



PENFED[®]
Foundation



**VETERAN ENTREPRENEUR
INVESTMENT PROGRAM**

**TOP US CITIES FOR
VETERAN
ENTREPRENEURS**

November 2019

OBJECTIVE

PenFed partnered with Edelman Intelligence in order to develop a list of top cities for Veteran Entrepreneurship that utilized quantitative data to measure the different areas that would affect the aspects involved in Veteran Entrepreneurship.

METHODOLOGY

Edelman Intelligence (EI) collected a robust set of quantitative data from existing PenFed partner and openly available data sources to paint the full picture of veteran support, city characteristics and entrepreneurship ability across the US and rank US Metropolitan areas (MSAs) by these characteristics. Using a custom scoring algorithm, EI highlighted the MSAs that are the best places for Veteran Entrepreneurship.



OUR DATA

20+ Data Sources*

- Government Databases (ex. BLS)
- Census Information
- Private Foundations (ex. Kauffman)
- NAVSO and VA

100% Quantitative Data

390 Metropolitan Statistical Areas (MSAs) Analyzed**

SCALED Data collection by scraping open source data on veteran support networks across the web

SCORING APPROACH

4 Main categories evaluated

- Livability
- Economic Growth
- Support for Veterans
- Ability to start a business

7-11 Weighted factors in each category*

NORMALIZED Data to account for differences in data sources

TRANSFORMED Data to eliminate any bias within the dataset

*Full lists can be found in the appendix

**Top 100 can be found in the appendix



KEY FACTORS THAT AFFECT VETERAN ENTREPRENEURSHIP*

LIVABILITY

1. Change in Standard of Living
2. Park Score
3. Public Transit Rank
4. Food/Drinking Establishments per Capita
5. Health Establishments per Capita
6. Best Schools
7. Regional Price Parities

GROWING ECONOMY

1. Change in Employment Rate
2. Job Growth
3. Productivity Growth
4. Change in Median Earnings
5. Number of New Businesses
6. Spouse Unemployment %
7. GDP per Capita

SUPPORT FOR VETERANS

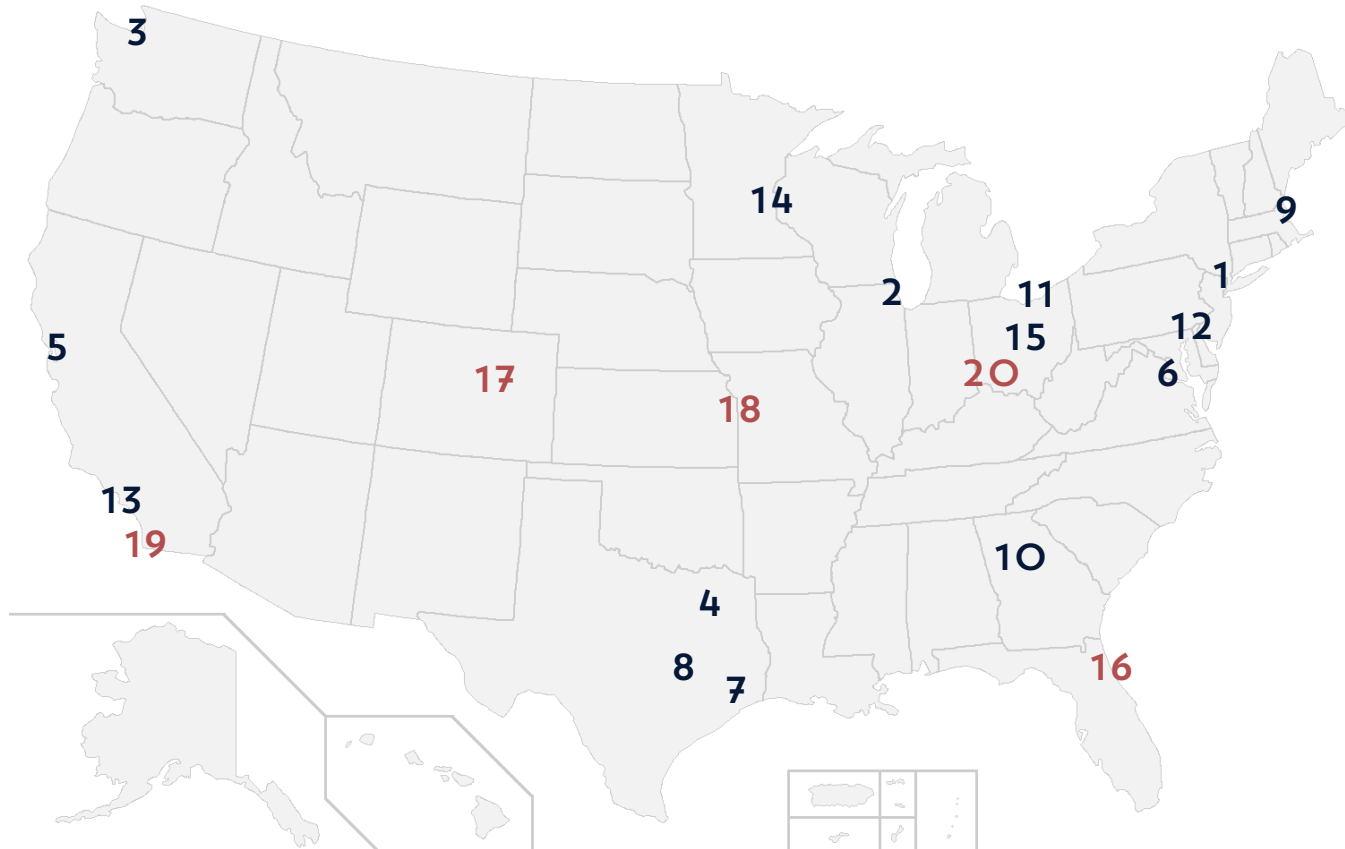
1. Places with Veteran Support Groups
2. Veteran Unemployment Rate
3. VA Expenditures per Veteran
4. VA Medical Care Expenditures
5. VA Accredited Attorneys
6. Number of Student Veterans on the GI Bill
7. Veteran Concentration in Cities
8. National Veteran Associations
9. Local Veteran Associations

