

The Tampa Bay Entrepreneurial Ecosystem: The Tide is High

Rebecca White, Diana Hechevarría, Siri Terjesen, Zoltan Acs, and David Audretsch

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Forward

Opening Address by the Honorable Bob Buckhorn, Tampa's 58th Mayor, on the evening of November 15th, 2016 when the findings of this research were presented to the Tampa Bay community at the Lowth Entrepreneurship Center, Sykes College of Business, University of Tampa, Tampa FL.

First of all, it's been an interesting week and I couldn't be more excited. This has been the highlight of my week to see all of you here, prepared to embark on, what I think will be, one of the most critical chapters of Tampa's existence.

As Rebecca said, I've been the mayor since 2011. When I came to office, this was a city that was a donor state of our talent to other cities. Some of the best and brightest, who I see along the wall here, were leaving for other high-tech places that had an ecosystem that was rewarding entrepreneurs.

Then you think about how far we have progressed as a city, not just in terms of brick and mortar that you may see, I mean this city really is in the midst of an amazing transformation, and the next ten years are going to be most critical! This University and the [Lowth] Entrepreneurship Center is part of that as we start to grow and create that entrepreneur class and swagger. That belief in young students - that they can do anything and be as creative as they'd like to be, while getting the training, leadership and mentorship that they need. And, they will go out and become that next generation of leaders and entrepreneurs that will drive our city for the next decade to come.

So, I could not be more excited about what we are about to hear tonight, because I think it's our roadmap to a much better future. My ability and our ability to keep our kids in Florida, depends on you. It's that simple, I'm not losing my daughter to Charlotte, NC, Nashville, TN, Austin, TX, or to Silicon Valley. I want my daughter and yours to be here. You, and they, represent a much brighter future for our city.

We can't do it on a hope and a prayer, either. We have got to have a plan which is what you're going to hear about tonight- then we have to go execute. We have to take what we are going to learn tonight, and not put it on the shelf and say that was nice, but we have to take this blueprint and execute moving forward. I promise you this. The founders of this movement took me under their wing and told me what they needed to be successful. Cheap land, cheap labor, and cheap taxes are not going to cut it anymore. If we are going to have the third largest

economy, if we are going to drive this country moving forward, we have to create an environment where entrepreneurs are welcome, honored, and allowed to succeed.

My job is to be the cheerleader in chief, celebrate your successes and prop you up in your failures...[and] create a place where you can be successful. That spirit resonates throughout this community. We cannot just develop communities anymore. Our future looks like what is emerging from centers like this, and at USF, the research at hospitals, it is a future that is very different from Florida's past. Let's take what we are going to learn to create that blueprint.

I need you to believe in the capacity for this city to be competitive, to be that place that America will invest in the best and brightest. I want you to bring your friends here because if you are able to attract talent, then we can attract jobs and more entrepreneurial talent, and corporations because they will come where there is talent.

Go be successful and don't let anyone tell you that you cannot succeed because ultimately it's not what happens when you get knocked down - because I promise you will get knocked down - it's what happens when you get back up, wipe that blood off your chin and become successful. And, don't forget to help your fellow friends and entrepreneurs along the way and always remember that this is bigger than just you.

Executive Summary

The Tampa Bay Ecosystem Study was funded by the Ewing Marion Kauffman Foundation (Kansas City) and conducted through the John P Lowth Entrepreneurship Center, Sykes College of Business, University of Tampa. The research team included Zoltan Acs (George Mason U), David Audretsch (Indiana University), Diana Hechavarria (University of South Florida), Siri Terjesen (American University) and Rebecca White (University of Tampa).

The purpose of the study is two-fold. First, the team sought to expand the limited current theory in entrepreneurial ecosystems. Second, the project sought to better understand the specific state of the ecosystem in Tampa Bay and create a baseline for future research.

The research team began by reviewing and summarizing the extant academic literature on entrepreneurial ecosystems (to be published in 2017 in *Small Business Economics*). In addition to the academic findings, best practices from other ecosystems were reviewed and compiled and a comprehensive list of ESOs in the Tampa Bay region was assembled. Secondary data on

the Tampa Bay MSA was gathered to determine a baseline and measure the current startup and investment activity in the Tampa Bay ecosystem. Once this data was collected and analyzed, In-depth interviews were conducted with 43 individuals from very distinct groups including policymakers, regional business development managers, investors, incubator managers, entrepreneurial service providers, entrepreneurs who started their ventures in Tampa, entrepreneurs who relocated their firms to Tampa, entrepreneurs who took their firms public from Tampa, and entrepreneurs who relocated their firms from Tampa. Based upon the findings the authors developed a general model for analyzing the main influences underlying entrepreneurial ecosystems and applied the model to Tampa Bay. Further related academic work is in process.

