

Tech's Great Migration: Insights to Emerging Tech Hubs Across the U.S.

Telstra Ventures

February 16, 2022

Executive Summary

24 months ago, March 2020, COVID-19 brought the US to a screeching halt. The way we worked and invested was forever changed. The debates rang loud on whether or not you needed to be in SF or NYC to be a successful entrepreneur or VC.

We were energized by the debate and started tracking deal volumes and deal flow across 25 emerging tech hubs as well as SF and NYC. In the second year of the report, “**Tech’s Great Migration: Insights to Emerging Tech Hubs Across the U.S.,**” it is clear investments continue to flood into emerging tech hubs across the U.S. The following slides are filled with data and images that illustrate where the deals are happening and which hubs and sectors are growing the fastest:

● **Mayor Suarez’ bid to turn Miami into the blockchain & crypto capital of America is coming true.**

- In the past year, Miami emerged as one of the top regions receiving Blockchain investments
- SF, NYC, and LA still lead the country in Blockchain investments, but Miami emerged from nowhere to take 4th place
- Miami had the greatest percentage growth in VC backed companies from 2020 to 2021, but still has a long way to go to catch up to the major Tech Hubs

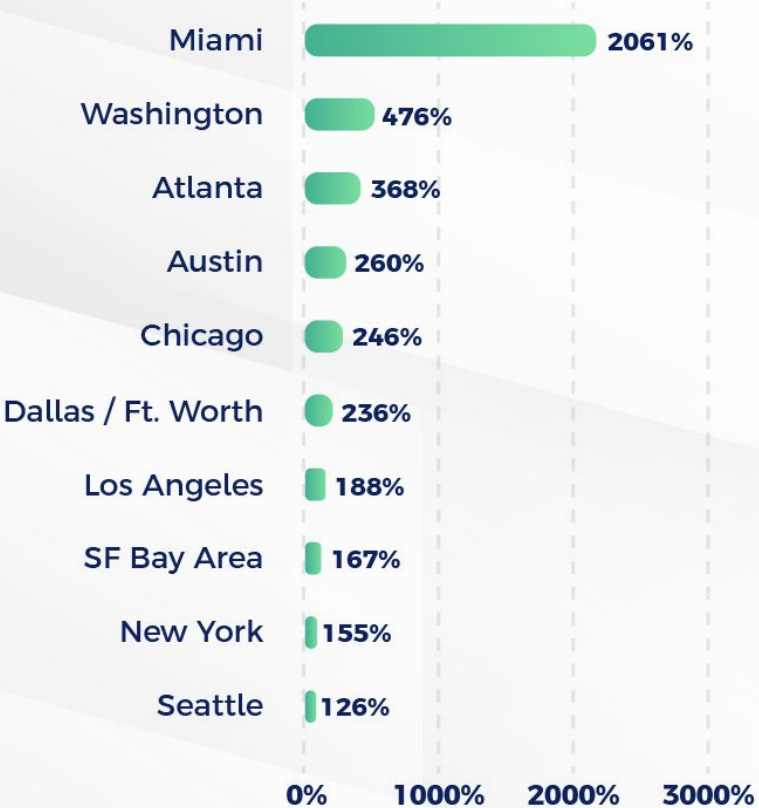
● **VC Deal Volumes Accelerate Across 24 of America’s 25 Emerging Tech Hubs**

- Total number of VC deals for Miami backed companies grew 260% y-o-y, followed by Houston (165%) and Washington DC (143%)
- Pittsburg was the only city to see a slowing in VC deals compared to the previous year

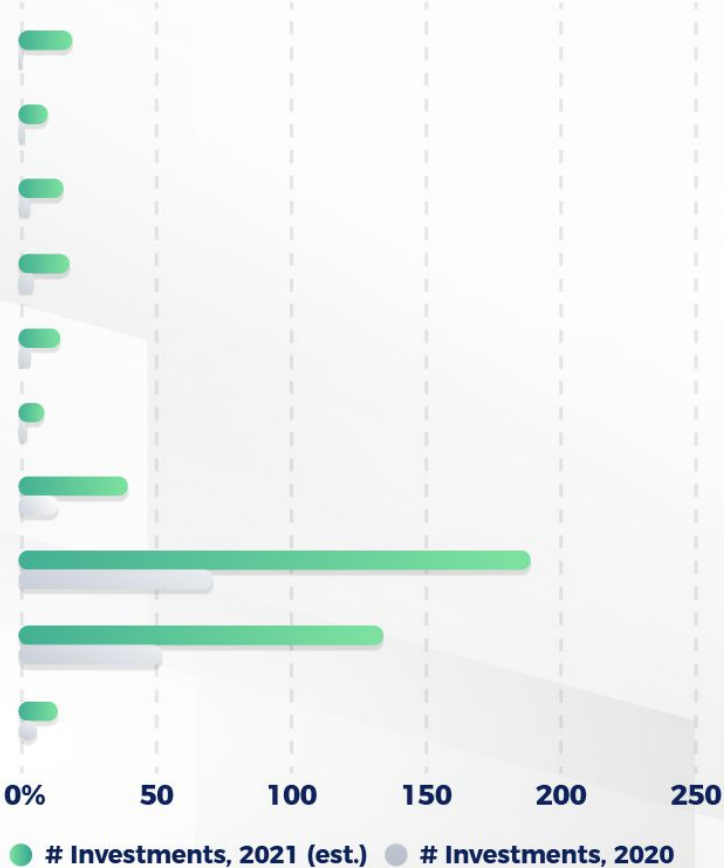
● **More than half VC investments in major regions went to SF Bay Area and NYC; followed by LA, Boston, Seattle, and Austin**

