Northern Kentucky Entrepreneurship Impact Study

Submitted to:

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Introduction

BE NKY Growth Partnership and TPMA are pleased to present this report outlining the definition and economic impact of entrepreneurialism in Northern Kentucky. Through this study, the TPMA team will demonstrate the economic benefit of entrepreneurship in Boone, Campbell, and Kenton counties while also accounting for comparisons to other regions and defining what future success in the region looks like. To accomplish this, we systematically consider the following questions:

- **What is entrepreneurialism?**
- **What is the relationship between Kentucky and entrepreneurs? What is the nature of this relationship in Northern Kentucky?**
- **How many and what kinds of businesses are local to NKY?**
- **What is the economic impact of entrepreneurialism in the BE NKY Region?**
- **How does the region compare to others? What do those regions offer entrepreneurs?**
- **What recommendations can be made to BE NKY?**

Defining Entrepreneurialism

Key Themes and Findings

- Entrepreneurialism is a broad concept that includes the economic definition of business formation but also has a cultural component.
- Kentucky has been a leading entrepreneurial ecosystem, outpacing larger geographies from 2019-2023.
- This growth required supportive interventions in 2022, which were successfully implemented in Northern Kentucky.
- The 2024 **Collaborative Blueprint** states the entrepreneurial ecosystem in the Northern Kentucky region has the benefit of grassroots innovation and ingenuity with support from policymakers and community organizations.

Defining Entrepreneurialism

The definition of entrepreneurialism is commonly understood as the undertaking of starting new businesses. Inherent in the more modern definitions, like that from Babson Thought & Action, is that "entrepreneurship is a way of thinking. The best definition of entrepreneurship is better described as a mindset that is opportunity-obsessed, holistic in approach, and leadership balanced. This new entrepreneurial definition is about innovation, about seeing problems as opportunities, and about changing the world."[1]

Kenny Tomlin describes the eye of the needle successful entrepreneurs must pass through as he writes, "Speed, not size, is the new competitive advantage. The time and resources necessary to start, grow, and disrupt an entire industry will continue to accelerate".[2] This observation rings true in Northern Kentucky, specifically the region of Boone, Campell, and Kenton counties, which cannot be underestimated in the size of its growth or potential for disruption.

Entrepreneurialism in Kentucky

The data show Northern Kentucky's emphasis on entrepreneurial activity as a mainstay of economic vitality for the region. As reported in **Navigating Change & Charting a Course to a More Competitive Northern Kentucky: A Five-Year Regional Strategic Action Agenda**, published in 2024, Northern Kentucky is trending higher than the rest of the state in terms of metrics like establishments, real GDP, and employment.[3] In fact, Northern Kentucky's growth outpaced the States of Kentucky, Ohio, and the United States in the period 2019-2023.[4]

BE NKY, as a leader in this area, focuses on maintaining a hospitable, conducive environment for small and start-up businesses that supports the success of regional entrepreneurs.[5] BE NKY does this by linking entrepreneurs to Blue North, the Kentucky Innovation Hub in Northern Kentucky, for resources, incentives, and economic programs like the Kentucky Enterprise Fund, Angel Investment Tax Credit, and loan programs.

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[1] What is the definition of entrepreneurship. Babson Thought & Action. https://entrepreneurship.babson.edu/entrepreneurship-definition/#:~:text=The%20best%20definition%20of%20entrepreneurship%20is%20better%20described,problems%20as%20opportunities%2C%20and%20about%20changing%20the%20world.

[2] Predicting the turn: The high stakes game of business between startups and blue chips. *Dave Knox*.

[3] Navigating Change & Charting a Course to a More Competitive Northern Kentucky: A Five-Year Regional Strategic Action Agenda. *Economic Leadership*. 2024.

[4] Ibid.

[5] Entrepreneurship. BE NKY Growth Partnership. N.d. https://be-nky.com/site-selection/start-up-business-entrepreneurship/

The current climate and offerings for new businesses and start-ups in Northern Kentucky have evolved. A 2022 publication by **Tech Grit** commissioned by the Blue North Board of Directors summarized 100 interviews with local and regional business owners, indicating that there were challenges in the entrepreneurial ecosystem at the time.[6]

In February 2024, a 5-year state plan, **"Collaborative Blueprint Created by and for Kentucky's Economic Developers"**, outlined initiatives to address and reinforce Kentucky's entrepreneurial ecosystem.[7] The goal of this plan is to "Catalyze ecosystems to build Kentucky's reputation as a 'make and ideate', 'launch-ready' state by nurturing home-grown growth, cultivating entrepreneurial niches, and being a landing pad for domestic and global start-ups and capital."[8]

The entrepreneurial spirit in Boone, Campbell, and Kenton counties in Northern Kentucky has expanded since 2019. As the **Navigating Change & Charting a Course to a More Competitive Northern Kentucky: A Five-Year Regional Strategic Action Agenda** report describes, this has been a period of growth and positive change in the region. Ultimately, this sets the stage for a promising period of entrepreneurial growth. The ecosystem grew through challenges, and policymakers have responded. The confluence of these factors indicates future success for entrepreneurs in the Northern Kentucky region.

Now with the background of entrepreneurialism in the region laid, the next section explores the kinds and numbers of businesses in Boone, Campbell, and Kenton counties.

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[6] Northern Kentucky Entrepreneurial Ecosystem Strategy. Tech Grit. 2022.
[7] Collaborative Blueprint Created by and for Kentucky's Economic Developers. KCED & KAED. 2024.
[8] Ibid

Entrepreneurial Inventory

Key Themes and Findings

This report explores the economic impact of **four** types of businesses in Northern Kentucky. These include the following:

MAIN STREET BUSINESSES

NEW BUSINESSES

VENTURE CAPITAL-BACKED BUSINESSES

HIGH-GROWTH BUSINESSES

Defining Businesses and Taking Inventory

To inform this analysis, TPMA identified **four** different kinds of businesses associated with entrepreneurial activity in the Northern Kentucky region. These are: **New Businesses**, **Main Street**, **Venture Capital-backed**, and **High-growth**. The following paragraphs provide insight and explanations of these classifications.

In addition, TPMA conducted an inventory of each kind of business in Boone, Campbell, and Kenton counties. TPMA's inclusion criteria for each kind of business in the inventory are included in each description. In collaboration with BE NKY, TPMA developed, quantified, and quality-checked four lists utilizing Pitchbook, Data Axle Salesgenie, Inc 5000, and Fast 55. For a full description of this methodology, see **Appendix A** at the end of this report. In addition, a full breakout of businesses by industry sector appears in the Economic Impact Analysis section below and Appendices that appear later in this report.

Main Street Businesses

Main Street businesses are firmly established, often recognizable companies in a locality that residents rely on for day-to-day economic activities.[9] They often deal in tangible goods and services and thus help to support the local economy in terms of jobs and the purchase of goods from local or regional supply chains.[10] Because of the interrelatedness of Main Street businesses to the local supply chain, the linkages Main Street businesses create can help insulate an area from economic downturns.[11]

TPMA established the following criteria for Main Street business inclusion in this study:

Geography	Number of Employees	Year Established	Age of Business
• Boone • Campbell • Kenton	• 1-4 • 5-9 • 10-19 • 20-49	• 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018	• Over 5 years old

Utilizing these parameters, the TPMA team was able to acquire individual lists for each County displayed below.

Table I: Data Pull Main Street Businesses, 2025

County	Number of Establishments
Boone	424
Campbell	260
Kenton	513
Total	**1,197**

[9] Wall Street vs. Main Street: Economic Impact and Market Dynamics. Accounting Insights. https://accountinginsights.org/wall-street-vs-main-street-economic-impact-and-market-dynamics/
[10]Ibid.
[11] Ibid.

New Businesses

New businesses are an important part of the national economy, with 4.1 million new businesses started each year in the United States.[12] These 4.1 million new businesses create 3 million new jobs in their first year and employ 2.6 million workers after five years.[13] Many new businesses stimulate other areas of the economy, as a new entrepreneurial enterprise may require web developers, content creators, marketers, and so on.[14] According to the U.S. Small Business Administration (SBA), "Small businesses have generated 12.9 million net new jobs over the past 25 years, accounting for two out of every three jobs added to the economy."[15]

TPMA defined New Businesses for inclusion utilizing the following criteria.

Geography	Number of Employees	Year Established	Age of Business
• Boone • Campbell • Kenton	• 1-4 • 5-9 • 10-19 • 20-49	• 2019, 2020, 2021, 2022, 2023, 2024, 2025	• Less than 5 years old

Utilizing these parameters, the TPMA team was able to acquire individual lists for each County displayed on the following page.

Table II: Data Pull New Businesses, 2025

County	Number of Establishments
Boone	182
Campbell	100
Kenton	202
Total	**484**

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[12] Entrepreneurship in Regional Economic Development. U.S. Congress. https://www.congress.gov/crs-product/R48254
[13] Ibid
[14] What Does Entrepreneurship do for Job Creation. Economic Impact Catalyst. https://www.economicimpactcatalyst.com/blog/entrepreneurship-job-creation#:~:text=By%20providing%20new%20products%2C%20services,and%20affects%20employment%20growth%20overall.
[15] Small Business Facts: Small Business Job Creation. U.S. Small Business Administration. https://advocacy.sba.gov/2022/04/26/small-business-facts-small-business-job-creation/#:~:text=Small%20Business%20Facts%3A%20Small%20Business%20Job%20Creation,-By%20Office%20of&text=Small%20businesses%20have%20generated%2012.9,%E2%80%9CSmall%20Business%20Job%20Creation%E2%80%9D.

New Business Case Study: Latonia Bodega

Latonia Bodega is a deli and grocery store that opened its doors in Covington in 2025.[16] This new business blends influences from the owner Sergio's upbringings in New Jersey and Mexico.[17] Sergio grew up working in his father's Gutierrez Deli, which is nearby the new bodega, and opened OLLA Taqueria with partner Alyssa Atkins, also in Covington.[18][19] With Latonia Bodega, Sergio and Alyssa are breathing new life into a vintage Covington store front and resonating with new customers.[20] Their goal with Latonia Bodega is to create a sense of community through good food and a friendly atmosphere.[21]

Venture Capital-Backed Businesses

A venture capital-backed entrepreneurial enterprise is a business that receives funding from a venture capital firm, but the business must provide equity in the entrepreneurial enterprise to the venture capital firm in return for the investment.[22] The goal of the investment is to fuel the growth of a promising start-up, and this kind of entrepreneurialism is commonly found in the tech industry and in the early stages of the life of a start-up.