To analyze and summarizing the findings of the qualitative portion of this study, the research team used the *Theory of Bottlenecks* developed by one of the authors, Zoltan Acs, in his work on the Global Entrepreneurship Index (GEDI) to provide insight into the strengths and bottlenecks in the Tampa Bay Entrepreneurial Ecosystem. The Tampa Bay Entrepreneurial Ecosystem's key strengths include a strong and positive energy directed towards the development of a strong ecosystem, a diverse population, ample knowledge spillover, low cost of living, lots of incubation opportunities and an excellent international airport. Bottlenecks, or areas that impede growth and development of the ecosystem, include a lack of vision and a lack of collaboration (and redundancy) among ecosystem stakeholders, lack of a strong urban core, lack of actionable direction on public transit, limited corporate buyers for entrepreneurs' products, a perceived difficulty getting our story out via news media outlets, talent needs for individuals with coding skills and CEO leadership skills and experience, and a lack of funding for early stage companies who need more than \$1m. The theory of bottlenecks suggests that until these issues are addressed the ecosystem will not grow.

Based upon the findings, the authors extended previous Kauffman Foundation research to offer a model of the Tampa Bay Entrepreneurial Ecosystem. The findings from the year-long study are shared in the following sections and were presented at an event on Tuesday, November 15,

2016, at the John P Lowth Entrepreneurship Center (Sykes College of Business, University of Tampa). The goal of the event was to bring together interested parties to begin a conversation about how Tampa Bay can collectively use these findings and establish a system of metrics to strengthen the already dynamic and emerging entrepreneurial ecosystem in the region.

Introduction

The Tampa Bay MSA has a population of approximately 3 million people and includes the four - county region of Hillsborough, Hernando, Pasco and Pinellas Counties. The three principle cities in region include Clearwater, Tampa and St Petersburg. Located in the third largest state in the US and with the lowest cost of living, Florida is becoming much more than a vacation destination. In a recent study by Forbes of the “Best States to do Business”ⁱ, Florida climbed more spots than any other state (8) to be listed as the 12th best state in the US for business. Among the reasons: Florida ranked second among larger states in the Kauffman Foundation’s “index of startup activity”ⁱⁱ.

While on many fronts Miami holds the number 1 spot in the state for startup activity, Tampa Bay is a strong second and is a more affordable and easy place for entrepreneurs to do business. In fact, Tampa Bay is among the most affordable places to do business in the United States. According to KPMG ratings, Tampa earned the #6 spot for Most Cost-Friendly Business Locations Among Large U.S. Cities, outranking Dallas, Cleveland, and Boston. KPMG also noted that Tampa and Hillsborough County have the third lowest labor cost in the U.S

In a recent *Forbes* article, Jeff Vinik, former Fidelity Megellan Fund Manager, discussed why he choose to bet on Tampa Bay. Shortly after buying the Tampa Bay Lightning hockey team and moving to Tampa Bay, Mr Vinik has invested billions alongside Bill Gate’s Cascade fund in the Tampa waterfront area. When asked why he chose Tampa Bay he said, *“The big reason was moving to and adopting an area that has real potential. This is a great place to live. People are friendly. I view the whole Tampa Bay market as being very undervalued, very under appreciated. It’s full of eager, ambitious people, but never really caught on in terms of strong economic*

growth. But it has all the ingredients to be a great place to live work and play.... This is a city early in its growth. It's a process and we're in the beginning to middle stages of that process. As someone who's an investor, I look for potential and this has every bit of the raw materials to be a great place.”ⁱⁱⁱ

The Tampa Bay MSA is becoming a hot bed of economic opportunity, yet outside of the Tampa Bay MSA, the region is still only known as a vacation destination or a place to retire, despite the fact that the average age of Tampa residents is 34.8 while the US median age is 37.2. The goal of this research is to tell the story of Tampa Bay and to begin the process of putting a “fitbit” on the Tampa Bay entrepreneurial ecosystem. In other words, the authors expect this to be the first output from ongoing research that will provide vital statistics on the health of the business environment that includes entrepreneurs and other stakeholders that fuel startups and early stage companies in the Tampa Bay MSA.

Entrepreneurial Ecosystems

Entrepreneurial ecosystems are primarily about economic performance. Communities invest in entrepreneurial ecosystems for a variety of reasons. While business has long been viewed as an engine for economic growth and wealth creation and critical to gaining regional and national advantage, today, entrepreneurship is also viewed as a solution to social problems and as having the ability to provide the necessary emancipation to individuals to pursue freedom, financial independence, and escape the status quo. A high performing entrepreneurial ecosystem leads to increased knowledge spillover and innovativeness, and the opportunities that emerge become influential in a region’s ability to attract and retain the best and brightest talent.

What do we mean by an entrepreneurial ecosystem? The idea of an ecosystem is borrowed from the biological sciences and can be defined as: “...a community of interacting organisms and their physical environment.”^{iv} Ecosystems are robust, scalable and can solve complex dynamic problems.

And what are the components of an entrepreneurial ecosystem? Any ecosystem has three components: the **community** (agents, non-agents, and nutrients), the **system** (how it works), and the **outcome** (a healthy sustainable place for to exist). The recipe for an entrepreneurial ecosystem is the same. And thus, it is often thought that the ingredients to this effort can be formulaically approached. Identify entrepreneurs (agents), add educational institutions and entrepreneurial support organizations (non-agents) and mix with investors (nutrients), and the desired outcome is a strong and vibrant economy. However, efforts to do so have often stalled and deeper study of these ecosystems have begun to reveal that the system is often messy, complex and more emergent than planned.