In 2021, Miami emerged as one of the top regions receiving Blockchain investments

% Change in # Investments, Y/Y

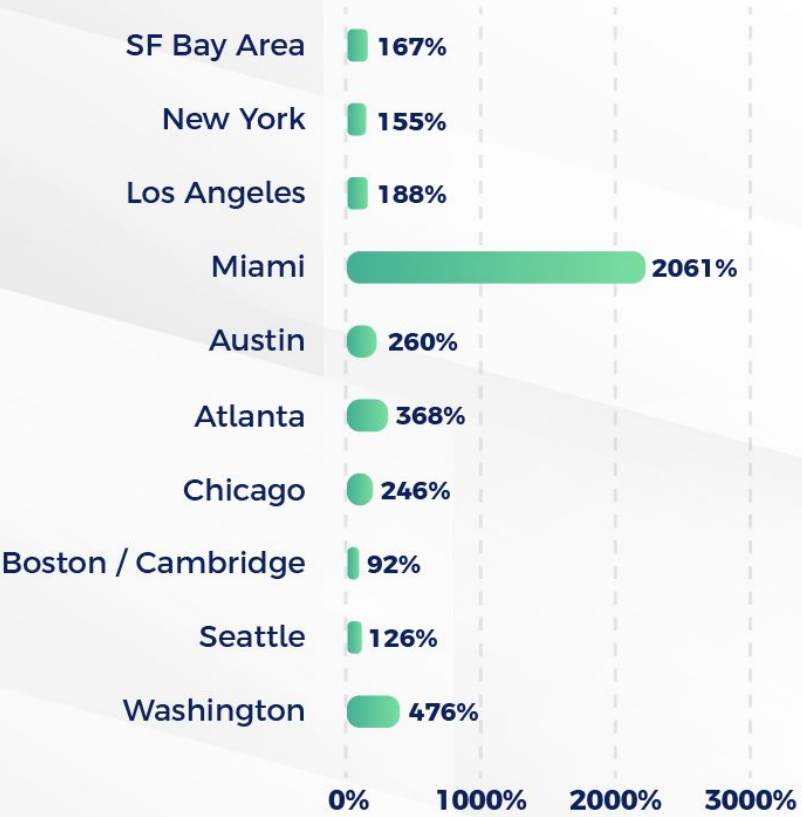


Investments, 2020-2021

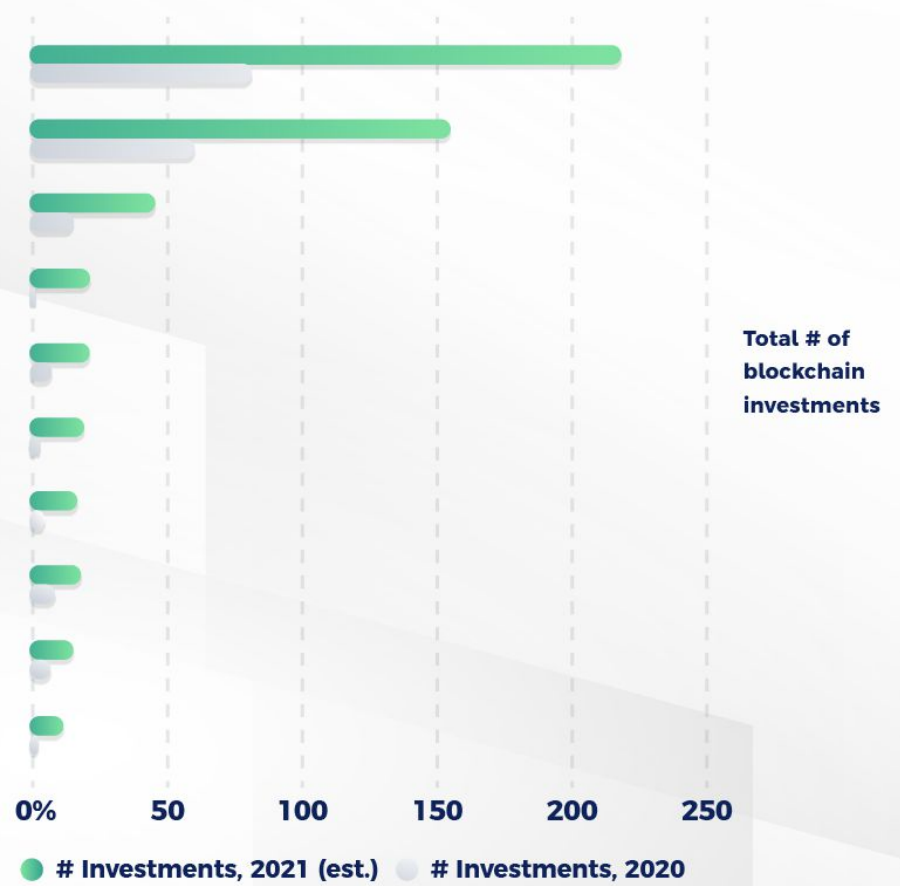


Miami Is The Top Emerging Tech Hub For Blockchain Investment; SF, NYC & LA Still Lead in Total # Of Blockchain Investments