Utilizing a similar methodology to both Main Street businesses and new businesses, we adjust slightly by utilizing Pitchbook to capture venture capital-backed businesses. Defined as those companies that seek growth

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[16] Latonia Bodega Builds Community One Sandwich at a Time. Cincinnati Magazine. https://www.cincinnatimagazine.com/article/latonia-bodega/
[17] Ibid.
[18] Ibid.
[19] OLLA Taqueria. https://www.ollacov.com/
[20] Covington Welcomes Latonia Bodega to City. LINK NKY. https://linknky.com/business/2025/01/31/covington-welcomes-latonia-bodega-to-city/
[21] Latonia Bodega Builds Community One Sandwich at a Time. Cincinnati Magazine. https://www.cincinnatimagazine.com/article/latonia-bodega/
[22] What does Venture Capital Backed Mean? A Comprehensive Guide to Understanding VC-Backed Companies. Montague Law. https://montague.law/blog/what-does-venture-capital-backed-mean-a-comprehensive-guide-to-understanding-vc-backed-companies/

over profit to display traction, demand, and profit, venture capital-backed businesses are those that also include accelerator/incubator-backed. Utilizing these categories, the TPMA team identified **158** initial businesses on the list, combining both Pitchbook and Gazelle VC businesses. In addition, the team reviewed the list and identified any duplicates, franchises, private equity-based, corporate-backed or outlier businesses (non-profit, government, religious), finalizing the total at **56** businesses.

Venture Capital-Backed Case Study: Beltways

Boone County is the home of Beltways, an award-winning venture capital-backed company that has been featured in Business Insider and Forbes, who is spearheading innovation in modular accelerating walkways.[23] Beltways was ultimately relocated from San Francisco to Boone County to be closer to the supply chain and to realize a partnership with the Cincinnati/Northern Kentucky International Airport.[24] In 2023, Beltways received Main Street Ventures' Leap Grant and since has grown to 10 employees with the desire to hire more.[25]

[23] First of its Kind Moving Walking Being Developed in Hebron. LINK NKY. https://linknky.com/business/2024/09/27/beltways-modular-walkway-airports/
[24] Ibid.
[25] Ibid.

High-Growth Businesses

A high-growth company is identified by quickly accumulating revenue growth and rapid attainment of market share relative to competitors in the same industry.[26] This can be done with the goal of emphasizing reinvestment in current resources to continue growth rather than realizing profits in the present. The lifeblood of a high-growth company is innovation. An example of this is taking advantage of new technologies to instill disruption, which creates market opportunities and drives expansion beyond industry norms. The ability to scale is crucial for a high-growth company's success. As stated, reinvestment of resources over profitability enables rapid growth, and this, in turn, can garner attention and capital injections from outside investors.

TPMA utilized Data Axle Salesgenie to acquire a list of high-growth businesses in the region, circa 2024, which was cleaned to 144 high-growth businesses. Next, this list was shared with stakeholders and partners in Northern Kentucky who reviewed and modified the list, based on their own criteria and first-hand knowledge of the region and its fastest growing firms. What emerged was a final list of **133** businesses, broken out by county in **Table III**.

Table III: High-Growth Firms by County, Kentucky, 2025

County	Number of Establishments
Boone	50
Campbell	23
Kenton	60
Total	**133**

Armed with the specific numbers of distinct business types in the three-county region, the research team at TPMA is able to conduct the economic analysis to ascertain the effect these businesses have on the region.

[26] Growth Company | Definition, Characteristics, Strategies, & Risks. Nasdaq. https://www.nasdaq.com/articles/growth-company-definition-characteristics-strategies-risks

High-Growth Case Study: Hit Seekers Sports Cards

Hit Seekers Sports Cards' mission is to bring baseball cards back to the forefront, and as a high-growth business in Northern Kentucky showing two-year growth of 4,228% in 2023, they are doing just that.[27][28] The father-and-son duo behind Hit Seekers Sports Cards were the Fast 55 winner of the $5.1 million to $10 million revenue category in 2023.[29] What began as a web-based store in 2020 has grown to two physical locations, one in Fort Mitchell and the other in the Cincinnati Reds Great American Ball Park.[30] Hit Seekers Sports Cards is groundbreaking in that it is the first business of its kind to be in a major league stadium.[31] Additionally, the son of the father-and-son team behind Hit Seekers Sports Cards is also a co-founder of Braxton Brewing Company, located in Covington.[32]

Economic Impact Analysis

Key Themes and Findings

- **New Businesses**, **Main Street**, **Venture Capital-backed**, and **High-Growth** businesses contribute substantially to the Northern Kentucky economy.
- Earnings range from **$158.5 million to $6.6 billion** per business type. **High-growth businesses** lead the way by injecting billions of dollars in earnings into the Northern Kentucky region.
- Tax revenues per business type bring in between **$19 million to $698 million** per year. **High-growth businesses** lead in tax revenue generation at **$698+ million** per year.

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[27] Greg and Jake Rouse are adding Ft. Mitchell's Hit Seekers Sports Cards to the Great American Ballpark. Northern Tribune. https://nkytribune.com/2024/03/greg-and-jake-rouse-are-adding-ft-mitchells-hit-seekers-sports-cards-to-the-great-american-ballpark/

[28] Meet the Courier's 2023 Fast 55. Cincinnati Business Courier. https://www.bizjournals.com/cincinnati/news/feature/fast-55/2023

[29] Ibid.

[30] Greg and Jake Rouse are adding Ft. Mitchell's Hit Seekers Sports Cards to the Great American Ballpark. Northern Kentucky Tribune. https://nkytribune.com/2024/03/greg-and-jake-rouse-are-adding-ft-mitchells-hit-seekers-sports-cards-to-the-great-american-ballpark/

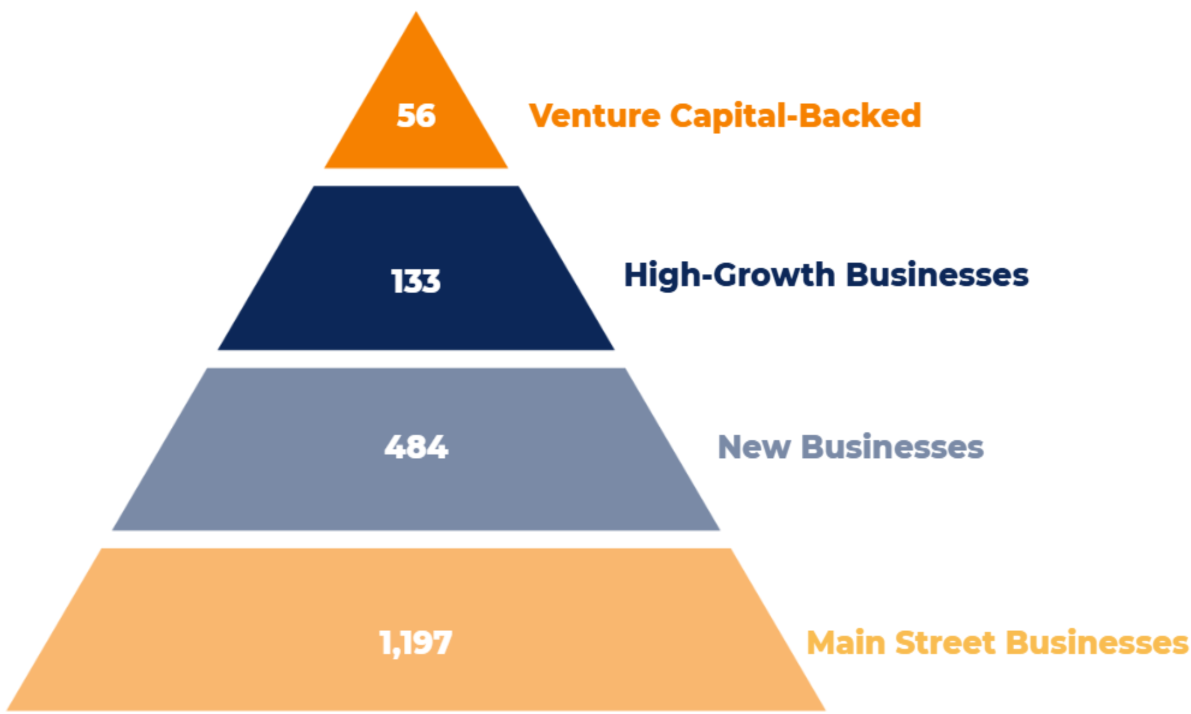
[31] Ibid.

[32] Ibid.

Economic Impact Overview

To estimate the economic impact of these important groups of businesses, we first need to isolate each entity to a single category: new, main street, high-growth, and venture capital-backed. Reviewing the full list of businesses (see summary statistics above), some enterprises were listed as part of more than one category. When determining which list to place them on, we iterated from the most to least restrictive category to distribute these cases. Stated another way, we prioritized inclusion in a family of businesses inversely to the total number of entities in the grouping (venture capital-backed is the most restrictive, followed by high-growth businesses, then new businesses, and finally main street businesses). The figure below shows the distribution process/hierarchy, with final counts of businesses included in each category.

Figure I: Number of Businesses Per Type, BENKY 2025



In terms of input/output modeling, LightCast™ and IMPLAN™ (both with economic impact modeling software extensions) can produce results disaggregated along 4 distinct segments: initial, direct, indirect, and induced, as defined below.

Figure II: Breakdown of Economic Impact Methodology

Initial: Impact associated with the businesses themselves – jobs, wages, and taxes generated because of the operations of the enterprises classified as VC-backed, High-Growth, New, or Main Street.

Direct: Jobs, wages, and taxes generated by the supply chain enterprises supporting operations of the primary enterprises under review (VC-backed, High Growth, New, or Main Street),

Indirect: Jobs, wages, and taxes generated by "the supply chain's supply chain" as they meet the demands of Direct enterprises to support the primary enterprises under review.

Induced: Jobs, earnings, and taxes generated because of employees from the first 3 levels (initial, direct, and indirect) spending their paychecks within Northern Kentucky.

Venture Capital-Backed Businesses

As **Table IV** below highlights, VC-backed enterprises provide an estimated **1,286 (initial) FTE jobs** to residents of the region. Thanks to their operations, these jobs, in turn, generate demand for materials and services from other businesses in the region, supporting an additional **372 jobs (Direct + Indirect)**. Taken together, when these employees spend their wages within the community, an additional **457 FTE positions (induced)** are supported. Collectively, these jobs generate **$158.5 million** in earnings (wages+ benefits) within the region.

