



Secretary of State Business Filings Q3 2022 Data Analysis Summary

- Colorado's job growth continued in Q3, enabled by growth in labor force participation and elevated demand for workers.
- State ranks above average for GDP, employment, income, labor force, and home price growth.
- New entity filings increased year-over-year and quarter-over-quarter in the third quarter, moving counter to the typical Q3 seasonal decline.
- While the Consumer Price Index marked incremental improvement, price growth remained at the highest levels since 1982 nationally and in the Denver-Aurora-Lakewood metropolitan statistical area. Gasoline prices averaged \$3.71 per gallon in October, up 1.8% compared to a year ago but 24.7% below June.
- Annual delinquency and dissolution filings increased in the third quarter.

COLORADO INDICATORS

Employment



vs. prior quarter



vs. prior year

New Entity Filings



vs. prior quarter



vs. prior year

Unemployment



vs. prior quarter



vs. prior year

Existing Entity Renewals



vs. prior quarter



vs. prior year

EMPLOYMENT FORECASTS



Q4 2022 vs. Q3 2022

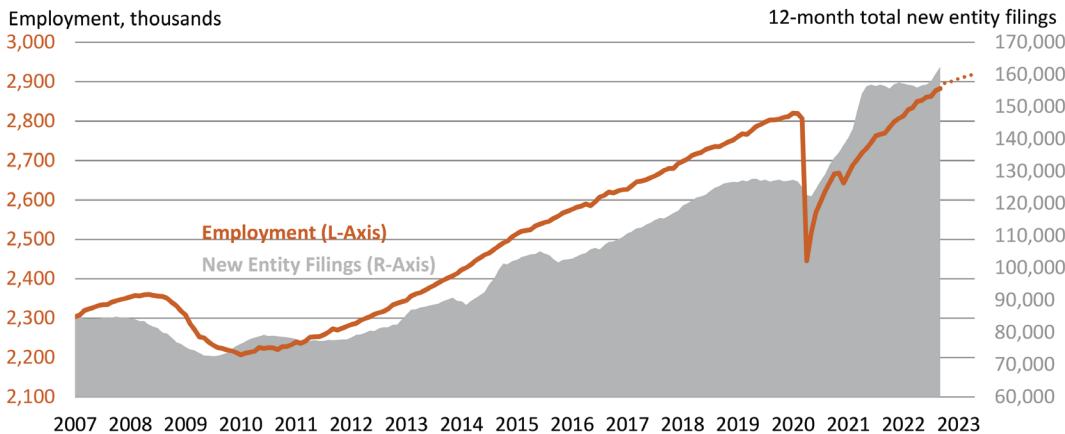


Q4 2022 vs. Q4 2021



Q1 2023 vs. Q4 2022

Employment and New Entity Filings



Note: Solid line displays actual seasonally adjusted employment numbers; dotted line reflects calculated forecasts.
Source: Seasonally adjusted. Colorado total nonfarm employees from the Bureau of Labor Statistics, Current Employment Statistics (CES), calculations by BRD research team.

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The Secretary of State's office makes government easy and accessible for people in order to further democracy, support economic opportunity for all Coloradans, and demonstrate a standard of integrity and excellence.



Secretary of State Business Filings Q3 2022 Data Analysis Summary

Real GDP growth rebounded in Q3.

Following two consecutive quarters of negative real GDP growth in the first half of 2022, growth rebounded in Q3 increasing at an annualized rate of 2.6% for the quarter and growing 1.8% year-over-year. The Q3 report from the Bureau of Economic Analysis (BEA) was mixed—consumption grew 1.4% while investment fell 8.5%. Following five consecutive quarterly declines, government spending increased 2.4% in Q3 2022. Net exports improved by a historically large margin—\$157 billion. Estimates from Consensus Forecasts for 2022 put real GDP growth at 1.7% for the year, and 0.2% for 2023.

Nation added back 22.5 million jobs.

The nation lost 22 million jobs in March and April 2020 but added back 22.5 million jobs from May 2020 through September 2022. The year-over-year job gains stood at 5.7 million in September 2022, an increase of 3.9% according to data from the Bureau of Labor Statistics, a level 0.5% above the pre-recession peak.

