



Economic Impact Analysis

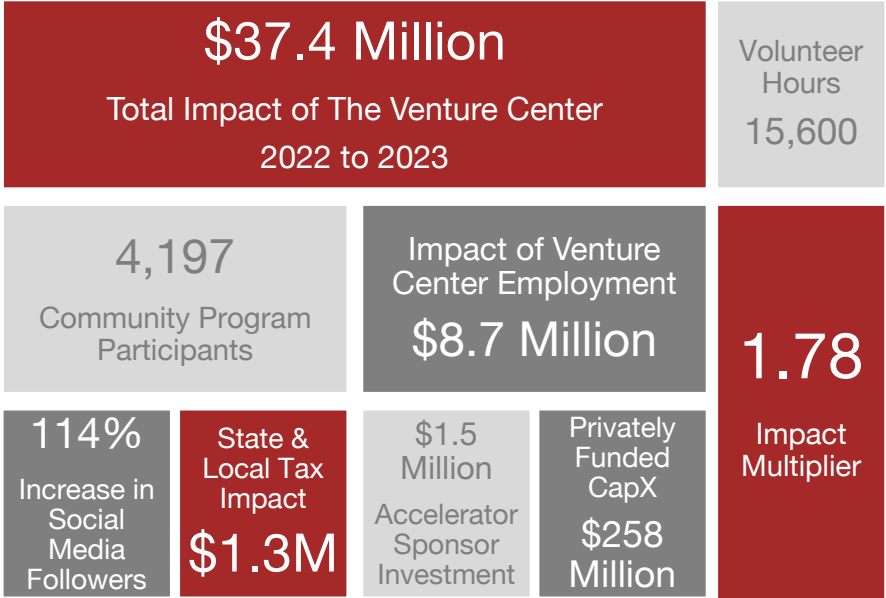
The Venture Center | Little Rock

07.2024

Overview

This economic impact evaluation measures the direct impact of **The Venture Center** program budget; programmatic expenditures for Accelerator programs; and travel-related expenditures associated with The Venture Center activities. The report measures the effect of these direct economic activities made from 2022 through 2023. These results provide a multiplier of 1.78 based on the total impact, meaning that the initial economic activity by The Venture Center will generate a total of 1.78 times the initial activity. Additionally, it examines the qualitative impact of The Venture Center’s comprehensive suite of programs and services for entrepreneurs and start-ups. Over the last two years, The Venture Center has generated a total economic impact of \$37.4 million in the State of Arkansas. Additionally, the Community Programs saw approximately 4,200 participants; social media followers increase of 114%; and almost \$1 million dollars in visitor travel impact, along with other indicators depicted in the graphic to the right.

The economic impact is measured in direct effects, which gauges the change in final demand of directly impacted industries; indirect effects, which captures business-to-business spending; and induced effects, which represents increased household spending. The impact values include payroll generated; contribution to the gross state product (GSP) of the state of Arkansas; state and local tax impact; and total output, which includes the initial investment. Data used in the model is 2022, and all funds are expressed in 2024 values and adjusted for inflation/deflation.



Our Mission

The Venture Center accelerates success for start-up founders, small business owners and corporate innovators through award-winning entrepreneurship programs, platforms and partnerships.

Comprehensive Economic Impact

Over the last two years, The Venture Center has generated a total economic impact of \$37.4 million in the State of Arkansas. This includes an increase in the Gross State Product of more than \$20.4 million, with more than \$15.9 million in labor income at the state level. These results include a state and local tax impact of almost \$1.3 million at the state level. From 2022-2023, The Venture Center generated a total economic impact of \$30 million in Pulaski County, Arkansas. This includes an increase in the Gross Regional Product of over \$16.5 million, with more than \$12.2 million in labor income at the county level. These results include a state and local tax impact of over \$802,000 at the county level.

2022 - 2023 IMPACT OVERVIEW	
State of Arkansas	
Total Impact (Includes VC Employment & Operating Expenses, FinTech & ThinkTECH Accelerators Operating Expenses, Accelerator Participant Arkansas Employment)	\$37,392,394
Contribution to Arkansas Economy	\$20,427,327
Total Labor Income	\$15,933,220
Total State & Local Taxes	\$1,274,052

2022 - 2023 IMPACT OVERVIEW	
Pulaski County	
Total Impact (Includes VC Employment & Operating Expenses, FinTech & ThinkTECH Accelerators Operating Expenses, Accelerator Participant Pulaski County Employment)	\$30,033,972
Contribution to County Economy	\$16,514,421
Total Labor Income	\$12,212,863
Total State & Local Taxes	\$802,170

In addition to the two-year assessment for 2022 – 2023, results from a previous impact analysis were aggregated with the new results. When considering the timeframe of 2019 – 2023, Venture Center employment and programming have resulted in a \$62 million impact in Arkansas and a nearly \$45 million impact in Pulaski County.

AGGREGATED IMPACT 2019 - 2023	
State of Arkansas	
Total Impact (Includes VC Employment & Operating Expenses, Fintech & VOSBA Accelerators Operating Expenses)	\$62,304,394
Pulaski County	
Total Impact (Includes VC Employment & Operating Expenses, Fintech & VOSBA Accelerators Operating Expenses)	\$44,846,276

Employment Impact

The Venture Center currently has 10 full-time employees, an increase from nine in 2022, with a total payroll of approximately \$1.09. The total impact of that employment from 2022 to 2023 is more than \$8.7 million in Arkansas. That includes total labor income of more than \$3.7 million, which includes the Center's direct employment, as well as 11.5 additional positions that are associated with supply chain and consumer spending.

Employment Impact Arkansas 2022 – 2023

	ANNUAL JOBS	LABOR INCOME	CONTRIBUTION TO AR GRP	STATE & LOCAL TAX REVENUE	TOTAL IMPACT
DIRECT	15.8	\$2,463,062.54	\$2,529,996.29	\$77,575.78	\$4,595,565.80
INDIRECT	5.36	\$610,160.61	\$958,838.69	\$60,903.60	\$1,911,792.02
INDUCED	6.13	\$628,234.32	\$1,230,871.22	\$141,458.50	\$2,225,736.43
TOTAL	27.3	\$3,701,457.47	\$4,719,706.20	\$279,937.88	\$8,733,094.26

The same two-year employment impact of The Venture Center, when measured for Pulaski County, totals nearly \$7.8 million, with almost \$3.8 million seen in labor income. The impact on the county's GRP is nearly \$4.75 million for the two-year period. Following is a summary of the impact, broken down by direct, indirect, and induced effects.

Employment Impact Pulaski County 2022 – 2023

	ANNUAL JOBS	LABOR INCOME	CONTRIBUTION TO PULASKI COUNTY GRP	STATE & LOCAL TAX REVENUE	TOTAL IMPACT
DIRECT	12.79	\$2,638,920.24	\$2,701,966.65	\$62,779.73	\$4,275,704.66
INDIRECT	4.63	\$616,749.53	\$960,164.43	\$48,875.95	\$1,783,699.69
INDUCED	4.50	\$530,424.58	\$997,397.91	\$95,255.54	\$1,712,219.03
TOTAL	21.92	\$3,786,094.36	\$4,659,528.99	\$206,911.22	\$7,771,623.38