



White House Tech Inclusion



SXSWedu Conference



Clinton Global Initiative



The New York Times

Leadership Academy Fellow

The Washington Post

THE HUFFINGTON POST



Digital Media Innovation

GOVERNING

I N S T I T U T E

Columnist



- **Change the economic narrative** across Black, Hispanic and Urban America
- **Promote Inclusive Competitiveness** frameworks in regional innovation clusters
- **Connect economically disconnected** communities to local innovation ecosystems and economic opportunity



- **Inform the Leaders & Influencers** of America's Black youth about the 21st century Innovation Economy game and how its played
- **Develop Strategic Approaches** to establishing local frameworks that engages Black youth and connects them to economic opportunity
- **Promote Investment** in scaling up the value inherent in America's Black youth



- **Identifying local ready-to-scale enterprises** through the lenses of Innovation, Inclusion and Economic Impact
- **Channeling collaborative resources** from the national, regional and local levels to enable job growth through a bottom-up economy
- **Designing inclusive economic models** for metro regions to empower its local talent

WHY DO WE NEED THIS SUMMIT?



The game has fundamentally changed

Economic Empowerment & Job Growth

- **Change the economic narrative**
- **Promote Inclusive Competitiveness**
- **Connect the economically disconnected**
- **Inform the Leaders & Influencers**
- **Develop Strategic Approaches**
- **Promote Investment & Generational Wealth**
- **Identify local ready-to-scale enterprises**
- **Channel collaborative resources**
- **Design inclusive economic models**

Manufacturing
Jobs

1963



Advanced
Manufacturing Jobs

2013

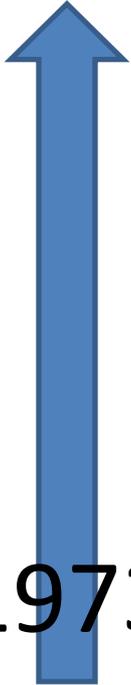


1,400+ VC firms

Venture Capital

Private & Institutional
Equity Investments

2013



1973 Cambridge & Associates (VC Research)

1969

Growth rate of nearly
3 new VC firms every
month for 44 years!



Total Venture Capital Investment By Year 2009 – Q2 2013



ANGELS (2012)

Sector	Software	Healthcare	Retail	Biotech	Industrial/Energy	Media
Deals	23%	14%	12%	11%	7%	7%

\$23B invested

67,000 companies

268,000 angels



THE PACE OF INNOVATION



\$50B Invested in 2012



\$4B avg. / month

5,800+ funded companies / month

100,000+ fund seekers / month

?? Summits / conferences / forums

?? Pitch competitions / Demo Days / Hackathons

?? Meetups / Coffees / Lunches / Receptions

?? Conference calls / meetings / followups

NOT ENOUGH JOBS!



Aug. 15, 2013

AUGUST 15, 2013, 6:45 AM | 1 Comment

Daily Report: Cisco to Cut 4,000 Jobs, Despite Rising Revenue

By THE NEW YORK TIMES

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Cisco Systems, the technology industry's biggest maker of computer infrastructure equipment, said on Wednesday that it planned to cut 4,000 jobs, or roughly 5 percent of its work force, in an effort to trim costs and reorganize during what executives described as a "challenging" global economic climate, [Jenna Wortham reports](#).



Since 1980, nearly all net new jobs were created by startups!

Source: Kauffman Foundation



America needs more entrepreneurs

Establishment Starts Remain Down From Pre-Recession Levels



The rate of new business starts has risen over the last two years but still lags pre-recession levels. (Source: Bureau of Labor Statistics/Courtesy of U.S. Small Business Administration)

April 29, 2013

SBA's Karen Mills: U.S. economy depends on entrepreneurs, needs them back in the game



“Entrepreneurship is America’s secret sauce.

“It’s what built the greatest economy in the world and the strongest middle class.

“It’s what fuels American innovation, makes our industries more globally competitive and [creates new jobs](#) across our economy.”