% Change in # Investments, Y/Y

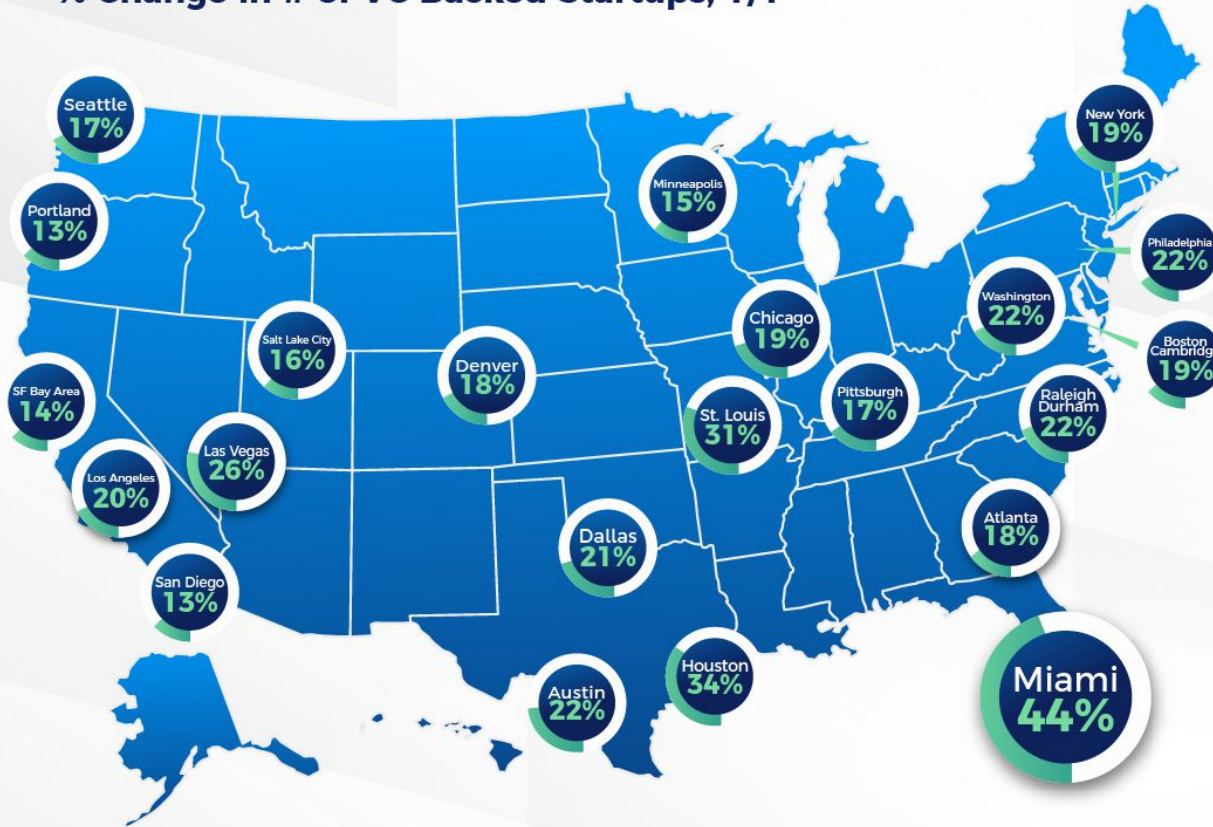


Investments, 2020-2021

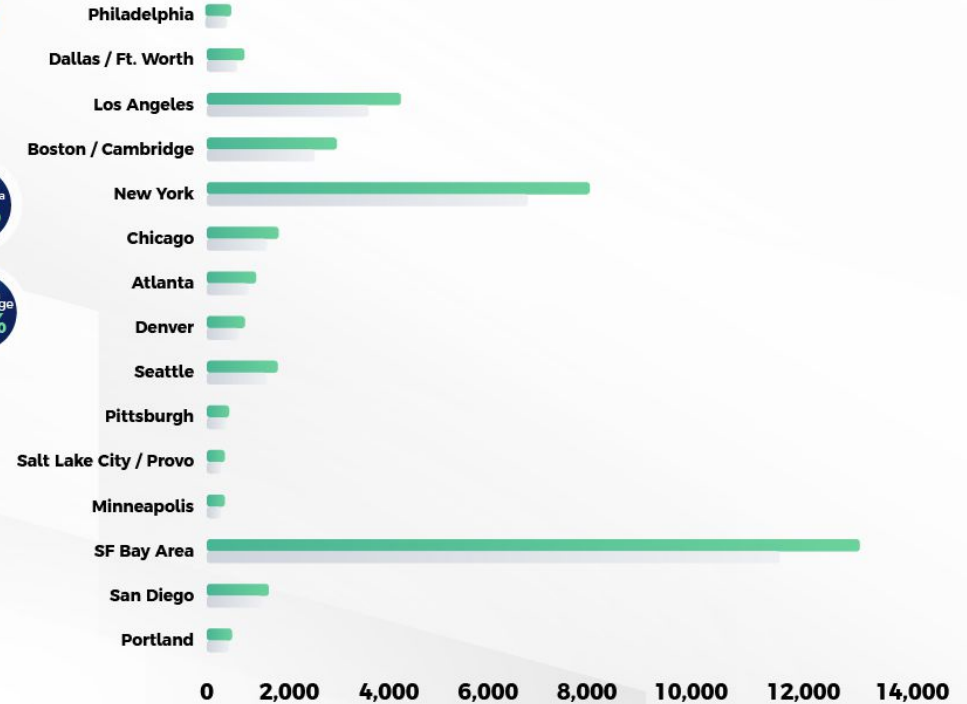


Miami and Houston had the greatest percentage growth in companies from 2020 to 2021, but still have a long way to go to catch up to the major Tech Hubs