The purpose of this study is to do a deep dive into the Tampa Bay ecosystem. Toward this end, the authors reviewed the development of the literature on entrepreneurial ecosystems^v and in agreement with researcher Ben Spigel^{vi} who suggests that “...*ecosystem theory should focus on the internal attributes of ecosystems and how different configurations of these attributes reproduce the overall ecosystem...*” developed a model for the Tampa Bay MSA based on grounded theory and informed by two previous models.

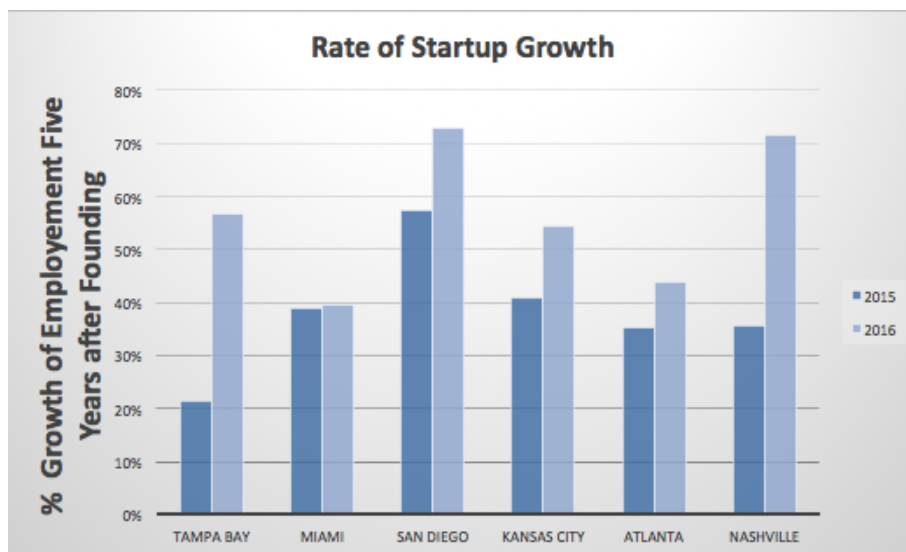
To better categorize and understand the findings from our study participants, we applied the *Theory of Bottlenecks* adapted from the work Acs, Autio, and Szerb^{vii}. The basic premise of this theory is that subsystem values or positive aspects are ‘penalized’ by poorly performing subsystems and thus compromise overall performance. By focusing on the bottlenecks in the system, community efforts and resources can be advised to seek to address those first so that the more promising aspects of the system can function effectively. Second, we used the Indicators of Entrepreneurial Ecosystem Vibrancy^{viii} developed by Stangler and Bell Masterson to guide the framework for the system components of the model for measuring the entrepreneurial ecosystem.

About Tampa Bay

The ability to understand the Tampa Bay ecosystem and provide recommendations that can help improve the MSA’s ability to spawn and nurture new ventures requires a deep knowledge

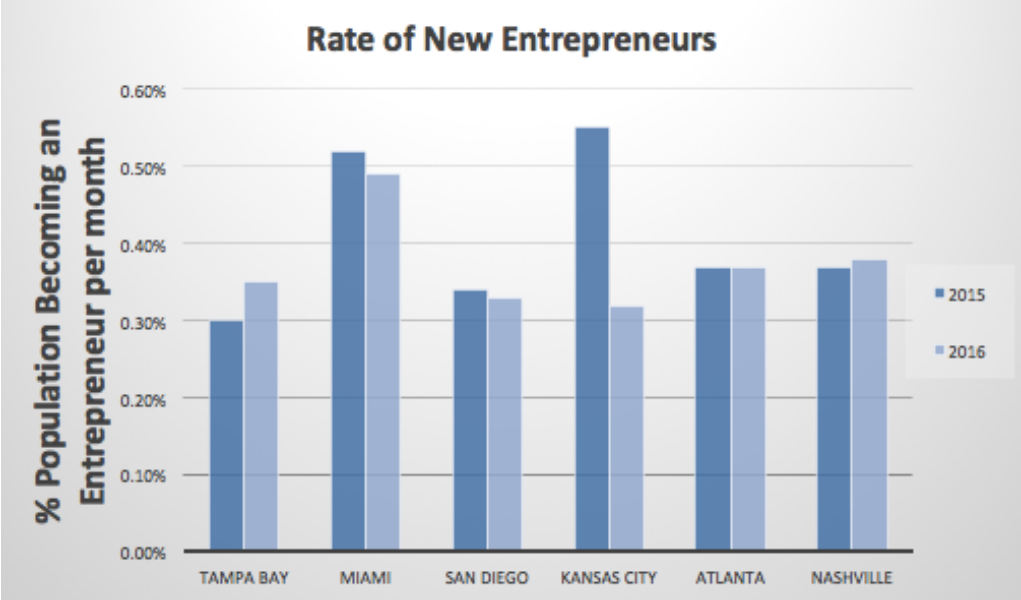
of the present situation and history of the ecosystem. Tampa Bay is currently ranked as the 18th largest MSA in the country, and is the fastest growing— receiving new residents faster than any other area of the country. The Tampa Bay area is demographically diverse and is often chosen as a testing ground due to the array of ethnic and age groups that call it home. The Tampa Bay MSA is also geographically unique, consisting of four counties and two urban cores. The location on the Gulf Coast of Florida provides a deepwater port, a logistical hub for shipping to Orlando and other suburban areas as well as a unique relationship with neighboring Cuba. Rounding out Tampa Bay’s assets are three community colleges, private and public universities, and United States Special Operations Command at the MacDill Air Force Base.