COMMANDER-IN-INNOVATION

Created the Office of Chief
Technology Officer

Created White House
Tech Inclusion Roundtable

Created Startup America to
accelerate Startup Culture

Created Advanced
Manufacturing Partnership to
bring back jobs from overseas

Signed into law the JOBS Act,
which disrupted equity investing
and created crowdfunding
options for entrepreneurs



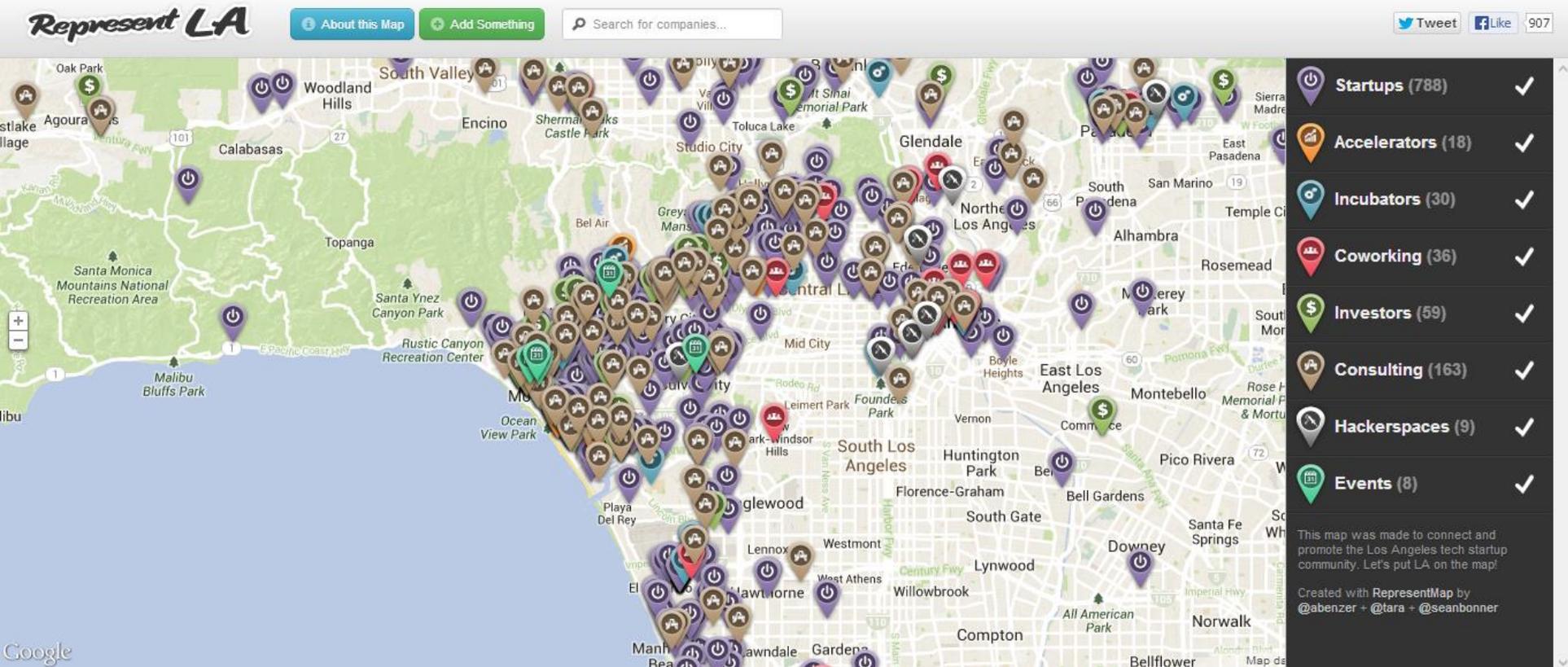
“**Startup America**” is a White House initiative to celebrate, inspire, and accelerate high-growth entrepreneurship throughout the nation.

This mission to promote entrepreneurship is a **core component** of President Obama’s national **innovation strategy** for achieving sustainable growth and quality jobs.