% Change in # of VC Backed Startups, Y/Y



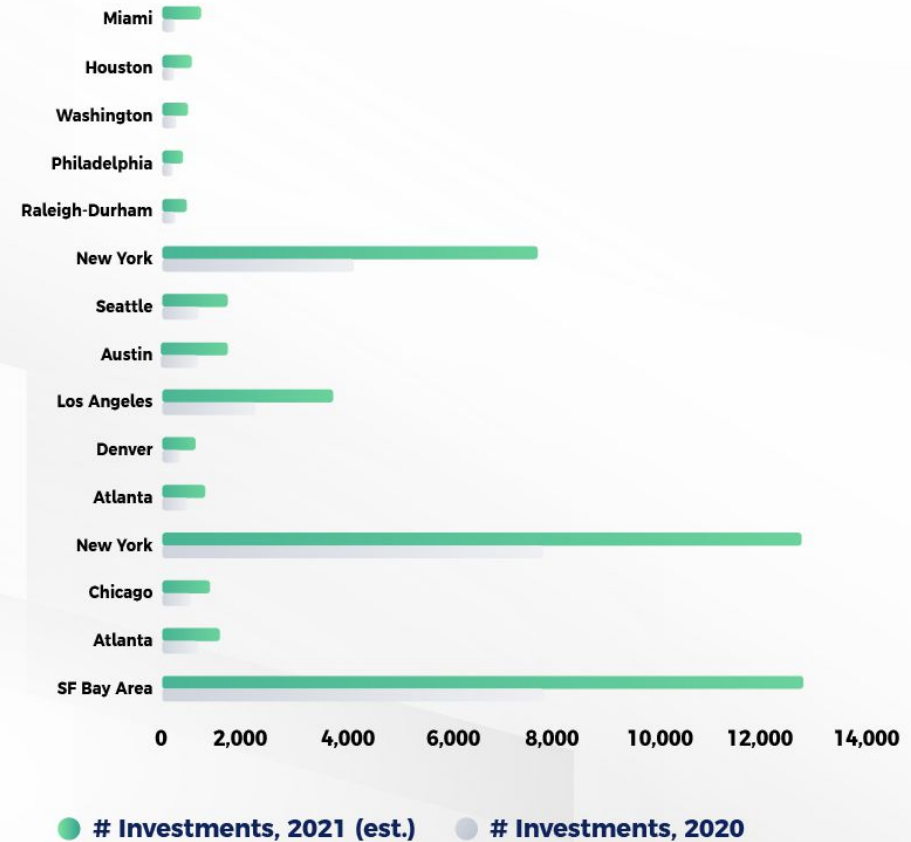
Startups, 2020-2021



● # Startups, 2021 (est.) ● # Startups, 2020

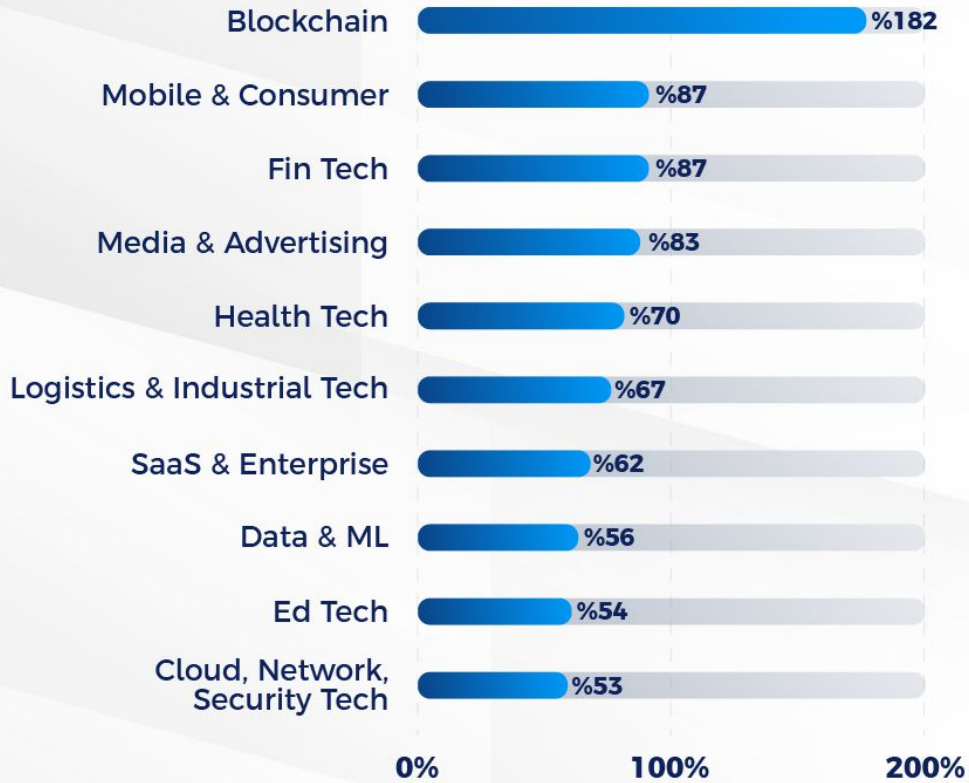
Strong growth in number of investments in nearly all regions from 2020 to 2021; Miami leads the pack with 260% y/y increase but Pittsburgh had a 16% decrease

