NECHAMBER FOUNDATION

Nebraska vs. The Nation

January 2025 | Webinar

ECONOMIC LEADERSHIP

About Economic Leadership

- Founded in 2013
- Working in 27 states for 60 Clients
- Statewide & Regional Competitiveness Strategies
- Locational Analysis
- Leadership + Communications
- Trendspotting & Strategy



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Clients


ARIZONA CHAMBER
OF COMMERCE & INDUSTRY


COLORADO CHAMBER
OF COMMERCE


FLORIDA
CHAMBER
of Commerce


PA Chamber®
of Business and Industry


MISSOURI CHAMBER
OF COMMERCE AND INDUSTRY


The
Business
Council


cbia


NECHAMBER
FOUNDATION


KANSAS
CHAMBER
UNITED FOR BUSINESS


NEW MEXICO
CHAMBER
of Commerce


BIA
BUSINESS & INDUSTRY ASSOCIATION
New Hampshire's Statewide
Chamber of Commerce


DELAWARE STATE
CHAMBER OF COMMERCE

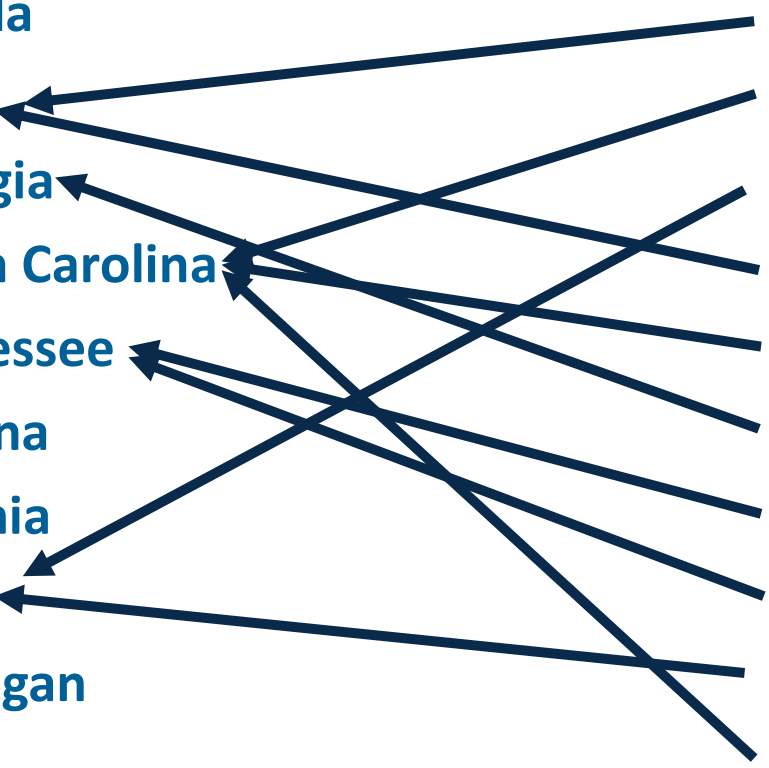

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Being Intentional About the State's Competitiveness



The Best Ranked States for Business and Best Metro Performance

1) Florida
2) Texas
3) Georgia
4) North Carolina
5) Tennessee
6) Arizona
7) Virginia
8) Utah
9) Michigan
10) Ohio



1) Austin
2) Raleigh
3) Salt Lake City
4) Dallas
5) Durham
6) Atlanta
7) Nashville
8) Knoxville
9) Provo
10) Charlotte

The most competitive metros are in the most competitive states

Source: Economic Leadership MSA indexes and compilation of 3rd party rankings

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Place-Based Competitiveness



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Business Climate

Taxes
Regulatory Climate
Legal Climate
Politicians

Workforce

In-migration
Education
Productivity
Costs
Skills
QOL

Risk

Weather
Crime
Fiscal Stability
Political Stability
Out-migration
Geo-economics

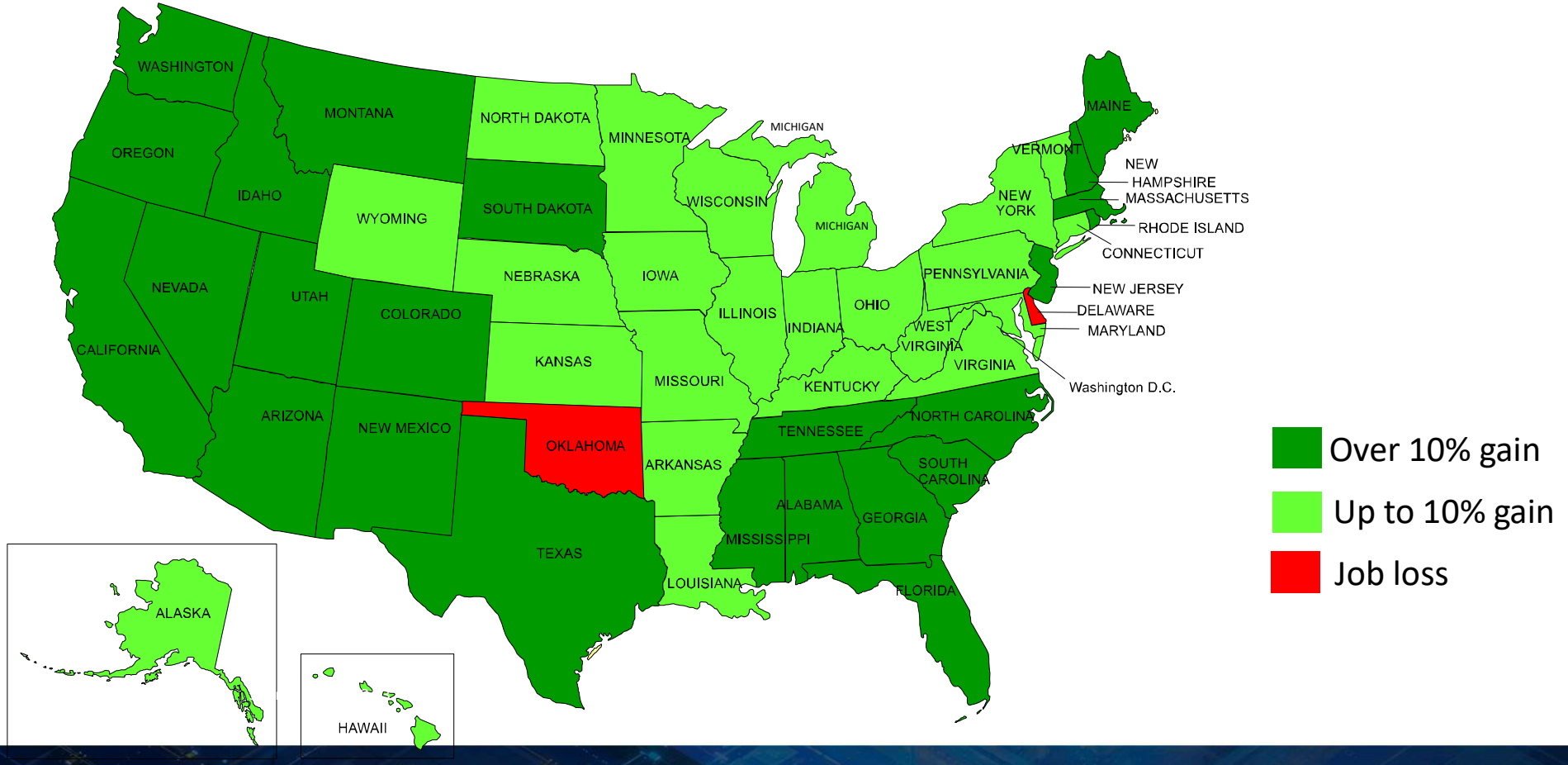
Infrastructure

Water
Transportation
Broadband
Power
Housing
Childcare

Innovation

R&D
Automation
Patents
Advanced Industries
Start-up Ecosystem

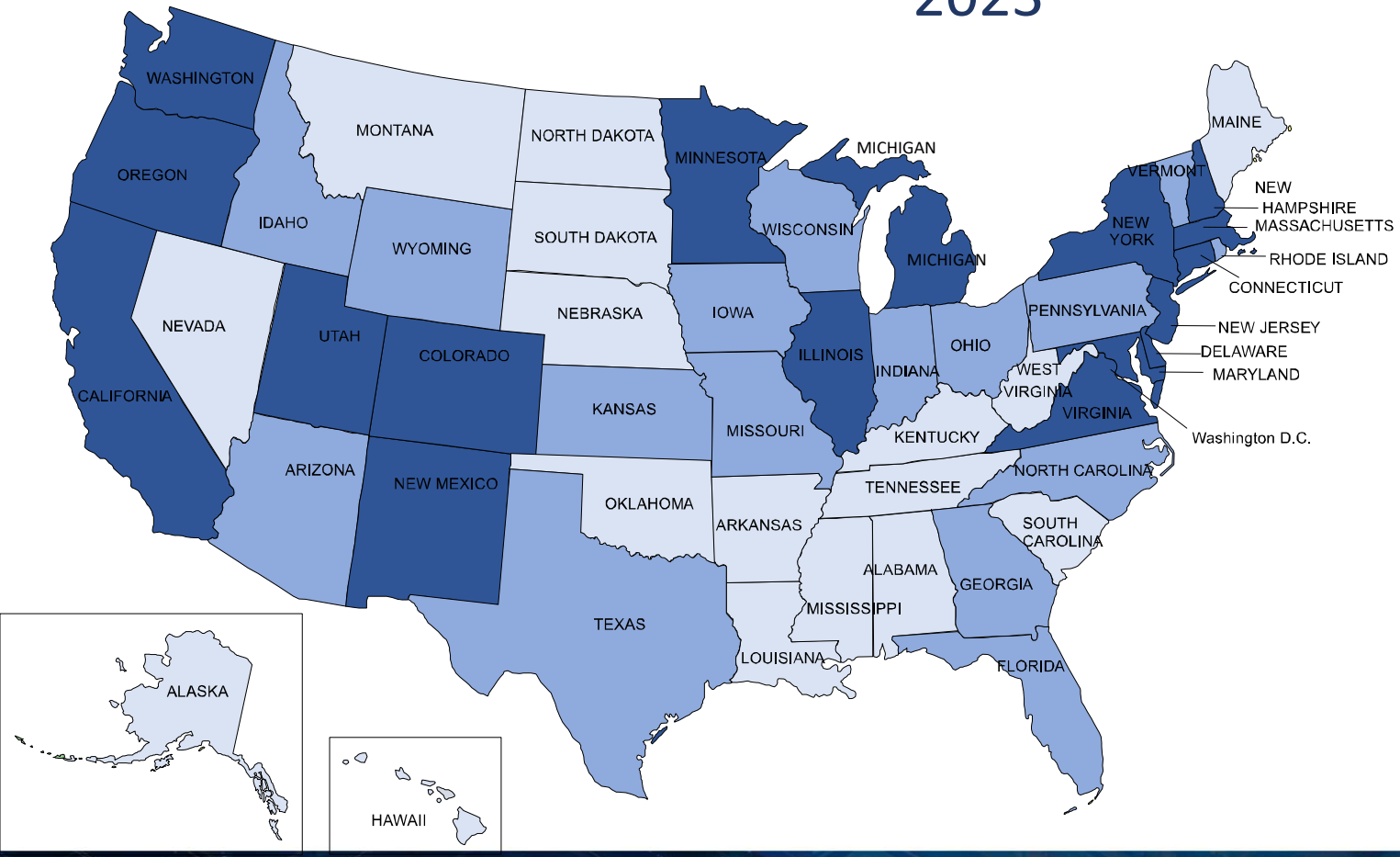
Percentage Change Advanced Industry Jobs 2018-2023