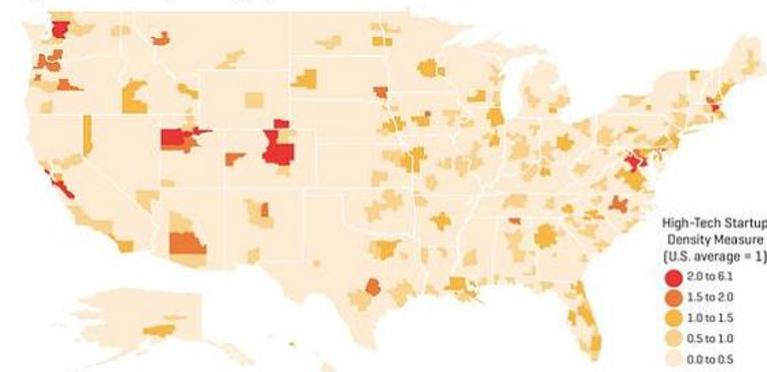
Not only do startups bring a wealth of transformative innovations to market, they also **play a critical role in job creation** across the United States.



America's STARTUP CULTURE



Map of the Los Angeles regional startup community



Source: National Employment Time Series (NETS), Bureau of Economic Analysis; Engine calculations

Aug 14, 2013, 5:03pm PDT | UPDATED: Aug 14, 2013, 5:47pm PDT

The most densely packed U.S. startup hub Not Silicon Valley

The [joint report](#) by entrepreneur advocacy groups Engine Advocacy and the [Kauffman Foundation](#) pegged the Colorado cities **Boulder and Fort Collins** as the U.S. cities **most densely packed** with high-tech startups. The San Jose metro area ranked No.3, and San Francisco was No. 7.

The **Seattle-Bellevue-Everett area was tied for No. 4** with Cambridge-Newton-Framingham in Massachusetts and the Denver-Aurora-Broomfield region of Colorado. The report was based on data from 2010.

Top 25 Metros for High-Tech Startup Density (2010)

Metro Name	Density
Boulder, CO	6.3
Fort Collins-Loveland, CO	3.0
San Jose-Sunnyvale-Santa Clara, CA	2.6
Cambridge-Newton-Framingham, MA	2.4
Seattle-Bellevue-Everett, WA	2.4
Denver-Aurora-Broomfield, CO	2.4
San Francisco-San Mateo-Redwood City, CA	2.4
Washington-Arlington-Alexandria, DC-VA-MD-WV	2.3
Colorado Springs, CO	2.3
Cheyenne, WY	2.0
Salt Lake City, UT	2.0
Corvallis, OR	2.0
Raleigh-Cary, NC	1.9
Huntsville, AL	1.9
Provo-Orem, UT	1.9
Bend, OR	1.8
Austin-Round Rock, TX	1.7
Missoula, MT	1.7
Grand Junction, CO	1.7
Sioux Falls, SD	1.7
Bethesda-Frederick-Rockville, MD	1.7
Durham-Chapel Hill, NC	1.6
Portland-Vancouver-Beaverton, OR-WA	1.6

Seattle, WA →

Corvallis, OR →

Bend, OR →

Portland, OR →

1) Well-known tech hubs with highly skilled work forces

2) They have a strong defense or aerospace presence

3) They are university cities

The report also addressed job creation by startups.

Although small businesses across sectors account for a large number of jobs, young high-tech companies create more new jobs, the groups found.

“Invention and Reinvention: The Evolution of San Diego’s Innovation Economy”

by Mary Walshok (UC San Diego Sociologist)



WHY SAN DIEGO?

There's probably 30 to 40 tech startups in downtown San Diego, which is the best – worst – kept secret because a lot of people don't know that. It's a very exciting time to be downtown if you want to build a tech startup.

GIFTS: Land / Buildings

The city's [gift of hundreds of acres of land](#) helped recruit top scientists and researchers to San Diego. One modern-day equivalent to those huge land grants is the incubator in a [city-owned building in Carlsbad](#).

Social Problem

An audience member assessed the diversity of the group gathered for the conversation — and the topics explored — and found it lacking representation from different socioeconomic levels in San Diego.

Education Gaps

Bernie Rhinerson, an audience member who is a San Diego Community College District trustee, asked speakers what they thought should be emphasized in college and K-12 education.

Entrepreneurism, Gordon said, and **not by “business plan and textbook.”** She said students need more training in lean startup culture. Jackson said technical training to manufacture advanced biological materials should be on the list.

