

COLORADO SPRINGS STARTUP COMMUNITY DATA PROJECT 2015



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Overview

Goals of this Project

There are three main goals of this project:

1. To establish a baseline analysis of the Colorado Springs Startup Community in order to provide a yardstick for future analysis
2. To determine, from the entrepreneurs themselves, the most pressing issue in the community (in order to guide future community efforts)
3. To spark a conversation among all community stakeholders with the hope of inspiring cohesion and collaboration

Data Sources

Colorado Springs Startup Community Survey

For the purposes of this project, a custom survey was created and distributed. The survey garnered 77 responses between 11/25/2014 and 1/1/2015. See Appendices for full results. Raw data is available online for public consumption¹.

Startup Value Survey

The Startup Value Survey was conducted in 2014 by the Colorado Office of State Planning and Budgeting². The survey consisted of a variety of questions regarding startup community and culture. The results provide excellent insight into where Colorado Springs stands within the landscape of the other thriving communities in Colorado (Denver, Boulder, and Fort Collins) as well as providing information regarding areas in which there is great room for improvement in Colorado Springs. The survey received 861 total responses with 32 respondents residing in Colorado Springs. See Appendix M for full Startup Value Survey results.

AngelList

AngelList (angel.co) is a platform for startups to find investors, talent, and other connections. AngelList provides access to various data points. See Appendices B and D for AngelList data used in this analysis.

CrunchBase

CrunchBase (crunchbase.com), which grew out of TechCrunch—the most widely read startup news site—is touted as “The World’s Most Comprehensive Dataset of Startup Activity.” See Appendix C for CrunchBase data used in this analysis.

Members of the Colorado Springs Startup Community

Demographic Data

The average Colorado Springs Startup Community Survey respondent was 33 years of age. Startup Founders were, on average, 32 years old while Mentors and Investors had an average age of 39 and 44 years respectively. 74% of survey respondents were male. 57% of all respondents have lived in Colorado Springs for more than 10 years with 65% of Startup Founders and 83% of Mentors living in Colorado Springs for more than 10 years. The most common work locations for survey respondents are home offices and corporate offices (57% and 22%). 61% of Startup Founders and 86% of Investors work out of a home office. 15% of all respondents work in a coworking space. See Appendix A for full results.

The average Colorado Springs startup community member is 33 years old, male, works from home, and has resided in Colorado Springs for more than 10 years.

Experience

Companies Founded

25% of Startup Founders, Mentors, and Investors have founded at least one company. 45% have founded between two and five companies. 7% have founded more than five companies. 67% of Mentors and 57% of Investors have never founded a company.

Number of Companies Founded	% of Respondents	N
1	25%	11
2-3	34%	15
4-5	11%	5
5 - 10	5%	2
More than 10	2%	1
I have not founded a company	23%	10
Total	100%	44

	Number of Companies Founded						N
	1	2-3	4-5	5 - 10	More than 10	I have not founded a company	
Startup Founder	29%	45%	13%	3%	3%	6%	31
Mentor	17%	0%	0%	17%	0%	67%	6
Investor	14%	14%	14%	0%	0%	57%	7

Successful Exits

Of Startup Founders, Mentors, and Investors, 35% have had one or two successful exits³, 9% have had between three and ten exits, and 56% have not had a successful exit. 62% of Startup Founders and 50% of Mentors have not had any successful exits.

Number of Exits	% of Respondents	N
1-2	35%	12
3-5	3%	1
5-10	6%	2
10+	0%	0
I have not had any successful exits	56%	19
Total	100%	34

	Number of Exits					N
	1-2	3-5	5-10	10+	I have not had any successful exits	
Startup Founder	31%	3%	3%	0%	62%	29
Mentor	50%	0%	0%	0%	50%	2
Investor	67%	0%	33%	0%	0%	3

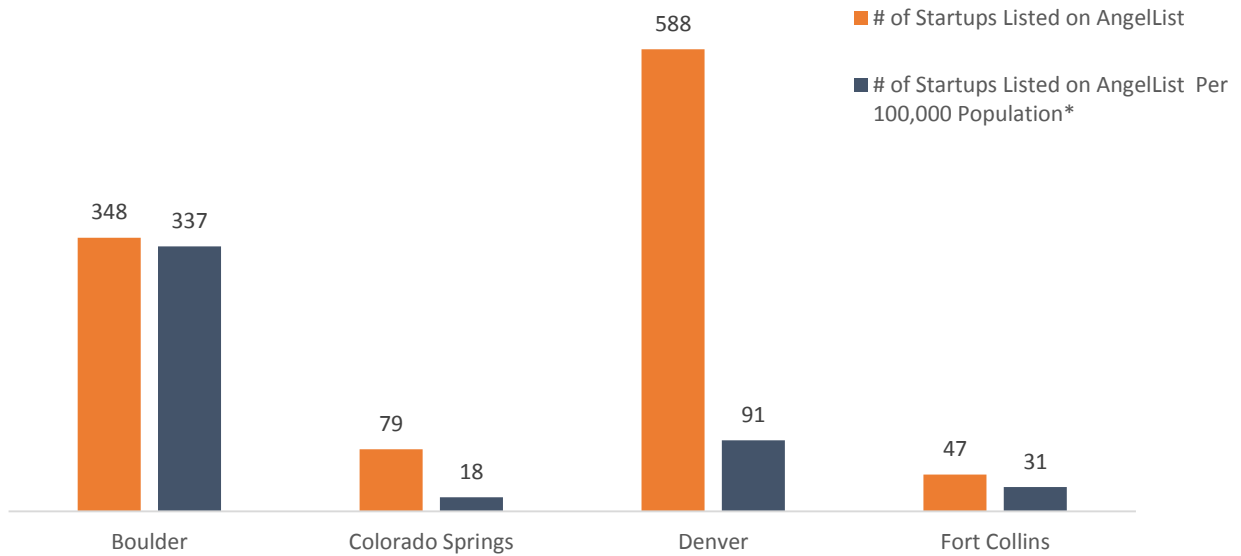
Startups in Colorado Springs

Quantity

There are 79 companies registered on AngelList who claim Colorado Springs as their location. See Appendix B for the full list of Colorado Springs startups listed on AngelList (as of 10/6/2014). According to CrunchBase, there are 85 startups in Colorado Springs (see Appendix C for full list).

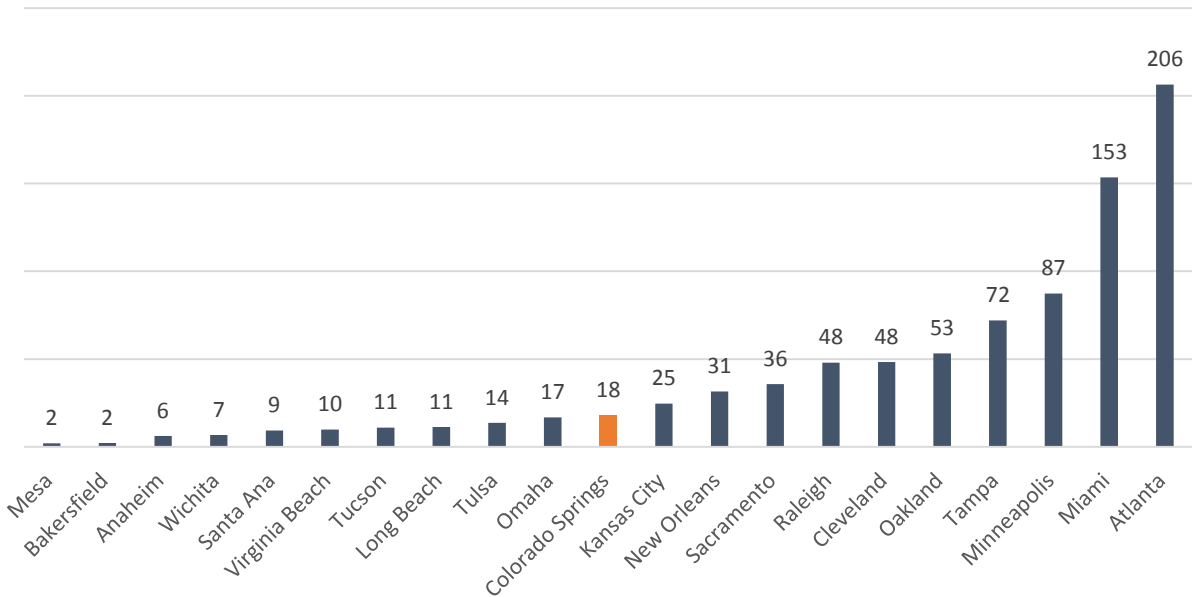
We used AngelList data to compare the number of startups in Colorado communities as well as startup per capita in cities with populations similar to Colorado Springs.

Number of AngelList Companies - Colorado Communities



*Based on 2013 Census Population Estimates

AngelList Companies Per 100,000 Population - Cities With Populations Similar to Colorado Springs (+/- 25%)



Note: Data above is slightly skewed due to the fact that startups in suburbs of large metropolitan areas (e.g. - Atlanta, Miami) are more likely to list themselves as being located within that metropolitan area instead of being located in the suburb.

Age of Company

26% of respondents founded their most recent company less than one year ago. 12% of respondents' companies had been founded more than 10 years ago.

How Long Ago Was Company Founded?	% of Respondents	N
Less Than 1 year ago	26%	9
1-2 Years Ago	21%	7
3-5 Years Ago	21%	7
5-10 Years Ago	21%	7
More than 10 years ago	12%	4
Total	100%	34

Number of Employees

Based on responses to the Colorado Springs Startup Community Survey, the average startup in Colorado Springs has 13.48 paid full time employees⁴ (responses ranged from 0 – 250). The average Colorado Springs company listed in CrunchBase has 11 employees⁵ (ranging from 1 – 75).