Source: Lightcast 2024.3

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Information Technology and Innovation Foundation Innovation Rankings 2023



- Lowest Third #34 - #50
- Middle Third #18 - #33
- Highest Third #1 - #17

Source: Information Technology & Innovation Foundation, September 2023

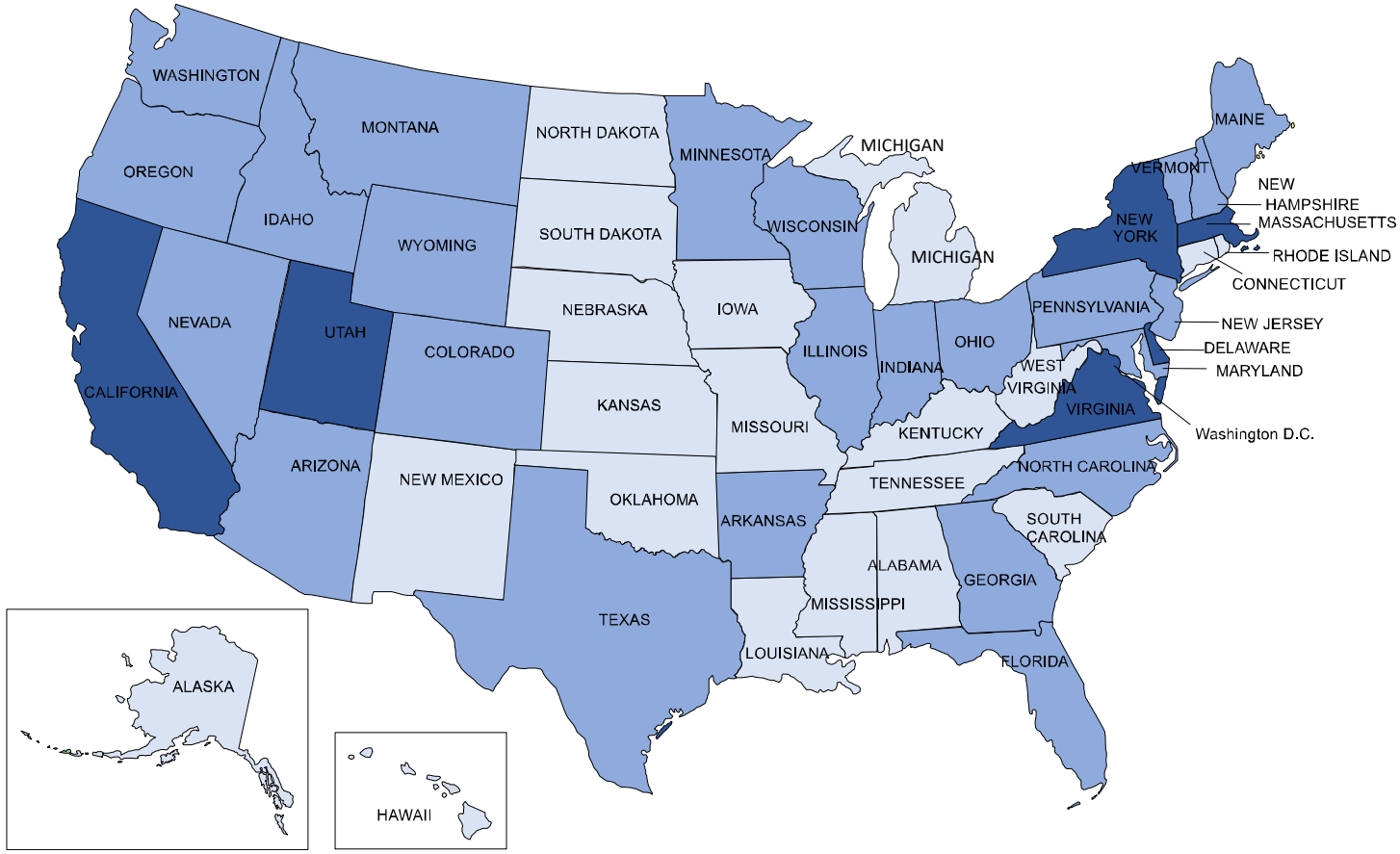
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Tech Startups per 100,000 Profiles