Table IV: Venture Capital-Backed Enterprises, Jobs and Earnings Impact

	Jobs	Wages	Benefits	Total Earnings
Initial	1,286	$75,238,353	$32,245,008	$107,483,361
Direct	287	$12,949,102	$5,549,615	$18,498,717
Indirect	85	$3,531,982	$1,513,706	$5,045,688
Induced	457	$19,258,915	$8,253,821	$27,512,736
All Levels	**2,115**	**$110,978,351**	**$47,562,151**	**$158,540,502**

In addition, these businesses generate a significant amount of tax revenue for local, state, and federal governments, as reported in **Table V and VI**. The former highlights the annual contribution to Taxes on Production and Imports (TOPI), circa 2024 rates[33]. Included in this value are special tax district levies (fire/services), local property taxes, state excise taxes, and federal taxes on imports

Table V: VC-Backed Enterprises, Tax Impact (Production and Imports)

	TOPI
Local	$7,002,909
State	$5,956,768
Federal	$2,675,879
All Levels	**$15,635,556**

The second tax contribution we capture appears in **Table VI**, which highlights the annual revenue generated via Kentucky state income tax. These figures are calculated using the flat tax rate of 4%, multiplied by the Wage values reported in the table.

Table VI: State Income Taxes Generated[34], by Level

	Wages	100% KY Residents	90% KY Residents	75% KY Residents
Initial	$75,238,353	$3,009,534	$2,708,581	$2,257,151
Direct	$12,949,102	$517,964	$466,168	$388,473
Indirect	$3,531,982	$141,279	$127,151	$105,959
Induced	$19,258,915	$770,357	$693,321	$577,767
All Levels	**$110,978,351**	**$4,439,134**	**$3,995,221**	**$3,329,351**

[33] The current tariff regimen of the Trump administration has not yet been accounted for in models. Beginning with 2025 estimated impacts, it is reasonable to assume the taxes on imports, specifically, will increase, perhaps substantially.
[34] Given the region's proximity to both Ohio and Indiana, we provide three scenarios for state income tax receipts for Kentucky. The first assumes all employees are residents of Kentucky, the second assumes 90% are residents of Kentucky and the last assumes 75% of employees are residents of Kentucky.

Taken together, the estimated TOPI and state income taxes generated via the operations, suppliers, and employee spending of VC-backed enterprises range between **$18.9 million and $20.1 million**.

Finally, to provide additional detail on the supply chain sectors impacted as a result of VC-backed operations, **Appendix B** breaks out the annual earnings generated in these sectors. To be clear, these numbers represent **ONLY** earnings that can be tied back directly to the operations of VC-backed enterprises in the region.

High-Growth Businesses

Table VII shows that, annually, high-growth enterprises have an outsized impact on the region, vis-à-vis a modest count of **133**. These firms employ just over 51,000 people, and as a result, support almost **19,000 supply chain (Direct + Indirect) jobs**. When these employees (initial + direct + indirect) spend their paychecks in the community, they support an additional **17,559 (induced) positions.** All told, the operations of the High-growth enterprises in the region generate an impressive **$6.58 billion** in annual earnings, employing approximately **87,792 people**.

Table VII: High-Growth Enterprises, Jobs and Earnings Impact

	Jobs	Wages	Benefits	Total Earnings
Initial	51,265	$2,953,398,229	$1,265,742,098	$4,219,140,328
Direct	14,679	$723,010,528	$309,861,655	$1,032,872,183
Indirect	4,289	$189,924,510	$81,396,219	$271,320,729
Induced	17,559	$739,247,578	$316,820,390	$1,056,067,968
All Levels	**87,792**	**$4,605,580,845**	**$1,973,820,362**	**$6,579,401,208**

As should be expected, given the link between jobs, earnings, TOPI and taxes, high-growth firms in the region also contribute a significant amount to the region's tax base. **Table VIII** shows the annual TOPI impact at nearly **$533.5 million**, and **Table IX** shows the range of annual income tax generation of between **$138 million and $184 million**.

Table VIII: High-Growth Enterprises, Tax Impact (Production and Imports)

	TOPI
Local	$241,102,394
State	$204,224,848
Federal	$88,108,012
All Levels	**$533,435,254**

Table IX: State Income Taxes Generated[35], by Level

	Wages	100% KY Residents	90% KY Residents	75% KY Residents
Initial	$2,953,398,229	$118,135,929	$106,322,336	$88,601,947
Direct	$723,010,528	$28,920,421	$26,028,379	$21,690,316
Indirect	$189,924,510	$7,596,980	$6,837,282	$5,697,735
Induced	$739,247,578	$29,569,903	$26,612,913	$22,177,427
All Levels	**$4,605,580,845**	**$184,223,234**	**$165,800,910**	**$138,167,425**

Finally, to provide additional context to the specific nature of the supply chain and induced jobs supported by the operations of high-growth firms, **Appendix C** reports annual earnings generated by industry sectors. Once again, to be clear, the numbers reported in this table are restricted to earnings tied directly to high-growth industries and/or their suppliers (providing goods directly to the high-growth firm).

New Businesses

Table X below shows that the New Businesses identified in our study employ approximately **2,356 individuals (initial)**, and their operations support an additional **632 FTE jobs in their collective supply chain (direct + indirect)**.

[35] Given the region's proximity to both Ohio and Indiana, we provide three scenarios for state income tax receipts for Kentucky. The first assumes all employees are residents of Kentucky, the second assumes 90% are residents of Kentucky and the last assumes 75% of employees are residents of Kentucky.

Finally, when these employees (initial, direct, and indirect) spend their wages in the community, they support an additional **574 induced jobs.** All told, the operations of new businesses in the BE NKY region generate or support just over **$212.6 million** in earnings annually.

Table X: New Businesses, Jobs and Earnings Impact

	Jobs	Wages	Benefits	Total Earnings
Initial	2,356	$96,878,413	$41,519,320	$138,397,732
Direct	486	$21,549,340	$9,235,432	$30,784,772
Indirect	146	$6,263,445	$2,684,334	$8,947,779
Induced	574	$24,164,885	$10,356,379	$34,521,265
All Levels	**3,562**	**$148,856,083**	**$63,795,464**	**$212,651,548**

Though not as eye-popping as the high-growth numbers reported in the previous section, **Table XI and Table XII** below highlight the important annual contribution of new businesses to the tax base. Across the federal, state, and local levels, they generate nearly **$20.8 million** in annual TOPI revenue. In terms of state income tax, depending on the actual number of employees residing in Kentucky, we estimate the annual revenue to range between approximately **$4.4 million and $6 million**.

Table XI: New Businesses, Tax Impact (Production and Imports)

	TOPI
Local	$9,736,401
State	$8,111,229
Federal	$2,934,035
All Levels	**$20,781,666**

Table XII: State Income Taxes Generated[36], by Level

	Wages	100% KY Residents	90% KY Residents	75% KY Residents
Initial	$96,878,413	$3,875,137	$3,487,623	$2,906,352
Direct	$21,549,340	$861,974	$775,776	$646,480
Indirect	$6,263,445	$250,538	$225,484	$187,903
Induced	$24,164,885	$966,595	$869,936	$724,947
All Levels	**$148,856,083**	**$5,954,243**	**$5,358,819**	**$4,465,682**

Finally, **Appendix D** shows the distribution of additional earnings[37] generated by being part of the "New Business" supply chain in the BE NKY region, by 2-digit sectors.

Main Street Businesses

The table on the following page shows that this collection of small businesses provides employment to **4,679 individuals (initial)**. Additionally, through their operations, the Main Street businesses support **1,172 supply chain jobs (direct + induced)**. Altogether, Main Street businesses and their suppliers create an additional **1,164 (induced) jobs** when they spend their wages in the community. Collectively, these jobs generate approximately **$439.2 million** in annual wages and benefits (earnings)

Table XIII: Main Street Businesses, Annual Jobs and Earnings

	Jobs	Wages	Benefits	Total Earnings
Initial	4,679	$206,142,912	$88,346,962	$294,489,874.4
Direct	903	$40,892,774	$17,525,474	$58,418,248.0
Indirect	269	$11,583,009	$4,964,147	$16,547,155.5
Induced	1,164	$48,812,146	$20,919,491	$69,731,637.5
All Levels	**7,015**	**$307,430,841**	**$131,756,075**	**$439,186,915**

[36] Given the region's proximity to both Ohio and Indiana, we provide three scenarios for state income tax receipts for Kentucky. The first assumes all employees are residents of Kentucky, the second assumes 90% are residents of Kentucky and the last assumes 75% of employees are residents of Kentucky.
[37] Earnings are defined in LightCast™ as the wages, salaries, and benefits paid to employees. Numbers are reported in the aggregate and isolated to only the portion derived from supply chain or induced sales tied directly to the New Businesses identified in this section.

In terms of tax revenue, **Table XIV** shows an annual impact of just over **$39 million** in TOPI, crossing the local, state, and federal levels of government. **Table XV** shows that in terms of annual income tax for the state of Kentucky, the operations of Main Street businesses (their suppliers, induced) contribute between **$9,223,134** and **$12,297,234** in revenue.

Table XIV: Main Street Businesses, Annual TOPI

	TOPI
Local	$18,207,082
State	$15,202,816
Federal	$5,646,471
All Levels	**$39,056,369**

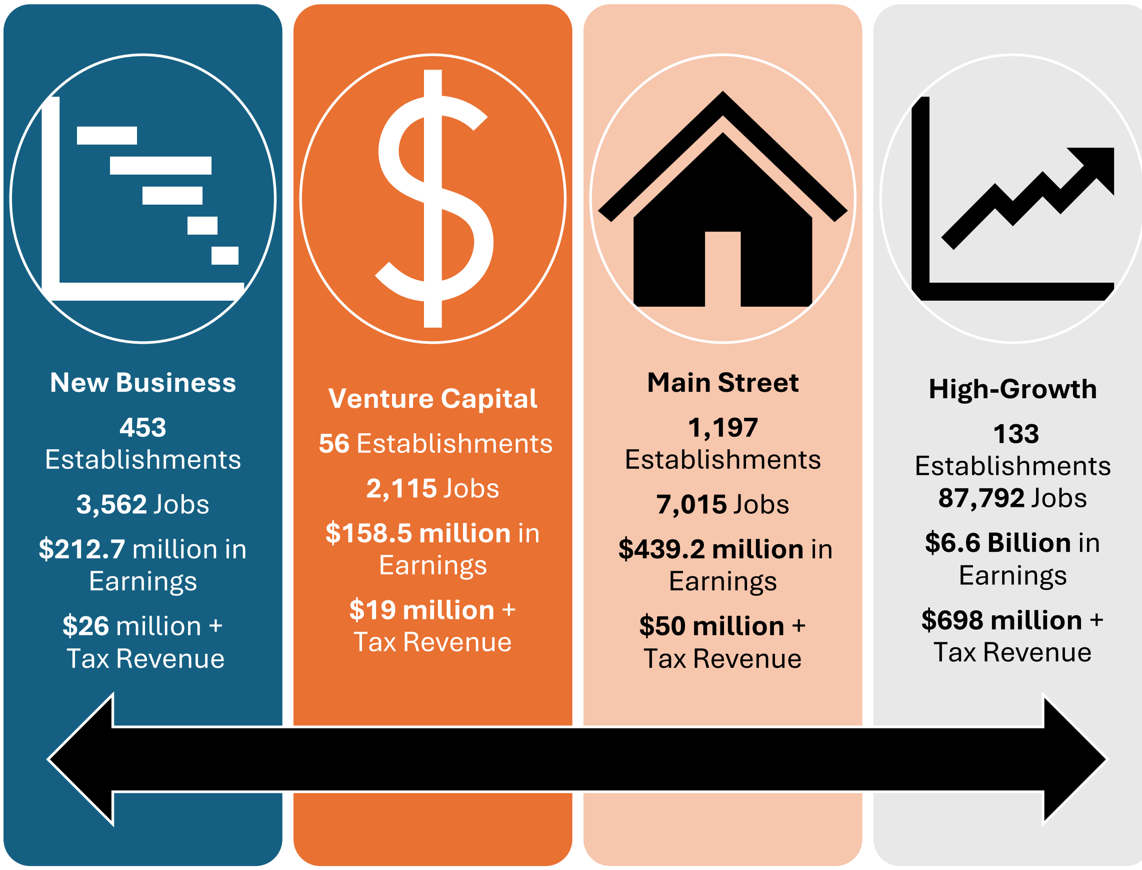
Table XV: Main Street Businesses, Annual TOPI