The Tampa Bay area jumped four spots in terms of growth entrepreneurship, from 30th to 26th, as determined by the Kauffman Index in only a year’s time. This measurement is determined as the percentage growth of young firms, in terms of employment, five years after founding. Tampa Bay jumped from a growth rate of 21.33% all the way to 56.79% between 2015 and 2016.



In another measure, startup activity index provided by Kauffman, Tampa jumped from the 21st spot to 19th out of all 382 MSAs in the United States. The measure examined the percentage of the adult population that became entrepreneurs in any given month. In 2016, .35% of the

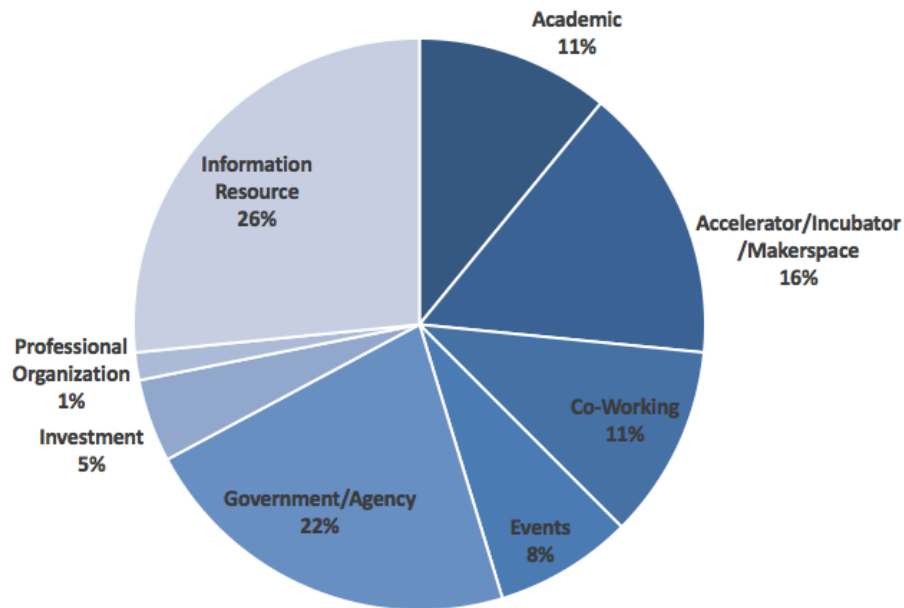
population started a business as opposed to .30% in 2015; constituting a jump that outpaced the populations of San Diego and Kansas City.



The demographics point to a Tampa Bay approaching the highest performing areas in the country in terms of startup activity, but just now coming into its own in terms of firm growth.

The community has responded to the shift away from the legacy industries of real estate and tourism with policy leaders speaking out in support of entrepreneurial efforts, universities investing in their entrepreneurship programs for students of all backgrounds, and the creation of a host of support organizations. The research team found 64 entrepreneurial support organizations, providing coaching, networking, co-working space, or resources through the university system.

**Tampa Bay Entrepreneurial Support Organizations
N=64**



Many of these support organizations are new, with only a handful being active for more than the past five years. Many of these organizations offer duplicative services that may actually create a bottleneck for the ecosystem, but bright spots include a nationally ranked entrepreneurship education program, world class technology incubator, and a partnership organization sourcing talent and ideas from the civilian population for funding by the military.

Study Methodology

Our investigation of the entrepreneurial ecosystem in Tampa Bay has two goals: (i) to build further on the theory of ecosystems and pave the way for more granular and quantitative studies in the future and (2) to apply the theory to better understand the specific state of Tampa Bay and to point to opportunities for improvement. To reach these goals, the team initiated a qualitative study in the Tampa Bay MSA.

This study is supported by quantitative data, but the real information is in the stories, experiences, and perceptions of those interviewed. The sample was broken down into eight categories in order to gather a variety of perspectives: nascent entrepreneurs, experienced

entrepreneurs, supporters of entrepreneurship, venture capitalists, angel investors, public policy leaders, bankers, accountants, & lawyers, and university leaders. Ecosystem players were interviewed with a standard set of questions, but with flexibility in the script to allow for the pursuit of specific details. The Tampa Bay Entrepreneurial Ecosystems team proposed a goal of 30 in-depth interviews and recorded 43 interviews over a period of nine months.

In addition to a list of prospects developed by the team, additional participants were identified through suggestions from interviewees as well as research through news media and professional networking. Gaps were addressed by sourcing interviewees from multiple counties and industries, and the team ensured that there were several interviews in each category of ecosystem player. The interviews lasted between 30 minutes to up to an hour (average time 45 minutes) and were outsourced for professional transcription. The transcriptions were uploaded into a single database using Nvivo software for qualitative analysis.