% Change in # Investments, Y/Y

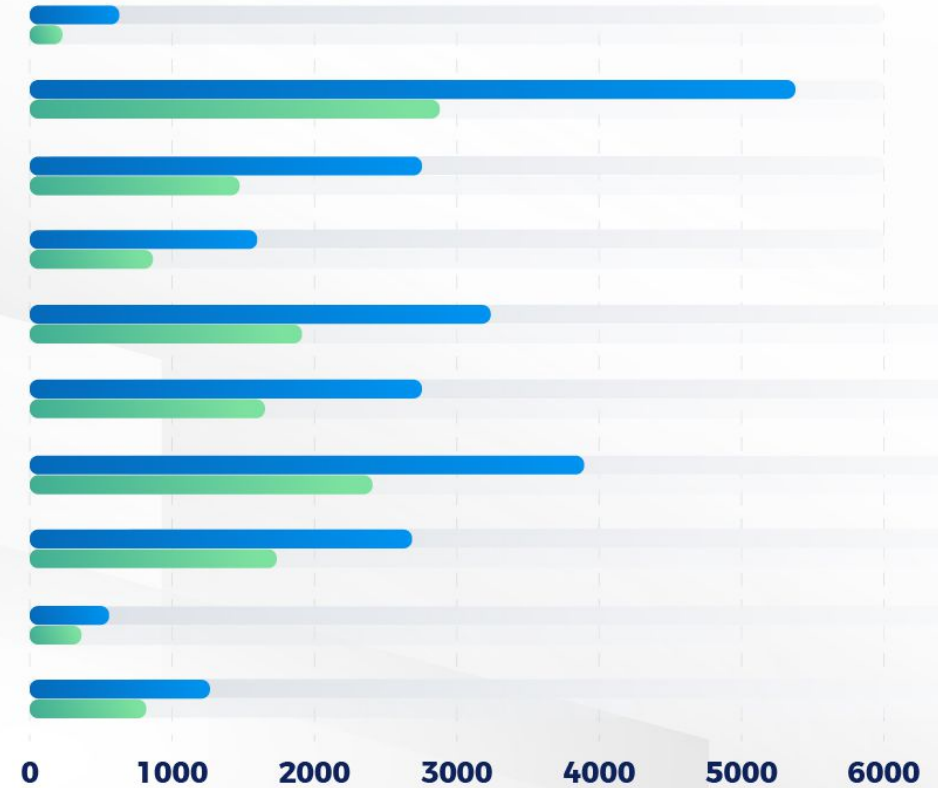


Total # of Investments in 2021 Skyrocketed

% Change in # Investments, Y/Y



Investments, 2020-2021

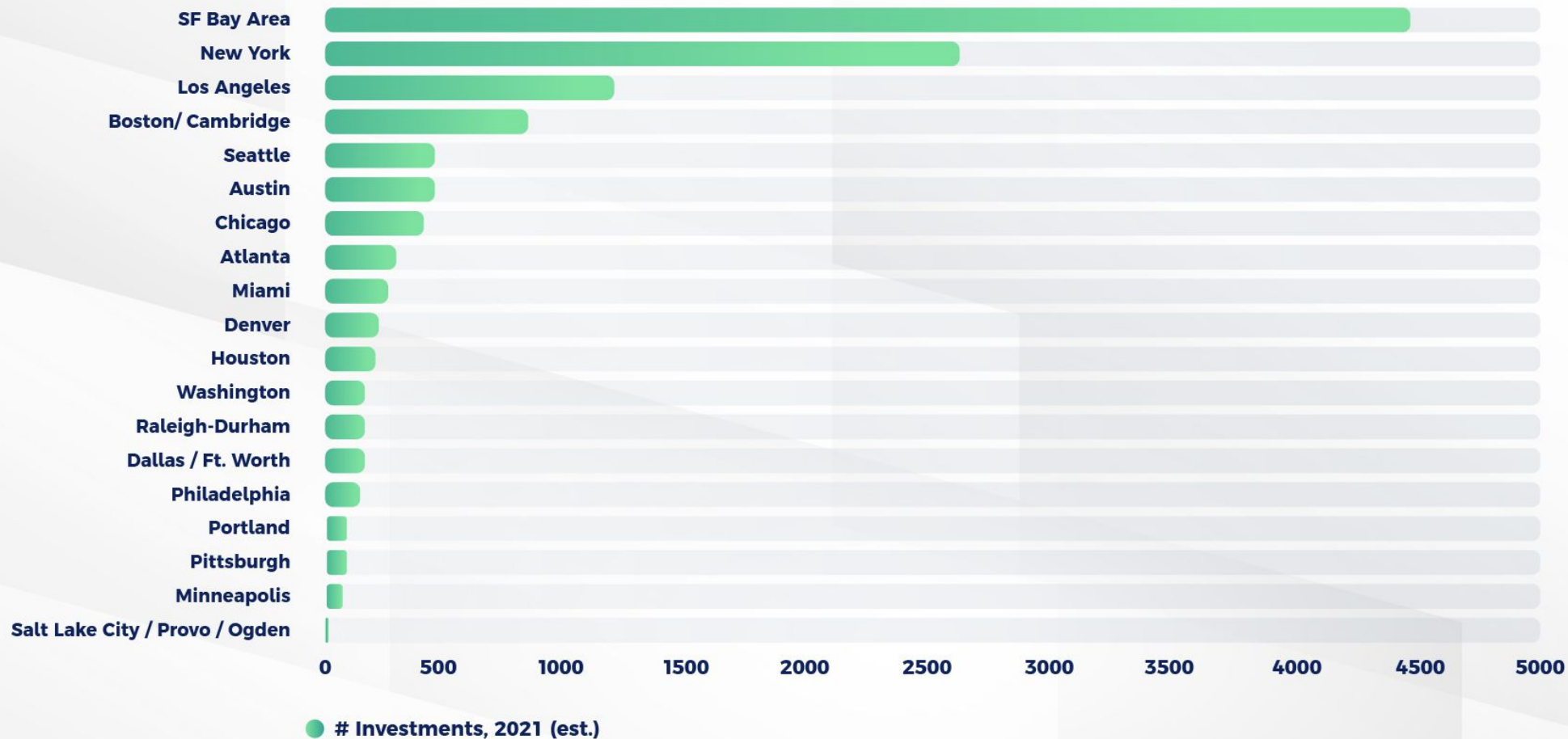


● # Investments, 2021 (est.) ● # Investments, 2020

SF Bay Area, NYC, and LA still on top of the startup scene



More than half VC investments in major regions went to SF Bay Area and NYC; followed by LA, Boston, Seattle, and Austin



