

Executive Summary- Las Vegas

Entrepreneurial Communities LLC. assessed the Las Vegas ecosystem during the winter of 2022-23.

Las Vegas economic and community data were aggregated and benchmarked against the entrepreneur ecosystems in five major U.S. cities, including Boston, Denver, Portland, Nashville, and Tucson. Stakeholder interviews and roundtables were hosted in January and February 2023. A nine-person national roundtable of entrepreneurship researchers and practitioners was convened in February 2023 to provide insight and recommendations for this report.

Entrepreneurial ecosystems require many contributors. At the heart of any ecosystem are the entrepreneurs who start and grow companies. Forward visioning regional leadership, responsive public policy, and infrastructure supporting workforce, capital and quality of life are all critical. This assessment finds that Las Vegas is a vibrant multi-faceted city, with resources in all of these areas, lacking only a collaboratively driven vision and strategy to ignite a world-class innovation driven economy.

Convene the Ecosystem Champions

In Las Vegas, the number of founders and their companies are growing, and capital is beginning to flow into the region. Across the city, dozens of organizations are working to deliver policy, programs and other connecting resources in support of entrepreneurship, especially at the City of Las Vegas, UNLV and among a few entrepreneur support organizations. These entities, however, are working independently in silos, without significant collaboration. Other important organizations have not been active in these efforts, with needed leadership absent. This report recommends an Innovation Summit in 2023 to lay out a vision for the region as a critical first step toward broad-based regional collaboration.

With a unified vision, Las Vegas will be able to deliver a powerful message to the state legislature and NSHE in support of aligning the state's economic development strategies more equitably toward the needs of the innovation economy. In Nevada, this could include expanding the Knowledge Fund, a renewed focus upon technology transfer, more public private partnerships to build novel programs and the creation of an Office of Entrepreneurship as outlined in the state section of this report.

Ignite the Entrepreneurial Hubs

This report recommends that Las Vegas dedicate resources and energy around three place-based hubs, including the smart-tech hub downtown, an immersive tech hub in the Arts District and the emerging commercialization hub at Black Fire Innovation Center. These three hubs currently engage more than 1,200 regional startups and could become internationally attractive to key innovation economy sectors through concentrated public and private sector investment.

Smart Tech Hub Downtown

Las Vegas has a unique opportunity to expand the City's Smart City Innovation district from a section of the downtown core into a collaboratively driven, one-of-a-kind, city-wide public lab supported by highly specialized accelerators, studios, and capital. The city currently hosts a Smart City Innovation District: an innovative public testing district where some entrepreneurs are invited to beta minimum viable products (MVPs) and software performance utilizing public, downtown infrastructure. To date, the city has partnered with entrepreneurs across multiple sectors, including self-driving shuttles, IoT-based public park safety software, and a novel technology that facilitates two-way communications between drivers, walkers, and bikers on city streets. No other city offers this kind of field-testing access to innovators. Cities are projected to spend an estimated \$327 billion on smart tech in coming years and the field has market potential of \$2.46 trillion by 2025. An expansion of the district, supported by key partnering organizations

providing industry specific capital, programs and testing resources, such as facilitated access to SBIR and STTR for example, will ignite this hub as a globally relevant resource for smart tech innovation.

Immersive Technology Hub in the Art District

Tony Hsieh's internationally acclaimed Las Vegas Downtown Project was tied to place-making. He envisioned a vibrant arts, retail and entertainment district offering creative collisions for technology entrepreneurs to incubate, innovate and grow. The Arts District today offers the same potential, even more so in many ways, but new energy and broad-based leadership is needed.

This report recommends building resources and community around immersive tech in the Arts District. These industries, including augmented reality (AR) and virtual reality (VR) are well aligned with the creative ethos of the Arts District tenants and the market for immersive tech is expected to exceed \$95 billion by 2025. Multiple AR/VR innovators are housed in the new International Innovation Center@ Vegas II. The district is flanked by the 90-acre Area15 which features cutting edge immersive entertainment, and the casinos are experimenting with a wide array of immersive technologies on the Strip. Next steps should include convening a broad-based consortium of innovators, Las Vegas Strip leaders and investors to evaluate the feasibility of reinvigorating the Downtown Project as a multi-faceted AV/VR hub supporting immersive technologies.

