

Nevada Executive Summary

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

Economic and community data were aggregated and benchmarked against other Western states, including Arizona, California, Idaho, Oregon and Utah. Stakeholder interviews and roundtables were hosted in December 2022 and January 2023. Two national roundtables of entrepreneurship researchers and practitioners, one urban and one rural, were convened in February 2023 to provide insight and recommendations for this report.

The state of Nevada has an opportunity to reimagine economic and community development in response to accelerating changes in the global economy. Like many states, Nevada is half in the old economy and half in the new. In rural Nevada, economic development leaders and their communities have yet to be disrupted by technology innovation, automation and the demands of a new, globally engaged generation of workers. There is little urgency for change. However, as high-speed bandwidth becomes available to every home and business in places like Battle Mountain and Elko, these communities will have an exciting opportunity to reimagine their future.

In Las Vegas and Reno, globalization and technology automation is underway in every industry sector. Because the state is so internationally connected, the shifts here are rapid and dramatic. The entrepreneurs who are leading these shifts need the support of public sector policy and programs to fully contribute to Nevada's economy. This report is a call to leadership throughout Nevada to move at the speed of the innovation economy; to realign funding to support emerging industries and growth-oriented startups; to educate those in positions of leadership to be as bold as Nevada entrepreneurs by delivering upon new economic development initiatives that did not make sense in the old economy but are critical in the new one.

Governor's Office of Entrepreneurship

The creation of a Governor's Office of Entrepreneurship can unify efforts to build an innovation driven economy by convening, then unifying, regional networks of entrepreneur support organizations (ESOs). Through training, education and centralized distribution of information, Nevada ESOs will be empowered to coordinate ecosystem building within their local regions, resulting in more collaboration, better referrals, and fewer overlapping resources. This office can reimagine the multitude of online resource directories to better align with entrepreneur needs. A biennial survey of the entrepreneurial community administered during non-legislative years can identify entrepreneur friction points and address resource gaps as they arise, and the creation of an Innovation Dashboard will track Nevada's collective progress in building the innovation economy over time.

Streamline Technology Transfer

Unifying the technology transfer processes into a single streamlined system should be a long-term goal in Nevada. Short term, comprehensive plans from UNLV, UNR and DRI that outline commercialization and licensing goals and identify process improvements is key- and new resources are needed to ensure that the institutions have the capacity to deliver on licensing activity. Reviewing the inventor/institution licensing splits and adding patents and startup activity to the faculty tenure track will improve cultural support for commercialization among researchers and institutional leaders. The development of a Nevada First licensing strategy and building the capacity of LVGEA, EDAWN and other economic development organizations in the state to bring qualified licensees and startups to take part in commercialization at all stages will, over time, result in dynamic economic growth in emerging industries.

Equitably Align State Resources with the Innovation Economy

Knowledge Fund was envisioned to deliver innovation based economic development. It has not been utilized to its potential, in part, because of a lack of full funding and limiting administrative rules guiding how funds are distributed. The fund should be increased to \$15M to deliver on building the innovation economy in Nevada. The administrative rules should be expanded to allow for greater flexibility in investments into the emerging capital needs of researchers and entrepreneurs and to seed public private partnerships in support of new programs and resources. Administratively, the state should continue to work to improve licensing policies across occupations and business registration systems.

Education of Nevada residents should be a priority. Among entrepreneurs interviewed, 100% indicated that their children were in private schools. Every high performing ecosystem from Boston to Austin, Nashville to San Diego has realigned and increased investments into education, resulting in a ready workforce, more innovation and entrepreneurship in those places. Investing now into the numbers of residents with high school degrees, bachelor's degrees and scientific certifications will reap critical rewards Nevada needs to compete in a global economy going forward.

Help Microbusinesses Compete Online

The state has a significant opportunity to diversify the workforce by increasing the numbers of new business startups and to contribute to the expansion of nearly 90,000 existing Nevada companies with fewer than ten employees. By ensuring Nevadan's have access to affordable bandwidth statewide and stepping up digital literacy training and specific support in online business and work opportunities, significant strides in workforce diversity can be had. Funding for the NSBDC and GOED should be enhanced to lead in these efforts.

Every Nevadan should have an opportunity to be a part of the global economy whether through a side hustle, a small business or a venture driven technology company. If provided resources and roadmaps, the innovative and fiercely independent people of Nevada will respond, building thriving cities and strong communities ready to compete in the innovation economy.

Nevada Action Plan

Realign State Economic Development Around the Innovation Economy

The state of Nevada will support the innovation economy as a key component of the state's overall economic development efforts. It will build capacity to leverage key policy and programs in support of entrepreneurial innovation statewide.

