

Utah's High-Tech Environment—Built to Last



REGIONAL OVERVIEW

Utah's core ideology of striking a balance between work and life outside it, combined with its spirit of innovation, has fostered a unique environment of fast-paced, high-tech entrepreneurial opportunities.

Growth of such high-tech companies is booming: between March and September 2007, Utah tech companies grew at a rate of 5.5 percent. "Growth has been so strong that it presents us with a unique challenge—the ability to track and retain the executive talent we need," says Richard Nelson, President and CEO of the Utah Technology Council.

Companies such as Omniture in Orem, Move Networks in American Fork, Altiris (now Symantec) in Lindon, and Overstock.com, Backcountry.com, iBAHN, Ikano Communications and FatPipe Networks in Salt Lake City have all helped Utah gain this status.

ECONOMY IN UTAH

In 2008, the State New Economy Index performed by the Ewing Marion Kaufman Foundation ranked Utah the number one U.S. state for "Economic Dynamism"—a measure of the number of per capita jobs created in fast-growing "gazelle" companies, Inc. 500, and Deloitte Technology Fast 500 companies.

Salt Lake City is a strong example of the health of the Utah job market. The city was ranked by Forbes magazine as the number-one best city for jobs, while in March 2008, ABC News reported Salt Lake as the number-one "hottest place" to find a job.

Job opportunities, the strong economy and a high standard of living all make Utah a perfect place to live. Consider these additional benefits:

- » **Best cities for jobs**—in addition to ranking Salt Lake the best city for jobs, Forbes pinpointed Provo (with the 8th-fastest job growth over the past five years) as a strong example of the health of the Utah job market.
- » **Fast-growing and well-funded**—named 4th for fastest-growing firms and 5th for venture capital by The Kauffman Foundation's 2007 State New Economy Index.
- » **Low unemployment**—the unemployment rate for March 2007 was 2.4%, compared to the national rate of 4.4%, per the U.S. Bureau of Labor Statistics.*
- » **From research to startup**—in 2008, the University of Utah ranked second nationally (only behind MIT) for a research institution starting technology companies based on its own research, per the Association of University Technology Managers.
- » **Education**—10 public and three private universities and colleges; 31 percent of the adult population has a college degree, compared with 25 percent nationally, per the Utah Technology Council.
- » **Literacy**—94 percent of Utah's population aged 18–64 was classified as literate, the highest literacy rate in the nation.*

"I'd rather be No. 1 in dynamism than any other category, [because] now it's the individual who is the paramount player in economic development in the world."

UTAH GOVERNOR
JON HUNTSMAN, JR.; BUSINESS
UTAH 2008

SAMPLING OF HIGH-TECH COMPANIES BASED IN UTAH

- » BackCountry.com
- » ClearOne Communications
- » Control 4
- » Evans and Sutherland
- » The Generations Network
- » iBAHN
- » Ikano Communications
- » IM Flash Technologies
- » Merit Medical
- » Move Networks
- » NextPage
- » Omniture, Inc.
- » Overstock.com
- » Sonic Innovations
- » Sorenson Media
- » Spillman Technologies
- » TenFold

- » **Personal technology**—the highest percentage of computers per household in the nation.*
- » **Economic health**—ranked number-one by ALEC-Laffer State Economic Competitiveness Index.
- » **Well-managed**—Utah received top marks among all states for governmental organization, according to the Pew Center on the States' "Grading the States 2008 Report."
- » **Low crime**—Crime rates in Provo are among the lowest in the country.*

TECHNOLOGY IN UTAH

In 2007, over \$235 million dollars was invested in high-technology and life sciences companies according to the MountainWest Capital Network.

"There are plenty of good reasons why technology companies choose Utah," explains Richard Nelson, President and CEO of the Council. "Utah offers an appealing lifestyle, an abundance of well-educated, hard-working people, and a relatively low cost of doing business."