ABILITY TO START A BUSINESS

1. Top Corp. Income Tax Rate
2. VC Investment
3. Veteran Entrepreneurs
4. Incubators
5. Rate of new Entrepreneurs
6. Opportunity Entrepreneurship Share
7. Survival Rate
8. Kauffman Index
9. Share of Coworking Space
10. Most Educated Labor Force
11. Veteran-focused Incubators

*Full list with descriptions and weights can be found in the appendix

★ TOP 20 CITIES



1	New York – Newark – Jersey City	36.7
2	Chicago – Naperville – Elgin	30.5
3	Seattle – Tacoma – Bellevue	30.2
4	Dallas – Fort Worth – Arlington	29.8
5	San Francisco – Oakland – Hayward	29.7
6	Washington – Arlington – Alexandria	29.6
7	Houston – The Woodlands – Sugar Land	29.3
8	Austin – Round Rock	28.9
9	Boston – Cambridge – Newton	28.9
10	Atlanta – Sandy Springs – Roswell	28.4
11	Cleveland – Elyria	28.3
12	Philadelphia – Camden – Wilmington	28.2
13	Los Angeles – Long Beach – Anaheim	28.2
14	Minneapolis – St. Paul – Bloomington	28.1
15	Columbus	27.9
16	Jacksonville	27.4
17	Denver – Aurora – Lakewood	27.1
18	Kansas City	27.1
19	San Diego – Carlsbad	27.0
20	Cincinnati	27.0

EDELMAN INTELLIGENCE / PENFED CREDIT UNION

Please note that scores are weighted averages of the categories & subcategories described on the previous slide and each city's score within each subcategory

Key

-- Top City

-- Emerging City

TOP 5 FOR EACH MAJOR CATEGORY



LIVABILITY

- 1 El Paso, TX Metro Area
- 2 Laredo, TX Metro Area
- 3 Beckley, WV Metro Area
- 4 San Diego-Carlsbad, CA Metro Area
- 5 Toledo, OH Metro Area



GROWING ECONOMY

- 1 Midland, TX Metro Area
- 2 Odessa, TX Metro Area
- 3 Greeley, CO Metro Area
- 4 Napa, CA Metro Area
- 5 Rochester, MN Metro Area



SUPPORT FOR VETERANS

- 1 New York-Newark-Jersey City, NY-NJ-PA Metro Area
- 2 Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area
- 3 Chicago-Naperville-Elgin, IL-IN-WI Metro Area
- 4 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area
- 5 Los Angeles-Long Beach-Anaheim, CA Metro Area



ABILITY TO START A BUSINESS

- 1 San Francisco-Oakland-Hayward, CA Metro Area
- 2 Cleveland-Elyria, OH Metro Area
- 3 Seattle-Tacoma-Bellevue, WA Metro Area
- 4 Columbus, OH Metro Area
- 5 Jacksonville, FL Metro Area

MAIN DRIVERS OF SUCCESS

Within each category, the cities that performed best tended to have:



LIVABILITY

1. Have a relatively cheap cost of living
2. Have a good public transit system
3. Have an increased standard of living YoY



GROWING ECONOMY

1. Have a high employment rate
2. Have a high GDP per capita
3. Have high median earnings



SUPPORT FOR VETERANS

1. Have a plethora of support groups and associations for Veterans
2. Have a high veteran population
3. Have a low veteran unemployment rate



ABILITY TO START A BUSINESS

1. Have a low corporate income tax
2. Have multiple incubators
3. Have a highly educated workforce



EMERGING CITIES

	<u>CITY</u>	<u>STRENGTHS</u>	<u>OPPORTUNITIES</u>
1	JACKSONVILLE, FL METRO AREA	Share of Entrepreneurs & Low Vet Unemployment	VA Expenditures & New Company Survival Rate
2	DENVER-AURORA, CO METRO AREA	High Employment & Median Earnings	Lack of New Entrepreneurs & VA Support Groups
3	KANSAS CITY, MO-KS METRO AREA	High Veteran employment & Spouse Employment	Lack of New Business & Veterans Associations
4	SAN DIEGO - CARLSBAD, CA METRO AREA	Level of VC Investment & Low Cost of Living	Lack of Incubators & High Income Tax
5	CINCINNATI, OH-KY-IN METRO AREA	Low Income Tax & Veterans Associations	Low Veteran Population & Rate of new Entrepreneurs



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