Over 3 per 100,000

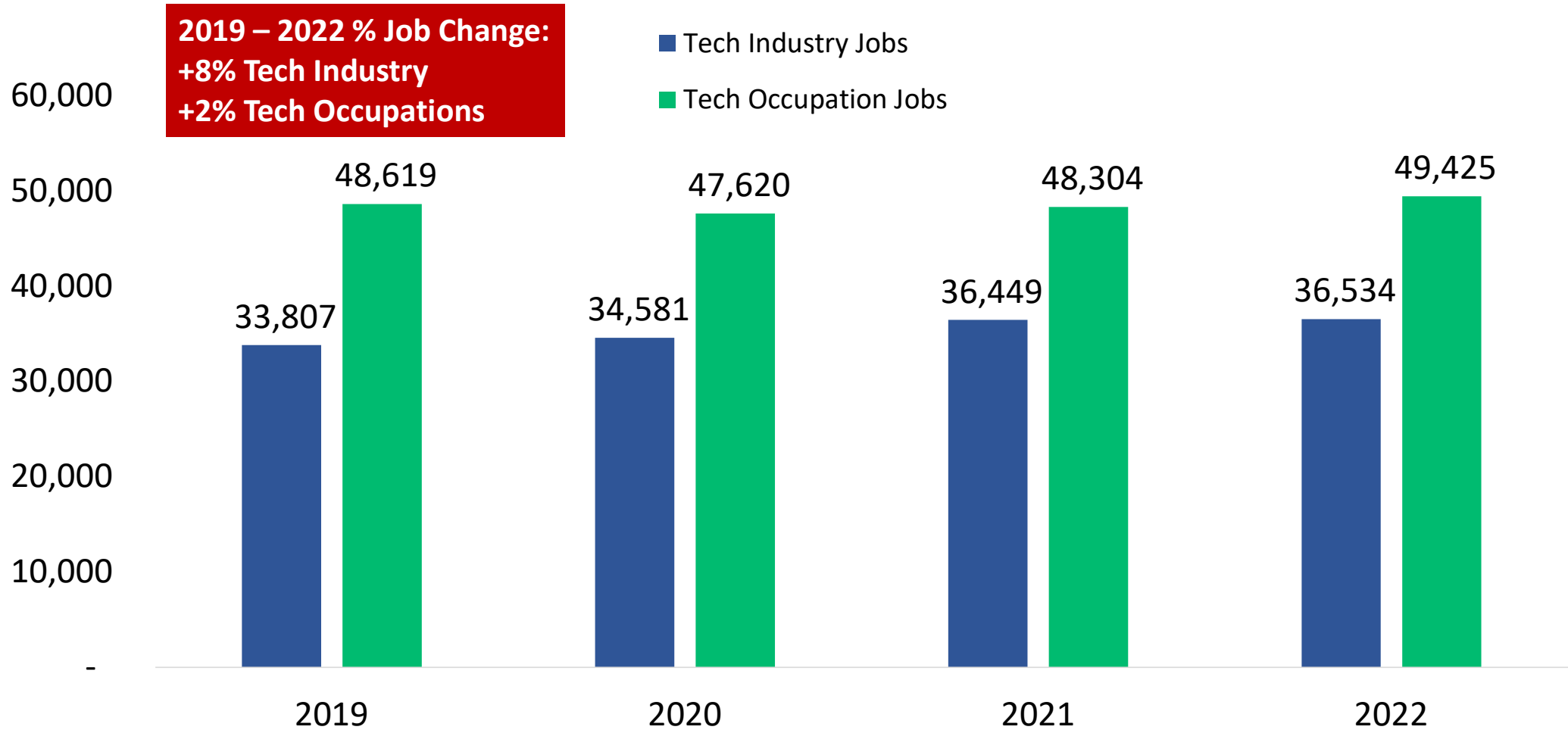
1 to 3 per 100,000

Under 1 per 100,000



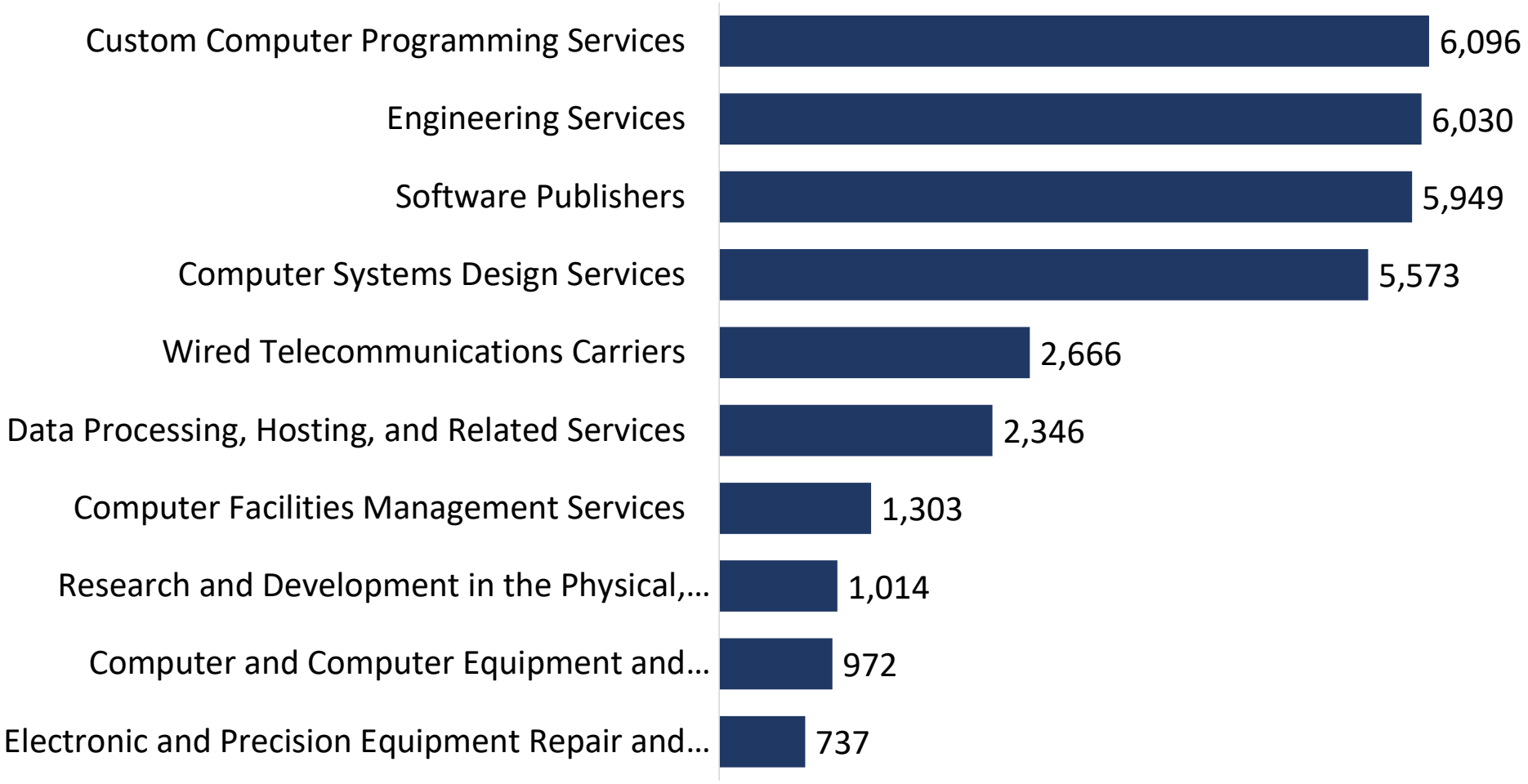
Source: Gad Levanon, Chief Economist, Burning Glass Institute via LinkedIn

Nebraska Technology Sector Over Time



Source: Nebraska Tech Collaborative (2024)

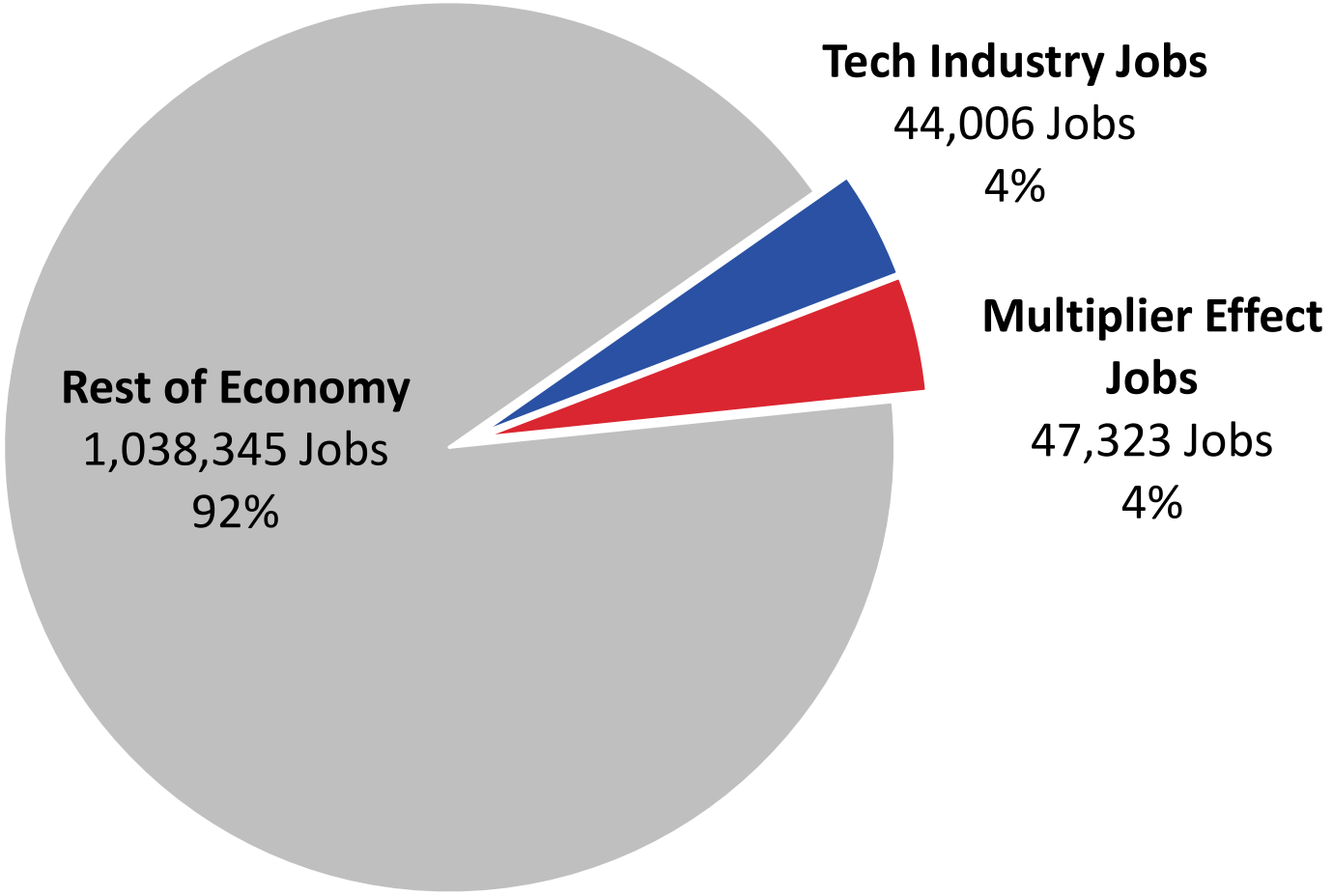
Top Nebraska Tech Industries by Employment, 2022



Source: Nebraska Tech Collaborative (2024)

Economic Impact of the Tech Industry in Nebraska

A single job in the tech sector supports an additional 1.08 jobs elsewhere in the state's economy, creating ~2 jobs total.



Source: EL calculations based on Nebraska Tech Collaborative (2024), BLS (2024), and US Census Bureau (2024)

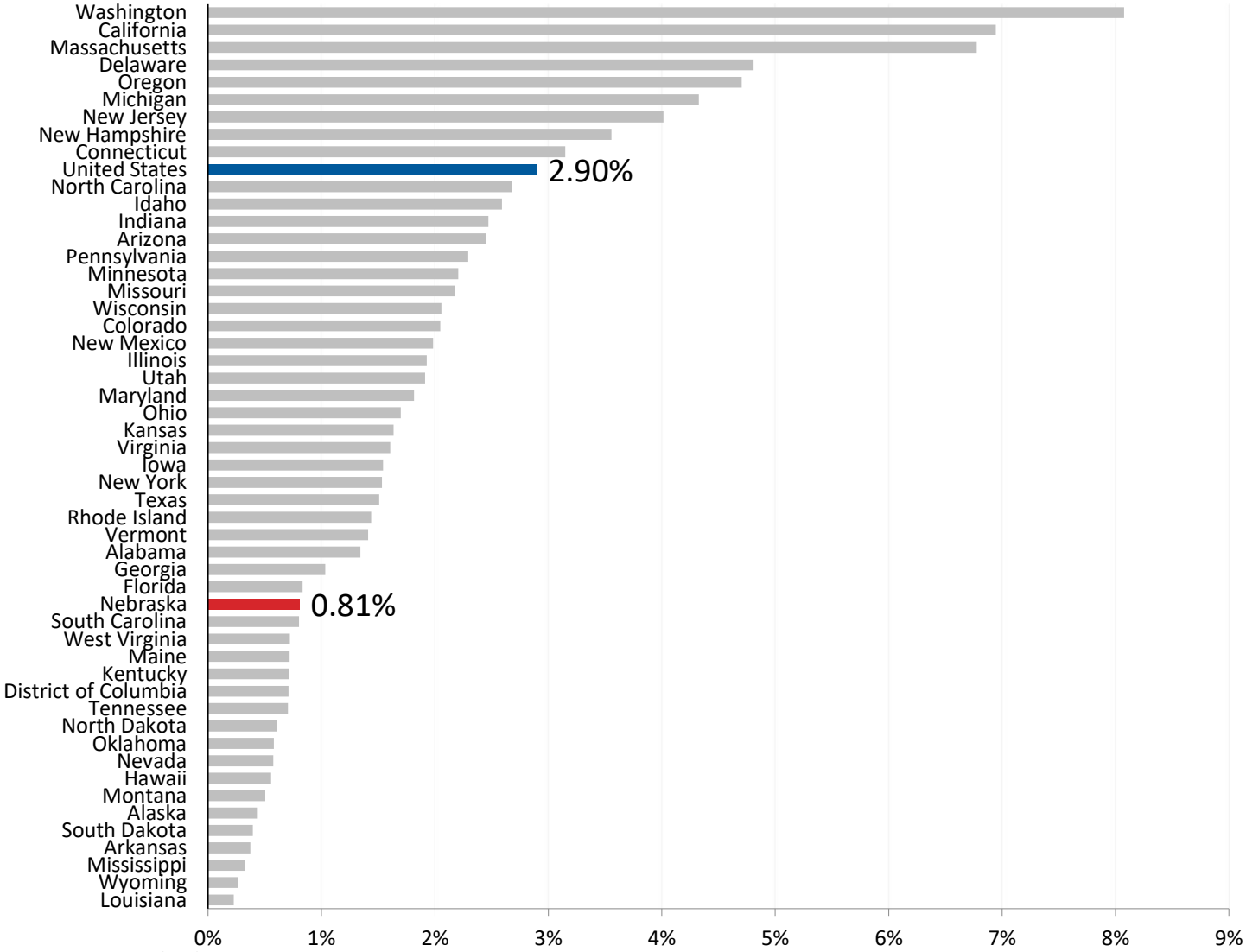
There are opportunities to increase funding