	Wages	100% KY Residents	90% KY Residents	75% KY Residents
Initial	$206,142,912	$8,245,716	$7,421,145	$6,184,497
Direct	$40,892,774	$1,635,711	$1,472,140	$1,226,783
Indirect	$11,583,009	$463,320	$416,988	$347,490
Induced	$48,812,146	$1,952,486	$1,757,237	$1,464,364
All Levels	**$307,430,841**	**$12,297,234**	**$11,067,510**	**$9,223,134**

Finally, **Appendix E** exhibits the breakout by industry sector of the earnings generated in support of the operations of Main Street businesses.

Comparisons and Conclusions

Clearly, the economic impact of the four business types we have reviewed in the previous pages is substantial. Comparing them side-by-side below highlights not only the vast, overall contribution of New, Main Street, Venture Capital-backed, and High-growth Businesses but also some important differentiators for each.



- **New Businesses:** Averaging just under **8** employees (initial, direct, indirect and induced) supported per Establishment, there is a vibrant and healthy community of new businesses in the region, generating upwards of **$26 million** annually in tax revenue. This group of businesses is the entrepreneurial lifeblood of the region, supporting the generation of nearly **$213 million** in earnings annually for the employees, both working directly at these establishments and their suppliers.

- **Venture Capital:** Comprised of **56** unique establishments, this category of businesses supports **2,115 jobs** in the region (all levels), generating **$158.5 million** in earnings annually for these employees. These employers are larger scale than the New and Main Street categories, averaging just under **38 employees** supported per establishment. Given the small number of businesses in this category, it should be no surprise that they make the smallest annual contribution to tax revenue, generating a (still respectable) **$19+ million, or approximately $340,000 per establishment.**

- **Main Street:** Quite literally the brick and mortar of the region, these small(er) employers (50 or fewer employees) number **1,197** and support **7,015 jobs**. These jobs generate just over **$439 million** in earnings annually for these employees and **$50+ million in tax revenue (approximately $41,100 per establishment).**

- **High-Growth:** This category, as the name suggests, is the largest economic driver in the region. Numbering only **133** establishments, they nonetheless support a staggering number of jobs (initial, direct, indirect, and induced): **87,792.** These jobs provide approximately **$6.6 billion** in annual earnings for the employees and generate an equally impressive **$698+ million in tax revenue annually**. To put that in perspective, each of these businesses, on average, generates an estimated **$5.25 million in tax revenue** (state, federal, and local). The other three categories pale in comparison to the tax revenue generated by High-growth businesses.

All told, the categories of businesses examined in this paper, each occupying a unique place in the world of entrepreneurism, are massive drivers of income and tax revenue for the region. Clearly, their importance cannot be overstated, and the numbers reported here should serve as a vital reminder of the essential role of entrepreneurism in a healthy regional economy.

Finally, we will qualitatively and quantitatively examine comparison regions to NKY in terms of what effects they have and what they offer their entrepreneurial ecosystems and make brief recommendations to continue the progress currently being made in the region.

Comparable Regions

Key Themes and Findings

- The Northern Kentucky region shows growth on trend with other regions, even those of larger size.
- Comparison regions signal effective initiatives and strategies that BE NKY can either retool or adopt to continue to encourage new growth.

The TPMA team developed qualitative explorations of other areas and quantitative comparisons featuring Boone, Campbell, and Kenton counties (identified as Northern Kentucky) and the Cincinnati MSA, which includes the greater Northern Kentucky area. The stakeholders identified three additional MSA areas that TPMA has conducted a comparative analysis on in terms of metrics like Real GDP, Per Capita Income, and Number of Jobs. In summation, the geographies under consideration include:

- Northern Kentucky Region: Boone, Campbell, and Kenton Counties
- Cincinnati MSA: 16 Counties in Ohio, Kentucky, and Indiana
- Fayetteville – Springdale – Rogers MSA, Arkansas
- Tampa – St. Petersburg – Clearwater MSA, Florida
- Durham – Chapel Hill MSA, North Carolina

Qualitative Analysis

In-depth qualitative analysis delves into the Northwest Arkansas, St. Petersburg, Florida, and Durham, North Carolina areas to find out more about their entrepreneurial activities and resources. The findings are as follows:

Northwest Arkansas

Established Corporate Presence – With Walmart, Tyson Foods, and J.B. Hunt – offers opportunity for start-ups in retail, logistics, and food industries.

Entrepreneurial Support Networks – numerous organizations offering consulting, training, networking, and business acceleration.

Access to Capital – focus on bringing investors to the region and connecting start-ups with funding opportunities.

University Collaboration – connecting companies with talent and leveraging research to fuel entrepreneurial growth.

Table XVI: Entrepreneurial Resources in Northwest Arkansas

Resource	Description
StartupNWA[38]	Central initiative led by Northwest Arkansas Council focused on building entrepreneurial resources, connections, and opportunities accessible to founders.
Onward HQ[39]	Located in downtown Bentonville to offer workspace, mentorship, and peer networking opportunities for entrepreneurs.
Onward FX (Founder-Funder Exchange)[40]	Connects startups with venture capital firms, bringing leading investors to the region for one-on-one meetings.
Startup Junkie[41]	Fayetteville organization with consulting and 501c3 arms that provide no-cost consulting, co-working space, and access to capital.

[38] StartupNWA. https://startupnwa.com/
[39] Onward HQ. https://www.onwardhq.org/
[40] Onward FX. https://onward.nwacouncil.org/fx
[41] Startup Junkie. https://onward.nwacouncil.org/fx

St. Petersburg, Florida

Robust and Supportive Ecosystem – St. Petersburg has cultivated a strong network of resources specifically designed to nurture entrepreneurs.

Thriving Innovation and Growth Landscape – The city is rapidly evolving into a dynamic tech and innovation hub. Its "Grow Smarter" strategy has successfully attracted and fostered startups in fields such as AI, fintech, and sustainability.

Access to a Growing Talent Pool – St. Petersburg benefits from a steady influx of talent, including a significant number of young professionals and recent graduates. With four local institutions of higher learning producing over 30,000 graduates annually, businesses have access to a renewable and skilled workforce.

Pro-Business Climate and Economic Development Focus – The city's Economic Development Council works to attract new businesses and support existing ones, while various programs like the South St. Pete CRA Microfund Program aim to provide capital access and capacity building for local entrepreneurs.

Table XVII: Entrepreneurial Resources in St. Petersburg, Florida

Resource	Description
The Greenhouse[42]	This city-run initiative serves as a central hub for small businesses, offering education, resources, and assistance.
St. Petersburg Innovation District[43]	Fosters collaboration among scientists, doctors, educators, and entrepreneurs. Serves as a catalyst for new ideas and advancements.
Tech Founders Committee[44]	Collaboration between the St. Petersburg Chamber of Commerce and The St. Pete Greenhouse, focuses on strengthening the tech ecosystem by improving access to funding, mentorship, partnerships, and talent development.
Grow Smarter[45]	Initiative emphasizes developing key sectors like data analytics, technology, marine science, life sciences, and advanced manufacturing. This focus creates a concentrated environment where startups in these fields can find specialized resources, talent, and potential collaborators.

[42] The Greenhouse. https://stpetegreenhouse.com/
[43] St. Petersburg Innovation District. https://www.stpeteinnovationdistrict.com/
[44] Tech Founders Committee. https://www.stpete.com/tech-founder/
[45] Grow Smarter. https://www.stpete.com/growsmarter/

Durham, North Carolina

Research Triangle Park – proximity to high-tech companies, research institutions, and skilled talent.

Incubation and Acceleration – various forms of incubation, hub, and accelerator facilities to nurture startups and help them scale.

Educational & Mentorship Programs – collaboration with Duke University, UNC-Chapel Hill, and North Carolina Central University.

University-Affiliated Funds – early-stage funding through Duke Capital Partners.

Government Initiatives – incentive and financial assistance programs through E3 Durham and Innovate Durham.

Focus on Diverse Entrepreneurs – commitment to support and assistance for entrepreneurs facing systemic barriers.

Table XVIII: Entrepreneurial Resources in Durham, North Carolina

Resource	Description
BioLabs North Carolina[46]	Specifically for the life sciences sector, this facility in downtown Durham offers premium open lab and office space designed to foster collaboration and equip startups with top-tier research equipment and services.
American Underground[47]	This startup hub in downtown Durham offers flexible workspace options and a vibrant community for high-growth startups. It connects members with resources, partners, and networking opportunities through engaging events and exclusive benefits.
Durham Community Incubator[48]	This initiative aims to support community-building in Durham and provides entrepreneurs from diverse backgrounds with access to capital through micro-granting dinners and other resources.
Innovate Durham[49]	16-week partnership program that turns the City of Durham and Durham County into a lab to test new ideas, products, or services. Participants get access to staff, data, and facilities to assist with making Durham more efficient and encourage a culture of innovation at the City and County.