Coding qualitative data is a process of ‘meaning condensation’ with the research team agreeing on relevant themes or ‘nodes.’ Nodes can be as long as a sentence or multiple pages of text and can be overlapped. Through reviewing and coding several hundred pages of interviews, all possible common themes were exhausted with just under 200 nodes. The generation of new codes stopped at a point referred to as ‘theoretical saturation’ where all additional codes become reused from the established dictionary. All nodes were reviewed a second time with an eye for relationships and were then organized into set hierarchies. This coding process followed the tradition of ‘Grounded Theory,’ where the team allowed relationships and variables to rise out of what was transcribed without influence from theoretical preconceptions about the potential findings.

Findings

Strengths and Bottlenecks

The in-depth interview process afforded the research team with an opportunity to understand more fully the complexity of the Tampa Bay MSA entrepreneurial ecosystem. Not surprisingly,

many of the dimensions provided mixed results for the resulting ecosystem. For example, the Tampa Bay infrastructure cannot be described as either fully supporting or not supporting the ecosystem. Interviewees consistently mentioned the international airports as best of class (TPA consistently ranked as one of the best in the country) yet lack of transit in the Tampa Bay MSA was just as frequently mentioned as one of the biggest challenges in the region. Moreover, with regard to infrastructure, the lack of a strong central urban core was also mentioned frequently as a problem, however, hot spots in Ybor City, St Petersburg, and the much-anticipated revival of the Channelside District were identified as assets for the ecosystem. Though some efforts are underway (a new ferry system for example) the lack of a plan to connect these hot spots with easy and affordable transportation was viewed as a bottleneck to the ecosystem.

Another important positive take away was the vibrancy and positive energy directed towards entrepreneurship in the MSA. We heard from many interviewees about a large collective of like-minded individuals working tirelessly and altruistically to support entrepreneurship. In fact, our research identified 64 ESOs in the Tampa Bay MSA at the time of the study. In addition, diversity among the population in the region along with strong universities and population growth (an average of 200 people a day moving into Tampa Bay) was frequently mentioned by those interviewed. In addition, government support was identified as strong and this support was displayed by government officials we interviewed who each expressed strong support and cited significant resources invested to support entrepreneurship. However, interestingly, those for whom the system is created did not see the resulting outcome as much as a safety net as a challenge to utilize. Entrepreneurs, while expressing gratitude for the support, felt the entrepreneurial support organizations (ESOs) and public officials were frequently more competitive than cooperative and that the system was difficult to navigate, costly and not worth it.

According to one entrepreneur interviewed, "*...You end up spending so much money joining the ESOs and learning to navigate the ecosystem as an entrepreneur.*" Another entrepreneur/investor shared the following about the ecosystem:

"Another big challenge which you guys can solve is that we have too much fracture with all the programs that are trying to drive the success of the ecosystems. It comes from a perspective of more competitive than collaborative. Austin had similar situation and Austin Venture partners kind of corralled everybody together. I think that... [we need] some type of initiative where they are all working together to grow in the same direction."

But it wasn't only entrepreneurs who were concerned about a lack of cooperation and collaboration among ecosystem supporters. Even an ESO representative shared "...*In fact what we see is more competition among the ESOs rather than coordination.*" And one investor added the following, "... *a lot of what we're talking about is the kind of connective tissue between everything, making sure that people are not replicating each other's work and making sure that it's all effective.*"

Tampa's business ecosystem has long been based on small business with some unique characteristics and interviewees frequently acknowledged the importance of a variety of components in the Tampa Bay economy that provide significant opportunity for knowledge spillover and entrepreneurship. Tampa Bay is home to eleven ports and has long had the advantage of water location. Moreover, the climate, strategic location, and low cost to live have led to strong business opportunities in hospitality leading to the birth and growth of such companies as Bloomin Brands. Several of Tampa Bay's small companies have grown into major Fortune 500 firms; examples include Tech Data, WellCare, and Raymond James which were all founded in Tampa Bay. Other firms such as HSN have grown from humble Tampa Bay roots to become household names. In addition Tampa Bay's large immigration population over the years led to a number of small firms and cottage industries such as the cigar industry in Ybor City. Tampa Bay also benefits from the presence of Moffitt Cancer Center and Research Institute and the McDill Air Force Base which houses the 6th air mobility wing of the US Airforce, as well as a multi-service base and home to Special Operations Command and Central

Command and thus houses all branches of the military. Taken together, these many resources create an exceptional opportunity for innovation and entrepreneurship in Tampa Bay.