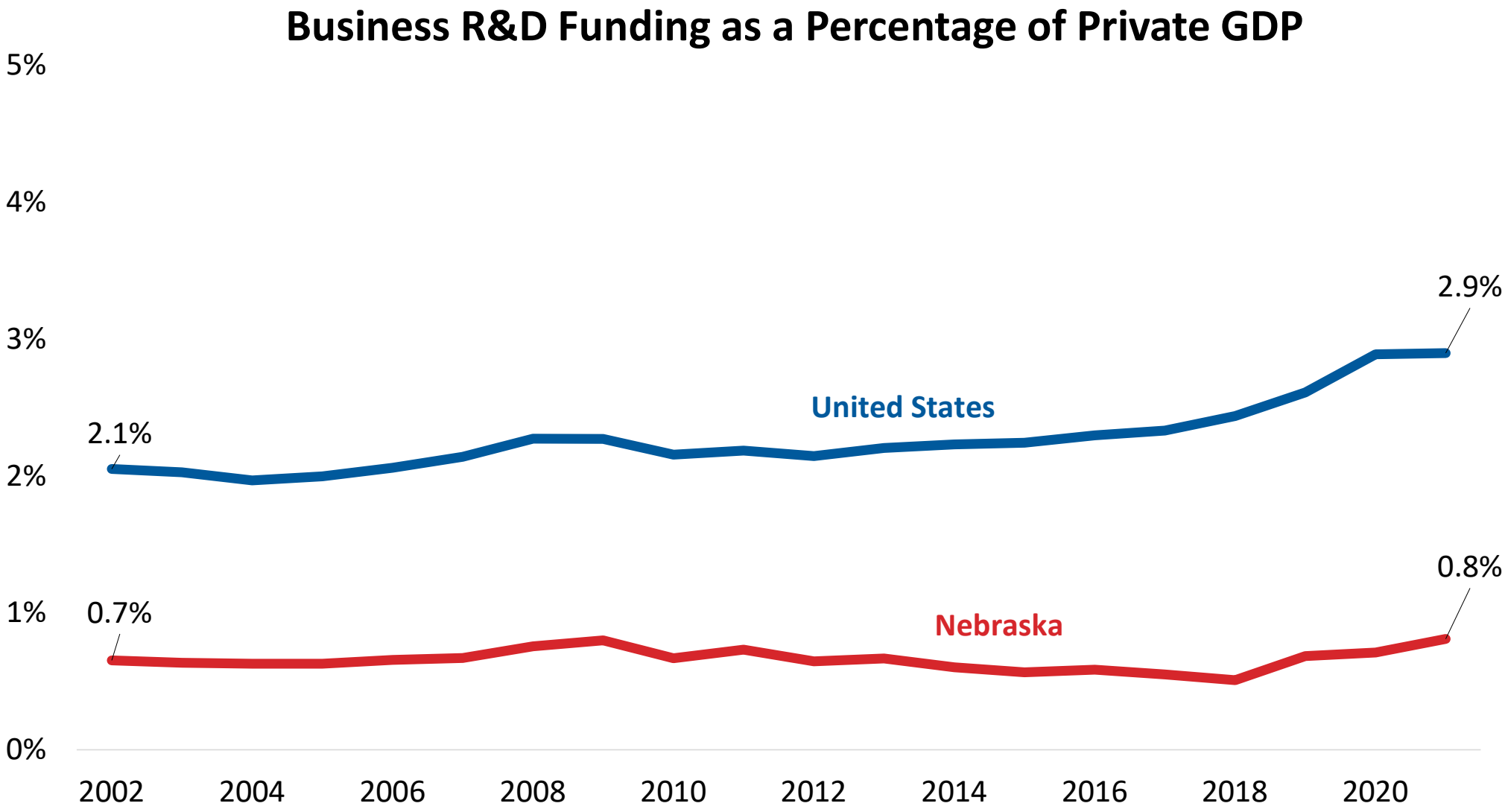
Funding Source	Nebraska Ranking
Federal	48th
Business	34th
Academic	22nd
State	6th
TOTAL R&D	**35th**

NE Ranks 34th

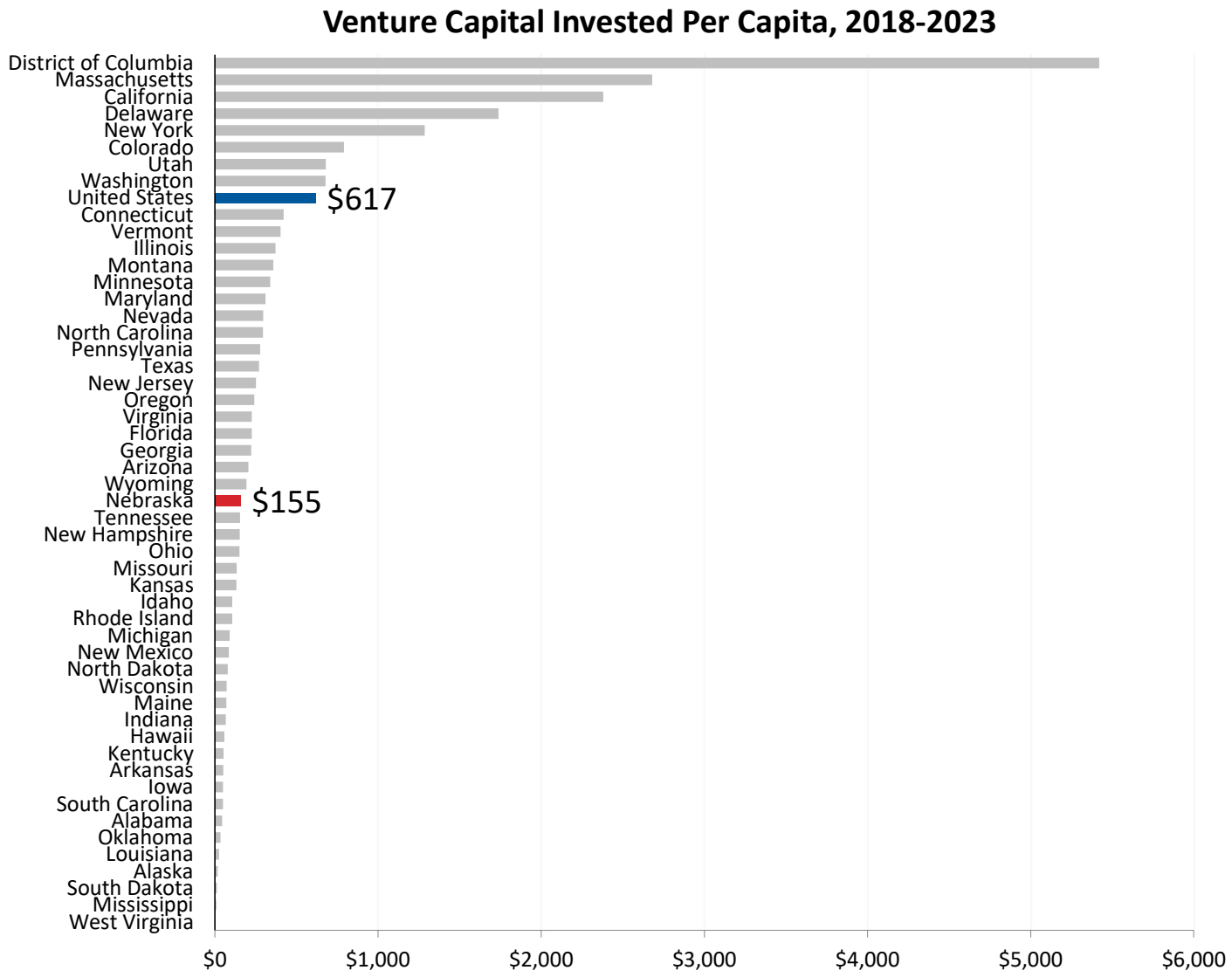
Business R&D Funding as a Percentage of Private GDP, 2021



Source: National Science Foundation (2024)

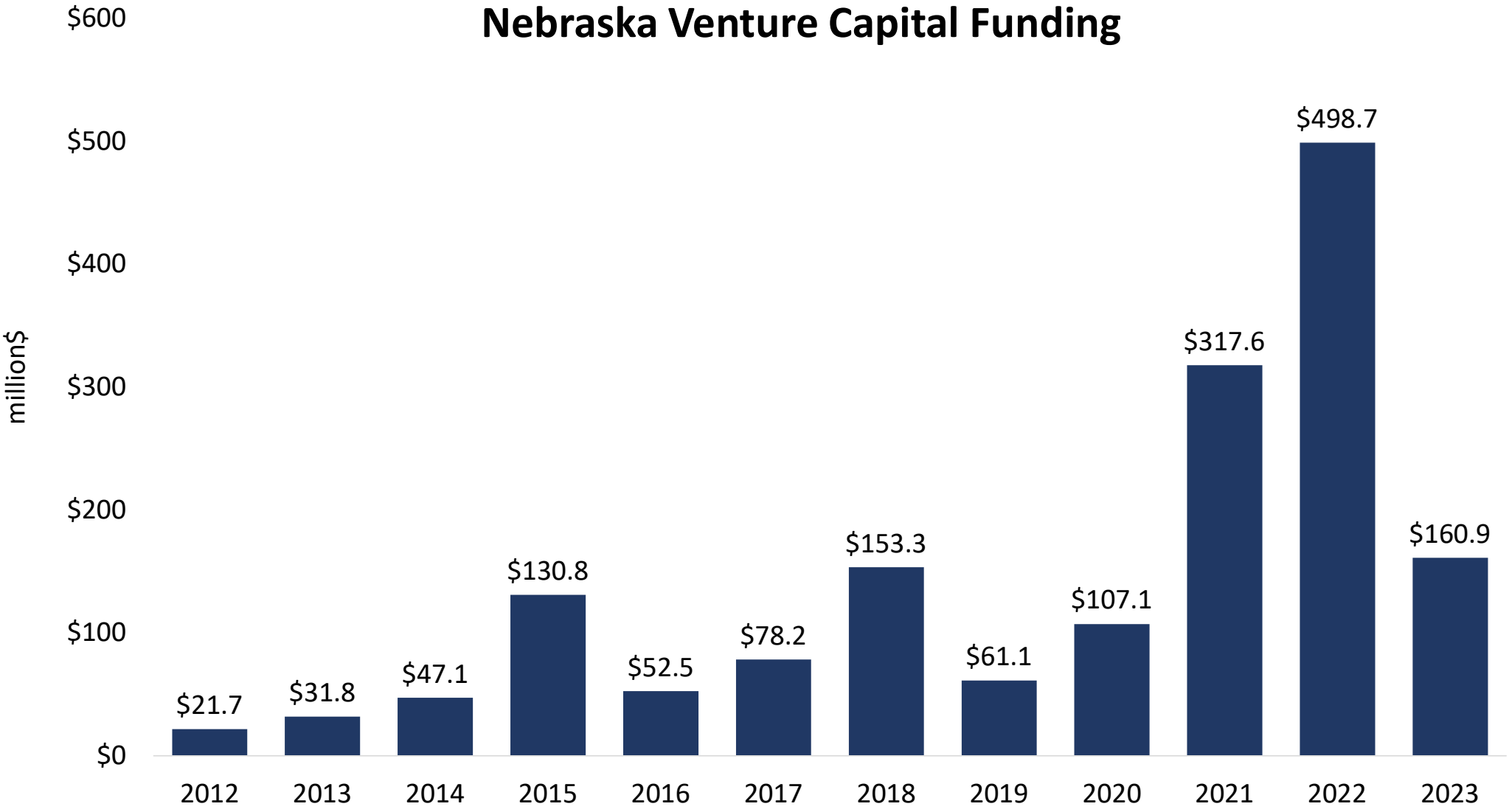

Business R&D Funding as a Percentage of Private GDP
5%
4%
3%
2%
1%
0%
2.9%
United States
2.1%
0.8%
Nebraska
0.7%
2002
2004
2006
2008
2010
2012
2014
2016
2018
2020