STARTUP ECOSYSTEM REPORT

The Global Startup Ecosystem Index

Ecosystem	Ranking	Startup Output Index	Funding Index	Performance Index	Talent Index	Support Index	Mindset Index	Trendsetter Index	Differentiation from SV Index
Silicon Valley	1	1	1	1	1	1	1	1	1
Tel Aviv	2	2	1	12	5	5	9	17	18
Los Angeles	3	4	6	2	3	13	11	4	11
Seattle	4	19	7	6	2	4	6	11	14
New York City	5	3	4	8	12	9	8	7	8
Boston	6	10	1	7	7	8	7	5	20
London	7	7	5	10	9	2	3	14	17
Toronto	8	6	9	3	10	3	15	12	5
Vancouver	9	13	12	9	4	14	2	9	19
Chicago	10	8	15	5	14	7	13	18	9
Paris	11	14	13	4	17	6	12	15	6
Sydney	12	5	14	16	6	12	16	1	3
Sao Paulo	13	9	10	15	19	11	5	16	4
Moscow	14	16	19	18	11	10	14	8	2
Berlin	15	15	11	13	13	20	18	5	16
Waterloo	16	11	16	14	16	17	17	10	13
Singapore	17	18	8	19	8	16	20	19	12
Melbourne	18	12	17	20	15	18	19	3	15
Bangalore	19	17	18	17	18	15	10	20	10
Santiago	20	20	20	11	20	19	4	13	7



NEW TECH CITY

Riding a wave of start-ups, New York has emerged a national leader in fields that leverage the Internet and mobile technologies—a development that has provided a key economic boost and left the city well positioned for future tech growth

New York's New Economic Engine

The city's tech sector is providing a critical economic spark at a time when it has never been clearer that New York needs to diversify its economy

Driving New York's Tech Turnaround

The lion's share of today's tech start-ups are not building new technology, but applying it — a trend that plays to New York's strengths

It Takes a Community

New York's digital entrepreneurs have greatly benefited from a much stronger local tech ecosystem than existed even a few years ago

The Talent Gap

The lack of top-tier engineers is the biggest barrier to the city's continued growth in the tech sector



New York City

We identified 486 digital start-ups formed in the city since 2007 that have received angel, seed or VC funding.

Overall, there are well over 1,000 Web-based technology start-ups in the city, most of which have not secured investment capital.

We identified well over a dozen established tech start-ups that have moved to New York in recent years from the San Francisco Bay Area, Boston and other locations.

At least 28 New York-based tech start-ups were founded by students from Harvard Business School.

In the last five years, information technology jobs in the city have increased by 28.7 percent.

Nearly half (47 percent) of the 298 tech start-ups on New York Tech Meetup's "Made in New York City" list indicated that they are currently hiring.

Today's tech start-ups are less about building new technology than applying technology to traditional industries like advertising, media, fashion, finance and health care—all of which New York excels in.

DEMOGRAPHIC SHIFTS

City	*Population %		*Business Ownership %		(est) Local GDP %	
	Black	White	Black	White	Black	White
Detroit, Michigan	83	11	64	31	1	98
Jackson, Mississippi**	80	18	45	53	1	98
Birmingham, Alabama	73	22	38	58	1	98
Memphis, Tennessee	63	29	38	57	1	98
Atlanta, Georgia	54	38	31	62	1	98
Cleveland, Ohio	53	37	26	68	1	98

*Source: US Census | **Census plus local GDP data from Jackson Business Accelerator | GDP data for other regions estimated)



A Widening gap in Cities

Shortfalls in Funding
for Pensions and
Retiree Health Care

More than 60 cities are facing economic crisis, according to a recent Pew Research report. Detroit, which recently declared bankruptcy, is a canary in the coal mine.

Cities cannot achieve their economic competitive goals while leaving large growing swaths of populations behind.

GOOD NEWS!

60%

Growth in entrepreneurship
among Black Americans

44%

Growth in entrepreneurship
among Latino Americans



Rebecca O. Bagley, Contributor

I write about growing regional industry clusters that create jobs.

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Forbes

ENTREPRENEURS | 2/15/2013 @ 2:45PM | 609 views

Local Leadership Key in Inclusive Economic Competitiveness

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One of America's great strengths is its diversity. There are few, if any, countries in the world that can claim a workforce as diverse, innovative and driven. Our talent pool is rich in culture, language and ideas that have made the U.S. the world's leader in the development of new technologies. But here's the thing: We are not reaching our full potential. Why? Because not every member of our society has equal access to the innovation economy.