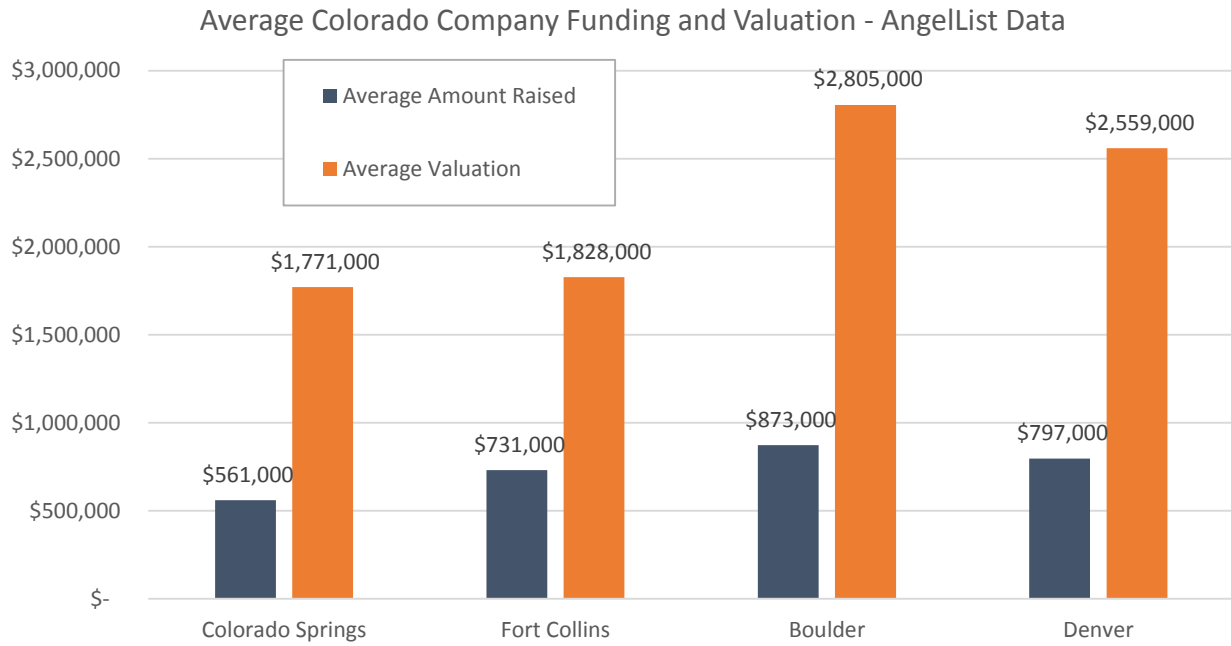
Funding

In order to better understand funding activity in Colorado Springs, the Colorado Springs Startup Community Survey asked Startup Founders how much money was raised for their current company. 61% of respondents did not raise any outside capital for their company and another 23% raised less than \$50,000. 2 respondents raised greater than \$750,000 for their current company.

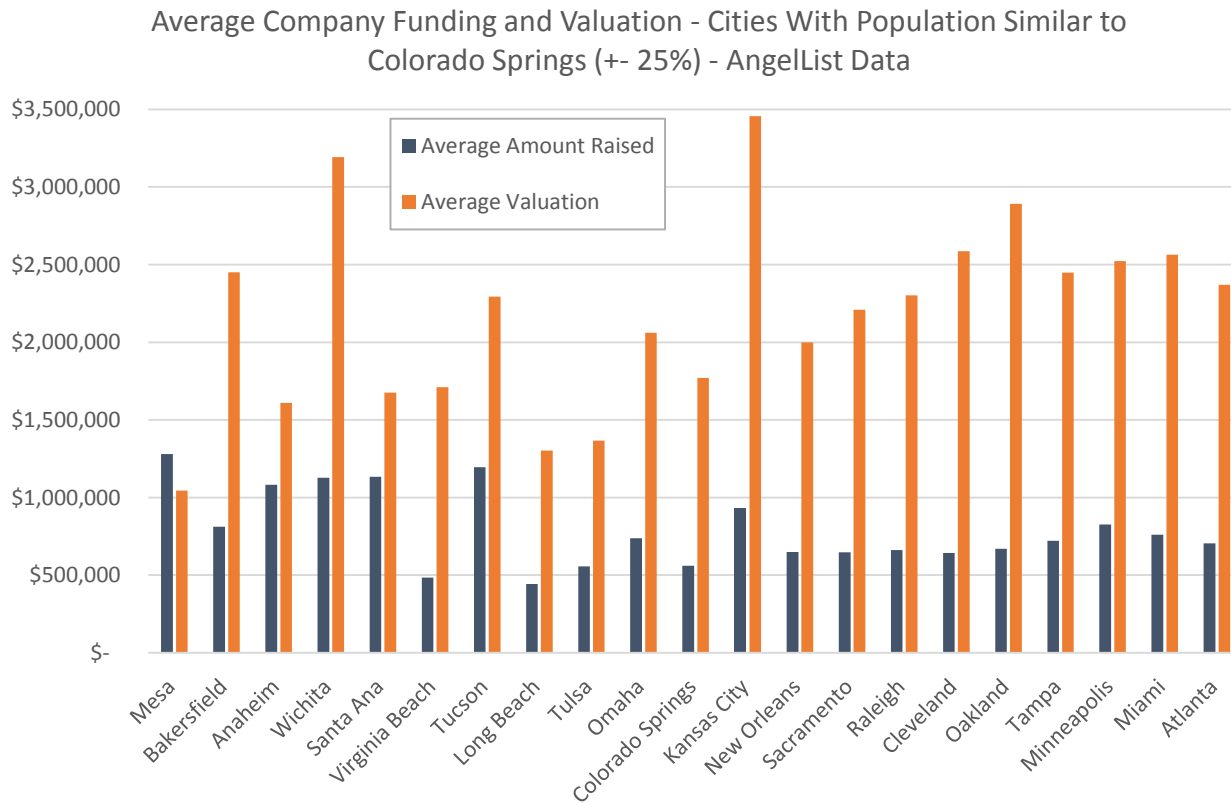
How much capital has your current company raised (total)?	% of Respondents	N
Less than \$50,000	23%	7
\$50,000 - \$99,000	0%	0
\$100,000 - \$249,000	3%	1
\$250,000 - \$499,000	6%	2
\$500,000 - \$749,000	0%	0
\$750,000 - \$1,000,000	3%	1
Greater than \$1 million	3%	1
I did not raise outside capital for my company	61%	19
Total	100%	31

Based on 74 available data points from AngelList, the average amount raised by Colorado Springs companies is \$561,000⁶.

Colorado Funding Activity



Funding Activity in Cities with a Population Similar to Colorado Springs (See Appendix D)



Colorado Springs Startup Community Events

In the Colorado Springs Startup Community Survey, respondents answered the following question: “Which community events have you attended in the past year (check all that apply)?”

The top five most attended community events (in order of attendance) were:

1. Startup Week (annual)
2. New Tech (monthly)
3. Startup Weekend (semi-annual)
4. Entrepreneur Evening (quarterly)
5. 1 Million Cups (weekly)

Event Name	% of Respondents Who had Attended in the Past Year	N
Startup Week	56%	25
New Tech (Previously Pitch Night)	51%	23
Startup Weekend	42%	19
Entrepreneur Evening	38%	17
1 Million Cups	36%	16
MashUp	33%	15
Celebrate Technology	31%	14
Innovation Week	31%	14
Open Coffee Club	24%	11
GoCode Colorado	7%	3
Others (manually entered by respondents) ⁷ :		
Denver Startup Week	4%	2
High Altitude Investors	4%	2
Big Idea @CC	2%	1
Colorado Springs Entrepreneurs meetup	2%	1
CS Tech Incubator events	2%	1
Epiic nights @UCCS	2%	1
Global Game Jam @UCCS	2%	1
HAI Pitch nights	2%	1
Ignite	2%	1
Regional Business Alliance functions	2%	1
RVC Events in Denver	2%	1
USAFA Tech Transfer	2%	1

Respondents also answered the following question (write-in): “Of the events that you attended, which were most beneficial for you and why?” Some responses included:

“One Million cups was the most beneficial to me. It allowed me to introduce the organization that I was working for and connect to important individuals in the community.”

“Startup Weekend - Learned a TON”

“Pitch night and One Million Cups. Because they are always well run, informative and positive events.”

“Startup Weekend -- meeting a LOT of people in short time (and free time), plus practicing founding a company/ launching a project.”

See Appendix E for all responses.

In order to discover what types of events may be lacking in the Colorado Springs Community, respondents were asked the following: “Are there any types of events that you would like to see more of in the Colorado Springs startup community?” Some responses were:

“I would like to see more tech focused events that educated and/or draw together the developers and tech talent the city has to offer.”

“Investor talks from VCs”

“Meet and greets with other company owners.”

Answers not edited for spelling or grammar. See Appendix F for complete responses.

Community Issues

No startup community it without its issues. And, while there is abundant anecdotal evidence that suggests what the Colorado Springs issues may be, the main goal of this project was to determine the concerns of the community members themselves.

Colorado Springs Community Survey

The Colorado Springs Community Survey asked respondents to rank the following issues they would like to see addressed:

- Amount of local investment capital
- Amount of local qualified talent
- Connect with other entrepreneurship communities
- Culture of innovation
- Education for entrepreneurs
- Political atmosphere
- Quality mentorship

The top three priorities, as ranked by respondents, were:

- Culture of innovation
- Quality mentorship
- Amount of local investment capital

71% of respondents ranked one of the above three issues as their #1 issue.

Focusing on Startup Founders alone, the top three issues remain unchanged. 28% of Startup Founders rank “Culture of Innovation” as their number one priority, followed by “Amount of local investment capital” and “Quality mentorship” (22% and 18% respectively). See Appendix H for full results.

Startup Value Survey

The Startup Value Survey conducted by the State of Colorado provides valuable insight into the issues facing Colorado Springs compared to the other largest startup communities in Colorado (Denver, Boulder, and Fort Collins).

The top three issues according to Colorado Springs respondents are:

- Government-related costs
- Access to capital
- Availability of talent

See Appendix M for full Startup Value Survey results.

28%

Of Colorado Springs Startup Founders rank the lack of a “Culture of Innovation” as their number one issue.

Best Thing about Starting a Company in Colorado Springs

The Colorado Springs Startup Community Survey asked respondents their opinions on the things that make the Colorado Springs community great. Answers ranged from the outdoors to the low cost of living. Some responses include:

"You can enjoy the outdoors"

"The community atmosphere."

"Lots of support from the entrepreneur community."

"It's a small community so everyone knows each other and seems open to helping each other out."

See Appendix I for complete responses.

Biggest Challenge in Colorado Springs

Some of the biggest challenges with starting a company in Colorado Springs according to Colorado Springs Startup Community Survey respondents were:

"The access to mentors who've been around the block and know how to help current startup maximize their fund raising efforts - as well as build early stage company's that are fundable... i see that as the biggest challenge my company has faced, and because of that - our ability to call upon expertise when its time to really grow will also be difficult."