Potential Owners: GOED, Nevada Legislature, Governor's Office

1. Create a Governor's Office of Entrepreneurship
 - a. Guide and support entrepreneurial ecosystem building among ESOs in Las Vegas, Reno
 - i. Coordinate with GOED to support rural community ecosystems
 - b. Conduct a biennial statewide survey of the entrepreneurial stack during non-legislative years
 - c. Build a public facing, state-wide innovation dashboard to track economic impact
 - d. Provide statewide tools to collect data and manage resource networks online
 - i. Work with NSBDC to find a host or re-envision Startup Space
 - ii. Consider a statewide resource navigator
2. Host a Governor's Innovation Summit
 - a. Convene entrepreneurs and ESO's around ecosystem building in support of innovation economy.
3. Expand, Fully Fund, and Realign the Knowledge Fund
 - a. Expand the Knowledge Fund to \$15M
 - b. Realign administrative rules to be responsive to the needs of the innovation economy
 - i. Release \$4M across multiple RFPs for public-private collaboration on new resources
 1. Collaborate on federal funding opportunities
 - ii. Create a \$1M Proof of Commercial Relevance Fund (POCR)
 1. Target late-stage scientific research and early proof of commercialization.
 2. UNLV gateway for statewide application of funds

Key Performance Indicators

Nevada economic development infrastructure will be aligned with the goals of an innovation-led economy through an active state office supporting entrepreneurship; funding aligned with the growing needs of Nevada's job creators and public-private partnerships in place to implement emerging programs and resources needed to accelerate entrepreneurship-led economic development.

Streamline Statewide Systems

Nevada will streamline and improve access to licensing opportunities resulting from research; make business licensing and registration seamless and fair, and coordinate across departments to position Nevada as a frictionless state for talent and founders to pursue startup activity.

Potential Owners: NSHE, UNLV, UNR, DRI, GOED, Nevada Legislature

1. Improve the capacity of Technology Transfer offices at UNR and UNLV
 - a. Add 1-2 licensing professionals at UNR, UNLV
2. Improve Nevada's technology transfer and commercialization processes
 - a. NSHE request licensing plans from UNR, UNLV (representing UNLV and DRI)
 - i. Develop commercialization metrics and objectives
 1. Annual licensing goals
 2. Marketing strategy, including a Nevada First licensing opportunity
 3. Specific process improvements to accelerate and streamline licensing
 - b. Review and adjust if needed, the investor/institutional splits at UNR, UNLV and DRI
 - c. Add startup and patenting activity to the tenure track metrics at UNLV and UNR

Key Performance Indicators

Existing corporations, students, and startup companies (particularly those in Nevada) will have ready access to licensing opportunities at UNLV, UNR and DRI. The commercialization licensing process will be efficient, timely and strive to be responsive to the needs of the business community.

3. Streamline entrepreneur access to business data
 - a. Combine data and research organizations in the state into a single accessible program.
 - i. Consider a business data concierge program serving all small businesses
4. Address Nevada regulatory and licensing processes
 - a. Consolidate all state, county and local business licensing at Silver Flume.
 - b. Conduct UX audit of Silver Flume for ongoing usability improvements
 - c. Review, identify and address regulatory friction points in professional licensing.
 - i. Fairly assess reciprocity across all occupations to meet that of surrounding states

Key Performance Indicators

Nevada businesses will have access to customized business data and analytics on demand through a single statewide office. Businesses will seamlessly register and pay for annual business licensing across government entities utilizing a single portal at Silver Flume. Incoming residents will find equitable licensing and reciprocity rules across all professional occupations in Nevada.

5. Position the state as attractive to entrepreneurs and innovators
 - a. Incorporate talent/founder attraction messaging into NDTCA marketing and publications.
 - b. Create a talent/founder attraction campaign

Key Performance Indicators

Founders outside the state of Nevada, particularly in the Silicon Valley, will be incentivized to bring their companies and teams to one of Nevada's dynamic ecosystems supporting technology innovation.

Empower Regional Entrepreneurial Ecosystems

Nevada will empower the three ecosystems in the state through training and incentive funding. Small businesses with fewer than ten employees will gain capacity to engage in the global economy, generating jobs and wealth in their cities and communities.

Potential Owners: Nevada Legislature, GOED, EDAWN, NSBDC, RDA's statewide

1. Legislatively fund an expansion of Main Street Program to lead rural entrepreneurship.
 - a. Expand rural Main Street program deliverables to include ecosystem building.
 - b. Host rural leadership training around ecosystem building for non-Main Street communities
 - c. Host a Rural Entrepreneurship/ Main Street Conference
 - d. Coordinate the deployment of e-commerce business training serving business owners
2. Empower rural communities to create their own solutions
 - a. Create a \$100K Launch Rural Nevada Seed Fund to support local entrepreneurship programs

Key Performance Indicators

Rural communities will have access to best practices, training, and funding, empowering local leadership to develop locally appropriate entrepreneur support solutions in their communities.

3. Office of Entrepreneurship to provide capacity building support for Las Vegas and Reno ESOs
 - a. Host quarterly capacity building training
 - b. Incent Entrepreneur Development Certification (EDP)

Key Performance Indicators

100% of RDA's trained and 50% awarded EDP certification by 2026.

4. Legislatively fund an annual increase to the NSBDC to build out comprehensive statewide business digital literacy program and host capital roundtables.
 - a. NSBDC develop and deploy statewide, a white label comprehensive online business curriculum
 - b. NSBDC host capital roundtables statewide to drill into small business capital gaps

Key Performance Indicators

Level up the online business skills of 1,000 microbusinesses with fewer than 10 employees annually beginning in 2025. The capital needs of Nevada's small businesses will be identified, and solutions coordinated among ESOs to address.