

Wisconsin Business Ranks Last Again For Start-ups

Written by Democratic Party of Wisconsin, Brandon Weathersby
Thursday, 25 August 2016 15:56

<http://newiprosessive.com/images/stories/S5/walker-open-for-business-s5.jpg>



For the second year in a row, Wisconsin has earned a bottom-of-the-barrel ranking for startup business activity, according to a report released by the Ewing Marion Kauffman Foundation.

MADISON - While Wisconsin's entrepreneurs are struggling to get their businesses off the ground, Wisconsin Republicans have prioritized giving tax cuts to large corporations, business loans to companies that outsource Wisconsin jobs, and handouts to their large campaign contributors.

The misguided Republican agenda is stunting entrepreneurship, and in turn stifling job creation and economic growth. It's time we look at the Democratic agenda that we know will help entrepreneurs grow their businesses, create jobs, and boost our economy.

If you don't believe us, read the Milwaukee Journal Sentinel report below.

[Wisconsin ranks last again for start-ups](#)

Milwaukee Journal Sentinel

Kathleen Gallagher

8/25/16

For the second year in a row, Wisconsin has earned a bottom-of-the-barrel ranking for startup business activity, according to a report released by the Ewing Marion Kauffman Foundation Thursday morning.

While startup activity in the U.S. overall rose in 2016 for the second year in a row, Wisconsin came in either last or second-last in the three categories the well-known foundation evaluated for its report.

[...]

"Entrepreneurship is finally recovering, with new business creation reaching close to

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the peak preceding the drop from the Great Recession," said Victor W. Hwang, vice president of entrepreneurship at the Kauffman Foundation.

But not in Wisconsin.

[...]

But the state and its largest city have had consistently poor showings in other Kauffman reports and in studies by other organizations, like the Economic Innovation Group.

The ugly truth, when you piece it all together, is that Wisconsin lags in an area widely believed to be a key factor in economic growth: entrepreneurship and innovation.

The most recent Kauffman findings are a call to action, Still said.

"We really need to look at some of the fundamental policies that set the tone in Wisconsin and ask ourselves, 'Are they tied to an economy that is bygone?'" Still said.

State policymakers have pursued additional cuts to the University of Wisconsin system, drained startup tax credits and tried to pass stiffer non-compete legislation to further limit the supply of entrepreneurs, said Joe Kirgues, a co-founder of gener8tor, which runs training programs for startups.

"The formula to turn around our job creation performance includes a stronger UW system, the elimination of non-competes in Wisconsin and strengthening startup tax credits to encourage additional investment in Wisconsin's entrepreneurs," Kirgues said. "Unfortunately, none of those things happened last year, and these rankings reflect the status quo."

Despite the challenges, gener8tor has worked with American Family Insurance and the Wisconsin Alumni Research Foundation to graduate 22 Wisconsin-based startups from its gBETA program for very young companies. Those startups in the last 12 months have created more than 30 jobs and raised more than 1.2 million of funding, Kirgues said.

Categories the Kauffman report analyzed, and Wisconsin's ranking among the 25 larger states, included:

□ Rate of new entrepreneurs: Wisconsin ranked second-last, trailing only by Pennsylvania. In Wisconsin, 190 of every 100,000 adults become entrepreneurs per month, on average. For top-ranking Texas and California, it was 390 of every 100,000 adults.

□ Opportunity share of new entrepreneurs, a proxy indicator of the percentage of new entrepreneurs starting businesses because they saw market opportunities: Wisconsin had 74.2% of its entrepreneurs come from other jobs, rather than from being unemployed. Only Alabama scored lower, with 66.45% of its entrepreneurs in this category.

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□ Start-up density: For every 1,000 employer businesses here, Wisconsin had 57.9 start-ups, ranking it last among larger states. Florida, the top performer in this category, had 101.8 startups for every 1,000 employer businesses.

The Milwaukee metro area was last for its rate of new entrepreneurs, with just 100 for every 100,000 adults. Austin, Texas, the top performer in this category had 600 new entrepreneurs for every 100,000 adults.

Read the full article [here](#).