"Distance from both coasts and any major cities other than Denver"

"No support from the non entrepreneur community."

"The culture of Colorado Springs has not fully been established which makes it hard to establish a concrete market for ones business."

See Appendix J for complete responses.

Looking Forward, the Next Five Years

In 5 years, Colorado Springs Startup Community Survey respondents hope that Colorado Springs is:

“A hotbed of startup activity where new companies are moving to, and being formed in, Colorado Springs on a regular basis. “

“in the Top 20 of global hubs for entrepreneurial opportunity & success.”

“Known for a well established angel network.”

“talking about and bootstrap launching companies instead of whining about lack of VC and local funding.”

“vibrant and funded, with opportunities for those that don't succeed to find more to do with their ambition and capabilities - learning from failure to do more and better in this place.”

See Appendix K for complete responses.

Conclusion

This analysis has provided some interesting talking points regarding the startup community of Colorado Springs. The community is overwhelmingly male. Anyone familiar with startups is aware of this problem—the majority of communities worldwide are male dominated. However, much can be done in Colorado Springs to cater to female entrepreneurs and to encourage women founders, investors, mentors, employees, and organizers to join the community, including recruiting these women to Colorado Springs from other areas.

The vast majority (78%) of community members have lived in Colorado Springs for more than 5 years. While it's an asset to have so many long-term residents in the community, this statistic suggests that Colorado Springs is struggling to attract new entrepreneurs into the ecosystem.

AngelList indicates that there are 79 startups in Colorado Springs, or 18 per 100,000 of population. Compared to the other communities in Colorado, Colorado Springs is lacking in this regard. However, we get a different picture when we compare Colorado Springs to other cities with similar populations. If we look at the medians for both number of startups and startup per capita in cities with populations within 25% of Colorado Springs, *Colorado Springs falls exactly on the median*. That is, the median for these cities is 79 and 18 for startups, and startups per capita, respectively. Exactly 50% of these cities have more startups than Colorado Springs and 50% have less startups. Colorado Springs does not have a significantly low number of startups. There's no point in comparing the number of startups in Colorado Springs to the number of startups in other cities. There are goals for the Colorado Springs startup community and those should be the focus. The community should agree on the fact that there are currently roughly 80 startups in Colorado Springs and establish this number as a baseline. In the future, instead of comparing the number of startups in Colorado Springs to the number of startups in other communities, the focus should be on comparing the number of startups in Colorado Springs to the current baseline of 80 startups. Increasing that number should be the goal of the community.

According to survey results, 94% of Colorado Springs startup founders raised less than \$50,000 for their current company with 61% not raising any outside capital. According to AngelList, the average Colorado

Springs company raised \$561,000; this is significantly lower than the average amount raised by companies in other Colorado communities (\$800,333) and in cities with population sizes similar to Colorado Springs (\$803,350). All signs would suggest a funding crisis in Colorado Springs and this assumption has been made by many of the outspoken in the community (including the local media). However, it's interesting that a lack of capital is *not* the number one issue according to the entrepreneurs themselves. According to the Startup Value Survey, Fort Collins is far worse off than Colorado Springs as far as access to capital is concerned and Denver is only slightly better. Boulder is the only community that rated higher than average. It's worth noting that 47% of Colorado Springs Startup Community Survey respondents founded their most recent company less than two years ago—it's possible that they simply aren't at a stage that requires significant capital.

The number one issue in Colorado Springs according to the Community Survey is a lack of a "Culture of Innovation"; according to the Startup Value Survey, it is "Network for Startups" (see Appendix M for the full definition). The main issue for startup entrepreneurs in Colorado Springs isn't a lack of risk capital, it's a lack of innovation and support for those willing to take risks. Most Colorado Springs startup community members are aware of these problems but there's a reason that we don't hear about these issues as much as the lack of capital: it's difficult to quantify and to change a culture—it's even more difficult to change it quickly. We must take a long-term collaborative approach to correcting this problem. While a full roadmap for the future is beyond the scope of this project, a few important aspects are (note: these are all things with which the community is currently struggling):

- Creating and providing a rich support network for current Colorado Springs companies
- Preventing established companies and influential doers from leaving the Colorado Springs area
- Attracting existing startup companies to Colorado Springs from other locations
- Providing ample opportunities for the community at-large to intersect with the startup community
- Full collaboration between the organizations in Colorado Springs whose goals are to support and grow the startup community
- Complete openness and inclusiveness in the startup community
- Celebration and acknowledgement of existing companies
- Celebration and acceptance of failure

The main goal of this project has been threefold:

1. To establish a baseline analysis of the Colorado Springs Startup Community in order to provide a yardstick for future analysis
2. To determine, from the entrepreneurs themselves, the most pressing issues in the community (in order to guide future community efforts)
3. To spark a conversation among all community stakeholders with the hope of inspiring cohesion and collaboration

This has been an intentionally high-level analysis of the main data points in the Colorado Springs Startup Community—much more in-depth analysis could very well be done. We believe the data presented in this project serves as a good beginning reference point for all future community efforts.

Appendix A – Colorado Springs Startup Community Survey Results

Respondent's Role in Community

Respondent's Main Community Role	% of Respondents	N
Startup Founder	40%	31
Startup Employee	3%	2
Investor	9%	7
Event Organizer	6%	5
Mentor	8%	6
Other	34%	26
Total	100%	77

Age

Role	Average Age	N
Startup Founder	31.65	31
Startup Employee	14.00	2
Mentor	39.00	6
Investor	43.86	7
Event Organizer	26.40	5
Other	34.15	26
All Respondents	33.38	77

Gender

Role	Gender		N	
	Male	Female	Male	Female
Startup Founder	81%	19%	25	6
Startup Employee	100%	0%	2	0
Mentor	17%	83%	1	5
Investor	86%	14%	6	1
Event Organizer	60%	40%	3	2
Other	77%	23%	20	6
Total	74%	26%	57	20

How Long Lived in Colorado Springs

How Long Have You Lived in Colorado Springs?	% of Respondents	N
Less than 1 year	10%	8
1-2 years	6%	5
3-5 years	5%	4
5-10 years	21%	16
More than 10 years	57%	44
Total	100%	77

Role	How Long Have You Lived in Colorado Springs?					N
	< 1 year	1-2 years	3-5 years	5-10 years	> 10 years	
Startup Founder	6%	6%	6%	16%	65%	31
Startup Employee	50%	0%	0%	50%	0%	2
Mentor	0%	0%	0%	17%	83%	6
Investor	14%	14%	0%	14%	57%	7
Event Organizer	20%	0%	20%	20%	40%	5
Other	12%	8%	4%	27%	50%	26
					Total	77

Work Location

Primary Work Location	% of Respondents	N
Coffee Shops	2%	1
Corporate Office	22%	10
Coworking Space	15%	7
Home Office	57%	26
Other	4%	2
Total	100%	46

Role	Primary Work Location					N
	Coffee Shops	Corporate Office	Coworking Space	Home Office	Other	
Startup Founder	3%	16%	16%	61%	3%	31
Startup Employee	0%	50%	50%	0%	0%	2
Mentor	0%	67%	17%	17%	0%	6
Investor	0%	0%	0%	86%	14%	7
Event Organizer	N/A	N/A	N/A	N/A	N/A	0
Other	N/A	N/A	N/A	N/A	N/A	0
					Total	46

Appendix B – List of Colorado Springs Companies - AngelList

The following are companies with public listings on AngelList who identify their location as Colorado Springs (as of 10/6/2014).

2mro	Mostek, Inmos, Simtek, H.I.S. Financial Services,
9th Node Networks	Saligent Software, Quova, Inc, Synchron
Action Radio	Networks
Alternative Funding Exchange Services	MovinGal
Array Microsystems, Inc	Nature Calls Concentrates
Atargis Energy Corp.	Neuron Games
Bellite.io	Nexus Labs LLC - pi.co.ro
BL!NXXX	Numisight
Black Lodge Studios	Oxbow Labs
Bold Technologies	Piikea Street
Buds and Bytes	Planet Postmoderna LLC
Cascade Investment	Plant A Seed
Cherwell Software	Protocol Insight
Coach On Demand	PV Ventures
CodeBaby	Railstars Limited
Colorado Water Company	Remagination LLC
CompuTEK Industries.	Rest-A-Desk
Crystalign Castle	Sativa Medicinal Marijuana Center
Eane & Ray Inventors	Scriptive
Enso Books	Sinai Marketing
Ensos	Spectranetics
Fittif intl.	Stage7 Systems
FizzPow Games	Stori
FlavorMonster	SuiteTech
FleshEatingZipper	Taggsy
FoneT	The 1025 Project
FounderBid	The ChangeMob
Gearmunk	The Micro Wind Company
GetOutfitted	Threethirtypm
Grant Dental Technology Corp.	Tins.ly
INNOPAR	Trevor Bailey
Insurance Technologies	Triple S Brewing Company
Invertual	Urban Mobile Health
iQ Logic	vSync/Accellos
Iron Shield	Wanamaker
Is Anybody Down	Weecord.TV
J&M International Inc.	White Rhino
Lazy Angel	White Salamander Board Company
LegacyGenome	Wildlife Solutions
Locals Barbershop	XAware
Milepoint.com	

Appendix C – CrunchBase Data

CrunchBase Date Used in this Project (accessed 10/6/2014)