NE Ranks 25th

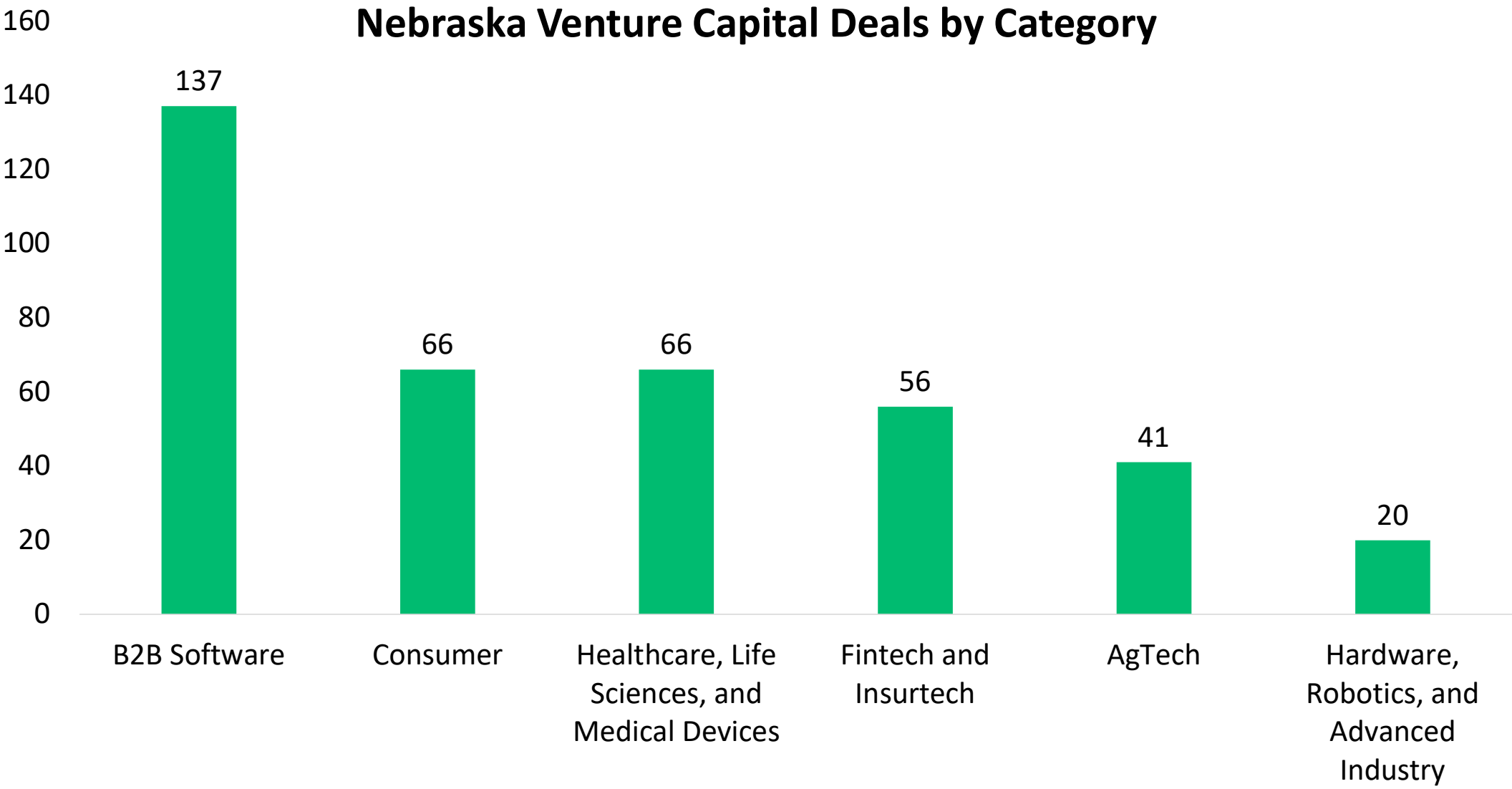


Source: National Venture Capital Association (2024) and BEA (2024)

Nebraska Venture Capital Funding

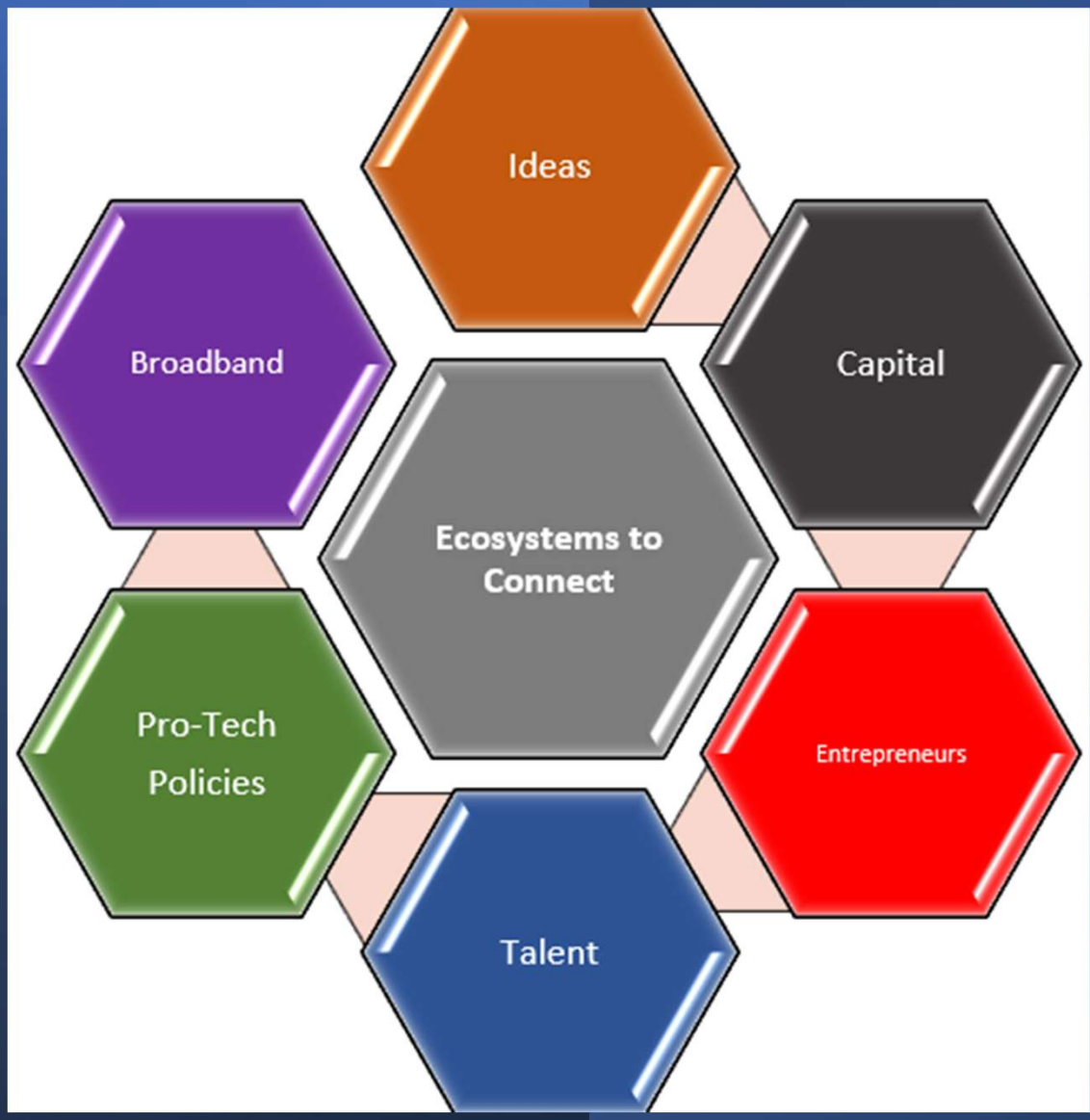


Source: Invest Nebraska (2024)