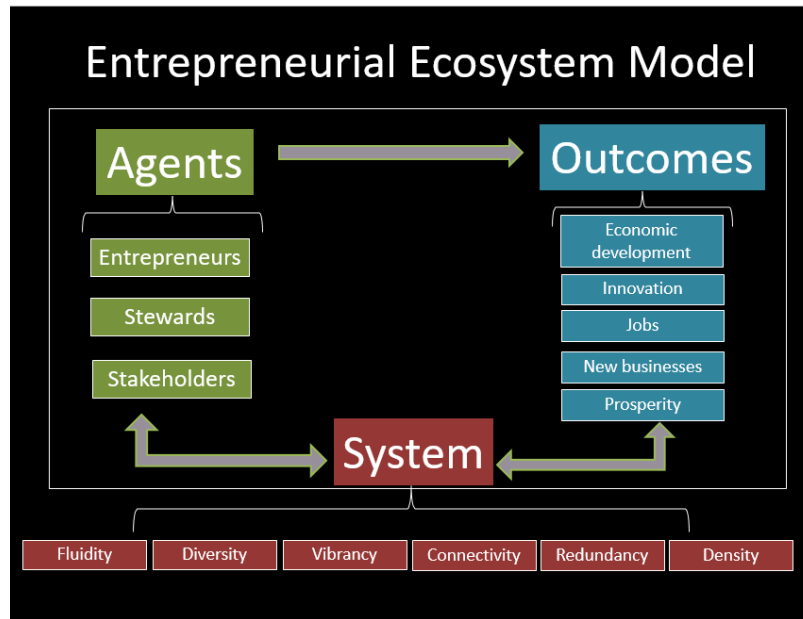
However, above all else, the Tampa Bay economy has long been based on real estate and the strong focus on real estate as a primary investment vehicle in the Tampa Bay area poses a problem for entrepreneurs. While many entrepreneurs interviewed acknowledged a presence of money available for investment, they also noted a problem with getting funding for any non-collateralized investment. To paraphrase and summarize the findings, *In Silicon Valley, investors are afraid of missing the next big opportunity whereas in Tampa Bay, investors are always looking for the next big opportunity.* According to the interviewees, that subtle difference of standing on the sidelines and waiting suggests that investors in Tampa Bay don't fully understand how to evaluate risk in early stage investments and the resulting outcome is a lack of funding for new ventures especially in the B2C space and for early stage funding needs over \$1m.

With respect to human capital, the findings were again mixed. While the interviewees lauded the strong universities in the region and low cost for talent, they also identified low wages, lack of a strong tech market, and talent gaps in coding and CEO ready leadership as challenges for entrepreneurs in the Tampa Bay area. In particular, the interviewees cited the lack of a clear direction and brand for the ecosystem as a major challenge. In particular, the fact that Tampa Bay doesn't have a brand and isn't known beyond the bay means that in order to attract entrepreneurial talent and investment capital to the region, education and information about the opportunities and advantages of the region have to be communicated beyond the Tampa Bay area.

The Model

Like any ecosystem, the Tampa Bay Entrepreneurial Ecosystem can be conceptualized as having three components that exist within its geographic boundaries: 1) the community (agents), 2) the system (dynamics), and 3) the outcomes. While it is anticipated that this model will have

application outside of Tampa Bay, the authors suggest that the model as designed, especially with respect to the system dynamics, describes the Tampa Bay ecosystem.



Agency.

The heart of an entrepreneurial ecosystem is the people. There are both primary and secondary stakeholders who engage in and benefit from the ecosystem. In our research, three primary agents in an entrepreneurship ecosystem model were identified: the **entrepreneurs** (founders, top management teams and employees of the companies), the **stakeholders** (vendors, customers, investors, entrepreneurial support organizations [ESOs], government leaders and citizenry), and **stewards** (neutral third parties). Individuals or organizations may serve in more than one capacity. For example, all citizenry can logically be placed in the stakeholder category when outcomes such as economic development and enhancement of lifestyle are considered.

Based upon our findings, the neutral third party, or stewardship, is often the most challenging role to fill. The presence or lack of a neutral third party was cited frequently in our research as a gap in Tampa Bay and as something that was present in other cities that our interviewees cited

as strong entrepreneurial ecosystems. In most cities mentioned, the stewardship role emerged from a collaborative effort. Typically, universities or businesses that draw significantly from outside of the region or independently wealthy community and business leaders were the most likely candidates to serve in this capacity. For example, the interviewees mentioned Pittsburgh, where the growth came from university and city collaboration, and San Diego Connect, where UC San Diego partnered with the Chamber to provide this leadership, and the Entrepreneur Center in Nashville, which is an incubator that emerged from a partnership between the Nashville Chamber and previously successful entrepreneurs, as models of this stewardship.

System Dynamics.

Using the Kauffman study as a basis for understanding the system, the team found evidence of six (6) system variables in Tampa Bay. The first four are based on the previous work; however, in Tampa Bay these four did not fully describe the system. In addition, the research provided evidence of the existence of two additional dimensions – vibrancy and redundancy.

- **Density** – the key measure of an ecosystem, this factor measures the number of new and young entrepreneurs and startups, the share of employment for new and young firms, and identifies depth in legacy industries.
- **Fluidity** – movement in and out of a region (measured by population changes). A strong ecosystem has fresh new perspectives and positive population growth to allow for remixing of people.
- **Connectivity** – the connections among the elements and the availability of social capital matter as much as the elements in an entrepreneurial ecosystem. The number of elements is not the key as much as the collaboration among them.
- **Diversity** – cities that specialize in multiple economic areas and have diverse populations will enjoy greater creative options and outcomes.
- **Vibrancy** – when organized, the vibe, positive energy, and unique culture of a region can lead to the creation of a robust entrepreneurial environment.
- **Redundancy** – duplicative services and competition for resources among ESOs in the ecosystem can undermine success and reduce collaboration. Immature ecosystems will exhibit high rates of redundancy until the system reaches a state of homeostasis.