Name	Founded	Total Funding	Number of Employees
2WIN! Global		\$-	
Accellos	1/1/2006	\$28,500,000	
Adapta Medical		\$225,000	
Advisor Databases Inc.		\$-	1
AirMe		\$-	
Alert Management Systems	1/1/1976	\$-	
Altia	1/1/1992	\$1,157,500	
Aqueous Biomedical	1/1/2005	\$200,000	
Armstead Enterprise	1/1/2003	\$-	3
Average		\$1,430,909	11
Black Jack Productions, LLC	4/3/1996	\$-	2
BlueFolder	1/1/2005	\$-	
Bold Technologies	1/1/1981	\$500,000	4
BombBomb	10/1/2006	\$500,000	
Borealis Fat Bikes		\$-	
c3 creations	6/17/2014	\$5,000	2
ChangeMob	1/1/2011	\$125,000	
Cherwell Software	1/1/2004	\$25,000,000	
CodeBaby	1/1/2001	\$14,701,770	4
Colorado Bankruptcy Training	2/23/2009	\$-	1
Colorado iPhone Repair	1/1/2010	\$-	3
CompuTEK Industries, LLC.	3/10/2003	\$2,000	2
EPIIC	1/1/1991	\$-	
Executive Assurance, L.L.C.	8/1/2005	\$-	
Frequent Flyer Network	1/1/1995	\$-	25
Front Range Hosting	7/7/2011	\$-	
fuseSPORT	1/1/2002	\$290,000	5
Fusion Marketing Partners	6/1/2009	\$-	8
Garden of the Gods Florist	5/20/2014	\$-	
Garden of the Gods Florist		\$-	
Gearmunk.com	3/1/2013	\$-	
Geo Springs	1/1/2007	\$-	
George Orthodontics		\$-	
HighTouchWeb	1/1/2005	\$-	3
Infront Webworks	10/1/1994	\$-	12

Name	Founded	Total Funding	Number of Employees
Insurance Technologies	1/1/1995	\$-	
Intelligent Software Solutions	1/1/1997	\$-	73
IQ Logic		\$100,000	
ITBrix	9/1/2005	\$-	4
JaguarPC	1/1/1998	\$-	4
Law Office of Steven Rodemer, LLC		\$-	
Lazy Angel	5/29/2009	\$59,000	5
Life Symmetry Chiropractic		\$-	
Linear Manufacturing	10/18/1997	\$-	45
Liquid Spins	1/1/2009	\$517,500	11
MilePoint	2/1/2011	\$1,000,000	7
Moran Law		\$-	
MovinGal	1/1/2010	\$-	2
New Planet Technologies		\$996,400	
NxTrend Technology	1/1/1979	\$-	
PathAR	1/1/2012	\$1,650,000	
Peak Startup		\$-	
Plasmon	1/1/1984	\$-	
Portable Power Solutions	12/17/2013	\$-	
Professional Freelancers Network	11/1/2009	\$-	3
PROFITsystems		\$-	
PSI Systems		\$125,000	
Q2 Interactive Media	1/1/2001	\$-	5
R2 Innovations		\$-	
RadiantBlue Technologies	1/1/2005	\$87,145	
Ramtron International Corporation		\$-	
Redwood Collaborative Media		\$-	
Reinvolve, LLC		\$-	
Ronswebsites.com	4/11/2010	\$-	1
SearchSpring	12/15/2007	\$-	2
SIMTEK	1/1/1986	\$14,920,000	75
Spectranetics	1/1/1980	\$-	
SRC Computers	1/1/1996	\$17,000,000	
Startup Colorado Springs	1/1/2011	\$-	
Taggsy	5/1/2013	\$-	
Tech for Less		\$-	
TeleMatrix	1/1/1979	\$-	
THE COLORADO NOTARY NETWORK	7/8/2013	\$-	1
The Schreiber Law Firm		\$-	

Name	Founded	Total Funding	Number of Employees
The Tonya Hall Show		\$-	
Tins.ly	6/1/2010	\$25,000	5
Ugly Duckling Portraits	1/1/2010	\$-	2
Wanamaker	1/1/2011	\$110,000	
World Wide Premium Packers		\$1,175,250	
WP Weaver		\$-	
WSI Entire Web Solutions	1/1/2000	\$-	5
XAware	1/1/1999	\$12,655,660	
Xpect Software		\$-	
Xtivia	1/1/1992	\$-	15
YES Energy Management		\$-	
zeeWAVES		\$-	
Average	3/28/2002	\$4,557,709	11

Appendix D - Company Funding/Valuation - AngelList Data

Data – Colorado Funding Activity

City	Average Amount Raised	N	Average Valuation	N
Colorado Springs	\$561,000	74	\$1,771,000	36
Fort Collins	\$731,000	40	\$1,828,000	16
Boulder	\$873,000	214	\$2,805,000	118
Denver	\$797,000	427	\$2,559,000	211
Average	\$740,500	189	\$2,240,750	95

Data – Company Funding/ Valuation – Cities with Population Similar to Colorado Springs (+- 25%)

City	Average Amount Raised	N	Average Valuation	N
Mesa	\$1,279,000	22	\$1,045,000	11
Bakersfield	\$813,000	10	\$2,450,000	5
Anaheim	\$1,081,000	19	\$1,610,000	8
Wichita	\$1,127,000	25	\$3,192,000	16
Santa Ana	\$1,133,000	9	\$1,675,000	4
Virginia Beach	\$485,000	54	\$1,710,000	20
Tucson	\$1,196,000	42	\$2,294,000	25
Long Beach	\$444,000	38	\$1,303,000	25
Tulsa	\$557,000	40	\$1,366,000	18
Omaha	\$737,000	49	\$2,061,000	18
Colorado Springs	\$561,000	74	\$1,771,000	36
Kansas City	\$929,000	30	\$3,456,000	17
New Orleans	\$650,000	92	\$2,000,000	47
Sacramento	\$648,000	133	\$2,209,000	67
Raleigh	\$661,000	145	\$2,301,000	64
Cleveland	\$644,000	128	\$2,586,000	78
Oakland	\$669,000	157	\$2,892,000	89
Tampa	\$721,000	226	\$2,449,000	97
Minneapolis	\$827,000	241	\$2,522,000	114
Miami	\$761,000	524	\$2,564,000	247
Atlanta	\$705,000	768	\$2,370,000	363
Average	\$791,810	135	\$2,182,190	65

Appendix E – ‘Beneficial Event’ Feedback

Write-in Responses to the question “Of the events that you attended, which were most beneficial for you and why?”

Note: responses have not been edited for spelling or grammar.

“Startup Weekend and Startup Week are the most beneficial to me; i find new people there i haven't met before and all activities surrounding those events provide the most ongoing education to me. “

“Open Coffee Club is the most educational. “

“One Million cups was the most beneficial to me. It allowed me to introduce the organization that I was working for and connect to important individuals in the community. “

“1 Million Cups- great to hear the story, community think tank for pitches Pitch Night- shows the community what people are working on, entertaining, learn something new from every pitch Startup Weekend-self explanatory Really all of them, some ignites are better than others“

“I only attended one - I guess it was beneficial because it let me know that there really is a budding startup community here in Colorado Springs. “

“Startup Weekend - Learned a TON“

“The breakfasts seemed to have a bit more organization to them. “

“Startup Weekend -- meeting a LOT of people in short time (and free time), plus practicing founding a company/ launching a project. “

“Regional Business Alliance for networking and community news. “

“Pitch Night - Overviews, Q&A“

“Pitch night was the only event I attended“

“HAI Pitch Nights - directly lead to raising capital; Innovation Week/Startup Week - provided greatest amount of meaningful connections in shortest amount of time. “

“Startup weekend #1 gave me a chance to orient myself and display my skill set within the local ecosystem in a safe and supportive way before launching. “

“Pitch night. I'm an engineer, and birds of a feather flock together, and that is where most of the engineers seem to go. “

“Pitch night was interesting, informative and provided good overviews in a reasonable timeframe. “

“Startup weekend. This was like getting a PHD in one weekend. It was extremely beneficial to have an extended exposure to a project and work the project all the way through. “

“Pitch night and One Million Cups. Because they are always well run, informative and positive events. “

“New Tech (Previously Pitch Night) “

“All - I was able to share free resources with attendees. “

“Informative“

“Million Cups, High Altitude Investors“

“Also attended Sport Comp, National Security Innovation Competition. “

“I enjoy going to events where there are, founders, C level executives, and investors of technology companies. “

“HAI, startup Denver“

“All of these are connectors. They provide opportunities for individual engagement as follow-up. “

Appendix F – Desired Events

Write-in Responses to the question “Are there any types of events that you would like to see more of in the Colorado Springs startup community?”

Note: responses have not been edited for spelling or grammar.

“I would like to see more tech focused events that educated and/or draw together the developers and tech talent the city has to offer. “

“A coders in the community event. something that brings engineers as well as business savvy individuals together. “

“A once a month community event, invite only, to bring the brightest minds together in one place. “

“More general events on weekends. “

“I would like to see more focus on the steps to starting a business, not just the idea and funding, so that new business creators can be better prepared. Interaction with the community leaders so folks can understand the COS ecosystem. “

“Startup Month: pair off into teams that will work together for a month (extend Startup Weekend). Have a longer vetting process... Get a central organizer to piece together teams that are likely to succeed in creating a profitable venture. “

“Would love to talk with entrepreneurs and feel a part of that community, like I did through the Peak Venture Breakfasts, but whatever's currently going on never seems to show up on my calendar. “

“Lunch Mixer, More casual opportunities to meet others in a relaxed setting“

“How the local community banks might support startups. “

“Perhaps an e-ship fair where presentations and discussions can center around creating a strong and sustainable e-ship environment in CS. “

“ Lean Startup Machine * Events that focus on introducing College/High-school or Mature-Age would-be entrepreneurs or startup team members (i.e. staff/help with recruitment) to the community * Events that are "franchised" initiatives from broader Colorado, Nationally or Internationally in order to leverage existing IP in those programs, raise Colorado Springs brand and attract people to come here“*

“Investor talks from VCs“

“A local developer Conference. “

“Collaborative Product Development“

“Market Demographics and overviews of market challenges / opportunities. “

“We seem to have a good mix. “

“More basic how too events“

“I would like to see the CXO Connect events make a comeback. “

“Opportunities for small group dialogues“

“Meet and greets with other company owners. “

“No, there seems to be more than enough already“

Appendix G – Event Feedback

Write-in Responses to the question “Please give us any additional event feedback that you'd like.”

Note: responses have not been edited for spelling or grammar.

“I love that most of the events these days are either free or super cheap - it allows a startup guy without much money access to many things he needs to survive.”