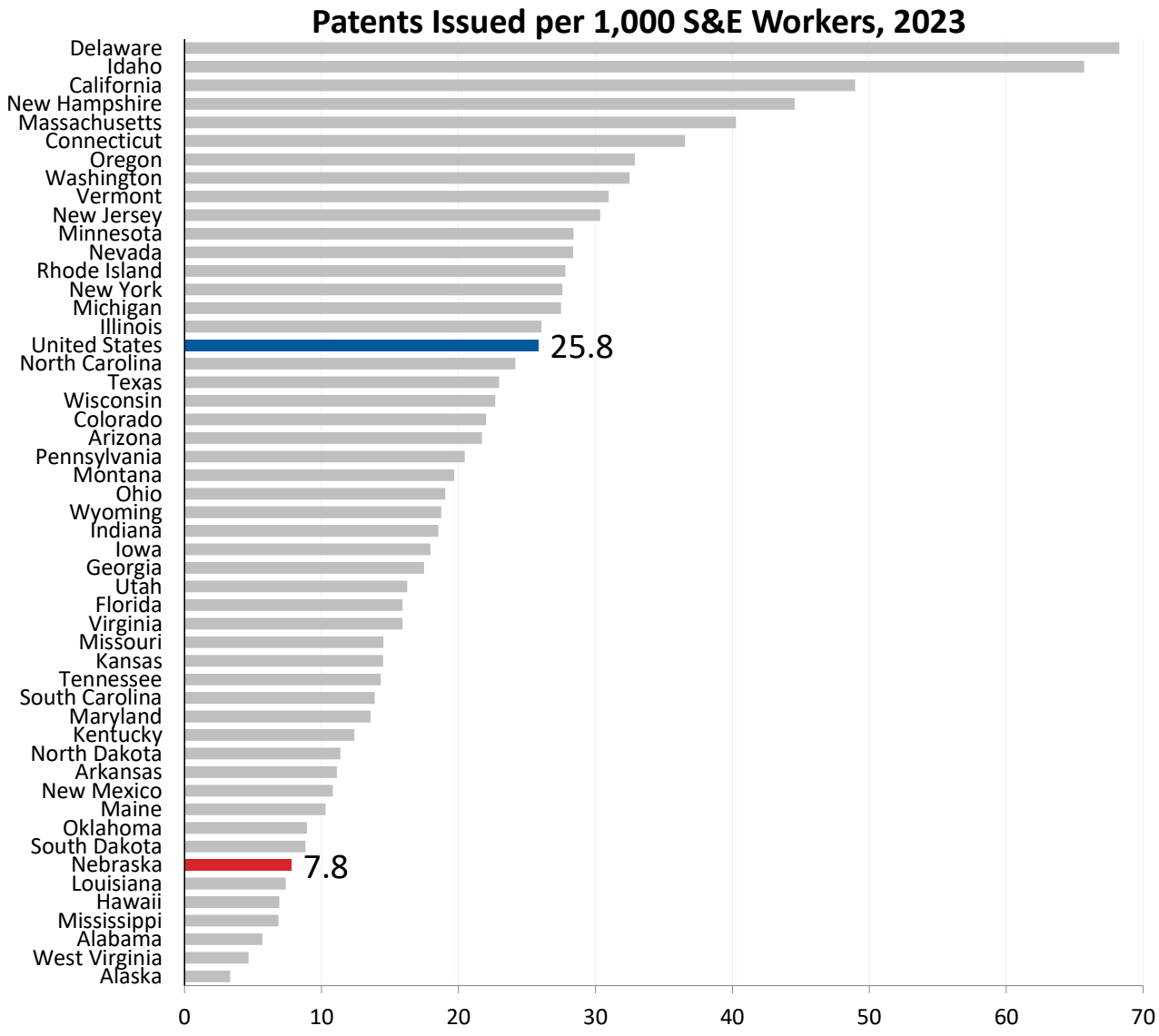
Source: Invest Nebraska (2024)

Six Key Drivers of a Successful Technology Sector





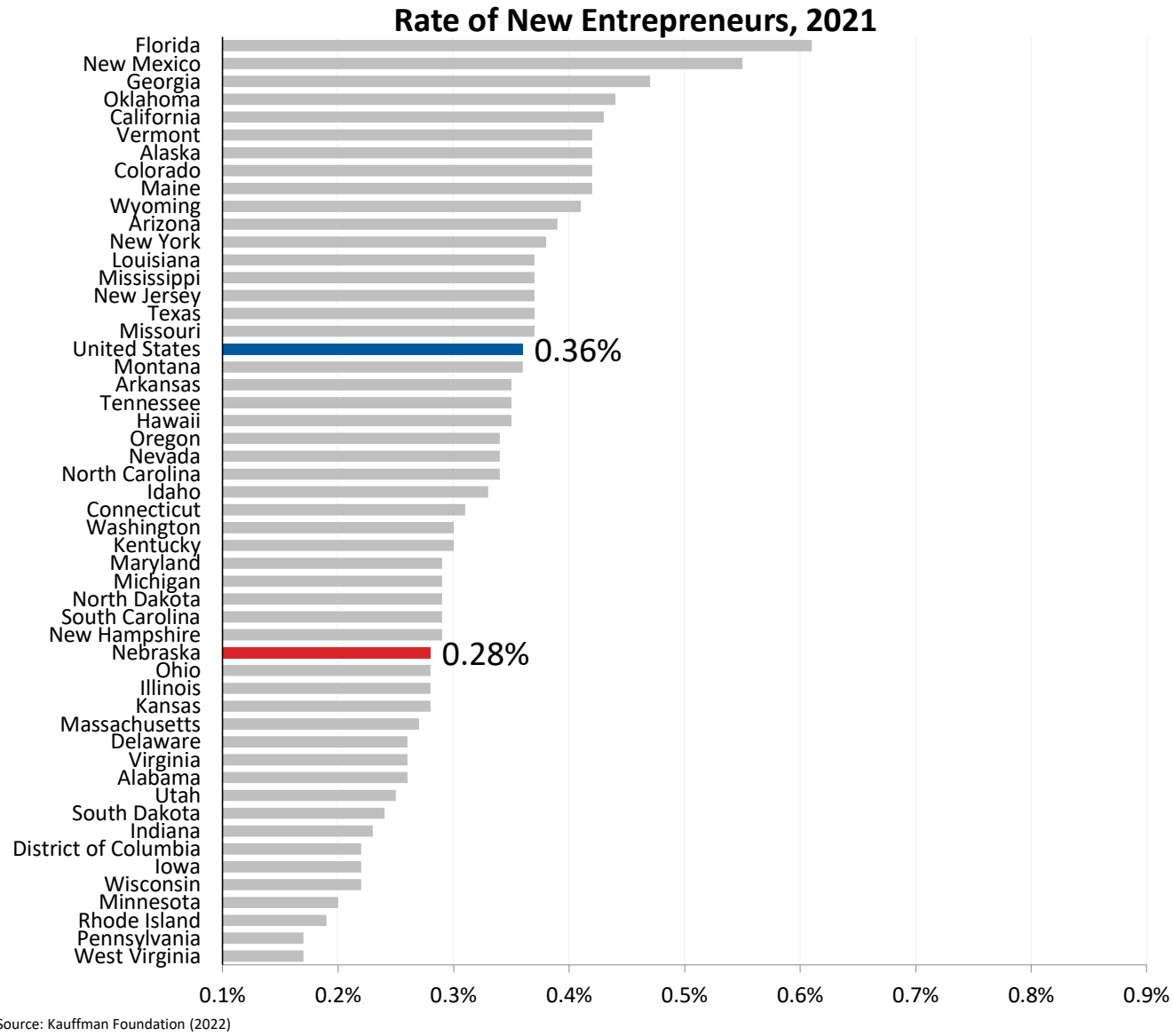
NE Ranks
44th



Source: US Patent and Trademark Office and Lightcast 2024.2

NE Ranks 34th



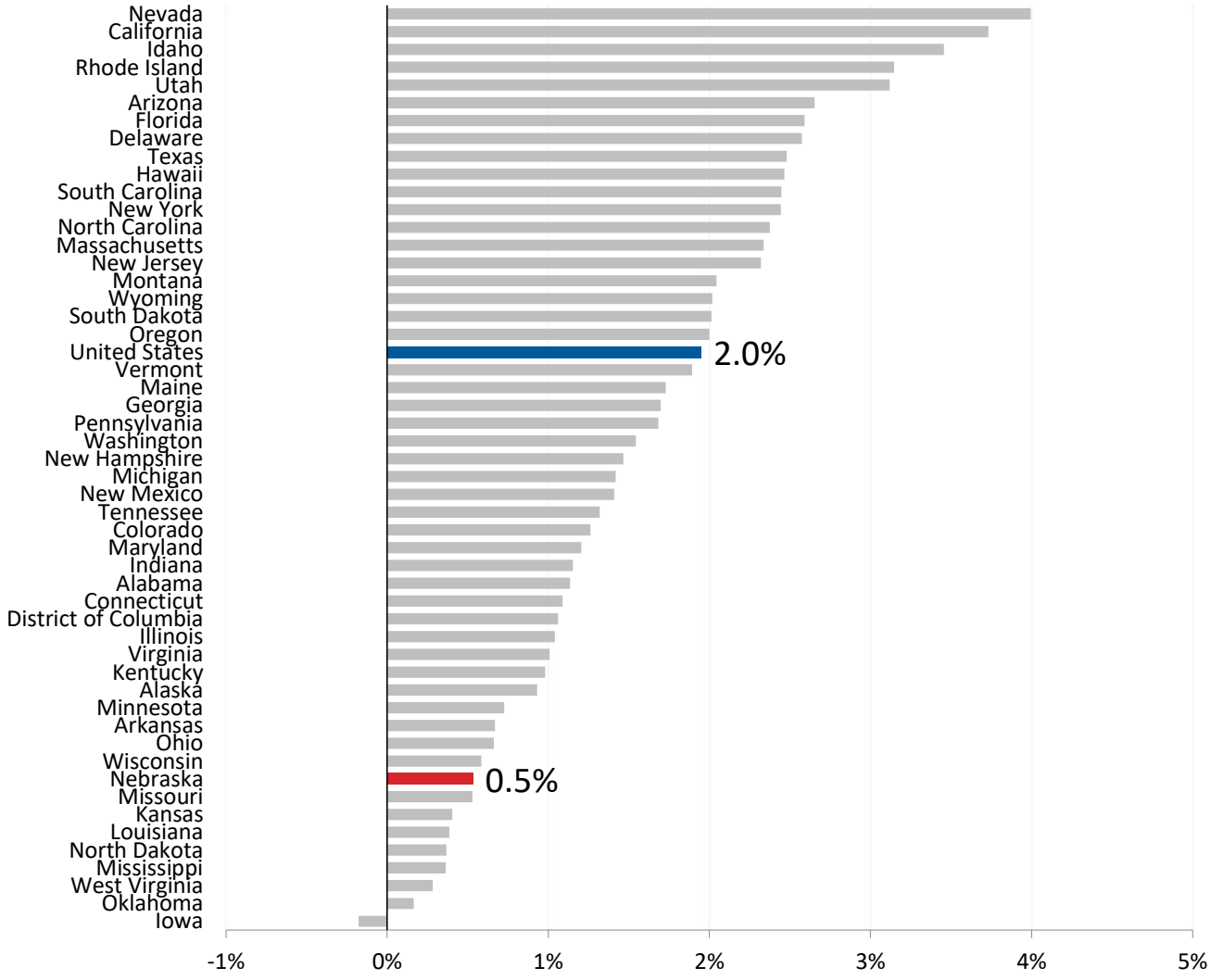


Source: Kauffman Foundation (2022)

