

SIXTEENTH ANNUAL EDITION



2020 MICHIGAN ENTREPRENEURSHIP SCORE CARD



Michigan Celebrates
Small Business

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Entrepreneurial Climate	41	33	34	28	18	29	23	22	19	17	22
Entrepreneurial Change	47	42	33	10	6	13	29	34	31	23	26
Entrepreneurial Vitality	43	33	38	34	13	27	31	29	33	35	36

CLIMATE: The factors that support the entrepreneurial economy

CHANGE The direction and momentum of growth in the entrepreneurial economy

VITALITY The level of entrepreneurial/small business activity as a share of a state's total business economy

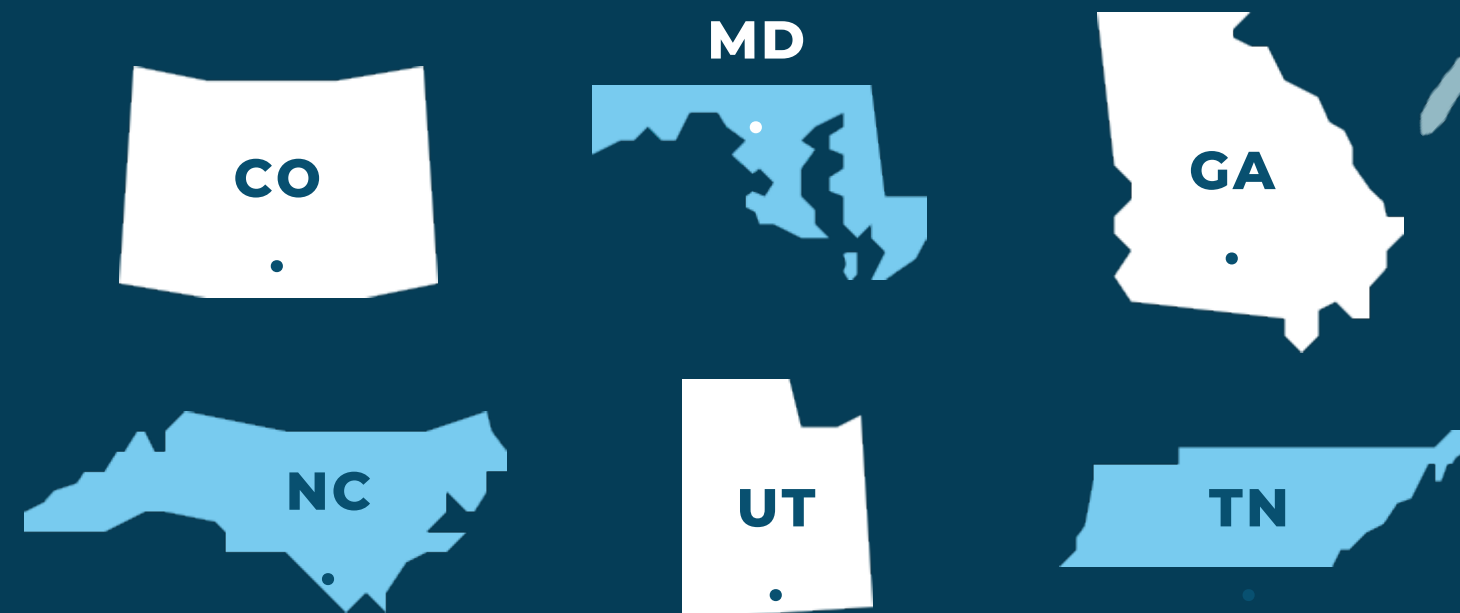
What will it take to put Michigan in the Top

10?

Michigan has been stuck in the middle rankings for the past five years. This scorecard data can shed light on what the leading Entrepreneurial states were doing to shed light on how Michigan should rebuild the post COVID-19 world.

Lets take a look at 6 states that :

- **Are in the Top 15 states for Entrepreneurial Change**
- **Underwent dramatic improvements from Bottom Ten to Top Ten rankings**
- **Have economies roughly similar to Michigan's in size and make up and do not have hard-to-repeat factors like abundance of natural resources**



1. No one small number of policy 'silver bullets'. Each state shows different economic "secondary drivers" that directly or indirectly supported state success.
2. Workforce, Education and Productivity are major drivers of entrepreneurial economy success in Colorado, Maryland and Utah.
3. In contrast, above average and Top 10 Business Costs and Legal Environment rankings appear to be major contributors to solid entrepreneurial economy rankings for North Carolina and Tennessee.
4. Georgia's Score Card data suggests a more unique path. The data suggests that for Georgia other factors not fully captured by the Score Card's conventional economic development drivers are at play.