System Outcomes.

System Outcomes are unique to a region and must be designed by the ecosystem agents. However, one need only look at cities like Austin to understand why an entrepreneurial ecosystem is desirable. Austin experienced one of the most exceptional transformations in the U.S urban landscape, growing from a state capital/university town of under 400,000 in 1970 to a leading technology-based region with a population of two million today. In the 1970s, a number of regions sharing Austin’s basic characteristics – major university/state capital city, a highly educated workforce, a good amenity/quality-of-life mix; however, only a few cities like Austin and San Diego came together to purposefully build an entrepreneurial ecosystem. However, in order to transform a business ecosystem to an entrepreneurial ecosystem, a “collaborative outcomes vision” is required. The outcomes may include one or more factors such as: economic development, more high paying jobs, new businesses, innovation, creative solutions to problems, ability to keep bright young talent in the region, prosperity, and higher quality of life.

Tampa Bay’s Entrepreneurial Ecosystem

Agency.

With respect to the community or agents in the Tampa Bay system, there were ample entrepreneurs and stakeholders (as discussed previously), however, one key theme that emerged was a lack of leadership and vision. The absence of a clear leadership for the ecosystem is one of the key findings of this research.

System Dynamics.

Our findings indicate that all but two of the six dimensions have both positive and negative items (fluidity was all positive and redundancy was all negative) in Tampa Bay. Regarding connectivity, Tampa Bay is weak, with negatives outweighing the positives by a margin of 5 to 1. However, vibrancy was just the opposite with mostly positive findings. Density was a mixed report with as many positives as negatives. The listing below illustrates the summarized results

of the research on the system dynamics where a plus sign (+) is used to indicate positive responses and a negative (-) sign is used to identify negative comments.

Fluidity

- Low cost of living +
- Excellent airports +
- Attractive climate +

Density

- Talent and concept generators +
- Knowledge spillover potential +
- Low cost +
- Talent gaps –
- Legacy in collateralized investments –
- Investment capital not available for early stage companies required above \$1m –

Vibrancy

- Significant enthusiasm for entrepreneurship +
- Significant support and investment in ESOs +
- Pockets of activity: St Pete downtown, Channelside District, Ybor +
- No clear regional brand –

Connectivity

- Significant interest and support for entrepreneurship +
- Competition among ESOs –
- Competition among governmental groups –
- Lack of unified vision and leadership –
- Lack of strong urban core –
- Lack of action on regional public transit –
- Media and messaging challenges –
- No clear brand or outcomes vision –

Redundancy

- Cumbersome to navigate the system –
- ESOs providing duplicative services and competing for funds -
- Lack of vision and collaboration among system stakeholders -

Diversity

- Diverse population +
- Unique mix of young and experiences; and money and energy +
- Mix of small business, mid-sized regionals, pockets of biotech and the military +
- Strong legacy in real estate dominates –

System Outcomes.

The lack of a clear vision or common theme or goal for the Tampa Bay ecosystem was another key theme of the findings. Many key established influencers who were interviewed stated that *“there was no clear vision of the direction of where Tampa Bay was going”* in terms of comparative regional advantage. According to the respondents, the lack of a clear legacy industry that could provide guidance for the system was another key finding. While Tampa Bay’s economy has clearly has been dependent upon real estate, study participants strongly indicated that they believe this is not a legacy industry that should be benchmarked for ecosystem advancement. Many respondents suggested looking at peer cities such as Nashville and Charlotte. However, it was noted that geographically these cities are very different than Tampa Bay and that Tampa Bay needs a theme or direction for its entrepreneurial ecosystem. The one city that was mentioned as very similar to Tampa Bay was San Diego (water city, good climate, strong military presence). However, it was noted that San Diego has also benefited from spillover from Silicon Valley and Tampa lacks this kind of proximity to a major hub of entrepreneurship.

Ecosystem Recommendations and Next Steps

Entrepreneurial Ecosystems are created by and for entrepreneurs. Yet the entrepreneurs who were interviewed for this project felt the most powerless. In successful ecosystems, the stakeholders (not the agents) help to create a place where entrepreneurs can thrive and focus on the challenges of running a company. The findings of this research set forth a baseline of information and a model for the development of Tampa Bay entrepreneurial ecosystem. As noted earlier, this research can be used as the starting point for creating a data repository that can be used, like wearable technology, to consistently measure the health of the system. Empowered with vision, metrics and entrepreneurial mindset, the resulting ecosystem will be uniquely suited to support entrepreneurship in Tampa Bay.

To reach that end, the following recommendations are offered:

Address the vision and lack of collaboration:

- Brand Tampa Bay’s entrepreneurial ecosystem – create a mantra that everyone can relate to...e.g. why is this important to me?