NE Ranks 42nd



Business Opening Rate Vs. Closing Rate, 2022

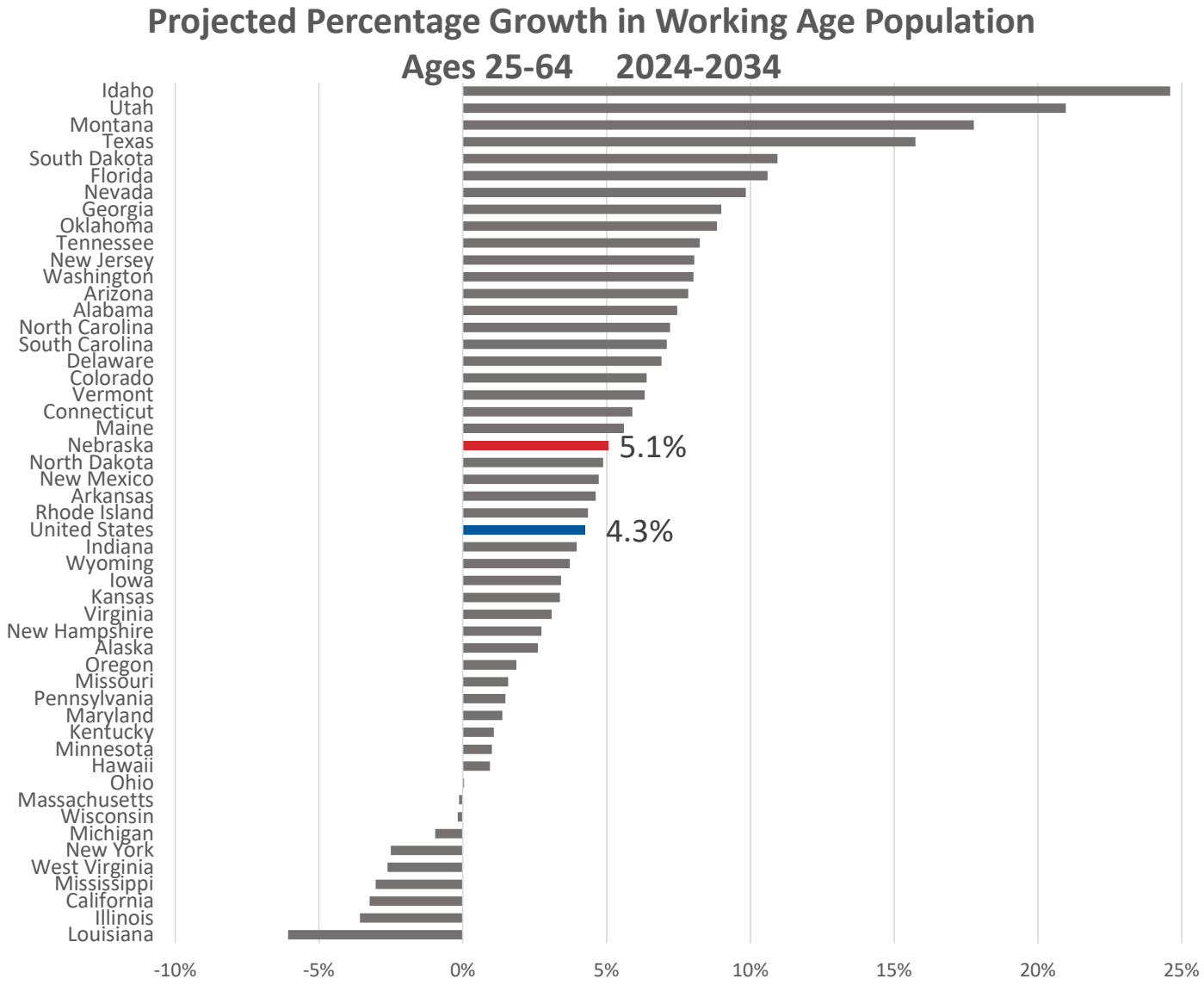


Source: US Census Bureau (2024)


Workforce continues to be a throttle on growth across the country
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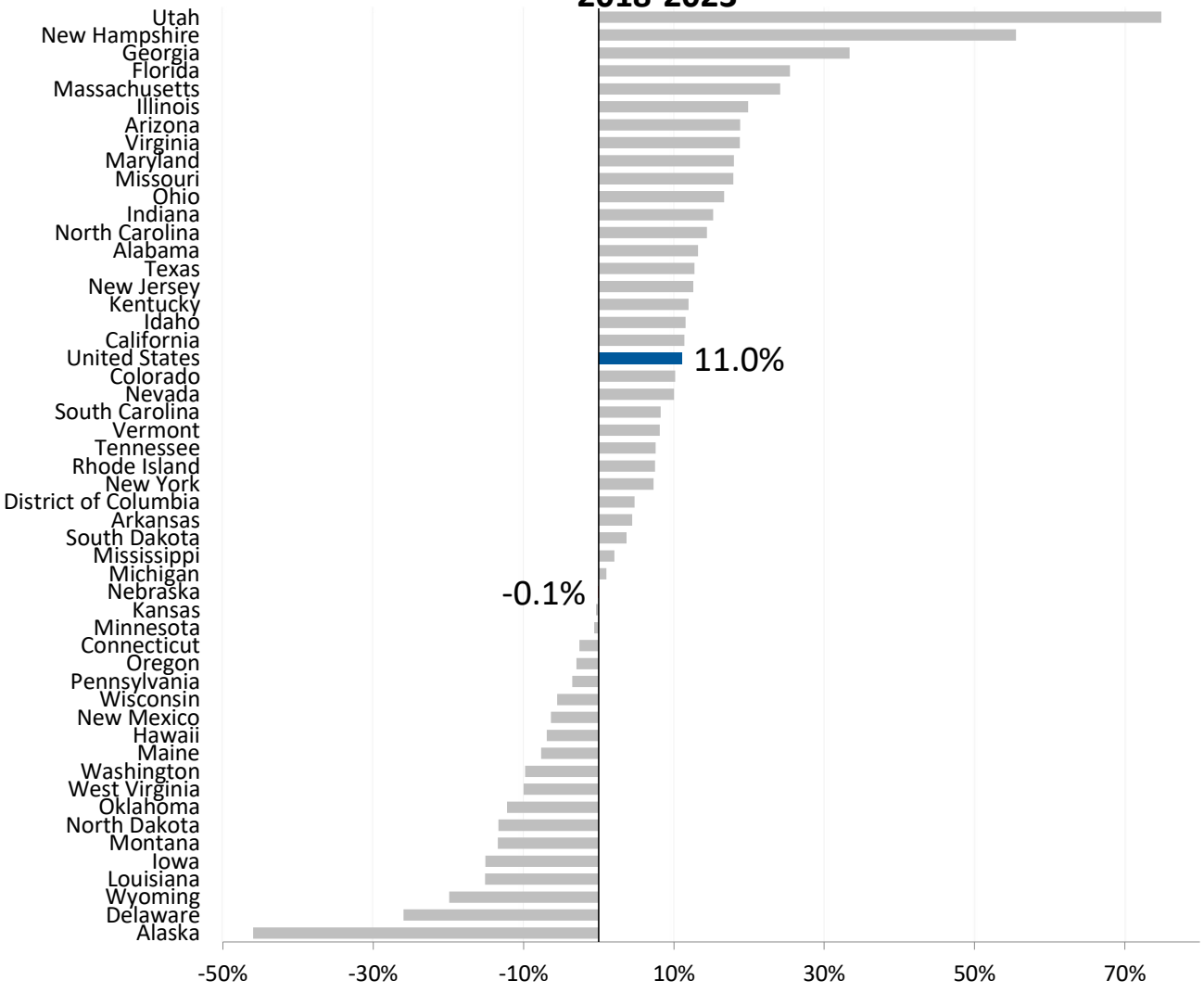
NE Ranks
21st