Commercialization Hub at Black Fire

The Black Fire Innovation Center at UNLV should be tapped as a super hub; a gateway for connecting high growth global innovators with facilities, resources, and capital across industry in Southern Nevada. Over time, this facility should build capacity to serve as the statewide gateway for Nevada's technology transfer licensing opportunities. This hub will drive innovation toward the top of the stack by promoting commercialization and licensing of UNLV and DRI intellectual property, support SBIR and STTR applications in emerging industries, foster dense connections between faculty researchers and the startup community, and build out specialty programming and capital serving the gaming, health tech and sport innovation industries.

Workforce Diversification through Entrepreneurship

Workforce diversification remains a critical barrier to entrepreneurship and economic development. Currently, Las Vegas entrepreneurs are contributing 4.1% of employment in the region and creating 4.68 more jobs than they shed during their first year of business. Measured against benchmarked cities, Las Vegas performs well in these indicators, but could do much more. Ramping up talent attraction strategies for example, will deepen the pool of technology employment from 1.7% of the workforce to rival that of other successful ecosystems worldwide. At the other end of the entrepreneurial stack, leveling up the capacity of Las Vegas's 75,000 small businesses with fewer than ten employees to engage in the online economy is an important, but often overlooked opportunity for Nevadans to gain entrepreneurial experience, diversify the workforce and generate wealth among disadvantaged populations. It will require collaboration across organizations to build, fund and execute such programs.

Las Vegas is an amazing city with an iconic place-based global brand, rising entrepreneurial activity across innovation economy sectors, and an international community of entrepreneurs and investors poised to coalesce around big ideas. The Las Vegas of the future will be created by a new generation of ecosystem builders across the public and private sectors who are ready to give life to the City's new slogan "What Happens Here, Only Happens Here."

Las Vegas Action Plan

Las Vegas is a vibrant multi-faceted city, lacking only a unified effort to build a world-class ecosystem. This is a city where specialized sector resources abound, entrepreneurial activity across multiple new economy industries is on the rise and a vibrant international community of corporate leaders and investors are poised to actively support big ideas.

Convene the Ecosystem Champions

Convening public and private sector champions together will catalyze the rich resources of the region, hold up the energy and perspectives of diverse champions and create a unified community around the innovation economy.

Potential Owners: Las Vegas Entrepreneurs, all ESOs

1. Host a Governor's Innovation Summit in Las Vegas.
 - a. Unite ESOs and entrepreneurs around a common vision
 - b. Develop a common pledge to dedicate resources and talent in support of the ecosystem
 - c. Coalesce around a unified message to advocate for entrepreneurship priorities in funding allocations, streamlined business licensing and a Governor's office of entrepreneurship
2. Establish regular Las Vegas ESO/entrepreneur meetups
 - a. Build common reporting and measuring tools to showcase good work and track progress
 - b. Deliver a stand-alone annual entrepreneurship report to the community
 - c. Institute feedback loops at all events and activities

Key Performance Indicators: A broad-based coalition of ecosystem champions will collaborate to ignite the Las Vegas ecosystem, including leveraging public and private sector talent, resources and programs, creating a shared set of metrics to guide success and dense connections throughout the ecosystem.

Ignite the Las Vegas Hubs

More than 1,200 tech startups across multiple growth industries are served by three ecosystem hubs in Las Vegas. Building out unified strategies among public and private partners to advance each hub will accelerate the growth of industry sector innovation and ignite the entire ecosystem.

Potential Owners: City of Las Vegas, UNLV, LVGEA, Las Vegas Entrepreneurs

1. **Smart tech Hub:** Las Vegas will become America's smart tech testing and launch hub
 - a. Conduct a feasibility study associated with expanding the smart tech hub in Las Vegas
 - i. Identify barriers, develop application program, marketing
 - b. Expand the City of Las Vegas Smart City Innovation District into a city-wide laboratory
 - i. Invite global entrepreneurs to test smart-tech innovations

2. Develop an array of capital, accelerators, studios and research support resources supporting smart tech testing and commercialization.
3. Showcase Smart Innovation Projects and companies to a global market
 - a. Collaborate with Las Vegas conference schedule to host tours, share best practices, feature smart-tech entrepreneurs and their innovations to outside cities

Key Performance Indicators: Smart tech innovators will naturally relocate to Las Vegas to take advantage of the frictionless network of supportive services, public lab, capital and peer networks surrounding the smart-tech downtown hub.