- Create a sense of place through collaborative discussion...think Town Hall type meetings to build awareness and support for why we care about our entrepreneurial ecosystem.
- Identify a common project with widespread appeal to bring parties together and involve key ecosystem players in the discussion. Moreover, we must ensure that those who have the power and resources to take action are at the table— think of a competition and/or a crowdfunding site that is open to the community to support entrepreneurs collectively.
- Identify an organizational steward (individual or partnership) to provide leadership for collaborative discussion and decision making.
- Develop metrics and map the system and develop an action plan to fill gaps and reduce redundancy.
- Develop a suite of technology tools to enhance connectivity.

Continue to build entrepreneurial mindset:

- Collaboration among the key educational institutions to map out and communicate educational opportunities for entrepreneurs, investors and other stakeholders at all stages of startup and growth
- Encourage entrepreneurial immigration – create a program to attract entrepreneurial talent to the region...think broadly about resource acquisition. A national campaign that brings talent to Tampa Bay by offering free or low cost resources - funding, revenue generation opportunities, talent, space and/or educational opportunities.

Consistent with the findings, a meeting will be held in the John P Lowth Entrepreneurship Center early in 2017 to bring together interested parties to begin the discussions on vision and collaboration. In addition, a data repository is being developed that will provide these findings as well as updated metrics and a dashboard for the Tampa Bay entrepreneurial ecosystem.

Conclusion

Tampa Bay presents a unique opportunity to examine an emerging and nascent ecosystem. Most research to date has examined more developed ecosystems with a goal of understanding how to replicate that system in other cities and geographic areas. By studying an ecosystem as it is emerging, there is an opportunity to impact, accelerate and improve the system while also paving a path for other cities to emulate.

As noted before, one of the key findings was that for each ecosystem asset identified, there were challenges or bottlenecks that needed to be addressed so that system efficacy and optimization could be realized. By focusing on only one or the other, the full complexity of the system is missed.

Two analogies are appropriate to conclude. First, entrepreneurial ecosystems are like social movements in that they are grassroots influenced and led and they thrive on collaboration and knowledge sharing and spillover. The complexity and likeness to a social movement, make it difficult, if not impossible, for an ecosystem to be fostered via public policy or money or incubator or any of the other ecosystem stakeholders alone. So, what makes a good social movement? A vision, lots of convening that keep the populace engaged and involved, and a strong mantra or brand (e.g. “the 99%”). In this research, when asked to use three adjectives to describe the Tampa Bay ecosystem, the authors heard that Tampa Bay’s ecosystem is *emerging, young, ill defined, ambitious, and growing* – an opportunity that has not yet been realized. This is incredibly exciting for anyone who thinks like an entrepreneur. However, social movements fail without a catalyzing moment when the vision and reason for the movement become crystal clear to the group.

Interestingly, many catalyzing moments are constructed. By illuminating the progress and telling the Tampa Bay story, this research creates such an opportunity. To better understand, it is important to explain the etymology of the word *opportunity*. The word opportunity stems from Latin origin: *ob* (toward) and *portus* (port). The original term: Op-port-tu: referred to the

time, before ports were dredged, when the captain and crew had to wait for the tide to rise to go in to the ports. Sailors used the phrase *ob portus* to denote the best combination of wind, current, and tide to sail to port. However, the only way to seize such weather conditions was if the vessel's captain had already sighted the port of destination. Knowing the weather conditions without knowing the destination was useless. Therefore, a ship was in a state of *opportunitas* when its captain had decided where to go and knew how to get there.

The analogy is especially valuable for this study. Tampa Bay is built around water and the findings of this research demonstrate that the region is very close to a state of *opportunitas*. Entrepreneurial ecosystems, like social movements, are created by and for the participants. Clarifying the vision and collaborating (or rowing) in the same direction, will take the ship to port. The tide is high, the time is now.

ⁱ <http://www.forbes.com/best-states-for-business/#2e4b20fc18cc>

ⁱⁱ <http://www.kauffman.org/microsites/kauffman-index/rankings/state>

ⁱⁱⁱ <http://www.forbes.com/sites/amyguttman/2016/11/08/why-bill-gates-and-jeff-vinik-are-investing-billions-to-build-an-ecosystem-in-tampa/#209f66c16dd8>

^{iv} ^{iv} https://www.google.com/?gws_rd=ssl#q=ecosystem August 4, 2014.

^v Terjesen, S., Hechavarría, D., White, R., Acs, Z.J., & Audretsch, D.A. 2017. . (forthcoming). Entrepreneurial Ecosystems: A Review and Research Agenda, *Small Business Economics*.

^{vi} Spigel, B. (2015). The relational organization of entrepreneurial ecosystems. *Entrepreneurship Theory and Practice*.

^{vii} Acs, Z. J., Autio, E. & Szerb, L. (2014) National Systems of Entrepreneurship: Measurement Issues and Policy Implications. *Research Policy* 43(3): 476–449.

^{viii} Stangler, D., & Bell-Masterson, J. (2015). Measuring an entrepreneurial ecosystem. *Kauffman Foundation Research Series on City, Metro and Regional Entrepreneurship*. Ewing Marion Kauffman Foundation. http://www.kauffman.org/~media/kauffman_org/research%20reports%20and%20covers/2015/03/measuring_an_entrepreneurial_ecosystem.pdf.