In Colorado, 375,200 job losses were recorded February-April 2020, but 437,700 jobs were added from May 2020 through September 2022, further ratcheting Colorado above the pre-pandemic peak. Colorado's September 2022 employment increased 113,000 (4.1%) year-over-year in (16th-best). The largest annual percent increases came from Leisure and Hospitality, Other Services, and Professional and Business Services. Eight of the 11 industries were above January 2020 levels in September 2022.

The U.S. unemployment rate was 3.5% in September 2022 after reaching 14.7% in April 2020; for comparison, the national unemployment rate was 3.5% in February 2020, just prior to the pandemic's impact on the economy. The national labor underutilization rate (U-6) decreased to 6.7% in September 2022 after peaking at 22.9% in April 2020. Colorado's unemployment rate stood at 3.4% in September 2022 after peaking at 11.8% in May 2020.

State indices mixed. Like the nation, Colorado was among 41 states that recorded a quarterly decrease in real GDP in Q2, falling at an annualized rate of 2%.

However, Colorado's real GDP growth persisted year-over-year, up 3%, ranking the state 7th.

Colorado's labor force participation rate ranked 2nd-highest in September, totaling 69.5%—a level above the period preceding the pandemic recession. The state's labor force grew 2.9% year-over-year, continuing further above pre-recession levels in the state (6th-highest nationally). The state's per capita personal income ranked Colorado 8th with per capita income of \$73,357, and per capita personal income growth (6%) ranked 1st. The average weekly wage growth rate of 6.1% ranked the state 12th.

Colorado's home price growth remained elevated in Q2 2022. The FHFA Purchase-Only Home Price Index increased 17.7% from Q2 2021 to Q2 2022, the 19th-fastest pace in the country.

According to the Baker Hughes Rig Count, the number of rigs in Colorado increased to 22 in mid-October compared to 11 during the same period in 2021.

Colorado's monthly retail gasoline prices spiked in 2022 but began to normalize as the year progressed. Prices were up 1.8% year-over-year in October but decreased 24.7% from the average in June, according to the Energy Information Administration.

Price growth modestly improved in September. The Consumer Price Index in the Denver-Aurora-Lakewood region

increased 7.7% (not seasonally adjusted) year-over-year in September 2022 (compared to national price growth of 8.2% for the same month). Core inflation (all items less food and energy) increased 7.2% in the Denver region (compared to national price growth of 6.6%).

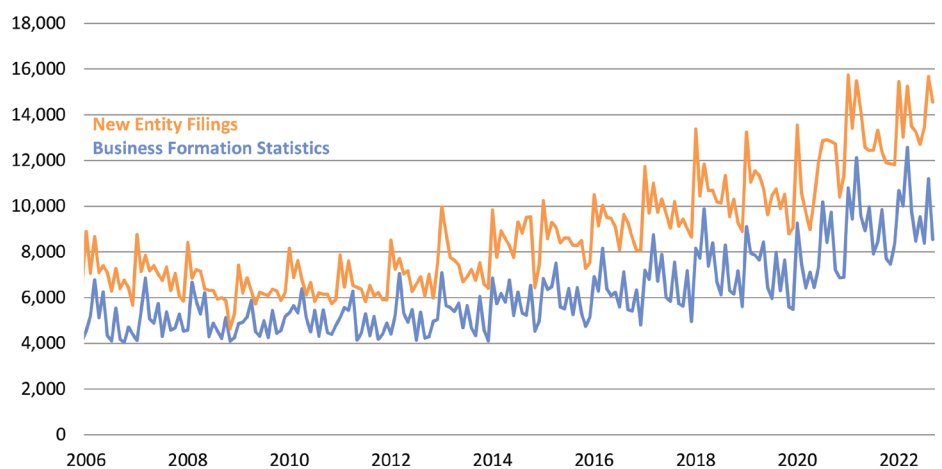
New entity filings positive. Total new entity filings increased 14.5% year-over-year and 10.6% quarter-over-quarter. A total of 43,657 new entities were filed in Q3 2022, most of which were LLCs.