“Half day seminars on the above. “

“I'm excited about the potential of Peak Startup and would be happy to help in any way. “

“Gear events to appeal to different age groups. Be nice to see something focused on 35-50 age group“

“At this point I'm a casual observer with an strong interest in e-ship and C.S. “

“Central event calendar would be great (and common awareness that's where you go to find out what's going on) “

“I have moved to Denver area and no longer participate in most C/S events. “

“I own a small product development shop and need to network more in the community. “

“Myself and others have hoped for more contact via email notices of One Million Cups. Also maybe some highlights and recap to help promote it to others. “

“Please continue your efforts“

“UCCS will be offering a formal intro to Entrepreneurship course on Saturdays in the Spring. “

“It would be great to see a startup community calendar. I think it would also help the various organizers avoid scheduling on the same date and prevent topic overlap. I like that MashUP is moving towards educational guest speakers and pitch night is more of the "open mic" format. We did not need two pitch events every month. “

Appendix H – Issue Priorities

Colorado Springs Startup Community Survey Respondents Overall

1 – Highest Priority, 7 – lowest Priority

Issue	Avg. Ranking
Culture of Innovation	2.98
Quality mentorship	3.35
Amount of local investment capital	3.72
Amount of Local Qualified Talent	3.88
Connect with Other Entrepreneurship Communities	4.09
Education for entrepreneurs	4.20
Political Atmosphere	5.32

Issue	% ranking as #1 Priority
Amount of local investment capital	26.09%
Culture of Innovation	23.40%
Quality mentorship	21.74%
Amount of Local Qualified Talent	14.58%
Political Atmosphere	8.70%
Education for entrepreneurs	6.67%
Connect with Other Entrepreneurship Communities	2.17%

Colorado Springs Startup Community Survey Respondents – Startup Founders

Issue	Avg. Ranking
Culture of Innovation	2.81
Quality mentorship	3.52
Amount of local investment capital	3.82
Amount of Local Qualified Talent	4.05
Connect with Other Entrepreneurship Communities	4.10
Education for entrepreneurs	4.15
Political Atmosphere	5.00

Issue	% ranking as #1 Priority
Culture of Innovation	28.57%
Amount of local investment capital	22.73%
Quality mentorship	18.18%
Amount of Local Qualified Talent	9.52%
Political Atmosphere	9.52%
Education for entrepreneurs	9.52%
Connect with Other Entrepreneurship Communities	4.76%

Appendix I – Best Thing about Colorado Springs

Write-in Responses to the question “What is the best thing about starting a company in Colorado Springs?”

Note: responses have not been edited for spelling or grammar.

“The lifestyle thats afford outside of the office - few places on earth offer such great amenities outside the office; the city acts like a smaller city than it really is and outdoor activities are too numerous to count, other than a more thriving arts and culture backbone, CS isn't a hard place to convince someone to move too. “

“Colorado Springs is a melting pot with very talented individuals. It is not hard to connect those individuals with your company. “

“Enthusiasm of community leaders to help emerging businesses“

“independence“

“It's a small community so everyone knows each other and seems open to helping each other out. “

“Limited competition for resources and attention and a great place for family-oriented talent to drawn to.”

“Lots of support from the entrepreneur community. “

“Not a lot of competition“

“Once you are recognized in the community, other business leaders are willing to do business with you and/or coach and support you. “

“Quality of life“

“Relatively low cost of living. Closeness to the mountains. “

“Small pond“

“The community atmosphere. “

“The location“

“The quality of life“

“We live in an incredibly awesome city. “

“You can enjoy the outdoors“

“You get to live here while you do it. “

Appendix J – Biggest Challenge in Colorado Springs

Write-in Responses to the question “What is the biggest challenge your company faces as a result of being in Colorado Springs?”

Note: responses have not been edited for spelling or grammar.

“The access to mentors who've been around the block and know how to help current startup maximize their fund raising efforts - as well as build early stage company's that are fundable... i see that as the biggest challenge my company has faced, and because of that - our ability to call upon expertise when its time to really grow will also be difficult.”

“Access to capital“

“Community is very cliky“

“Credibility“

“Distance from both coasts and any major cities other than Denver“

“exposure“

“forecasting/managing growth“

“Isolation from hotbeds of startup activity that may offer access to capital and other benefits. “

“Lack of capital. “

“Local government and administration makes it difficult to grow once established. “

“No support from the non entrepreneur community. “

“Recruitment of amazing, entrepreneurially-minded talent needed for our business to grow super fast“

“Small local customer base, No money“

“Talented employees“

“The culture of Colorado Springs has not fully been established which makes it hard to establish a concrete market for ones business. “

“The lack of good working relationships between investors, enablers and entrepreneurs. “

“The lack of local C level executives. New business opportunities are frequently discovered by connecting with C level executives of big businesses. “

Appendix K – Colorado Springs in Five Years...

Write-in Responses to the question “Finish the following sentence: In 5 years, I want the Colorado Springs startup community to be...”

Note: responses have not been edited for spelling or grammar.

“Huge”

“in the Top 20 of global hubs for entrepreneurial opportunity & success. “

“Known as founding place of 3 tech startups worth \$10 million plus. “

“Known for a well established angel network. “

“legit”

“not define start-ups as primarily technology but recognize all business types”

“On its way. “

“politically diverse, with emphasis on non-partisan “business” interests”

“Put on the map! “

“robust and growing. “

“robust and thriving”

“talking about and bootstrap launching companies instead of whining about lack of VC and local funding.”

“the first thing that people think about when thinking about finding jobs and talent and measuring colorado springs economic engine. “

“the leading example in Colorado if not the country for how start ups are treated”

“The Next Boulder”

“The reason why young professionals aspire to live here. “

“thriving”

“Thriving”

“Thriving”

“Thriving, well known and easily accessible”

“Thriving, with at least 10 fully-funded startups of 5+ employees, an accelerator, a few company relocations and at least 1 company on the verge of exit. “

“Vibrant”

“vibrant“

“vibrant and funded, with opportunities for those that don't succeed to find more to do with their ambition and capabilities - learning from failure to do more and better in this place. “

“Vibrant and sustainable! “

“vibrant community full of open minded people with great ideas and money to spend. “

“Younger and older“

Appendix L – Additional Feedback

Write-in Responses to the question “Is there anything else at all that you'd like to say about the startup community in Colorado Springs?”

Note: responses have not been edited for spelling or grammar.

“I am so pleased to see what is already happening. Let's focus on gaining momentum. “

“I believe the best way to grow the startup community in Colorado Springs is to grow the number of C level tech executives living here. We need to recruit the spouses/families of C level tech executives and convince them that our quality of life is a compelling reason to move here. “

“I look forward to its growth“

“Incentivize successful startup founders to mentor young talent... Actively facilitate matching process. “

“It is my hope that those involved in boosting the entrepreneurial community would be more inclusive, open and welcoming of help and support from anyone interested in participating. It sometimes feels as though young entrepreneurs are not very inclusive. It might be helpful to adopt a clear set of values and to strive towards utilizing those values on a regular basis. “

“It needs one heck of a lot more press attention when a company is getting started or a new company experiences some sort of success. “

“It would nice to have a shared google calendar of related events we could all subscribe to. VCs did not make Bolder's ecosystem, the ecosystem attracted the vultures. “

“It's all possible and we're going to make it happen.“

“its light years ahead of where it was 5 years ago. “

“Keep growing!! “

“THANK YOU! “

“Thank you! “

“The critical mass is not there yet. The only way to get it will be for some people to keep moving it over and over again; they'll be seen as mothers and fathers in a sort of mini-Hewlett and -Packard. It will be a thankless job. Someone needs to take up the mantle. “

“The group thinks too small“

“The startup community is making good progress, keep going. “

“There is a lot to do, but good people dedicated to the mission. Worry not what the uninvolved think; simply achieve and the results will speak. “

“Try to be open to failure as well as success. Rarely does success come without some failures. “

“We are on our way! “

“We need to get the youth trained in manufacturing, robotics to compete against the Asian. We need more trade schools in the city.”

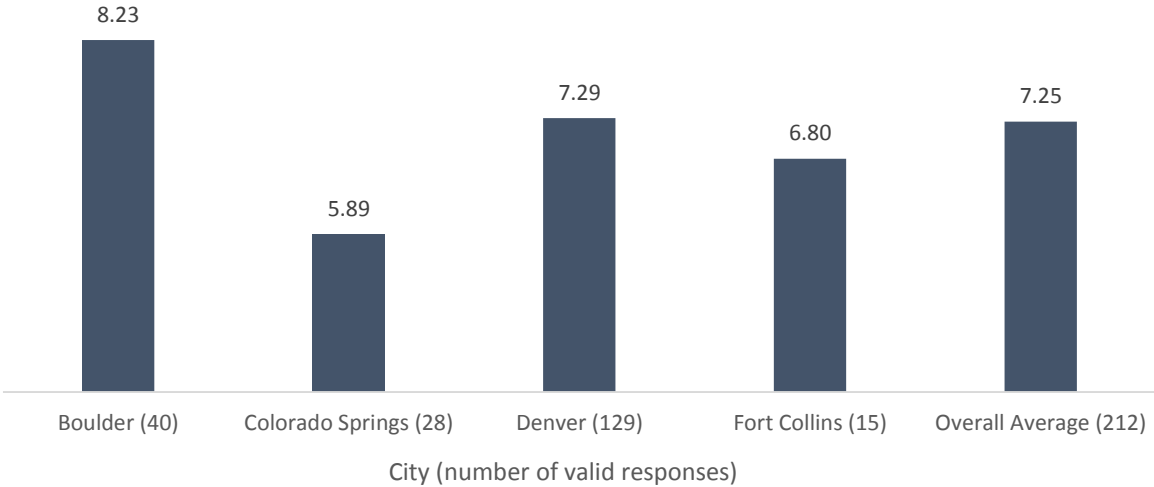
Appendix M – Full Startup Value Survey Results

Ecosystem issues as rated by Colorado Springs respondents (see below for full descriptions and comparisons to other cities in Colorado):

