The five metro areas with the highest startup activity in the 2017 Startup Activity index were, in this order, the metropolitan areas centered on the cities of Miami, Austin, Los Angeles, San Diego, and Las Vegas.

The Ewing Marion Kauffman Foundation just released the latest report in their annual Kauffman Index of Entrepreneurship Series. According to the foundation, the index measures entrepreneurial output activity nationwide, such as new companies, business density and growth rates. Three studies, which present a more mature measure of startup activity in metropolitan areas, make up the Kauffman Index: the rate of new entrepreneurs, the opportunity share of new entrepreneurs and the startup density.

According to the index, San Diego climbed seven spots year-over-year and now ranks 4th in the United States in startup activity. Notable metropolitan areas San Diego outranked are Las Vegas (5th), New York/New Jersey (7th), Phoenix (8th), Dallas (12th), San Francisco (14th) and Boston (21st). Overall startup activity slightly increased in 2016, but slowed relative to the past 3 years of aggressive growth.

### Rate of Entrepreneurs

<table>
<thead>
<tr>
<th>Definition</th>
<th>San Diego Metro</th>
<th>San Diego Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of adult population starting new businesses each month</td>
<td>Nearly half of a percent of the adult population in San Diego start business as main job monthly.</td>
<td>4th (0.49%)</td>
</tr>
</tbody>
</table>

### Opportunity Share

- "Rate of entrepreneurs" not coming out of unemployment
- Approximately two out of every ten new entrepreneurs were previously unemployed.

### Startup Density

- # of startups per 1,000 employer businesses (1+ employee)
- San Diego is roughly 11% higher than San Francisco and 4% higher than Los Angeles.

San Diego Rank: 4th (0.49%) 14th (82.54%) 6th (95.9)