Existing entity renewals mixed. Existing entity renewals increased 1% in Q3 year-over-year but fell 4.8% quarter-over-quarter. In Q3 there were 163,807 existing entity renewals.

Colorado business leaders pessimistic on the short-term outlook. The Leeds Business Confidence Index (LBCI) remained in bear territory ahead of Q4 2022. The index stood at 39.8 (50 is neutral).

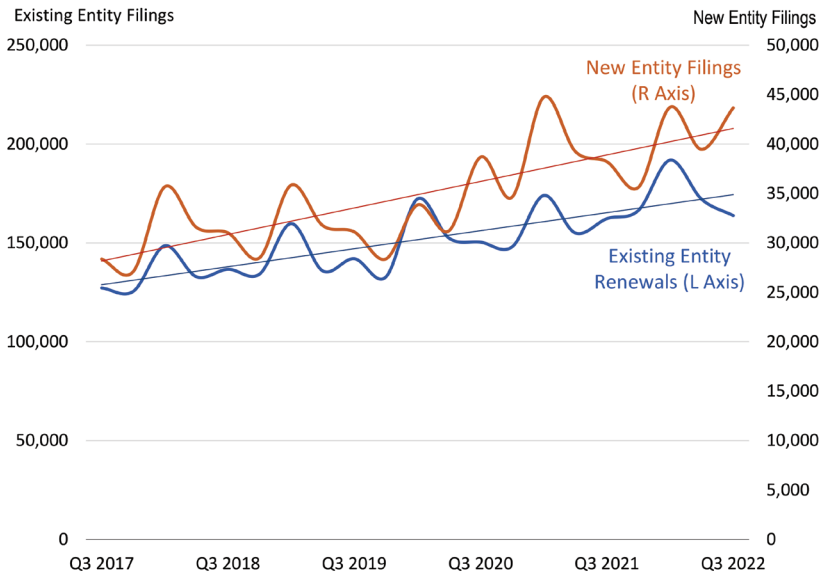
New entity filings are highly correlated with Business Formation Statistics. Colorado new entity filings from the Secretary of State's Office are highly correlated ($r=0.89$) with the Business Formation Statistics from the U.S. Census Bureau—an experimental series that tracks business applications and formations.

Colorado Business Formation Statistics and New Entity Filings



Sources: U.S. Census Bureau and the Colorado Secretary of State's Office.

Existing Entity Renewals and New Entity Filings



Note: Trendlines based on a year-over-year percent change.

Business Filings Overview

Business filings increased over the year and over the prior quarter. The quarterly count of new entity filings increased from Q3 2021 to Q3 2022, and also increased from Q2 2022 to Q3 2022 (Q3 often records a quarterly seasonal decrease in the growth rate). Existing entity renewals increased over the same quarter last year, but slipped from Q2.

Entities in good standing increased 6.1% compared to last September. Delinquencies increased, up 8.9%, and dissolutions were up sharply 27.1%. Trademark and trade name filings both improved for the quarter.

