

## **Nevada's Shift to Entrepreneurial Development Offers a Bright Economic Future      May 2023**

Economic development has traditionally focused on attracting and retaining well-established businesses, while entrepreneurial development promotes the organic growth of new businesses. With strong support from state and local governments, EDAWN does all three: attract, retain, and grow quality jobs. The pandemic validated the need for a diversified economy and the value of growing new companies (start-ups) while continuing to attract and retain the companies you have. So, it is exciting to see the state's new emphasis on entrepreneurial development as part of the Governor's Office of Economic Development's (GOED) new strategic plan and Governor Lombardo's commitment to supporting the growth of new companies in Nevada.

**The road to entrepreneurial growth and start-up activity is long and slow.** Economic development agencies do not normally take the time, nor commit the resources, to support entrepreneurs and start-up growth because it takes years for tangible results. Over ten years ago, EDAWN committed to growing a nurturing entrepreneurial ecosystem and supporting entrepreneurial development. EDAWN drew heavily on insights detailed in *The Rainforest*, which drew a distinction between a planted field and a rainforest. Attraction and retention represent the planted field; entrepreneurship represents the rainforest. Simultaneously, EDAWN orchestrated networking events for entrepreneurs, including starting the very first chapter of 1 Million Cups west of the Mississippi, building a team mentorship program, launching a seed fund, and setting up a "Rainforest" scorecard.

**Entrepreneurship and start-up growth success.** After many years of work, EDAWN's efforts include national recognition by Business Insider Magazine as number eight on the list of the 25 best cities to start a business in 2021. Additionally, several nationally recognized start-ups have emerged: Ridgeline, the industry cloud platform for investment management, was founded in 2017 in Incline Village, Redwood Materials was founded in 2017 by Tesla Co-Founder J.B. Straubel, and Dragon Fly Energy, founded in 2016 is the maker of Battle Born Batteries and transformed the RV battery industry. These new companies, and many like them, set a record with \$1.5 billion in new venture capital invested in Northern Nevada. Most of that funding goes to hiring high-wage technology workers.

**Expanding this support for entrepreneurs statewide is critical.** A recent GOED report assessing the entrepreneurial ecosystem in Nevada reflected interviews with hundreds of stakeholders across the state, including entrepreneurs, investors, policymakers, and educators. The report recommends implementation strategies, including "The creation of a Governor's Office of Entrepreneurship that can unify efforts to build an innovation-driven economy by convening, then unifying, regional networks of entrepreneur support organizations (ESOs)." The proposed Office of Entrepreneurship would underscore the state's commitment to streamlining government policies and regulations as it relates to start-ups.

**Promoting Entrepreneurship is an immense opportunity for Nevada.** Including the attraction and growth of entrepreneurs in the state's economic development strategy allows Nevada to build on our strengths while diversifying our economy. Our business-friendly and creative culture



defines our state, as it was the entrepreneurs from gold mining to gaming that built the foundation of our early economy. As the Governor said in his State of the State Address, "Nevada should be the most entrepreneurial-friendly state in the nation." Let's do what we can in this legislative session to move us closer to that goal.

GOED Assessment and strategy for empowering entrepreneurship in Nevada:

<https://www.edawn.org/reports/>