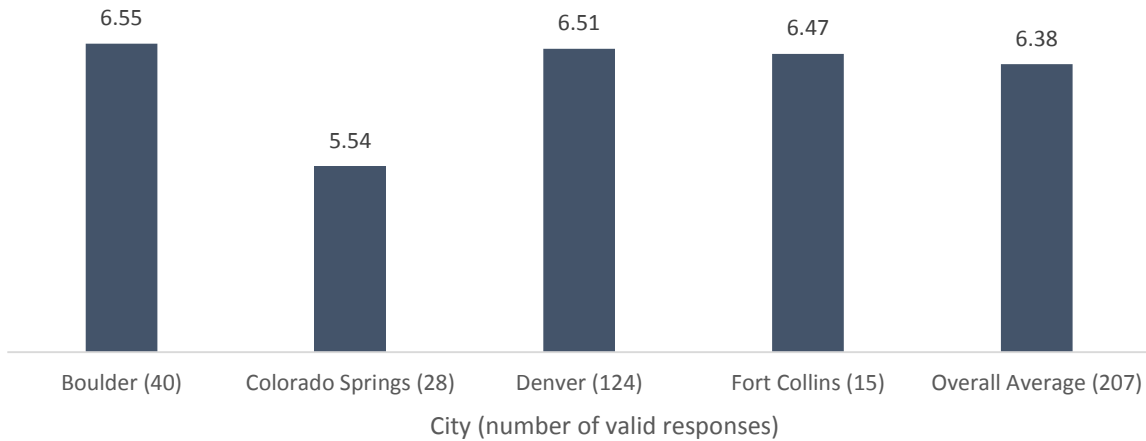
Issues	Average Rating (1 poor - 10 excellent)
Government-related costs	4.75
Access to capital	4.76
Availability of talent	5.54
Institutions	5.54
Network for startups	5.89
Business costs	6.23
Personal costs	6.63
Local atmosphere	7.31

Startup Survey Results – Colorado Cities:

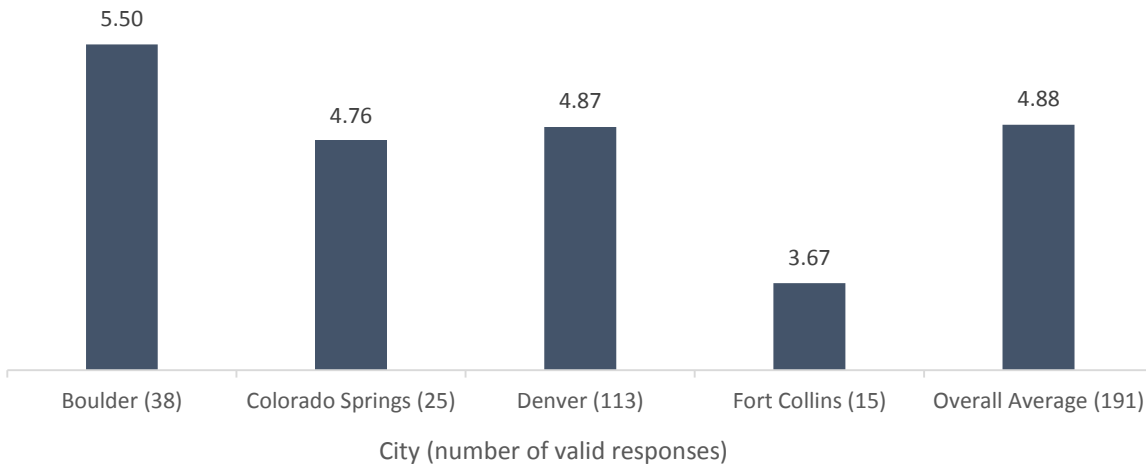
NETWORK FOR STARTUPS - Considering things such as the accessibility of mentors, the number and quality of gatherings/events, the concentration of fellow startups, the effectiveness of leaders in the startup community, and a culture of collaboration among



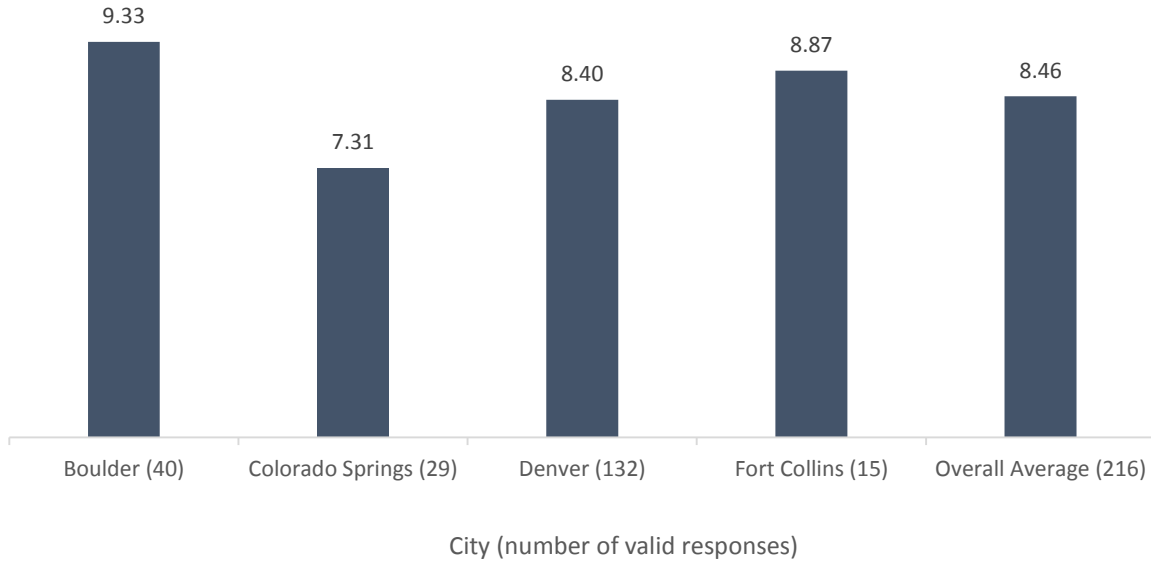
AVAILABILITY OF TALENT - Considering your ability to hire people with the right characteristics and qualifications, when you need them, please rate the availability of talent in your area. (1 poor - 10 excellent)



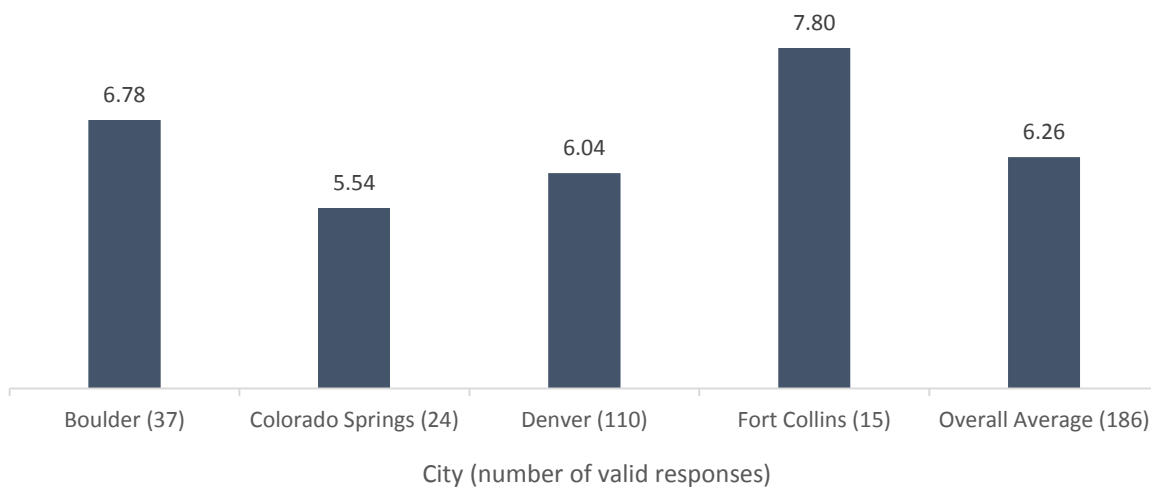
ACCESS TO CAPITAL - Considering your ability to access and compete for funding when your business needs it, please rate the access to capital in your area. (1 poor - 10 excellent)



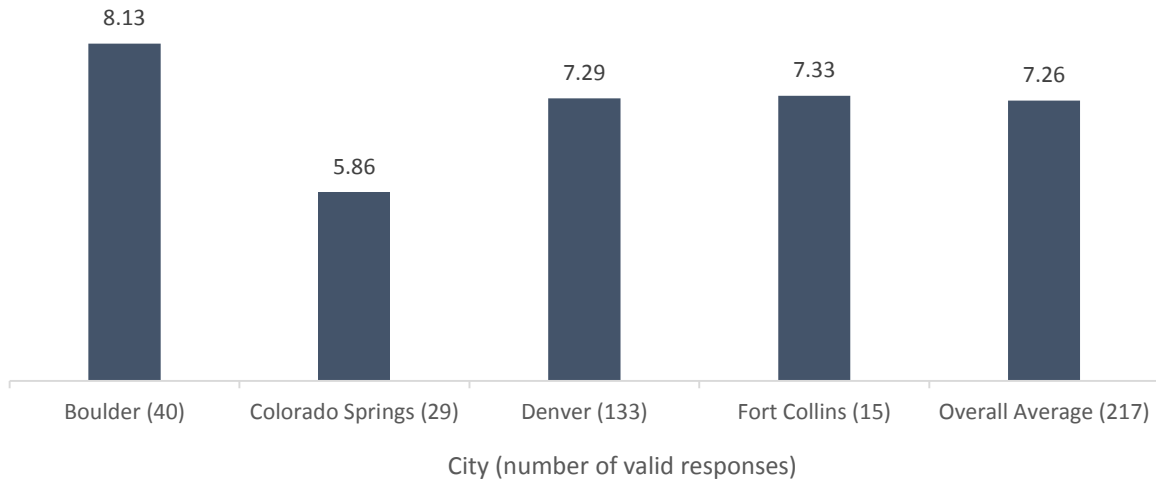
LOCAL ATMOSPHERE -Considering such things as recreation opportunities, the outdoor environment, a culture of openness to new ideas, restaurants, nightlife, lifestyle options, and the quality of the broader community (such as schools, parks, and so on), pl



