesses could start and succeed while existing ones could continue to innovate and thrive. In short, Boulder fashioned a climate for creativity that is the envy of many other communities.

However, just as Boulder's current success was created by a concerted effort, it is also finding new ways to ensure continued progress in an ever changing economic climate. Individuals, businesses, and community organizations are reinventing and renewing their efforts in order to sustain and improve the city's and the region's leadership position. The Boulder Chamber-led Innovation Blueprint 3.0 has emerged as one important initiative to help sustain and improve these efforts—to be an agent for continued creativity and entrepreneurship in an evolving world.

Creating a "Culture of Innovation" for Entrepreneurial Leadership

Boulder is widely recognized as a center of innovation and a magnet for high-tech startups.



A recent study by Engine and the Ewing Marion Kauffman Foundation ranked Boulder as having the **highest technology startup density in the country.**¹ Similarly, a variety of other sources also have named Boulder as a great place for innovation and startups.

Bloomberg BusinessWeek² has cited Boulder's many natural and economic assets (see below) as making it a **"top U.S. destination for new tech companies largely because of a bottom-up revolution led by entrepreneurs."**

Business Insider named Boulder to its list of the **20 Most Innovative Cities.**³

CNN Money has labeled Boulder as **one of the nation's cities where startups are thriving.**⁴

Some key indicators speak for themselves.

Atlantic Cities online has named Boulder **one of the top fifteen cities nationwide in attracting venture capital.**⁶

The Brookings Institution cited Boulder as having **one of the highest ratios of patents applied for per capita in the country** from 2007 to 2011.⁷

Boulder's **unemployment rate has remained consistently below** both state and national averages.⁸



Over the past five years, **Boulder garnered about one-third of the venture capital investment in Colorado companies.**⁵

Why has Boulder been able to enjoy such success?

Make no mistake, Boulder enjoys a unique set of assets that makes it a great and innovative place to live and work:

Unparalleled scenic beauty.



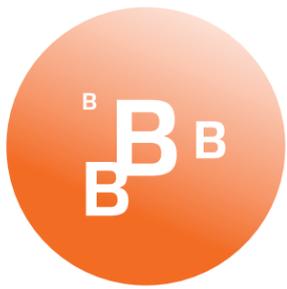
Nestled in Boulder Valley near the foothills of the Rocky Mountains, Boulder offers a chance to relish nature's wonders and participate in a variety of recreational opportunities. Boulder is widely recognized as a Mecca for outdoor recreation and environmental awareness, with 45,000+ acres of open space, and more than 150 miles of public biking and hiking trails.⁹ Outside Magazine has rated Boulder at the top or among the best in America for outdoor activities and overall quality of life and work.¹⁰ As the Kauffman study notes, these quality-of-life factors have helped employers attract and retain valuable workers.

Favorable cost of living.



The cost of living in the Boulder area compares favorably with many other areas of the country, including the Silicon Valley region. In fact, recent Consumer Price Index data indicates the cost of living in the Denver-Boulder-Greeley area is lower than the US city average.¹¹

An assemblage of innovative business, large & small.



Thanks in large part to past proactive decisions and recruiting efforts, the Boulder area has a mix of global technology leaders such as IBM, Ball Aerospace, Google, and Oracle, large companies in other industries such as Celestial Seasonings, and many other firms in a variety of business lines. As the Kauffman report has pointed out, such organizations are a key element in sparking spinoff activity.

A world class engaged university.



University of Colorado Boulder offers a full range of disciplines in humanities, social sciences, physical and biological sciences, fine and performing arts, and professions. The university is one of only 34 US public research universities invited to join the prestigious Association of American Universities, and has the Rocky Mountain region's largest library collection. Four of the university's faculty members have received Nobel prizes and four professors have been awarded the National Medal of Science.¹² But CU-Boulder also engages with the business community to help foster innovation. For example, its renowned Leeds School of Business Deming Center for Entrepreneurship prepares graduates to embrace key global challenges by equipping them to think like entrepreneurs, act as social innovators, and deliver as successful business leaders.¹³ And CU recently announced its new "Office of Industry Collaboration" to help bolster partnerships with businesses.¹⁴

Leading federal laboratories.