NE Ranks 31st

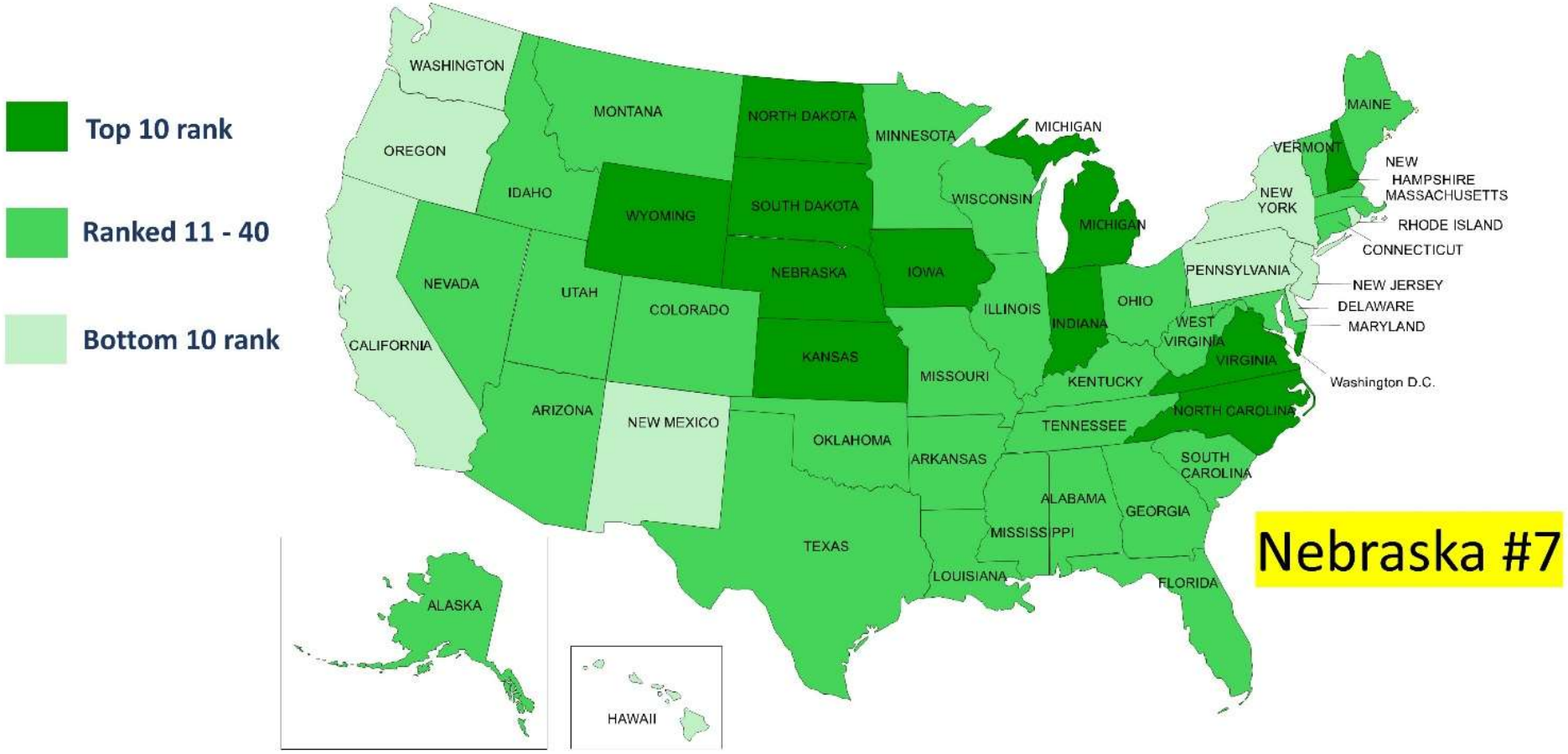


Percent Change in STEM Education Program Completions, 2018-2023



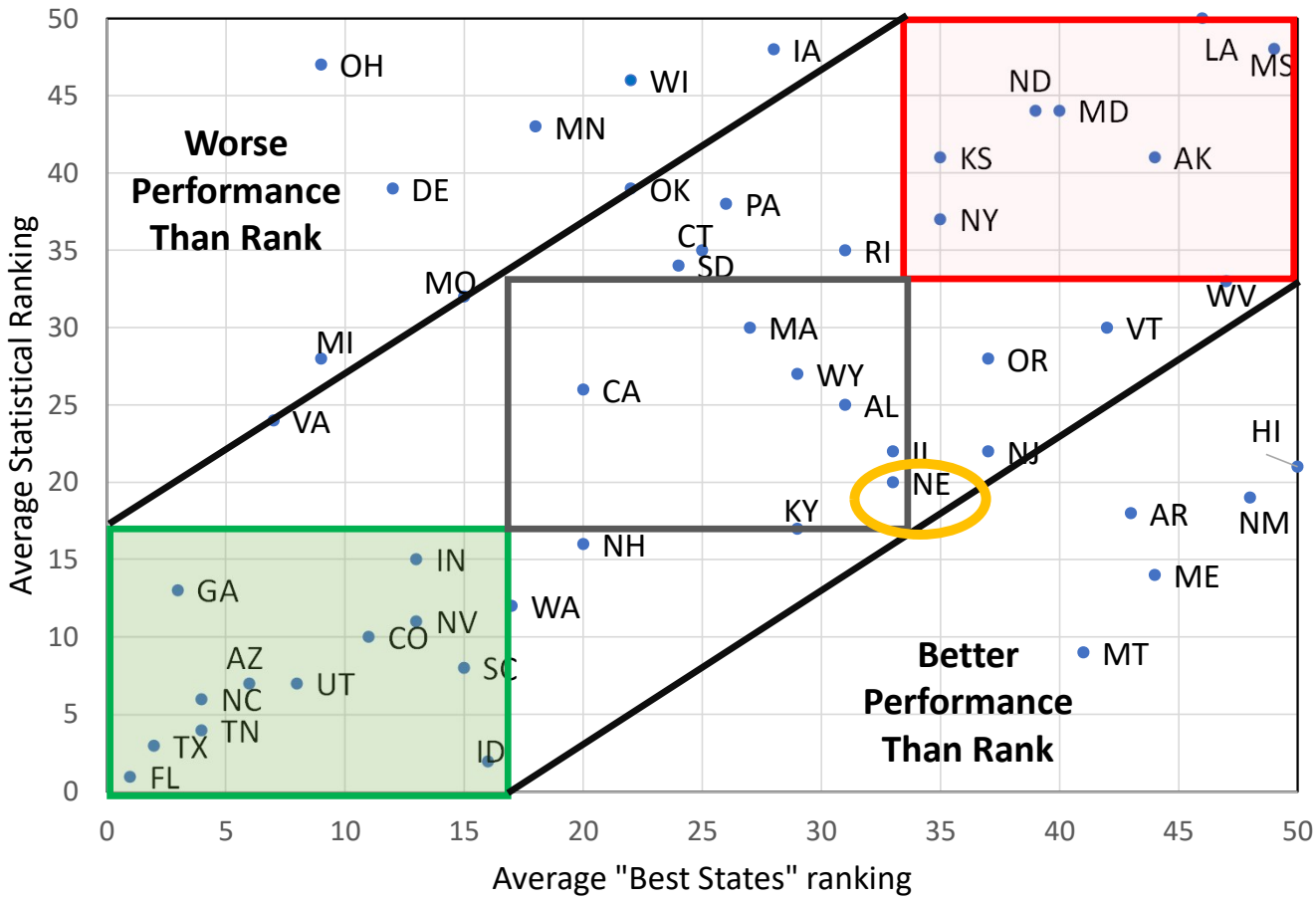
Source: EL calculations based on Lightcast 2024.3

“Business Friendliness” Ranking 2024



Nebraska #7

Rankings and Performance



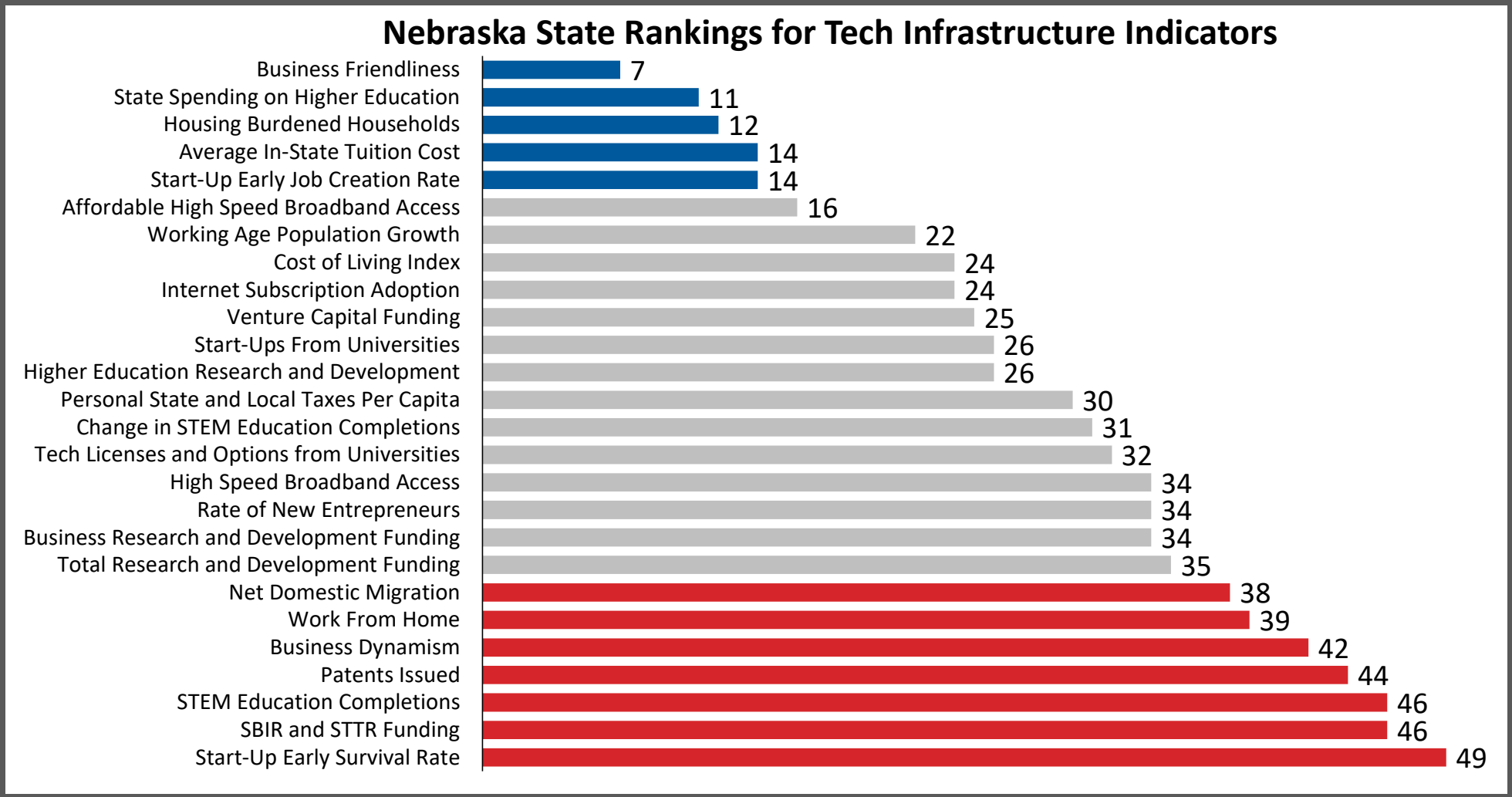
States By Average Ranks by Forbes, CNBC, and Chief Executive

US News Business Environment released 5/15/24; CNBC released 7/11/24; Chief Executive released 4/24/24

Plotted Against

Actual Performance for Job Growth, Wage Growth and Growth in GDP

3 years 2020-2023 Jobs & Wages: BLS QCEW annual; GDP: BEA


Nebraska State Rankings for Tech Infrastructure Indicators
Business Friendliness 7
State Spending on Higher Education 11
Housing Burdened Households 12
Average In-State Tuition Cost 14
Start-Up Early Job Creation Rate 14
Affordable High Speed Broadband Access 16
Working Age Population Growth 22
Cost of Living Index 24
Internet Subscription Adoption 24
Venture Capital Funding 25
Start-Ups From Universities 26
Higher Education Research and Development 26
Personal State and Local Taxes Per Capita 30
Change in STEM Education Completions 31
Tech Licenses and Options from Universities 32
High Speed Broadband Access 34
Rate of New Entrepreneurs 34
Business Research and Development Funding 34
Total Research and Development Funding 35
Net Domestic Migration 38
Work From Home 39
Business Dynamism 42
Patents Issued 44
STEM Education Completions 46
SBIR and STTR Funding 46
Start-Up Early Survival Rate 49

Recommendations

- More aggressive R&D tax credit
- Promote In-State Tech Manufacturing and Business Automation by Creating a Tax Incentive for investment in New Technology
- Sponsor a competition to generate new ideas from young people
- Support increased federal and state research funding to university centers
- Increase capital funding for tech companies (particularly middle-stage companies)
- Promote awareness of existing resources to improve entrepreneurial ecosystems
- Build on The Good Life campaign to recruit and retain tech talent
- Elevate Nebraska's Innovation Campus to catalyze the sector
- Promote awareness of SourceLink Nebraska
- Connect more Nebraska college students with internships
- Develop a Governor's Innovation Council
- Establish a "tech caucus" in the legislature

Thank you!

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