	Q3 2022	Q2 2022	Q3 2021	Percent Change over Prior Year		5-Year CAGR ^a	
New Entity Filings							
Domestic Limited Liability Company	36,036	31,044	29,871	20.6%	▲	10.7%	▲
Domestic Nonprofit Corporation	969	960	946	2.4%	▲	2.9%	▲
Domestic Corporation	2,926	3,524	3,518	-16.8%	▼	2.2%	▲
Other Entity Types	3,726	3,936	3,810	-2.2%	▼	3.0%	▲
Total New Entity Filings	43,657	39,464	38,145	14.5%	▲	9.0%	▲
Total New Entity Filings - 12 mo. trailing	162,414	156,902	156,433	3.8%	▲	7.1%	▲
Existing Entity Renewals							
Domestic Limited Liability Company	107,372	114,131	104,837	2.4%	▲	7.2%	▲
Domestic Nonprofit Corporation	11,871	11,702	11,746	1.1%	▲	2.0%	▲
Domestic Corporation	24,334	25,071	25,089	-3.0%	▼	-0.8%	▼
Other Entity Types	20,230	21,202	20,588	-1.7%	▼	5.5%	▲
Total Existing Entity Renewals	163,807	172,106	162,260	1.0%	▲	5.2%	▲
Total Existing Entity Renewals - 12 mo. trailing	694,194	692,647	639,244	8.6%	▲	6.4%	▲
Other Business Filings							
Dissolution Filings	11,614	11,753	9,139	27.1%	▲	11.6%	▲
Dissolution Filings - 12 mo. trailing	47,564	45,089	39,099	21.7%	▲	10.7%	▲
Trademarks	827	746	721	14.7%	▲	-1.1%	▼
Trademarks - 12 mo. trailing	3,154	3,048	3,468	-9.1%	▼	-2.7%	▼
Trade Names	10,720	9,961	10,031	6.9%	▲	0.5%	▲
Trade Names - 12 mo. trailing	41,142	40,453	44,182	-6.9%	▼	-1.2%	▼
Entities in Good Standing							
Corporation	124,995	125,635	128,216	-2.5%	▼	0.3%	▲
Foreign	94,904	93,415	88,758	6.9%	▲	6.5%	▲
Limited Liability Company	598,770	583,720	559,304	7.1%	▲	8.2%	▲
Nonprofit Corporation	54,003	53,662	52,897	2.1%	▲	2.2%	▲
Other Entity Types	11,612	11,633	11,730	-1.0%	▼	0.4%	▲
Total Entities in Good Standing	884,284	868,065	840,905	5.2%	▲	6.1%	▲
Delinquencies							
Corporation	148,546	145,954	138,180	7.5%	▲	5.5%	▲
Foreign	44,717	43,891	41,415	8.0%	▲	9.1%	▲
Limited Liability Company	554,185	538,712	498,030	11.3%	▲	10.1%	▲
Nonprofit Corporation	28,005	27,538	26,198	6.9%	▲	6.8%	▲
Other Entity Types	15,266	15,056	14,539	5.0%	▲	5.6%	▲
Total Delinquencies	790,719	771,151	718,362	10.1%	▲	8.9%	▲

^a Compound Annual Growth Rate.

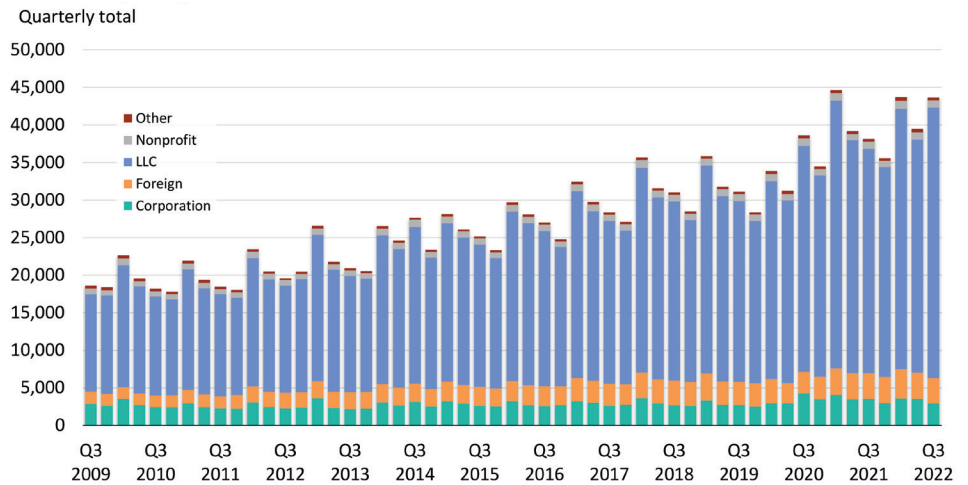
New Entity Filings & Existing Entity Renewals

Quarterly new business filings up from last year and from last quarter.