Top 5 Sectors Experiencing The Most % Investment Growth Per Region

Atlanta

69% growth y-o-y

 Blockchain **368%**

 Logistics & Industrial Tech **94%**

 Mobile & Consumer **93%**

 Health Tech **71%**

 Data & ML **53%**

Austin

90% growth y-o-y

 Blockchain **260%**

 Ed Tech **111%**

 Mobile & Consumer **110%**

 Health Tech **92%**

 Fin Tech **91%**

Boston

61% growth y-o-y

 Media & Advertising **183%**

 Blockchain **92%**






 Ed Tech **76%**

 Fin Tech **65%**






 Mobile & Consumer **65%**

Top 5 Sectors Experiencing The Most % Investment Growth Per Region






Charlotte 109% growth y-o-y

 Logistics & Industrial Tech	620%
 Media & Advertising	188%
 Mobile & Consumer	188%
 Cloud, Network, Security Tech	80%
 Fin Tech	77%

Chicago 61% growth y-o-y

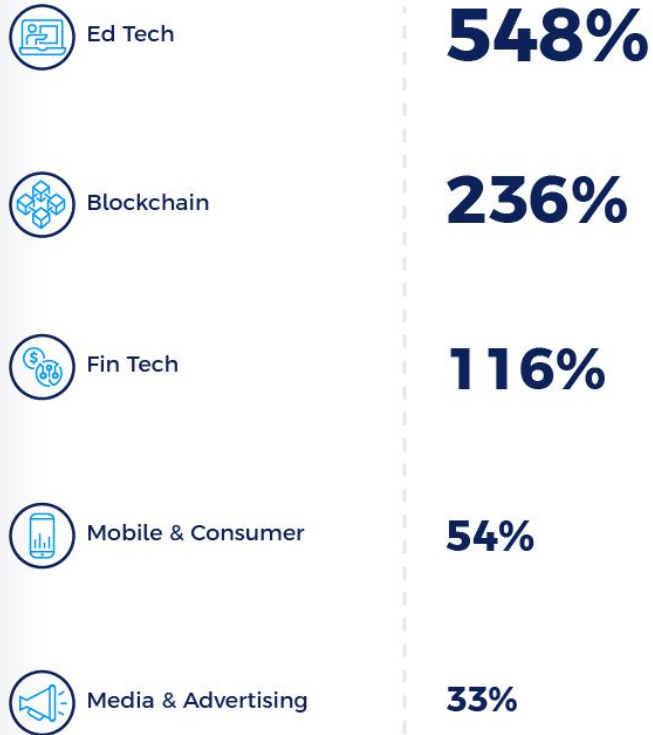
 Blockchain	246%
 Mobile & Consumer	94%
 SaaS & Enterprise	80%
 Cloud, Network, Security Tech	73%
 Logistics & Industrial Tech	68%

Columbus 71% growth y-o-y

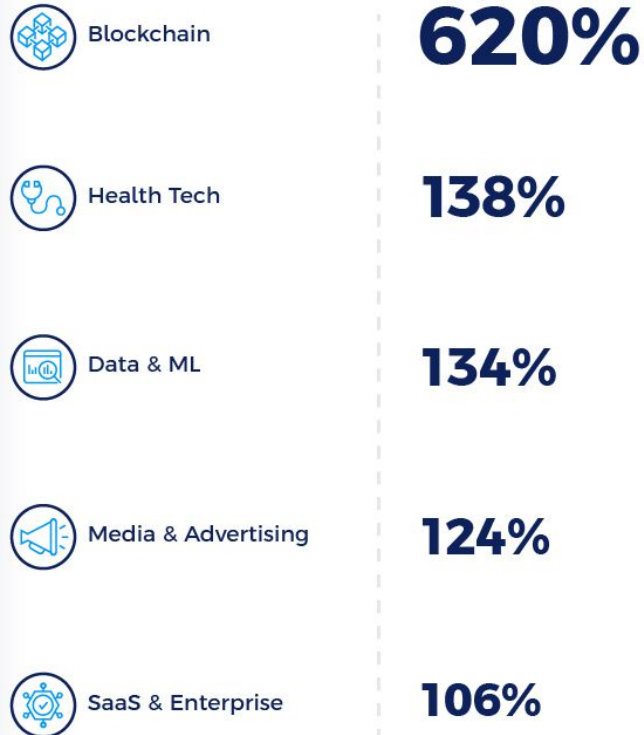
 Media & Advertising	188%
 Fin Tech	128%
 Mobile & Consumer	96%
 Cloud, Network, Security Tech	92%
 Health Tech	68%