Where is Michigan currently in the

TOP 10

**#1 - PHYSICAL SCIENCE AND
ENGINEERING WORKERS**

**#2 - WORKERS' COMPENSATION
PREMIUMS**

#2 - BUSINESS TAX BURDEN

#3 - HOMEOWNERSHIP RATE

**#3 - FOREIGN BUSINESS EMPLOYMENT
GROWTH**

#4 - PATENTS PER INNOVATION WORKER

**#4 - INDUSTRY RESEARCH AND
DEVELOPMENT**

**#4 - HIGH TECH MANUFACTURING
EMPLOYMENT**

#6 - ACT SCORES (SAT SCORES - 39)

#6 - 4Y+ TECH CREDENTIALS

#6 - BUSINESS LIABILITY COSTS

**#7 - UNIVERSITY RESEARCH AND
DEVELOPMENT**

**#7 - US NEWS TOP GRADUATE
PROGRAMS**

#7 - EXPORT INTENSITY GROWTH

#8 - LACK OF HEALTH INSURANCE

#9 - VOTER TURNOUT

Where is Michigan currently in the **BOTTOM 10**

#40 - MALPRACTICE COSTS

#41 - LAW ENFORCEMENT EMPLOYEES

#41 - BRIDGE QUALITY

#41 - UNIVERSITY SPINOUT BUSINESSES

#42 - HATE CRIMES

**#42 - PUBLIC HIGH SCHOOL GRADUATION
RATES**

#43 - CULTURAL INSTITUTIONS

#43 - NEXT GENERATION INTERNET

**#44 - INCREASE IN HIGH PERFORMANCE
FIRMS**

#45 - PRIME WORKING AGE RESIDENTS

**#46 - MANUFACTURING CAPITAL INVESTMENT
GROWTH**

**#47 - UNEMPLOYMENT INSURANCE
COSTS**

**#49 - UNEMPLOYMENT INSURANCE TAX
STRUCTURE**

Where Michigan currently stands in Infrastructure

#11 - WATER SYSTEMS

#16 - AIRPORT PERFORMANCE

#20 - ENERGY RELIABILITY

#25 - RURAL INTERNET ACCESS

#28 - BROADBAND CONNECTIONS

#30 - TRANSIT USE

#31 - MAJOR MARKET AIR ACCESS

#33 - BROADBAND COVERAGE

#38 - HIGHWAY QUALITY

#41 - BRIDGE QUALITY

#43 - NEXT GENERATION INTERNET

Where Michigan currently stands in **Education**

#6 - ACT SCORE

#6 - 4YR+ TECH CREDENTIALS

#7 - TOP RANKED GRADUATION

PROGRAMS

#19 - TOP RANKED UNDERGRADUATE

PROGRAMS

#20 BACHELOR'S DEGREE ATTAINMENT

#35 - NAEP READING

#36 - NAEP MATHEMATICS

#39 - SAT PERFORMANCE

**#42 - PUBLIC HIGH SCHOOL GRADUATION
RATES**

Where Michigan currently stands in **Financing**

#14 - BUSINESS INCUBATORS

**#22 - SMALL BUSINESS TECHNOLOGY
TRANSFER (STTR) FINANCING**

**#25 - EXPANSION/LATER STAGE VENTURE
CAPITAL**

**#25 - SMALL BUSINESS INNOVATION
RESEARCH (SBIR) FINANCING**

**#27 SEED/EARLY STAGE VENTURE
CAPITAL**

**#30 - PRIVATE LENDING TO SMALL
BUSINESSES**

**#31 - INITIAL PUBLIC OFFERING (IPO)
FINANCING**

**#33 - SMALL BUSINESS INVESTMENT
COMPANY (SBIC) FINANCING**

**#38 - BANK COMMERCIAL AND INDUSTRIAL
LENDING**

Seeds of Small Business Starts

#4 - INDUSTRY R&D

#6 - ENTREPRENEURIAL PROGRAMS

#7 - UNIVERSITY RESEARCH AND DEVELOPMENT

#12 - PRIVATE BUSINESS PROFIT GROWTH

#15 - UNIVERSITY LICENSES TO SMALL BUSINESSES

#20 - NET ESTABLISHMENT ENTRANCES INCREASE

#20 - 5-YEAR ESTABLISHMENT SURVIVAL RATE

#27 - PATENTS PER R&D DOLLAR

#32 - GROWTH IN NUMBER OF SMALL BUSINESSES

#41 - UNIVERSITY SPINOUT BUSINESSES

#46 - MANUFACTURING CAPITAL INVESTMENT GROWTH

Business Applications by U.S. State

Percent Change From 2019 Week 31 to 2020 Week 31

State

Region

Select Application Type:

Business Applications

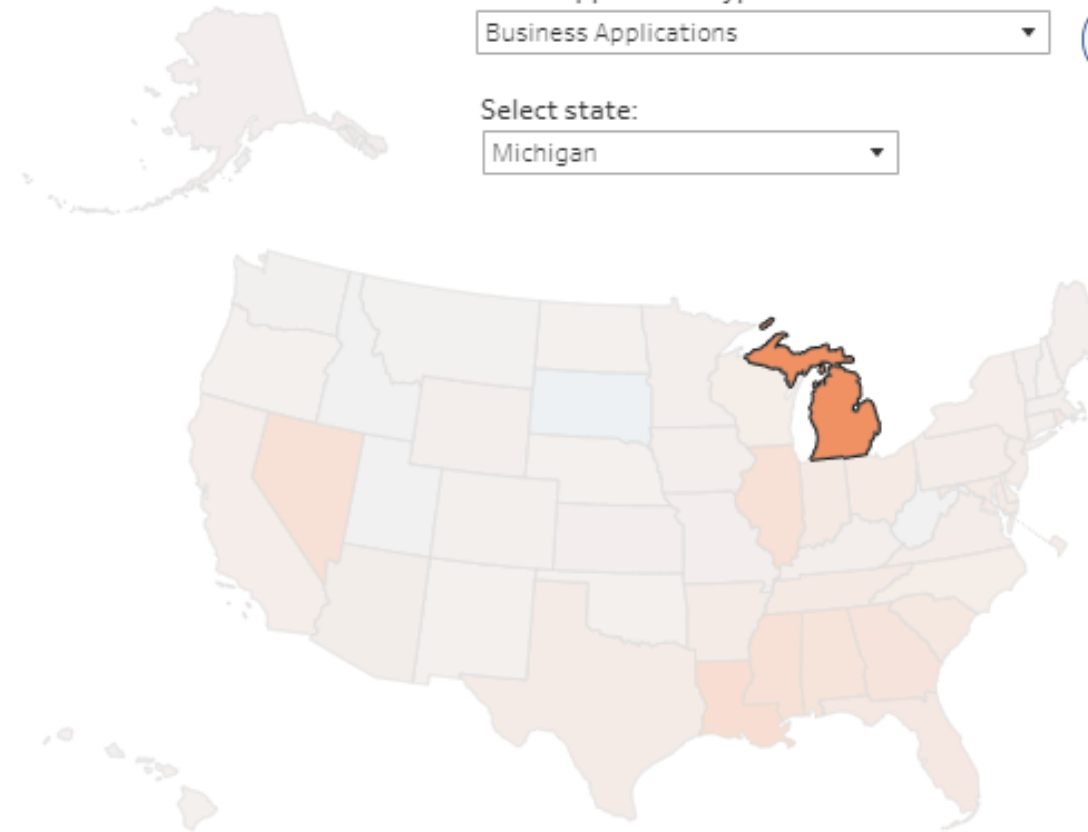


Select date:

2020 W31

Select state:

Michigan

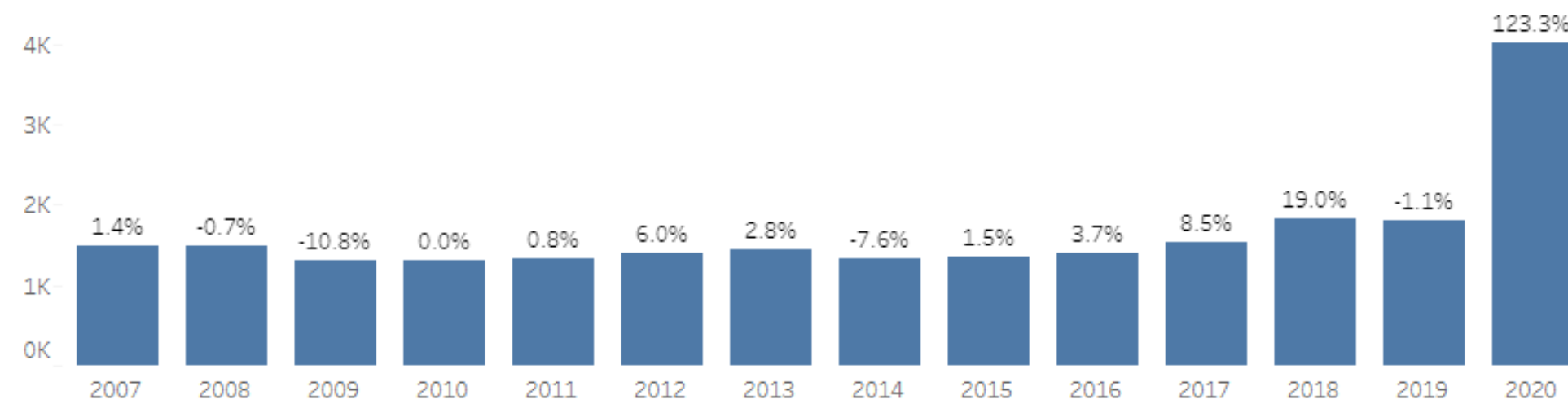


% Change



U.S. Total - 2020, Week 31
117,200 Business Applications
Year-to-year % change: 83.2%

Business Applications With Year-to-Year Percent Change: Week 31



Note: Week 53 figures are excluded from visualization.

K=thousands