New entity filings increased 14.5% year-over-year and 10.6% from the prior quarter (counter to a typical Q3 seasonal trend). For the past 17 years, Q3 filings have been above Q2 filings just four times. Quarterly filings totaled 43,657.

The four-quarter rolling sum of filings, which removes seasonality, recorded a 3.8% increase in new entities year-over-year and 3.5% from the prior quarter.

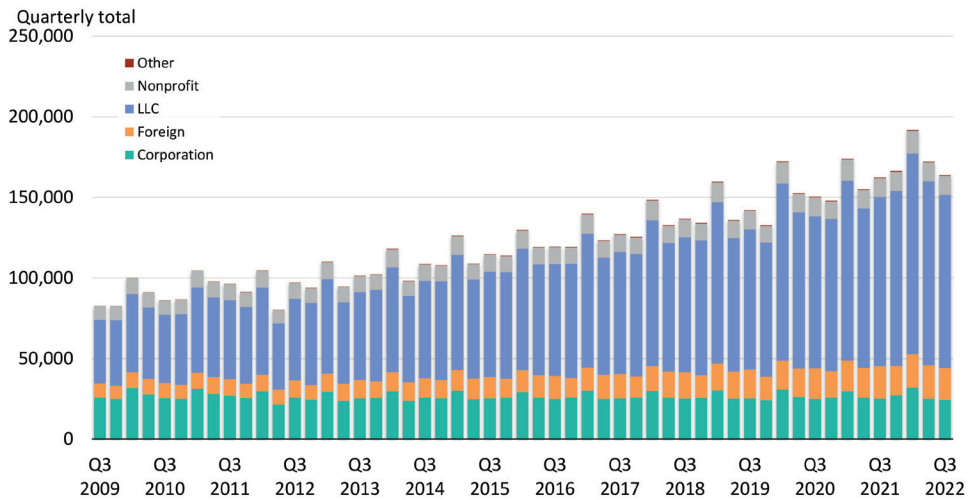
New Entity Filings



Business renewals continued the upward path in Q3 compared to a year ago, but fell over the prior quarter.

There were 163,807 renewals in Q3 2022, an increase of 1% year-over-year, but a decrease of 4.8% over the previous quarter (the third quarter recorded quarter-over-quarter declines in 7 of the last 17 years). Using a four-quarter rolling sum to remove seasonality, renewals demonstrated an annual increase of 8.6% and a quarterly increase of 0.2%.

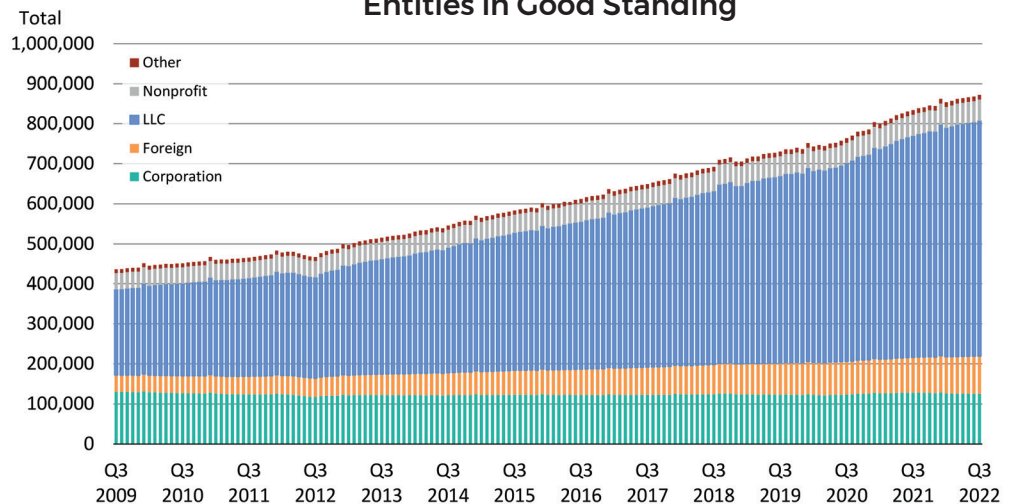
Existing Entity Renewals



Businesses in good standing increased in Q3.