Top 5 Sectors Experiencing The Most % Investment Growth Per Region

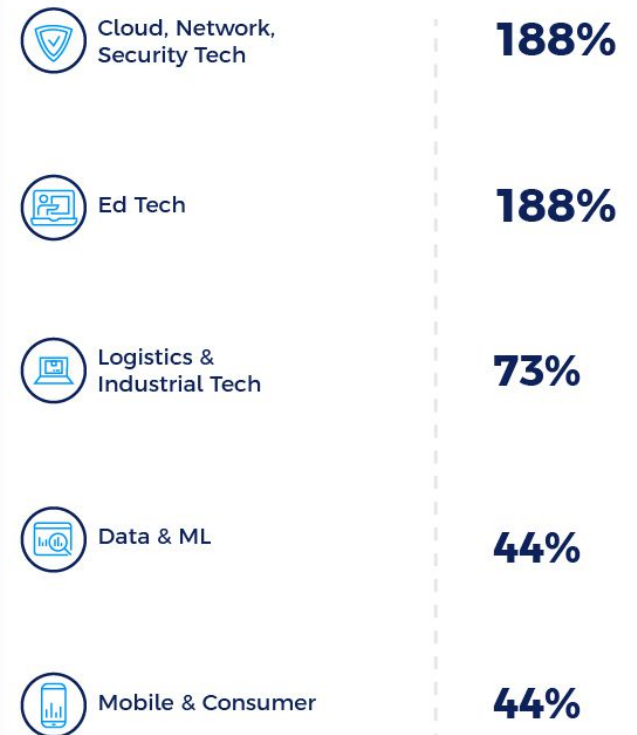
Dallas/Fort Worth 45% growth y-o-y



Denver 77% growth y-o-y

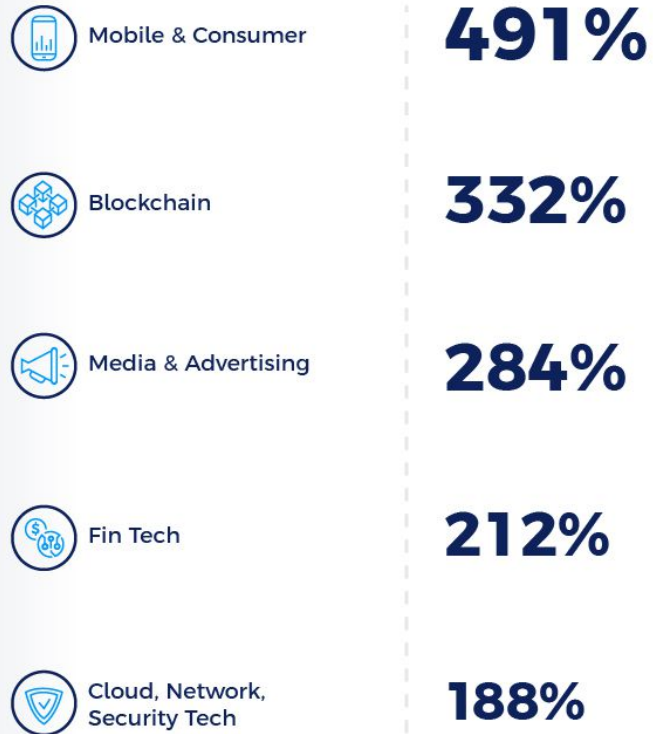


Detroit 37% growth y-o-y

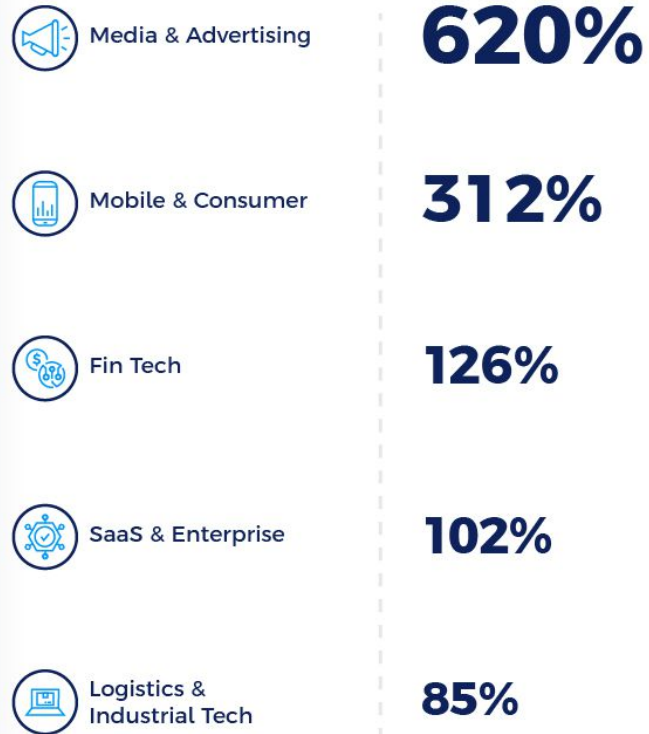


Top 5 Sectors Experiencing The Most % Investment Growth Per Region

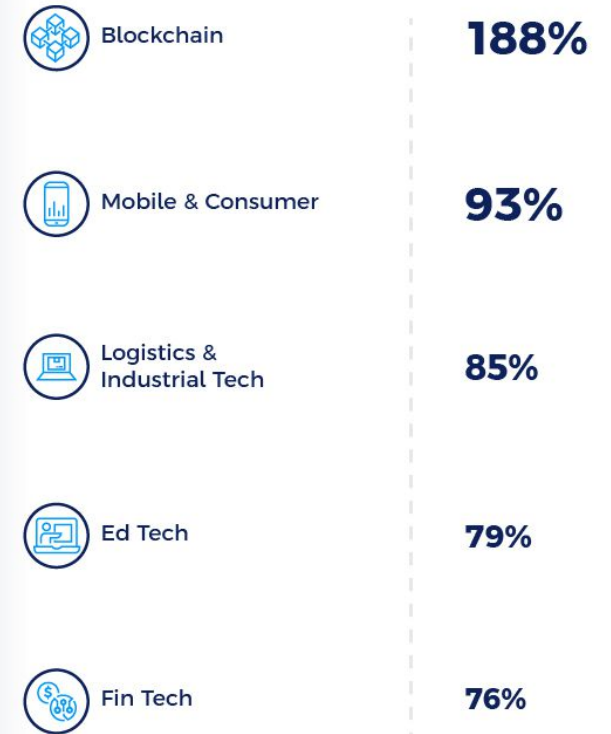
Houston 165% growth y-o-y



Las Vegas 136% growth y-o-y








Los Angeles 83% growth y-o-y



Top 5 Sectors Experiencing The Most % Investment Growth Per Region






Miami

260% growth y-o-y

 Mobile & Consumer	424%
 SaaS & Enterprise	312%
 Fin Tech	284%
 Media & Advertising	275%
 Logistics & Industrial Tech	266%