Among other leading organizations, Boulder is home¹⁵ to:

CIRES - Cooperative Institute for Research in Environmental Sciences

ESRL - Earth System Research Laboratory

ITS - Institute for Telecommunications Sciences of the National Telecommunications and Information Administration (NTIA)

INSTAAR - Institute of Arctic and Alpine Research

JILA - (originally Joint Institute for Laboratory Astrophysics, now expanded fields)

LASP - Laboratory for Atmospheric and Space Physics

NCAR - National Center for Atmospheric Research

NCDC - National Climatic Data Center

NESDIS - National Environmental Satellite, Data and Information Service

DGDC - National Geophysical Data Center

NIST - National Institute of Standards and Technology

NOAA - National Oceanic and Atmospheric Administration

NSIDC - National Snow and Ice Data Center

NWS - National Weather Service

SWPC - Space Weather Prediction Center

UCAR - University Corporation for Atmospheric Research

Though the effects of hosting these facilities are many and varied, the University Of Colorado Boulder Leeds School Of Business in a CO-LABS study estimated that the total economic impact of federal labs in Boulder County in FY 2012 was a positive \$743.2 million.¹⁶

A highly educated workforce.



Along with the university, Boulder is home to a topnotch K-12 school district, a community college system, the Naropa Institute, and other educational opportunities. All told, well over 2/3 of its population has a bachelor's degree or higher¹⁷; many of these people form a critical mass of especially creative individuals. In addition to being highly educated, Boulder's workforce is known for its creativity, which spans a variety of disciplines. Richard Florida, well-known author, researcher, and founder of the Creative Class Group, has cited Boulder as a leader in startups, innovation, and creativity, saying it "...sits atop my own rankings of the nation's most creative metros."¹⁸

A value of artistic creativity.



Highly creative and entrepreneurial communities include not only mathematicians, engineers, and scientists, but also architects, designers, artists, entertainers, and others who foster new thinking and innovation.¹⁹ With many galleries and performance venues, Boulder exemplifies such communities, offering a variety of cultural outlets. The city hosts the Boulder Philharmonic, the Dairy Center for the Arts, the Boulder Museum of Contemporary Art, and others. In fact, Boulder has more than 30 art galleries, four museums, 32 movie and stage theaters, and an impressive variety of cultural performances and events that nourish creative endeavors.²⁰

Collaborative Environment Nurtures Culture of Innovation

"If a startup wants investors, mentors and a supportive community -- but not the expensive costs of a major city-- Boulder is the place to be."

— CNN Money

By themselves, these tremendous assets didn't assure Boulder's position. That achievement resulted from the efforts of many business, government, academic, and community leaders who began programs and processes to foster a culture of collaboration and innovation. Research has shown that most innovation "breakthroughs" are achieved through extended hard work on a problem, experience, and creative collaboration.²¹ In its 2013 Colorado Innovation Report, the Colorado Innovation Network highlighted the critical importance of what it called an **"ecosystem of collaboration and information sharing"** to entrepreneurial activity.²² It pointed out that Colorado overall is a leader in building such ecosystems.

The former Administrator of the U.S. Small Business Administration has stated, **"No entrepreneur can go at it alone. A network of mentors and a skilled workforce are necessary. SBA studies show that small-business owners who have a mentor have more longevity in business and hire more workers."**²³

Boulder is host to numerous organizations and facilitates that enable collaborative, innovative thinking and help new and established businesses thrive. In addition to the previously mentioned university programs, Boulder has an abundance of mentorships, incubators, startup and entrepreneurial support groups. In fact, the CNN Money article mentioned earlier cited Boulder's collaborative environment saying, "If a startup wants investors, mentors and a supportive community -- but not the expensive costs of a major city-- Boulder is the place to be." It called Boulder-spawned Techstars, now with national offices, as perhaps the best startup development program in the country.