Qualitative Analysis

As a complement to the qualitative analysis above, the research team at TPMA also includes the following quantitative analysis. The areas included in this analysis are:

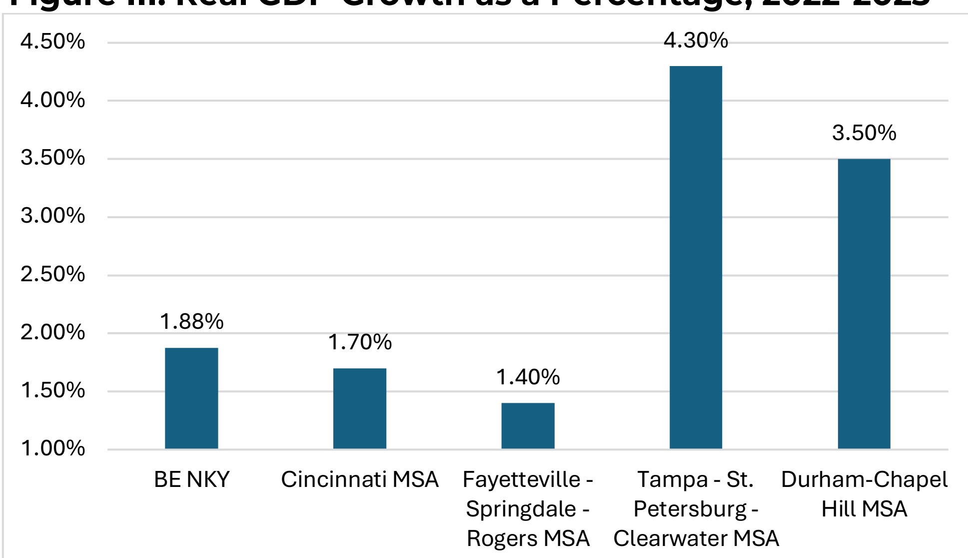
[46] BioLabs North Carolina. https://www.biolabs.io/
[47] American Underground. https://americanunderground.com/about/
[48] Durham Community Incubator. https://joindci.com/
[49] Innovate Durham. https://dconc.gov/Economic-Development/Small-Business-Support-and-Programming/Innovate-Durham

- Northern Kentucky Region: Boone, Cambell, and Kenton Counties, Kentucky
- Cincinnati MSA: Counties in Ohio, Kentucky, and Indiana
- Fayetteville – Springdale – Rogers MSA, Arkansas
- Tampa – St. Petersburg – Clearwater MSA, Florida
- Durham – Chapel Hill MSA, North Carolina

GDP, Income, and New Business Formations

Figure III below shows GDP growth as a percentage from 2022 to 2023. The economic activity of the BE NKY region itself has outpaced the Cincinnati MSA as a whole and the Fayetteville-Springdale-Rogers MSA as well. GDP growth from 2022 to 2023 was readily available, published by Heartland Forward. GDP growth for the BE NKY region was calculated from the Bureau of Economic Analysis, the same source Heartland Forward cites for GDP.

Figure III: Real GDP Growth as a Percentage, 2022-2023[50][51]



As a measure of quality of life realized from the economic activity of the Northern Kentucky region, Per Capita Personal Income has been compared among the MSAs. The region is highly competitive with the Cincinnati, Tampa-St. Petersburg-Clearwater, and Durham-Chapel Hill MSAs.

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[50] GDP by County, Metro, and Other Areas. U.S. Bureau of Economic Analysis. https://www.bea.gov/data/gdp/gdp-county-metro-and-other-areas
[51] Most Dynamic Metropolitans 2024. Heartland Forward. https://heartlandforward.org/case-study/most-dynamic-metros-2024/#executive-summary

Figure IV: Per Capita Personal Income, 2023[52]

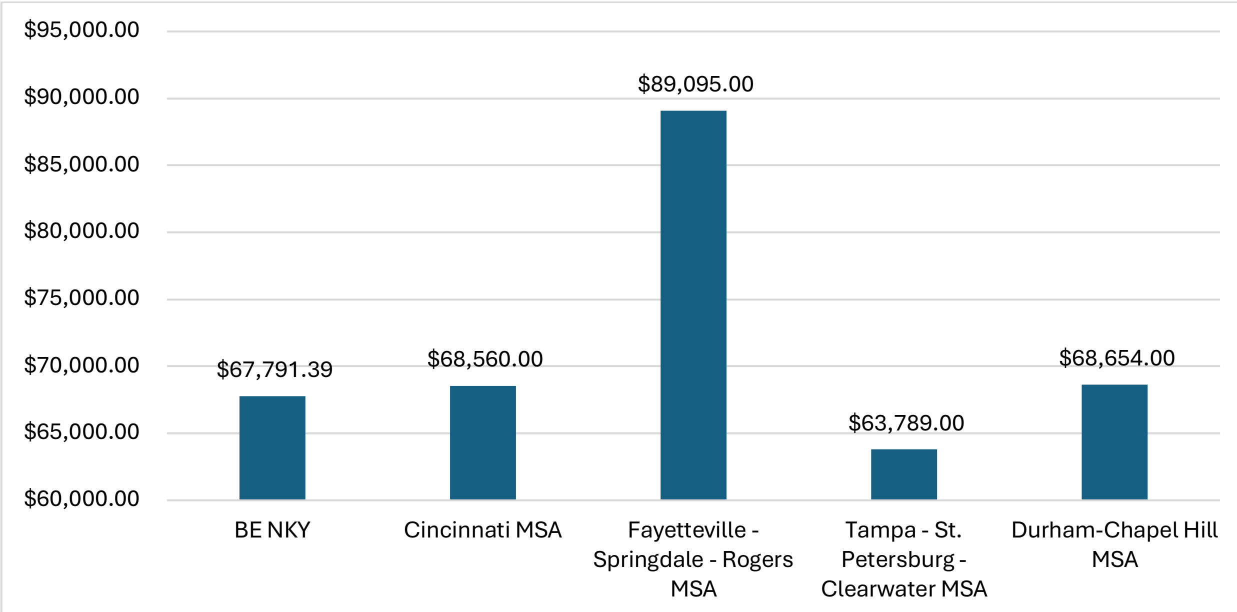

Figure V below shows an indicator of the level of entrepreneurial activity in the Northern Kentucky region and comparison MSAs. TPMA combined data from the U.S. Census Bureau on new business filings and population estimates from Lightcast, both from the year 2024. Though among one of the smaller population centers in these comparisons, the Northern Kentucky region is competitive among the other MSAs, with the exception of Tampa-St. Petersburg-Clearwater, in the rate of business formation in 2024.

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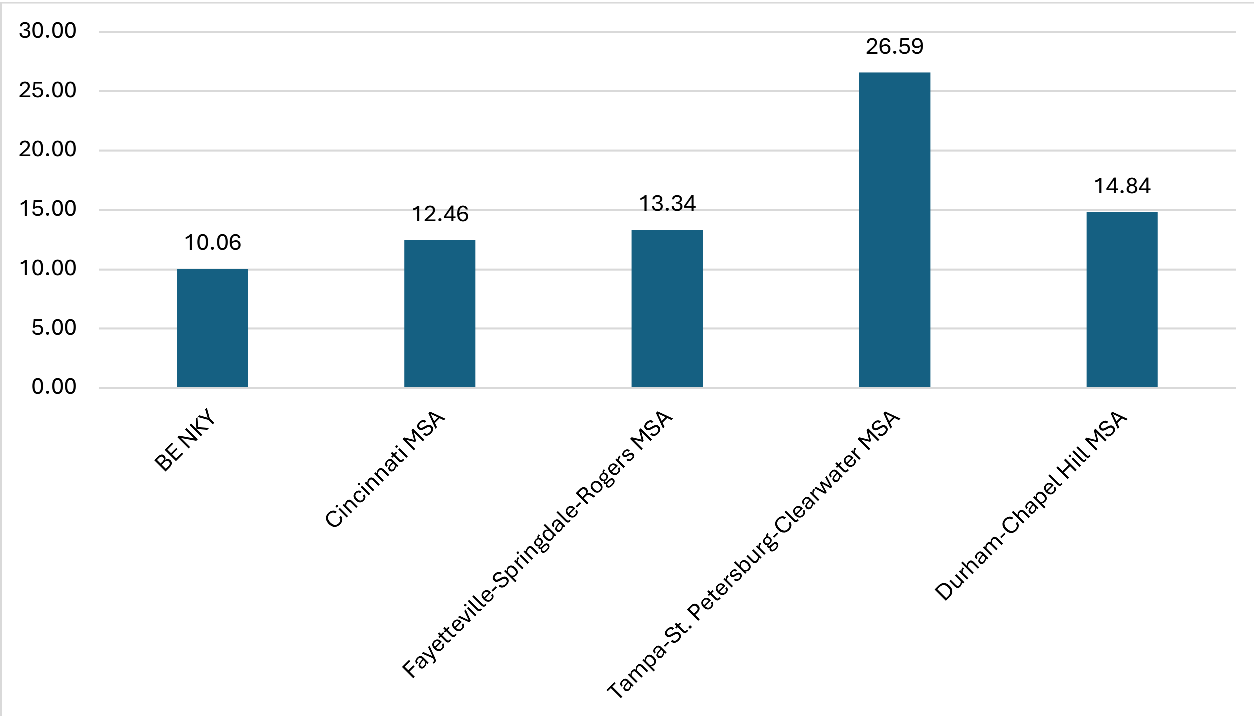
[52] Personal Income by County, Metro, and Other Areas. U.S. Bureau of Economic Analysis. https://www.bea.gov/data/income-saving/personal-income-county-metro-and-other-areas

Figure V: New Business Filings Per 1,000 Residents, 2024[53]