Minneapolis

55% growth y-o-y

 Data & ML	332%
 Cloud, Network, Security Tech	260%
 Media & Advertising	152%
 Health Tech	71%
 Mobile & Consumer	59%






New York

96% growth y-o-y






 Blockchain	155%
 Mobile & Consumer	107%
 Media & Advertising	105%
 Health Tech	100%
 Logistics & Industrial Tech	95%

Top 5 Sectors Experiencing The Most % Investment Growth Per Region

Omaha 188% growth y-o-y

 Fin Tech	404%
 SaaS & Enterprise	260%
 Mobile & Consumer	188%
 Logistics & Industrial Tech	116%
 Blockchain	44%

Orlando 24% growth y-o-y






 Fin Tech	476%
 Mobile & Consumer	60%
 Ed Tech	44%
 Data & ML	20%
 Logistics & Industrial Tech	20%

Philadelphia 114% growth y-o-y






 Blockchain	169%
 Mobile & Consumer	155%
 Media & Advertising	127%
 Health Tech	125%
 Logistics & Industrial Tech	102%

Top 5 Sectors Experiencing The Most % Investment Growth Per Region






Phoenix, AZ 110% growth y-o-y

 Fin Tech	1052%
 Data & ML	332%
 Health Tech	212%
 Ed Tech	116%
 Mobile & Consumer	92%

Pittsburgh, PA -16% growth y-o-y






 Cloud, Network, Security Tech	44%
 Data & ML	37%
 Logistics & Industrial Tech	21%
 Fin Tech	8%
 Health Tech	-20%

Portland, OR 51% growth y-o-y






 SaaS & Enterprise	103%
 Mobile & Consumer	67%
 Logistics & Industrial Tech	52%
 Ed Tech	44%
 Cloud, Network, Security Tech	30%

Top 5 Sectors Experiencing The Most % Investment Growth Per Region






Raleigh-Durham 97% growth y-o-y

 Media & Advertising	134%
 Health Tech	106%
 Logistics & Industrial Tech	84%
 Mobile & Consumer	67%
 Blockchain	44%

Salt Lake City/Provo 37% growth y-o-y

 Ed Tech	92%
 Mobile & Consumer	82%
 Data & ML	44%
 Health Tech	36%
 Cloud, Network, Security Tech	15%

San Diego 66% growth y-o-y

 Logistics & Industrial Tech	131%
 Mobile & Consumer	82%
 Data & ML	68%
 SaaS & Enterprise	58%
 Health Tech	58%

Top 5 Sectors Experiencing The Most % Investment Growth Per Region

Seattle

92% growth y-o-y



Blockchain

126%



Ed Tech

126%



Media & Advertising

116%



Data & ML

116%



Fin Tech

114%

SF Bay Area

69% growth y-o-y



Blockchain

126%



Ed Tech

126%



Media & Advertising

116%



Data & ML

116%



Fin Tech

114%

St. Louis

51% growth y-o-y



Blockchain

126%



Ed Tech

126%



Media & Advertising

116%



Data & ML

116%

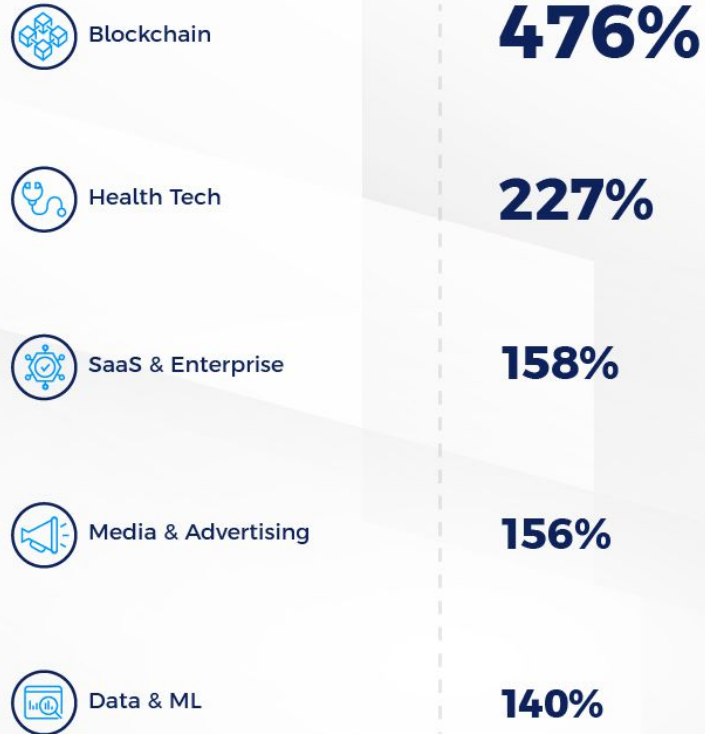


Fin Tech

114%

Top 5 Sectors Experiencing The Most % Investment Growth Per Region

Washington D.C. 143% growth y-o-y



Methodology

Telstra Ventures gathered and evaluated data from 40,000 startups reported in Crunchbase that had received VC funding during 2020-2021 in 28 regions including SF, LA and NYC, and 25 emerging tech hubs.

Slide 5: List filtered for Cities that ended 2020 with at least 250 startups

Slides 6: List filtered for Cities that ended 2020 with at least 50 investments

Slides 8&9: Not all 28 cities represented in these images.