Total entities in good standing increased 5.2% from Q3 2021 to Q3 2022, continuing a general upward trajectory. Entities in good standing increased 1.9% over the prior quarter. Over the year, limited liability companies recorded the greatest increase in good standing (7.1%) while corporations recorded the largest percent decline (-2.5%).

Entities in Good Standing

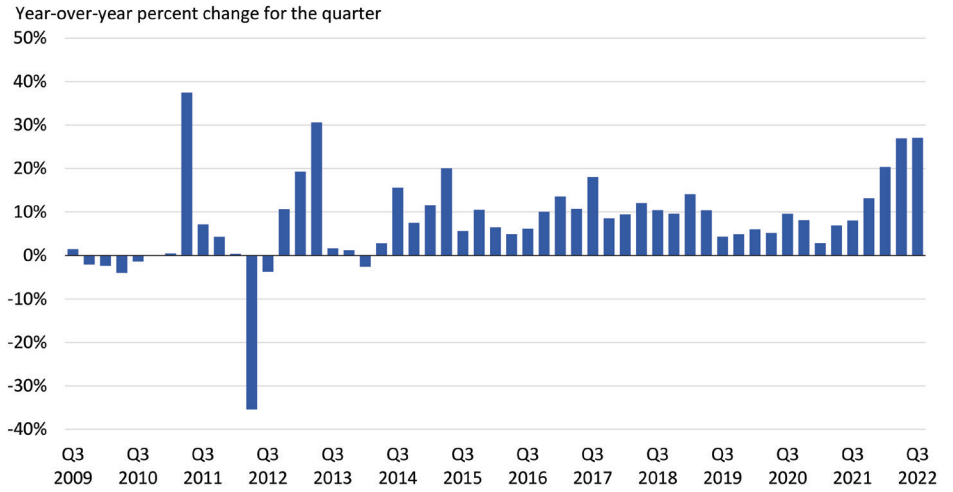


Dissolutions, Trade Names, & Trademarks

Growth in dissolutions remained high in Q3.

The pace of dissolution filings increased year-over-year in Q3, up 27.1%, but the number of filings decreased 1.2% from Q2 2022. A total of 11,614 businesses dissolved in Q3 2022 compared to 9,139 in Q3 2021 and 11,753 in Q2 2022. The 12-month trailing total of dissolution filings—47,564—was up 21.7% year-over-year and 5.5% quarter-over-quarter. The spike in dissolutions during the last recession occurred in Q2 2011, after the official end of the recession.

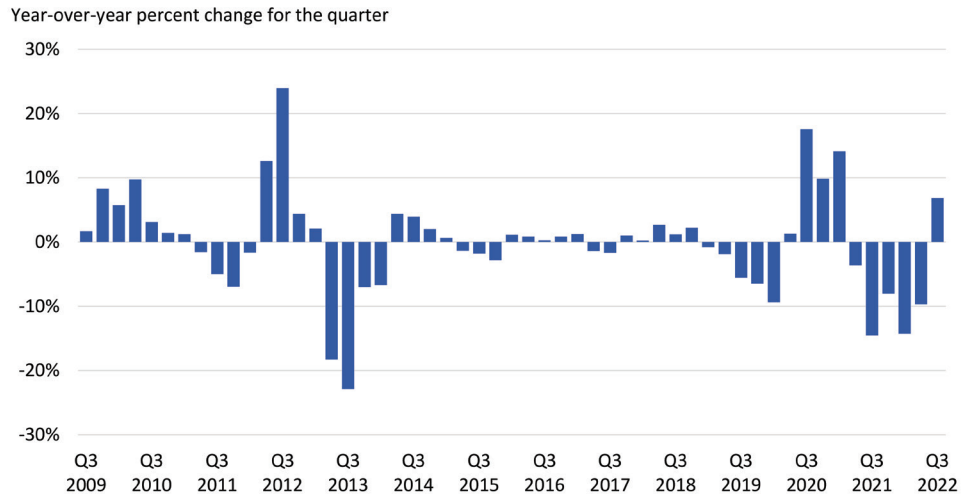
Dissolution Filings



Trade name filings increased year-over-year in the third quarter.