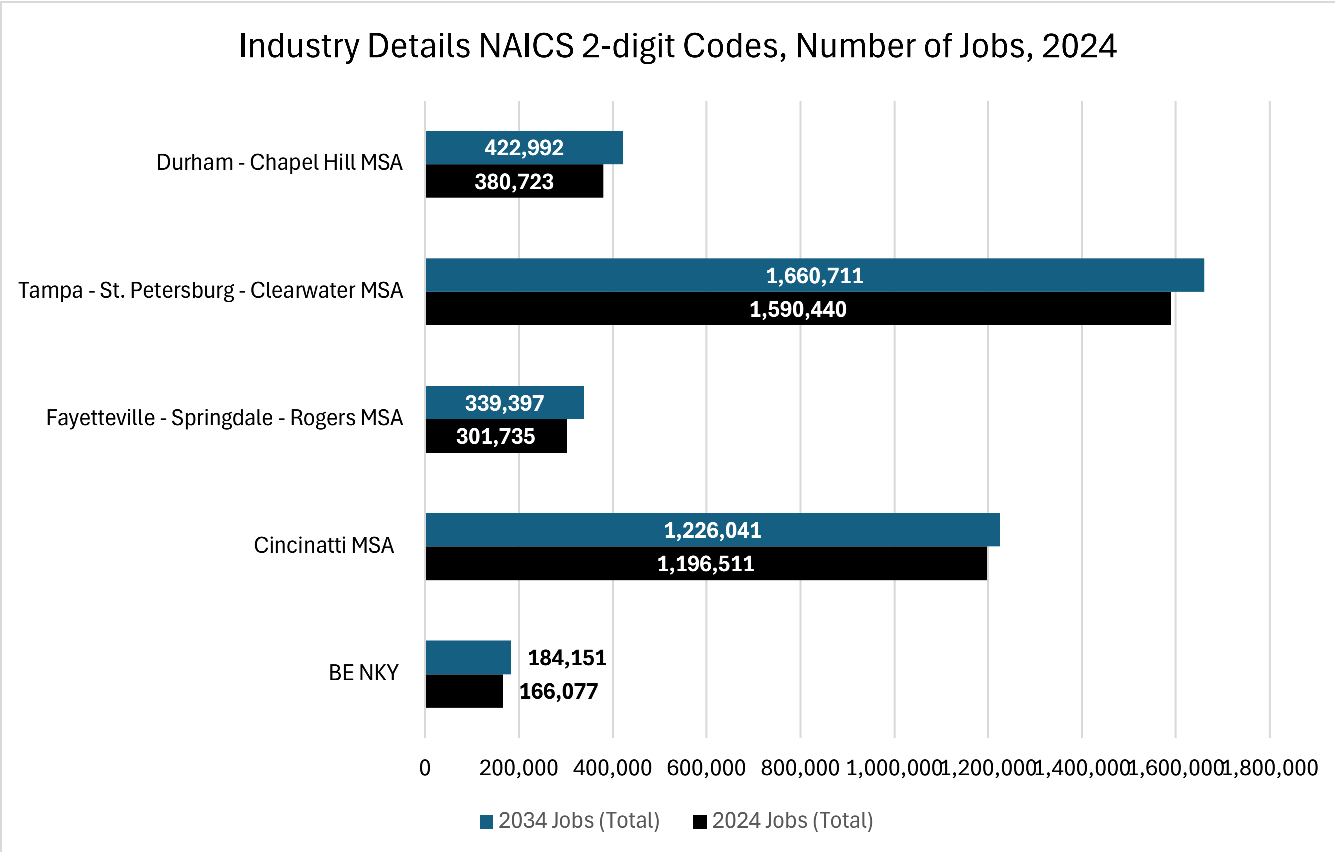


Industry

Utilizing Lightcast, the TPMA team gathered data on the number of jobs per NAICS 2-digit codes for both 2024 and 2034. The figure outlines the side-by-side comparisons of each of the geographies, but also the change in jobs from 2024 to 2034 in terms of raw numbers. The Northern Kentucky Region, although the smallest in terms of number of jobs, has a higher percentage change than many of the comparable regions.

[53] Business Formation Statistics. U.S. Census Bureau. https://www.census.gov/econ/bfs/index.html

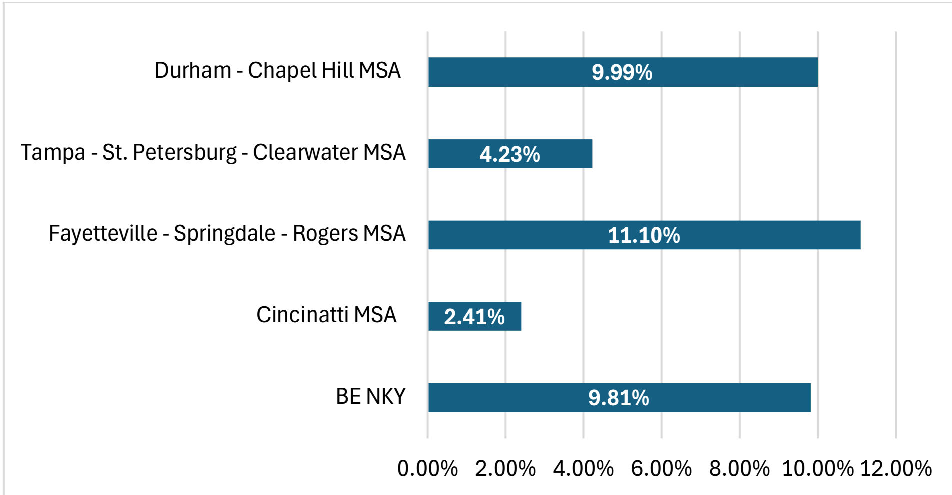
Figure VI: Total Number of Jobs, 2024 – 2034[54]



While evaluating the raw number of jobs, the team wanted to get a closer look at the estimated percentage change of total jobs from 2024 to 2034. The figure below highlights the percentages of each of the comparable geographies. Northern Kentucky's total jobs are expected to grow by **9.81%**, the third highest, trailing behind Durham-Chapel Hill MSA (**9.99%**) and Fayetteville – Springdale – Rogers MSA (**11.10%**).

[54] Lightcast

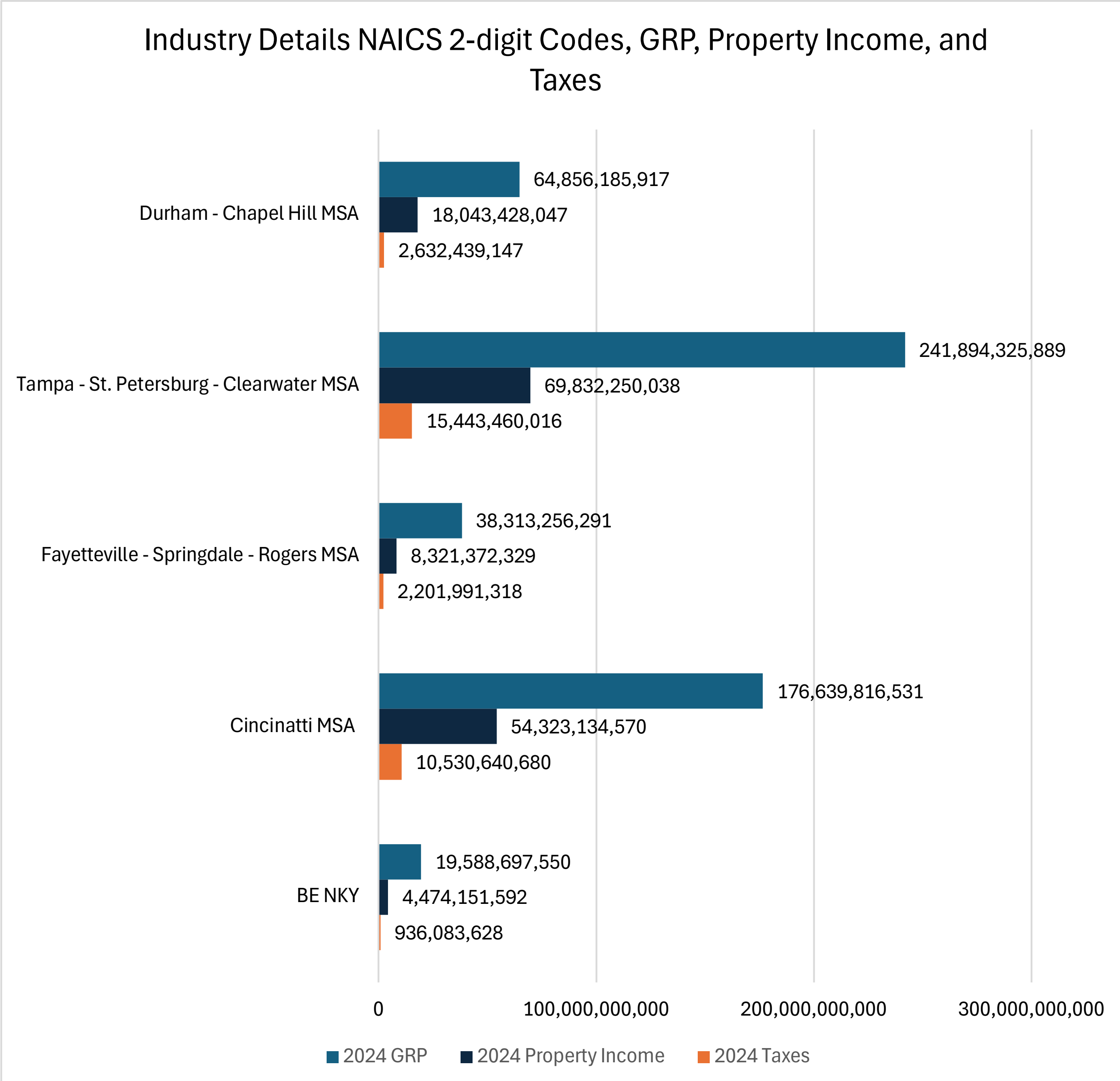
Figure VII: Percent Change Total Number of Jobs, 2024 – 2034[55]



The TPMA team also reviewed the amount of GRP, property income, and taxes reported by Lightcast. Utilizing the 2-digit NAICS code, the team summed the accumulated GRP, property income, and taxes to provide a side-by-side. In addition to the raw data below, it is important to note that Florida has very different tax laws from those of many of the other states, and that Cincinnati includes three different states. In terms of actual comparisons, Northern Kentucky's output is most comparable to Durham-Chapel Hill MSA and Fayetteville – Springdale – Rogers MSA.

[55] Lightcast

Figure VIII: 2024 Industry Details NAICS 2-digit Codes; GRP, Property Income, and Taxes[56]



[56] Lightcast

Recommendations

In light of the research conducted for the Northern Kentucky region, based on both quantitative and qualitative data gathered, TPMA has produced several recommendations in addition to the economic impact analysis to continue the entrepreneurial growth and activity in the counties of Boone, Campbell, and Kenton.

Culture of Collaboration

- Develop physical space.
- Create a network of startups and support services.
- Attend regular events.
- Provide access to capital.

University Connections

- Nurture student-faculty talent partnerships.
- Research asset development.
- Leverage the existing and growing networks.

Fitting in with Entrepreneurs

- Customize support and programming.
- Develop and reaffirm affinity groups.
- Nurture entrepreneur relationships.

Industry Fit

- Align with BE NKY target industry clusters.

Appendix A: Methodology

Geography Identification

In collaboration with BE NKY, TPMA identified the region for this analysis to include Boone, Campbell, and Kenton counties. In addition, the team will also utilize the Cincinnati Metropolitan Statistical Area (MSA) as a regional comparison unit of measurement. Utilizing these geographies, the team was able to develop an inventory via various data collection tools, which are outlined below.