The state of Utah supports the technology advancement efforts going on within it or connected to it. In 2003, the Utah legislature passed H.B. 240, the Venture Capital Enhancement Act—also known as the Fund of Funds. This major economic development program provides the state's entrepreneurs with access to a broad array of quality funding sources. In 2008, the program was expanded from \$100 million to \$300 million.

In addition, the Utah Science Technology and Research initiative (USTAR)—a long-term, state-funded investment—was created to strengthen Utah's "knowledge economy." This revolutionary initiative invests in world-class innovation teams and research facilities at the University of Utah and Utah State University, to create novel technologies that are subsequently commercialized through new business ventures.

Such increases in funding will continue to boost Utah's entrepreneurial spirit—contributing to the ongoing economic growth of the state. "Entrepreneurship is consistently the greatest accelerator of economic growth in Utah," says Jeremy Neilson, managing director of the Utah Fund of Funds.

Start-up, high-tech, entrepreneurial-based companies are not the only ones enjoying the endless possibilities of Utah's prosperity. Numerous other well-respected and world-renowned companies are relocating and/or opening divisions in our beautiful state:

- » **Adam Aircraft, aircraft manufacturer**
- » **Avocent, IT infrastructure management solutions company**
- » **ATK Ammunition Systems, aerospace and defense company**
- » **Hewlett-Packard, among the world's largest IT companies**
- » **Ingenix, healthcare information and technology company**
- » **L-3 Communications Holdings Inc., the most acquisitive U.S. defense contractor**
- » **Lockheed Martin, the nation's largest defense contractor**
- » **Logitech, world leader in personal peripherals**
- » **Oracle, world's largest enterprise software company**
- » **Quest Software, leading enterprise systems management vendor**
- » **Symantec, provider of security, storage and systems management solutions**
- » **Boston Scientific, worldwide manufacturer of medical devices**

Utah has become an innovative technology hub, pulsing with entrepreneurial spirit. Technology victories in Utah are just beginning—its future success is bright.

CITED SOURCES AND REFERENCES:

* "Utah Facts 2008", Official Publication of the Governor's Office of Economic Development. goed.utah.gov/documents/FACTSBOOK2008.pdf

Business Utah 2008 Official Publication of the Governor's Office of Economic Development. goed.utah.gov/facts_and_research/utahbusiness2008.html

"2007 State New Economy Index," Ewing Marion Kauffman Foundation. www.kauffman.org/pdf/2007_State_Index.pdf

"Best Cities for Jobs in 2008," Forbes, January 10, 2008. www.forbes.com/2008/01/10/jobs-economy-growth-lead-careers-cx_mk_0110cities.html

"Best and Worst Cities for Jobs," Forbes, April 10, 2008. www.forbes.com/2008/04/10/best-cities-jobs-lead-cx_kb_0410jobs.html?partner=email

"Hottest Places to Get a Job," ABC News report, March 10, 2008. Video archived at abcnews.go.com.

"Survey Ranks The U Second Only to MIT IN Starting Companies," February 28, 2008 unews.utah.edu/p/?r=022808-3

"Utah's High-tech and Life Sciences: Bigger, Stronger, Faster," Utah Technology Council, April 29, 2008. www.siliconslopes.com/news/2742

ALEC-Laffer State Economic Competitiveness Rankings, 2007. edcutah.org/news/Rich_States_Poor_States.pdf

"Grading the States 2008 Report," The Pew Center on the States. www.pewcenteronthestates.org/report_detail.aspx?id=36228

"2007 Utah Deal Flow Report," MountainWest Capital Network www.mwcn.org/dealflow

Utah Fund of Funds www.utahfundoffunds.com

Utah Science Technology and Research initiative (USTAR) ustar.utah.gov

Silicon Slopes; a region in Utah known for its breathtaking beauty, the greatest snow on earth and a high concentration of the fastest-growing high-technology companies in the world.

SILICON ♦ SLOPES
www.siliconslopes.com

Sponsored by:

OMNITURE®

UTC
Utah Technology Council™

UTAH FUND OF FUNDS

UTAH
LIFE ELEVATED™

ZIONS BANK

USTAR
Turning innovation into industry.