Trade name filings increased year-over-year and quarter-over-quarter in Q3 2022. The quarter ended with 10,720 trade name filings, an increase of 6.9% over the prior year and 7.6% over the prior quarter. Entities must file a statement of trade name when operating under any name other than their true name.

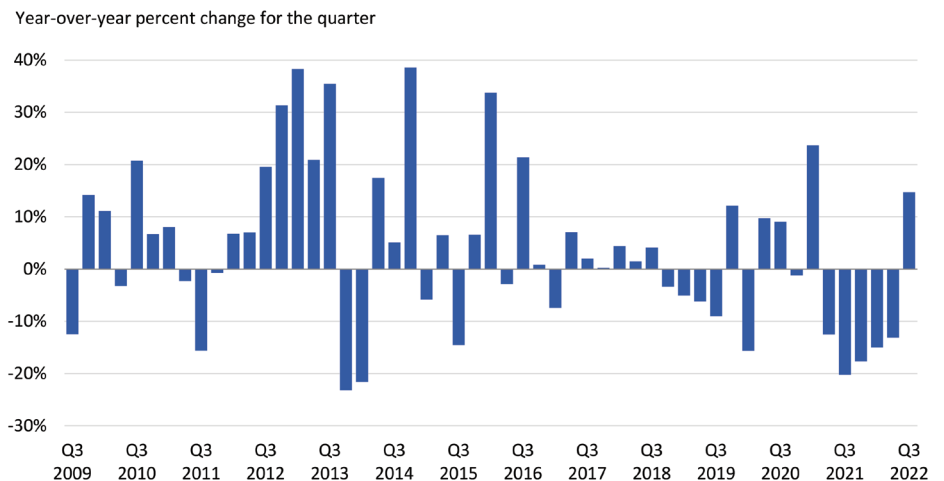
Trade Name Filings



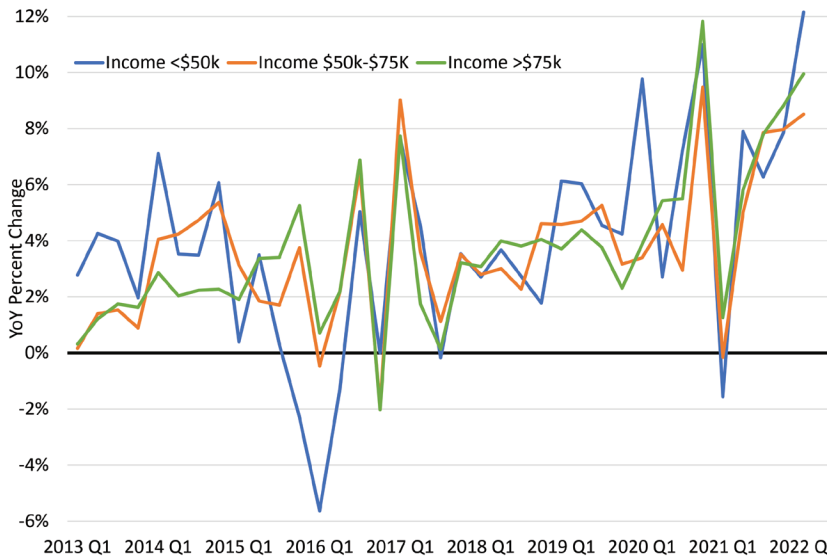
Trademark filings rebound in Q3.

Trademark filings totaled 827 in Q3 2022, a 10.9% increase from the prior year and 14.7% increase from Q2 2022. Using a 12-month trailing sum to adjust for seasonality, filings decreased 9.1% year-over-year but increased 3.5% over the quarter. Trademarks protect the symbols and words used in commerce.