Data Collection

Pitchbook[57]

Pitchbook is database that displays global capital market data. The database includes an inventory of 5M+ companies, 3M+ investments, 560k+ investors, and 140k+funds. All published information is provided, researched, and quality checked by a team of researchers and subject matter experts. The database is available through purchase and has various instruments and mechanisms to assist in data collection of the following types of variables:

- Companies
    - Public vs. Private companies, financials, equity, and debt history
- Investors
    - Previous deals and fund performance
- Deals
    - Public Equity vs. Private equity and credit/debt markets
- Mergers and Acquisitions
    - How deals were structured and priced, and who was involved
- Limited Partners
    - Mandate, target and actual allocations, past and present commitments, and investment preferences
- Funds
    - Investments, dry powder, IRR, and cash flow multiples
- Financials

[57] "Who and What you can research with Pitchbook." 2025. *Pitchbook*. Accessed June 1, 2025. PitchBook's Data: Private & Public Market Data - PitchBook

- Key financial of public and private companies, metrics on driving return on equity or fixed income, and predictions about future performance
- Advisors
  - Advisors active in venture capital, private equity, and mergers and acquisitions, including deals, clients, and people on their team.
- Professionals
  - Experience, education, board seats, phone number, email address, and LinkedIn profile
- Debt
  - Corporate debt, companies taking on debt, refinancing options
- Lenders
  - Active lenders and sponsors, track competition, and robust information on deals, clients, and funds

Pitchbook is updated regularly and frequently from sources including qualitative surveys, regulatory filings, and any responses from the Freedom of Information Act.

Data Axle Salesgenie[58]

Data Axle Genie, also known as Salesgenie, is a lead generation database that provides users with a list of companies that fit within the purview of specific selections and indicators. Utilizing a team of 300 researchers, Salesgenie provides both business and consumer databases for use.

For the business database, Salesgenie compiles data from the following resources:

- U.S. and Canadian Yellow Page directories
- New business filings
- Daily utility connections
- Press releases
- Corporate websites
- Annual reports
- User-generated feedback

[58] "Quality Data with Unlimited Viewing Access." 2025. *Data Axle Salesgenie*. Accessed June 1, 2025. Quality Data with Unlimited Viewing Access

For the consumer database, Salesgenie compiles data from more than 100 sources, including the following:

- Real estate
- Tax assessments
- Voter registration files
- Utility connections
- Bill processors
- Behavioral data
- Other sources

Inc 5000

The Inc 5000 list is a yearly ranking published by Inc. Magazine. Originally launched in 1982, the list showcases businesses that have demonstrated high growth. The process of establishing the list begins with data collection. To be eligible for the Inc. 5000 list, companies must be privately held, for profit, and independent, have been founded and generating revenue as of March 31, 2020, have generated a minimum of $100,000 in revenue in 2020, and have generated a minimum of $2 million in revenue in 2023. Interested companies must apply to be considered for the list. Once an application has been submitted, the Inc. 5000 team researches and verifies the revenue of applicants. The ranking is based on a three-year growth rate that emphasizes the gross revenue for the base annual year (2020) and for year three (2023).[59]

Notable companies that have been on the list include:

- Intuit
- Zappos
- Under Armour
- Microsoft
- GoPro
- Timberland
- Clif Bar
- Patagonia
- Oracle
- Box
- Grubhub

[59] "2024 Inc. 5000 Methodology: How We Selected These Companies." Aug 15, 2023. *Inc. 5000.* Accessed on June 1, 2025. [2024 Inc. 5000 Methodology: How We Selected These Companies]

Fast 55

The *Business Courier*, a Cincinnati-based business journal, provides a list of high-growth companies in the Greater Cincinnati, Ohio, area. To be eligible for this list, all companies must be privately held, headquartered locally, for-profit, and independent. In addition, companies must provide financials for up to three calendar years of operations. The *Business Courier* calculates a year-over-year percentage from 2022 to 2024. This year, the *Courier* utilized an accounting firm to verify the revenue figures to finalize the ranking and the list.[60]

Initial Data Pulls: Main Street and New Businesses

Table XIX: Initial Data Pull Main Street Businesses

County	Number of Establishments
Boone	473
Campbell	317
Kenton	543
Total	**1,333**

Table XX: Initial Data Pull New Businesses

County	Number of Establishments
Boone	209
Campbell	118
Kenton	226
Total	**553**

Initial Data Pulls: High-Growth Businesses

Reliable annual sales data at the employer/firm level proved difficult to secure. Following a series of calls with data extractions from Data Axle Genie (formerly InfoGroup USA), the sales data they were able to produce proved unsatisfactory. In short, of all the business records they had for the region under examination (just over 3,000), they reported identical annual sales in 2022, 2023, and 2024 for approximately 90% of all firms- a statistical impossibility. Upon review of their methodology, they did provide insight into how the numbers are modeled: they take GRP as reported by the US BEA by

[60] "Cincinnati Business Courier Fast 55 Awards 2025." 2025. *Cincinnati Business Courier*. Accessed June 1, 2025. Cincinnati Business Courier Fast 55 Awards 2025

NAICS code, then divide that total among all firms in the region proportionally based on estimated number of employees.

Ultimately, TPMA was able to utilize Data Axle Salesgenie to attain a list of fast-growing businesses in the region, circa 2024, which they define as businesses growing faster (in terms of employment) than their industry peers in the region. In keeping with the entrepreneurial spirit of the project, we manually removed 80 establishments, for one (or more) of the following reasons:

1. Public or Private School, College, or Training Provider
2. Individual Practitioner Medical Office (Doctor or Dentis)
3. Religious Organization/Church
4. Historical Site/Center or Non-Profit/Civic Organization
5. Franchisee

After these edits, there were ***135 high-growth firms*** remaining from Data Axle Genie. We then appended this list with ***7 businesses*** in three counties identified as part of the Fast 55 List and an additional ***5 businesses*** from the Inc 5000 list. 3 duplicate businesses appeared on multiple lists/sources: RedHawk Technologies, Prolicity Cloud Solutions, and Motus Freight. After removing these duplicates, the final list of high-growth businesses includes ***144 businesses*** in the 3-county region. These 144 were further reduced via discussion with BE NKY and partners.

Notes on Appendices B through E

Appendices B through E contain lists of the number of businesses per NAICS code and the number of employees per business. NAICS codes, short for North American Industry Classification System codes, are 2-6 digit numbers that classify businesses according to industry. The two-digit NAICS codes in the tables in Appendices B through E are the most general form of the codes, capturing all businesses within the code. As the number of digits increases, so does the specificity of the corresponding industry classification.

These appendices also include methodology applicable to the economic impact section of this report.

Appendix B: Venture Capital-Backed Businesses

Table XXI: Venture Capital or Accelerator/Incubator Backed Businesses

Industry Description	NAICS	Businesses	Employees
Construction	23	1	10
Manufacturing	31-33	8	190
Wholesale Trade	42	2	22
Retail Trade	44-45	8	171
Transportation and Warehousing	48-49	1	3
Information	51	2	65
Real Estate Rental and Leasing	53	2	17
Professional, Scientific, and Technical Services	54	27	641
Administrative and Support and Waste Management and Remediation Services	56	2	147
Accommodation and Food Services	72	1	8
Other Services (Except Public Administration)	81	2	12
All VC/Incubator Backed	**N/A**	**56**	**1,286**

Table XXII: Top Supply Chain Sectors (2-Digit NAICS) for VC-Backed Enterprises

NAICS	Sector Description	Direct	Indirect	Induced	Total
11	Agriculture, Forestry, Fishing and Hunting	$14,554	$4,358	$33,206	$52,118
21	Mining, Quarrying, and Oil and Gas Extraction	$699	$1,143	$6,146	$7,988
22	Utilities	$70,422	$23,426	$103,340	$197,188
23	Construction	$196,704	$99,870	$2,331,098	$2,627,672
31-33	Manufacturing	$985,301	$122,061	$576,657	$1,684,019
42	Wholesale Trade	$1,421,167	$162,938	$805,374	$2,389,479
44-45	Retail Trade	$66,614	$25,957	$1,552,817	$1,645,389
48-49	Transportation and Warehousing	$1,294,860	$449,165	$915,601	$2,659,626
51	Information	$568,045	$95,177	$499,203	$1,162,424
52	Finance and Insurance	$1,063,487	$689,216	$1,961,813	$3,714,516
53	Real Estate and Rental and Leasing	$2,653,266	$719,545	$1,196,503	$4,569,314
54	Professional, Scientific, and Technical Services	$4,383,411	$828,214	$2,268,512	$7,480,138
55	Management of Companies and Enterprises	$1,219,388	$338,194	$438,871	$1,996,453
56	Administrative and Support and Waste Management and Remediation Services	$3,717,543	$1,105,678	$901,592	$5,724,814
61	Educational Services	$23,250	$9,254	$429,080	$461,584
62	Health Care and Social Assistance	$11,368	$4,447	$6,040,778	$6,056,593
71	Arts, Entertainment, and Recreation	$79,944	$43,966	$286,081	$409,991
72	Accommodation and Food Services	$350,388	$193,360	$1,813,384	$2,357,132
81	Other Services (except Public Administration)	$302,671	$103,498	$1,300,846	$1,707,015
90	Public Administration	$75,632	$26,220	$4,051,833	$4,153,686
	All Sectors	**$18,498,717**	**$5,045,688**	**$27,512,736**	**$51,057,141**

Venture Capital Economic Impact

The Venture Capital impact scenario focuses on businesses that are venture capital OR accelerator/incubator backed enterprises. Based on a detailed review of information available through Gazelle™ and PitchBook™, we identified **56** businesses in the 3-county region that meet these criteria. A full breakout of business, sector, and employee counts (as estimated/reported by PitchBook, Gazelle or independent research[61]) appears in the appendix.

Utilizing this list of business types (as defined by NAICS) and employment levels, we can estimate the annual economic impact of venture capital/incubator-accelerator on the BE NKY region. This impact is estimated in terms of tax revenue generated (KY income tax on earnings, state, local, federal taxes on production and imports), jobs created (within the industries on the list above themselves, as well as at the direct, indirect, and induced levels), and the earnings (proprietor and payroll, including benefits and wages, also at the initial, direct, indirect, and induced levels). Results for each of these output components appear in the tables in the economic impact section.

[61] Gazelle and PitchBook use their own proprietary process to estimate the number of employees for a specific establishment. As this information is confidential and not readily, publicly accessible, we accept these estimates as the best representation of employee size, however, some discrepancies may exist. In situations where no estimate was available, we assumed the average industry employment per establishment, as reported in LightCast™, is an accurate estimation of employment at a specific site.