Potential Owners: 18B Arts District Association, City of Las Vegas, Tech Alley, LVGEA, Startup Vegas, LVCVA, Las Vegas Entrepreneurs

1. **The Arts District Hub:** Las Vegas will reimagine the arts district as an immersive technology hub for next generation entertainment arts.
 - a. Convene a roundtable of public and private technology and arts entrepreneurs to ideate other resources needed to support immersive technologies
 - b. Host Nevada AR, VR and Creative Arts conference in the district
 - c. Build the AR, VR and Creative Arts talent and founder pipeline
 - i. Collaborate with LVCVA/LVGEA on AR founder attraction campaign

Key Performance Indicators: Immersive technology business starts and expansions will increase in the arts district.

Potential Owners: UNLV, LVGEA, Las Vegas Entrepreneurs, regional corporations

1. **Black Fire Innovation Hub:** Position UNLV's Black Fire Innovation Center as a connecting resource between founders and corporations, fostering collaboration, connections and shared economic resources.
 - a. Pursue corporate sponsorship in support of emerging innovation
 - i. Broker SBIR/STTR opportunities between local founders and corporate partners
 - ii. Connect like- industry corporate partners with startup founders
 - b. Encourage the appointment of internal innovation officers at Las Vegas corporations
 - c. Promote internal 'ideate' pitch contests at corporations to improve their operations, products
 - d. Organize coworking Jellys at corporate facilities to connect founders and corporate talent

Key Performance Indicators: Increased SBIR and STTR applications, new sponsored research acquired at UNLV, corporate spin-offs increase.

Streamline Technology Transfer

Streamlining the technology transfer processes at UNLV and DRI will improve licensing capability in the state. Build the capacity of existing Nevada businesses and startups to commercialize IP.

Potential Owners: GOED, OSIT, NSBDC, Chambers of Commerce, City of Las Vegas, College of Southern Nevada, Women’s Business Center, Nevada Department of Business and Industry,

1. Foster technology transfer and commercialization capacity in the region
 - a. Implement the UNLV technology transfer plan (reflecting policy at UNLV and DRI) that streamlines access to and licensing of intellectual property
 - i. Position Black Fire Innovation as the gateway to all UNLV commercialization resources
 - ii. Normalize the inventor/institution licensing split if needed
 - iii. Institute tenure track policies which reward patenting and commercialization
 - iv. Include a ‘Nevada First’ licensing strategy
 - b. Fully fund the Scarlett Capital Venture Fund as a statewide Venture Fund
 - i. Convene investors statewide
 - ii. Launch campaign in tandem with LVGEA and EDAWN and other partners
 1. Goal of \$50M
 - c. Build capacity of LVGEA to market and broker licensing of IP
 - i. Certify LVGEA team in technology transfer
 - ii. Develop a tech-led strategy
 1. Add IP commercialization questions to surveys/site visits
 2. Build a portfolio of companies poised for tech-led growth
 3. Develop a marketing plan to connect emerging IP with regional corporations/startups

Key Performance Indicators: Businesses will easily access and navigate the licensing opportunities at UNLV, DRI through a gateway at Black Fire Innovation. LVGEA will be poised to broker resources and connections across the Southern Nevada business community, resulting in new global business startups and growth in the Las Vegas region.

Workforce Diversification through Entrepreneurship

The Las Vegas economy is heavily reliant upon hospitality employment. Empowering the 75,000 microbusinesses in the region with 10 or fewer employers- many of whom are necessity entrepreneurs- to engage online in the global economy will diversify and expand the workforce and grow the ecosystem.

1. Provide the infrastructure and training microbusinesses need to succeed in the new economy
 - a. Create free WiFi hubs in socioeconomically disadvantaged neighborhoods
 - i. Utilize data visualization software at OSIT to target neighborhoods and districts
 - ii. Identify WiFi options for mesh and hot spots
 - iii. Secure cooperative agreements with existing ISP providers
 - iv. Identify funding partners from among state, city, local sponsors or businesses

- b.** Improve digital literacy and business technology skills of microbusinesses
 - i.** GOED, OSIT set aside funds for business digital literacy
 - ii.** Develop highly customized online training resources at NSBDC
 - iii.** Expand multi-lingual and online business training among other partners

Key Performance Indicators: Microbusinesses are engaged and conducting business online. The rate of necessity entrepreneurs is reduced while overall microbusiness numbers increase.