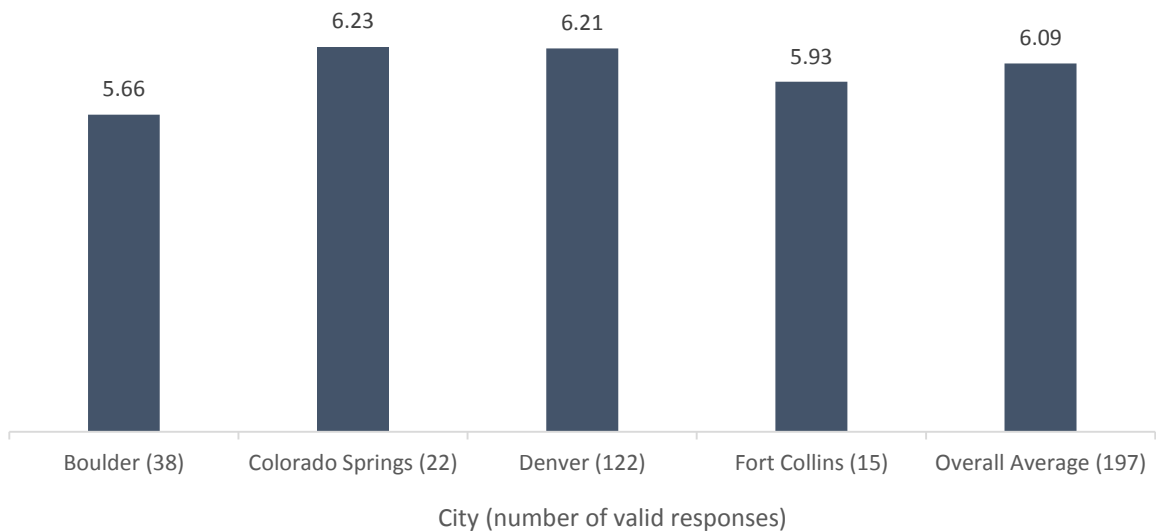
INSTITUTIONS - Considering things such as the presence and effectiveness of research and development (R&D) centers, availability of lab space, and the quality of government support, please rate the institutions relevant to startups in your area. (1 poor -



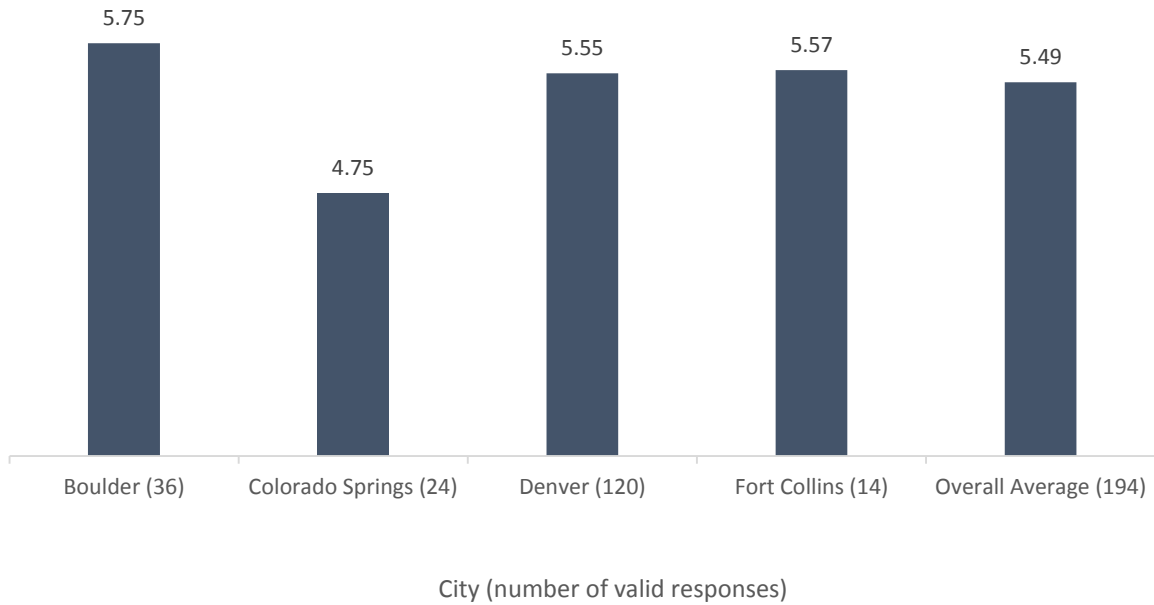
Considering these things overall - the network for startups, availability of talent, access to capital, local atmosphere, and institutions - please rate the total benefits you experience as an entrepreneur working in your particular community. (1 poor - 1



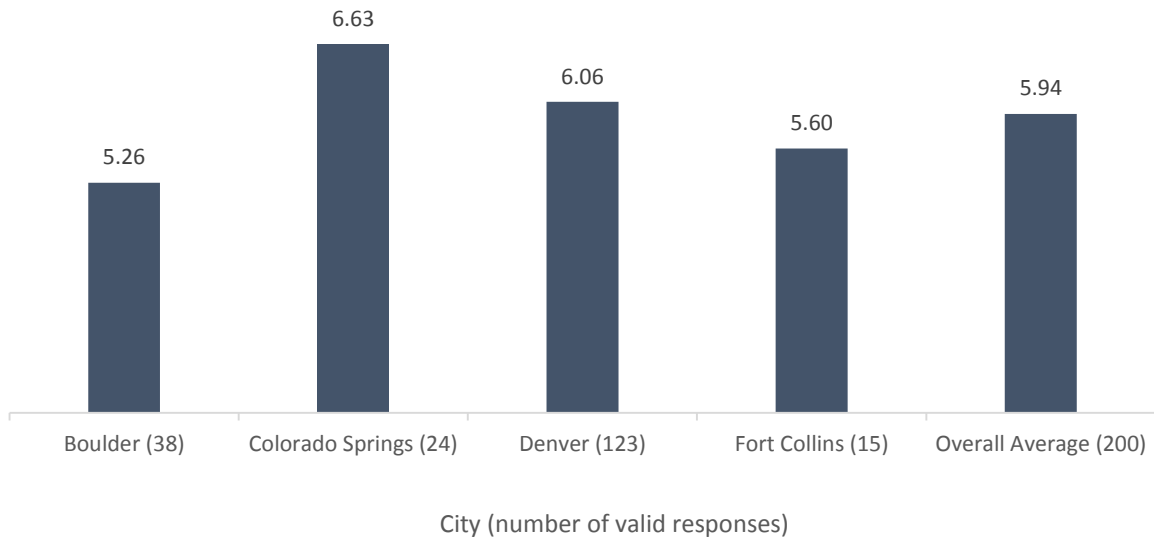
BUSINESS COSTS - Considering things such as the cost of capital, the cost of employee acquisition and their wages, the cost of business-related real estate, and other general costs of operating your business, please rate the business costs in your area. (



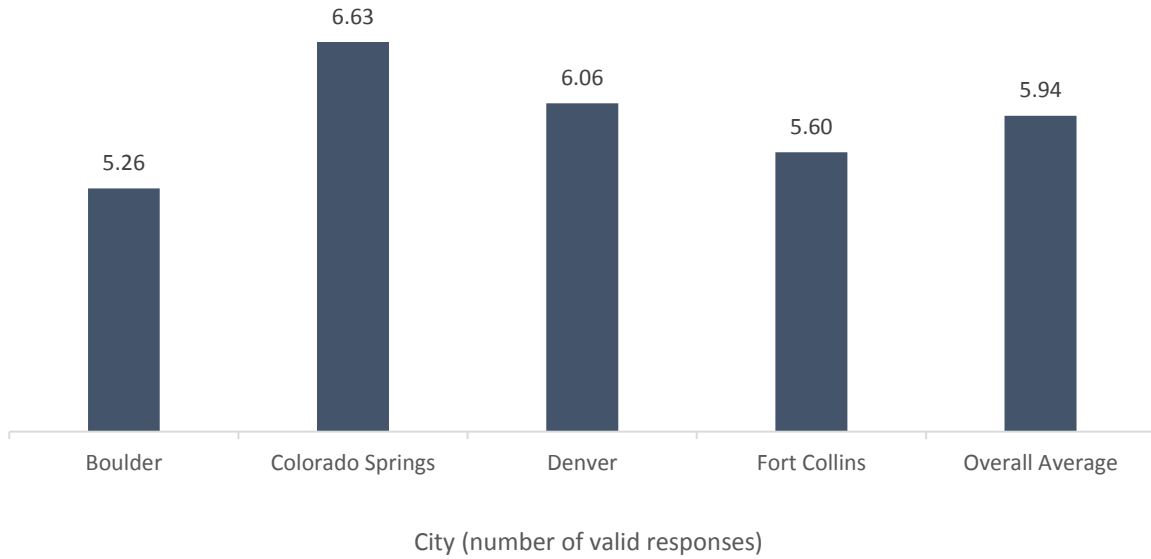
GOVERNMENT-RELATED COSTS - Considering things such as the level of taxes and the costs of ensuring compliance with regulations, please rate the government-related costs in your area. (1 poor - 10 excellent)



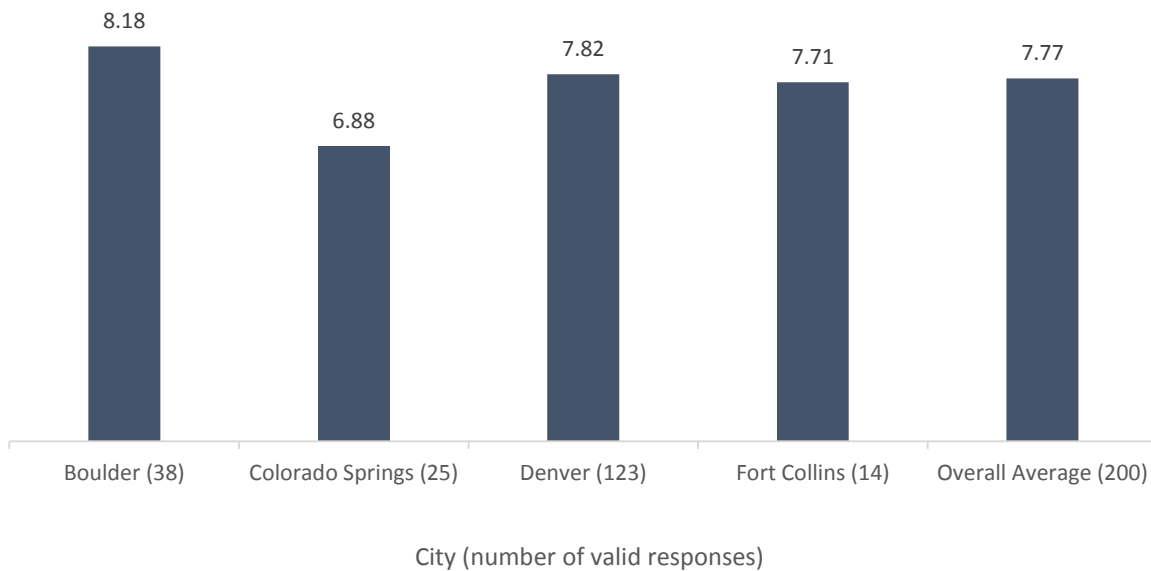
PERSONAL COSTS - Considering things like the cost of living, housing rent, and the time and costs of getting around the community, please rate the personal costs in your area. (1 poor - 10 excellent)



