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**Draper Hero Institute Announces Best & Worst States To Start a Business**  
***New U.S. data includes indicators on the state of entrepreneurial activity, economic growth, and regulatory environment***

San Mateo, California – Following March’s launch of the Draper Innovation Index (DII) Global where new data identified the most promising environments for innovative businesses globally, today, the Draper Hero Institute announced their DII US that compares US states by a variety of metrics and indicators.

“People are mobile. There is a reason why so many startups are moving from California to Texas, Washington and Florida,” said Tim Draper, Founder of the Draper Hero Institute. “Our new US innovation index aggregates a variety of metrics and indicators including: freedom vs regulations (5G, banking, insurance, historical); venture capital investment and trends; capital gains top tax rate; strength of the tech workforce; strength of education; demographics trends; and high tech employment, in order to assess each state’s ability to support startup creation and success. The DII US will provide a vital resource for businesses, VC’s and state governments to assess their economic vitality.”

The economic recovery from COVID-19 offers a once-in-a-lifetime opportunity for states to attract entrepreneurs and investors, especially in the context of a dramatically changing workplace. Remote work’s now mainstream status, for instance, opens up the competition for tech workers and startups to every single state, not just traditional tech powerhouses.

“The ability to drill-down and understand the Draper Innovation Index at a more granular sub-national level is essential to understanding which states could be a good environment for innovation and economic investment,” said Salim Sawaya, Lead for location intelligence technology provider Esri’s Nonprofit & Global Organizations Team. “Esri and our partner Blue Raster continue to support the Draper Hero Institute find and use authoritative datasets for their US states index so that investors and innovators can leverage the power of location intelligence through GIS to identify the states that hold the most potential or promise.”

The DII US includes three major scenarios: Balanced, Tech Innovation Environment and Regulatory and Tax Environment. These scenarios weight six sub-indices, providing a look at state performance in a variety of categories.

For example, California, the long-time leader in US innovation and entrepreneurship is still a major force, but others are catching up in this category and have surpassed the state on the other important DII ranking components. Silicon Valley has long driven high-tech employment, innovation and entrepreneurship, giving the state a significant foothold in our Tech Innovation Environment scenario. Massachusetts can thank its world-renown academic and research institutions such as Massachusetts Institute of Technology (MIT) for its second place ranking while Washington’s continued tech employment growth – 34 percent over the past 10 years – and history as the birthplace for major tech organizations including Microsoft and Amazon helped edge it into third place.



“One key takeaway is just how much the innovation and entrepreneurship climate varies from state to state. In order to remain relevant in an increasingly competitive market for talent, employers and capital investment, states need to know just how they stack up against their neighbors and rivals ,” said Dr. Wallace Walrod DHI’s Chief Economic Advisor. “The DII US allows for these comparisons in multiple areas, such as small business policy and tax environment.”

#### **About Draper Hero Institute**

Founded by legendary Silicon Valley venture capitalist and entrepreneur Timothy C. Draper, Draper Hero Institute (DHI) provides applicable and modern resources for future entrepreneurs globally and ensures inclusiveness and opportunities for all. As an action-based research institution, DHI focuses its efforts on non-traditional pathways to guide future entrepreneurs in the new economy. Through programs that ignite innovative research; united through connectivity and networking; and mentoring efforts through applied education, DHI provides a portal for creative thinking and ultimately driving change to better prepare future entrepreneurs to take on heroic endeavors.

<https://www.draperhero.org/>

#### **About ESRI**

Esri, the global market leader in geographic information system (GIS) software, location intelligence, and mapping, helps customers unlock the full potential of data to improve operational and business results. Founded in 1969 in Redlands, California, USA, Esri software is deployed in more than 350,000 organizations globally and in over 200,000 institutions in the Americas, Asia and the Pacific, Europe, Africa, and the Middle East, including Fortune 500 companies, government agencies, nonprofits, and universities. Esri has regional offices, international distributors, and partners providing local support in over 100 countries on six continents. With its pioneering commitment to geospatial information technology, Esri engineers the most innovative solutions for digital transformation, the Internet of Things (IoT), and advanced analytics.

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