"Boulder has developed a reputation for its distinctly "open door" nature and inclusive ecosystem. Everyone has something to contribute. There's a true spirit of community, with everybody helping each other, giving back, making introductions and sharing information with others."

— David Cohen, Co-founder of startup accelerator Techstars, Wall Street Journal



"There is no doubt we've set a high bar here," stated John Tayer, President and CEO of the Boulder Chamber. **"We see ourselves as a leader in creativity and innovative startups, so we are looking to meet and exceed the standards we've established."**

So Boulder has brought together an ecosystem of people and organizations to create its innovation engine. But in a competitive global marketplace, one question remained: **How do you keep moving forward?**

Blueprint 3.0

HELPING SECURE BOULDER'S INNOVATIVE FUTURE

"Leaders are not complacent — that's why they lead."

Not resting on its past and current successes, Boulder's leaders know it has to continue finding inventive ways to attract and foster innovative firms, startups, and investors. So the Boulder Chamber introduced the Innovation Blueprint 3.0 initiative as a way to continue building on Boulder's traditional strengths and to find new ones. It provides a framework to foster entrepreneurial thinking and creative problem solving. (See <http://www.boulderchamber.com/pages/InnovationBlueprint302/> for more information.)

Boulder's first wave of innovation flourished decades ago through leading edge thinkers from IBM, the Federal Laboratories, and the University of Colorado. Its second wave was spurred by a technology boom in the 1990s and early 2000s that expanded Boulder's leadership in software, data storage, bioscience, and aerospace, along with the growth we saw in other sectors such as the outdoor industry. The Blueprint recognizes that Boulder is now entering a third wave of innovation that is powering an explosion of entrepreneurship and economic opportunity. From e-commerce to cleantech to natural products to tourism, Boulder has become a destination and a brand with a surprisingly diverse economy. The Innovation Blueprint 3.0 is a collaborative effort to help the community accelerate this third wave of opportunity and to advance Boulder's global innovation leadership.²⁵

"Leaders are not complacent—that's why they lead," stated Tayer. He continued, "They strive for continuous improvement."

"We know that the business world is changing, and we know there are some uncertainties on the horizon" He cites the ongoing discussions about federal funding levels, increasing efforts of many other communities for attracting businesses, and some gaps in Boulder's already strong support network, as some examples.

"In addition," he said, "**there are tremendous opportunities for us to provide leadership in important national and global business challenges, such as developing new cleaner energy sources and using technology to enrich our lives.**"

Indeed, the Kauffman Foundation study cited several metro areas that suffered declines in startup activity between 1990 and 2010²⁶. The study also noted that today's successful areas, including Boulder, have built on years of efforts to attract and nurture pioneering companies.²⁷ The implication is clear: securing and maintaining a leadership position requires a concerted, enduring effort.

"**We know that we have to work together to address those and other challenges,**" Tayer added. "**Innovative communities are just that: locales that don't stand still. They are constantly looking for creative solutions and to take advantage of new market opportunities.**" Fostering new, innovative businesses is a key element.

The Innovation Blueprint is defined as "a framework to foster entrepreneurial thinking and creative problem solving". The framework is focused on five key priorities²⁸:



1. **Strengthening the Business Innovation Network**



2. **Advancing Innovative Policy Solutions**



3. **Promoting Boulder Innovation**



4. **Increasing Innovation Investment**



5. **Building Innovation Infrastructure**

The initiative has begun its work by forming an action group, called "Team Boulder", to engage community members and move forward. Tayer has personally been making the rounds of various stakeholders, explaining the initiative's goals and motivating participation. "We want to be able to not only adapt to the changes in the economy but also to lead the change process," observed Tayer. "When we can do that, we'll be able look back with pride on the Innovation Blueprint 3.0 as an important agent that helped make it possible."

More details at:

www.teamboulder.org

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