Appendix C: High-Growth Businesses

Table XXIII: High-Growth Businesses, by Sector

NAICS	Industry Description	Establishments	Employees
22	Utilities	1	125
23	Construction	7	3,850
31-33	Manufacturing	15	11,784
42	Wholesale Trade	5	2,975
44-45	Retail Trade	15	1,902
48-49	Transportation and Warehousing	26	7,490
51	Information	14	7,665
52	Finance and Insurance	6	246
53	Real Estate Rental and Leasing	1	750
54	Professional, Scientific, and Technical Services	25	7,027
55	Management of Companies and Enterprises	3	165
56	Administrative and Support and Waste Management and Remediation Services	4	725
62	Health Care and Social Assistance	1	2,000
71	Arts, Entertainment, and Recreation	1	7
72	Accommodation and Food Services	4	4,032
81	Other Services (Except Public Administration)	5	522
	All High-Growth	**133**	**51,265**

Table XXIV: Top Supply Chain Sectors (2-Digit NAICS) High-Growth Enterprises

NAICS	Sector Description	Direct	Indirect	Induced	Total
11	Agriculture, Forestry, Fishing and Hunting	$18,817,675	$1,647,565	$1,402,322	$21,867,562
21	Mining, Quarrying, and Oil and Gas Extraction	$12,451,348	$371,678	$233,776	$13,056,803
22	Utilities	$5,714,506	$1,435,125	$4,062,521	$11,212,152
23	Construction	$12,764,037	$4,983,516	$80,009,087	$97,756,640
31-33	Manufacturing	$66,040,064	$7,653,954	$21,210,543	$94,904,561
42	Wholesale Trade	$104,430,860	$12,769,000	$30,664,415	$147,864,275
44-45	Retail Trade	$7,405,694	$2,200,103	$61,378,782	$70,984,579
48-49	Transportation and Warehousing	$205,837,162	$43,894,431	$35,912,568	$285,644,161
51	Information	$17,086,004	$3,753,449	$18,571,691	$39,411,144
52	Finance and Insurance	$69,445,515	$35,521,866	$76,450,208	$181,417,590
53	Real Estate and Rental and Leasing	$85,135,494	$35,275,549	$45,837,378	$166,248,421
54	Professional, Scientific, and Technical Services	$165,516,087	$38,484,075	$83,359,030	$287,359,192
55	Management of Companies and Enterprises	$94,244,080	$19,505,402	$18,582,429	$132,331,911
56	Administrative and Support and Waste Management and Remediation Services	$108,460,127	$44,869,296	$34,982,267	$188,311,690
61	Educational Services	$1,423,023	$443,893	$17,332,539	$19,199,454
62	Health Care and Social Assistance	$2,047,144	$251,183	$245,109,229	$247,407,556
71	Arts, Entertainment, and Recreation	$3,473,682	$1,645,461	$11,185,641	$16,304,784
72	Accommodation and Food Services	$24,210,478	$8,327,380	$72,444,465	$104,982,323
81	Other Services (except Public Administration)	$22,183,455	$6,534,875	$52,127,690	$80,846,020
90	Public Administration	$6,185,747	$1,752,927	$145,211,387	$153,150,062
	All Sectors	**$1,032,872,183**	**$271,320,729**	**$1,056,067,968**	**$2,360,260,880**

High-Growth Economic Impact

As discussed, to ensure accuracy and validity of the list, the list of high-growth businesses was circulated, reviewed, and validated by experts and stakeholders within the BE NKY region. A full list of the industries served by the **133 High-growth businesses** is located in the appendix.

To ensure the appropriateness of comparisons across our identified business types (VC, High-growth, New, and Main Street), we adopt the same methodology again to evaluate the impact of high-growth firms on the region.

Appendix D: New Businesses

Table XXV: New Businesses, by Sector with Counts of Establishments and Estimated Employees

NAICS	Industry Description	Establishments	Employees
11	Agriculture, Forestry, Fishing and Hunting	7	13
21	Mining	1	15
23	Construction	61	208
31-33	Manufacturing	16	108
42	Wholesale Trade	6	34
44-45	Retail Trade	56	407
48-49	Transportation and Warehousing	12	43
51	Information	6	22
52	Finance and Insurance	24	116
53	Real Estate and Rental Leasing	41	124
54	Professional Scientific and Technical Services	46	205
55	Management of Companies and Enterprises	4	10
56	Administrative and Support and Waste Management and Remediation Services	29	99
61	Educational Services	7	24
62	Health Care and Social Assistance	48	434
71	Arts, Entertainment, and Recreation	10	39
72	Accommodation and Food Services	37	306
81	Other Services (Except Public Administration)	43	149
	All New Businesses	**454**	**2,356**

Table XXVI: Top Supply Chain Sectors (2-Digit NAICS) for New Businesses

NAICS	Sector Description	Direct	Indirect	Induced	Total
11	Agriculture, Forestry, Fishing and Hunting	$48,120	$16,047	$45,580	$109,746
21	Mining, Quarrying, and Oil and Gas Extraction	$8,603	$4,807	$6,573	$19,983
22	Utilities	$169,523	$43,698	$132,567	$345,788
23	Construction	$366,942	$198,274	$2,233,775	$2,798,990
31-33	Manufacturing	$1,173,232	$176,480	$657,882	$2,007,594
42	Wholesale Trade	$1,378,026	$243,720	$962,221	$2,583,967
44-45	Retail Trade	$353,240	$55,106	$1,992,439	$2,400,786
48-49	Transportation and Warehousing	$2,551,198	$714,950	$1,154,778	$4,420,925
51	Information	$564,504	$127,182	$582,778	$1,274,464
52	Finance and Insurance	$4,235,933	$1,692,430	$2,454,931	$8,383,294
53	Real Estate and Rental and Leasing	$5,653,035	$1,303,600	$1,430,970	$8,387,605
54	Professional, Scientific, and Technical Services	$5,085,834	$1,300,732	$2,490,879	$8,877,445
55	Management of Companies and Enterprises	$2,764,714	$620,223	$594,139	$3,979,076
56	Administrative and Support and Waste Management and Remediation Services	$3,890,560	$1,787,524	$1,113,655	$6,791,739
61	Educational Services	$59,271	$16,396	$559,227	$634,893
62	Health Care and Social Assistance	$161,594	$8,092	$8,033,159	$8,202,845
71	Arts, Entertainment, and Recreation	$176,931	$65,576	$363,629	$606,137
72	Accommodation and Food Services	$1,158,542	$335,498	$2,369,483	$3,863,523
81	Other Services (except Public Administration)	$744,215	$192,376	$1,702,828	$2,639,420
90	Public Administration	$240,755	$45,068	$5,639,772	$5,925,595
	All Sectors	**$30,784,772**	**$8,947,779**	**$34,521,265**	**$74,253,815**

New Business Economic Impact

As discussed in detail in the text, we have defined “New Businesses” as those that possess both of the following characteristics:

1. They were founded no more than 5 years ago, utilizing the latest available data (from CY2024), this means the company could have been founded in any of the years 2019 through 2024
2. They have fewer than 50 FTE employees

Controlling for overlap in other higher priority lists (Venture Backed of High-Growth) and, once again, removing franchise establishments, non-profits, churches, and social clubs from the list, we are left with a list of **453 New Businesses**.

Using the number of establishments, sector with specific 6-digit NAICS, and employee counts provided in the table above, we can estimate the annual economic impact of “New Businesses” on the region. Once again, this impact is estimated in terms of tax revenue generated (KY income tax on earnings, state, local, federal taxes on production and imports), jobs created (within the industries on the list above themselves, as well as at the direct, indirect, and induced levels), and the earnings (proprietor and payroll, including benefits and wages, also at the initial, direct, indirect, and induced levels). Results for each of these output components appear in the tables below.

Appendix E: Main Street Businesses

Table XXVII: Main Street Businesses, by Sector

NAICS	Industry Description	Establishments	Employees
11	Agriculture, Forestry, Fishing and Hunting	18	41
21	Mining	1	2
23	Construction	116	440
31-33	Manufacturing	45	191
42	Wholesale Trade	24	124
44-45	Retail Trade	155	414
48-49	Transportation and Warehousing	43	201
51	Information	23	89
52	Finance and Insurance	71	188
53	Real Estate and Rental Leasing	114	248
54	Professional Scientific and Technical Services	180	652
55	Management of Companies and Enterprises	23	46
56	Administrative and Support and Waste Management and Remediation Services	73	268
61	Educational Services	24	104
62	Health Care and Social Assistance	71	439
71	Arts, Entertainment, and Recreation	35	183
72	Accommodation and Food Services	94	748
81	Other Services (Except Public Administration)	87	243
	All Main Street Businesses	**1,197**	**4,621**

Table XXVIII: Main Street Industries, Supply Chain and Induced Supported Earnings (Annual)

NAICS	Sector Description	Direct	Indirect	Induced	Total
11	Agriculture, Forestry, Fishing and Hunting	$159,975	$27,012	$93,359	$280,346
21	Mining, Quarrying, and Oil and Gas Extraction	$27,668	$10,033	$13,235	$50,936
22	Utilities	$291,828	$81,734	$272,028	$645,590
23	Construction	$651,184	$349,111	$4,458,867	$5,459,162
31-33	Manufacturing	$2,792,724	$394,402	$1,341,067	$4,528,193
42	Wholesale Trade	$2,902,187	$547,729	$1,965,800	$5,415,715
44-45	Retail Trade	$682,873	$104,887	$4,091,416	$4,879,175
48-49	Transportation and Warehousing	$6,962,057	$1,623,733	$2,365,389	$10,951,179
51	Information	$983,724	$238,555	$1,189,949	$2,412,227
52	Finance and Insurance	$6,384,100	$2,819,301	$5,033,788	$14,237,189
53	Real Estate and Rental and Leasing	$9,339,623	$2,362,470	$2,924,675	$14,626,768
54	Professional, Scientific, and Technical Services	$9,267,820	$2,406,328	$5,059,033	$16,733,181
55	Management of Companies and Enterprises	$6,379,034	$1,150,829	$1,217,037	$8,746,900
56	Administrative and Support and Waste Management and Remediation Services	$7,104,647	$3,205,691	$2,275,043	$12,585,381
61	Educational Services	$140,707	$30,882	$1,148,258	$1,319,847
62	Health Care and Social Assistance	$162,689	$14,925	$16,510,843	$16,688,458
71	Arts, Entertainment, and Recreation	$515,137	$128,141	$746,622	$1,389,900
72	Accommodation and Food Services	$1,744,405	$591,229	$4,868,891	$7,204,525
81	Other Services (except Public Administration)	$1,383,041	$374,243	$3,496,130	$5,253,414
90	Public Administration	$542,826	$85,920	$10,660,209	$11,288,954
	All Sectors	**$58,418,248**	**$16,547,156**	**$69,731,638**	**$144,697,041**

Main Street Economic Impact

Capturing the important impact of hometown entrepreneurism, this section estimates the economic impact of "Main Street Businesses". For our purposes, we define these important local economic drivers as:

1. Being in business for more than 5 years
2. Employing less than 50 people

The largest group of businesses under review as part of this project, the 1,197 businesses in this category, is broken out by sector in this appendix.