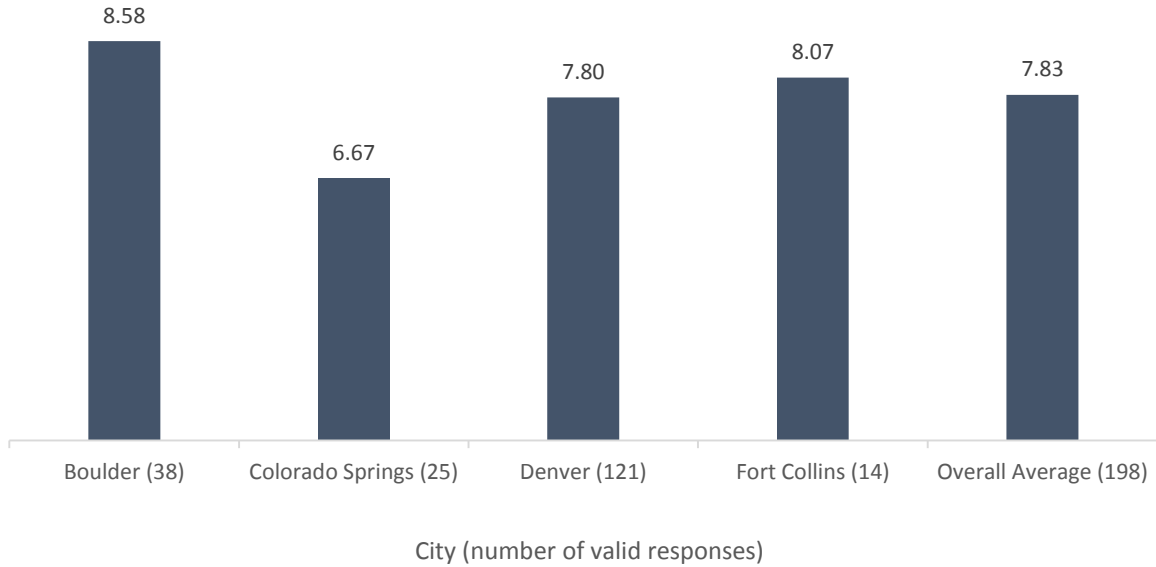
Considering these things overall - business costs, government-related costs, and personal costs - please rate the total costs you face as an entrepreneur in your area. (1 poor - 10 excellent)



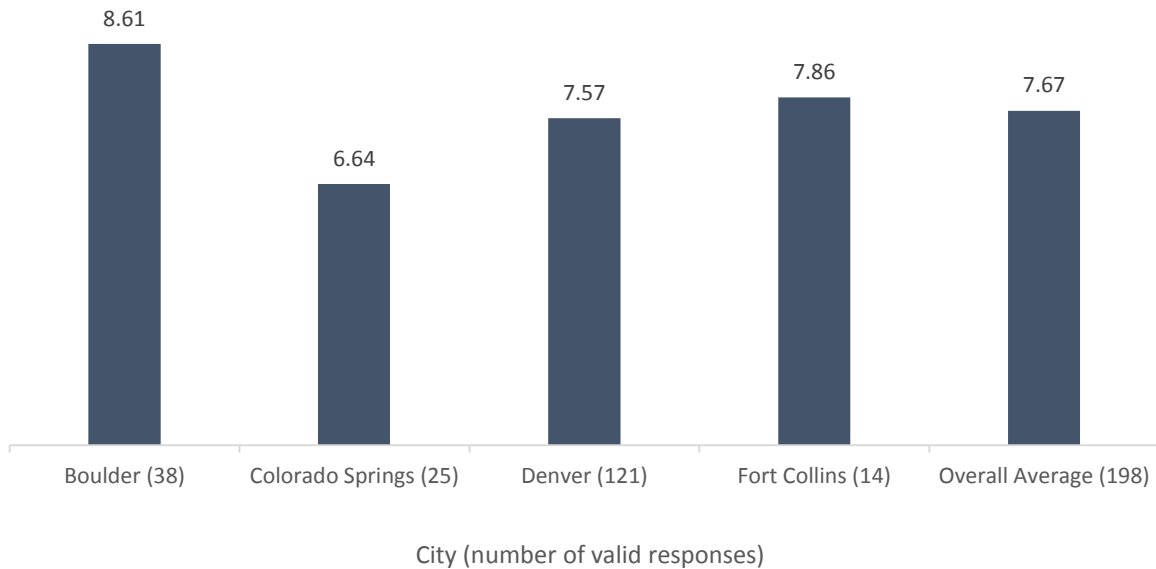
Considering overall the both the benefits and the costs of being an entrepreneur in your particular area, please rate your overall satisfaction with the value of starting a business in this place. In other words, how "worth it" is choosing this community



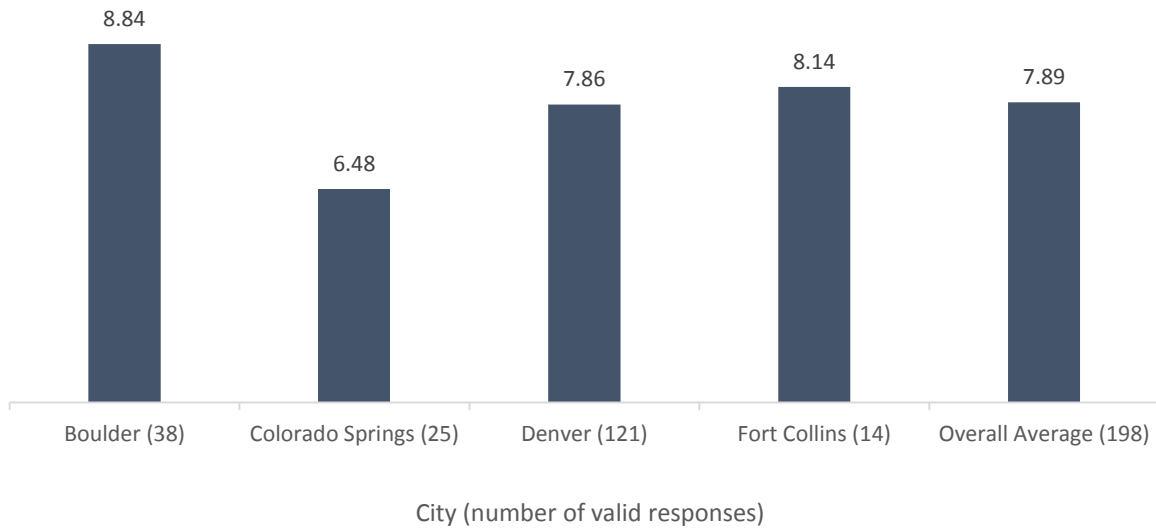
If you decide to start another business, how likely are you to select this same location again? (1 not at all worth it - 10 extremely worth it)



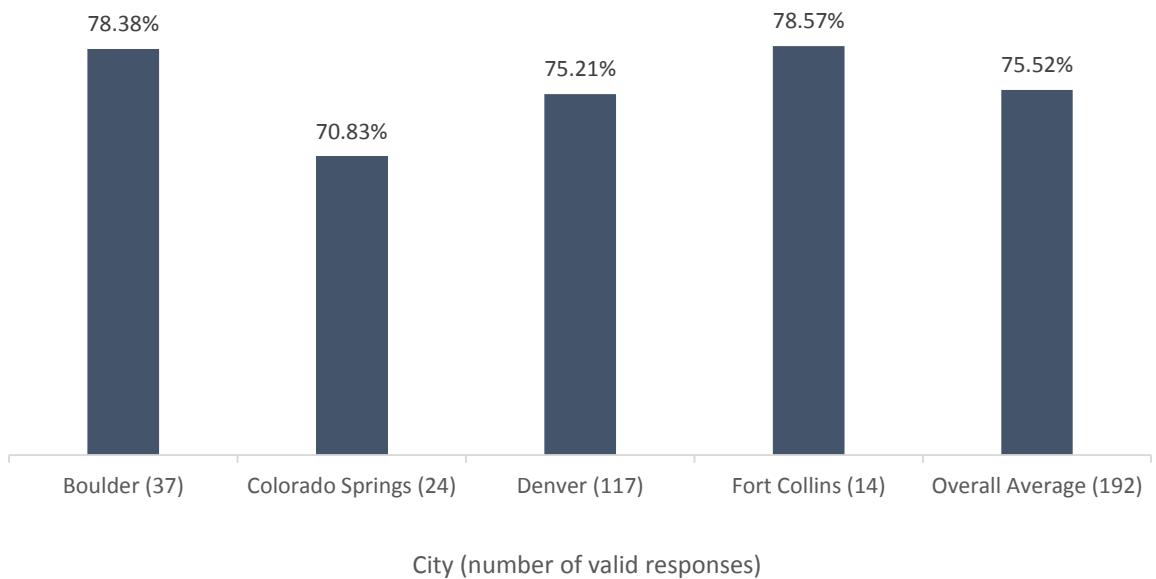
If an associate or friend wants to start a new business, how willing are you to recommend they do so in this area? (1 not at all worth it - 10 extremely worth it)



If an associate or friend is interested in working FOR a startup, how willing are you to recommended that they move to this area?
(1 not at all worth it - 10 extremely worth it)



Would you say that you have had a business mentor, formally or informally?
(percent responding "Yes")



About the Author



Nicholas Lee is a 30+ year resident of Colorado Springs who has founded multiple companies in the area and is currently Vice-President of Peak Startup, a non-profit focused on cultivating a community of innovative entrepreneurs in the Colorado Springs region. In addition, Nicholas is an instructor of Sociology at the University of Colorado at Colorado Springs and Pikes Peak Community College.

Endnotes

¹ <http://cosentrepreneurs.com/communitydatapoint>

² <https://sites.google.com/a/state.co.us/gov-office-test/home>

³ "Successful Exit" defined as "a merger, acquisition, IPO, or other transfer of ownership that results in a profit for the founder."

⁴ Part-time employees were counted as .5.

⁵ Of those that listed number of employees.

⁶ While CrunchBase provides some funding data dating back 30+ years. AngelList provides a more comprehensive and recent picture of funding activity.

⁷ Not edited for grammar or spelling