Trademark Filings



Colorado Wage Growth



Colorado Economic Indicators

Lower-paying industries experienced the largest pace of wage growth in Q1. The first quarter of 2022 (most current available data) marks the 4th consecutive quarter of wage growth across all industries in Colorado. Industries with an average annual wage of less than \$50,000 recorded the largest year-over-year growth of 12.2%. This is a 4.3 percentage point increase from the prior quarter change at 7.9%, and a 13.8 percentage point increase from Q1 2021, which recorded a 1.6% decrease in wage due to the COVID-pandemic.

Industries with an annual average wage between \$50,000- \$75,000 and greater than \$75,000 recorded an increase of 8.5% and 9.9% year-over-year in Q1 2022, respectively. This is a slight acceleration from Q4 2021 of 7.9% and 8.8% year-over-year.

Source: Bureau of Labor Statistics (QCEW).

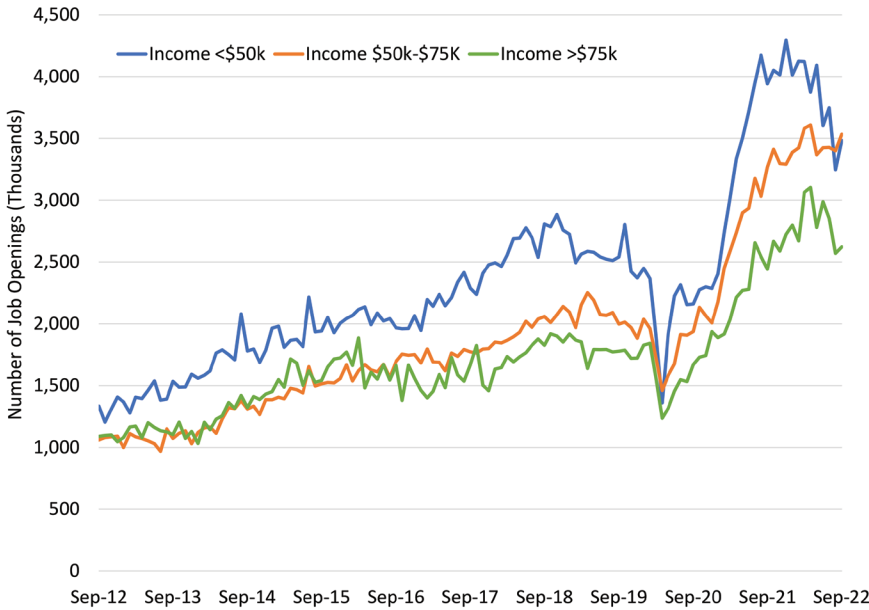
Note: Wage terciles calculated using the average annual wage for each industry as of Q1 2022 and grouping each industry's total employment.

	Current Period	3 Months Prior	Percent Change over Prior Period		Annual Percent Change		5-Year CAGR ^a	
Wealth & Income								
Personal Income (billions of dollars)	428.6	412.9	3.8%	▲	9.0%	▲	6.9%	▲
Colorado Sales Tax Receipts, 12 mo. trailing (billions of dollars)	4.1	3.9	3.5%	▲	16.5%	▲	8.1%	▲
Retail and Food Services Sales, 12 mo. trailing (billions of dollars)	288,947.0	282,426.5	2.3%	▲	15.6%	▲	8.7%	▲
Food Services and Drinking Places Sales, 12 mo. trailing (billions of dollars)	16,456.3	16,027.1	2.7%	▲	24.9%	▲	5.3%	▲
Sales Expectations (LBCI)	43.5	42.2	3.2%	▲	-27.7%	▼	-6.7%	▼
Profit Expectations (LBCI)	42.7	41.7	2.4%	▲	-26.2%	▼	-6.8%	▼
Business Outlays								
Annual Wages Per Employee (\$)	64,681	63,804	1.4%	▲	7.0%	▲	5.3%	▲
Hiring Expectations (LBCI)	43.4	43.3	0.2%	▲	-32.0%	▼	-6.1%	▼
Capital Expenditures Expectations (LBCI)	41.0	40.8	0.4%	▲	-29.7%	▼	-6.8%	▼
Retail Gasoline Price (dollars per gallon; monthly average)	3.71	4.88	-23.9%	▼	1.8%	▲	7.8%	▲
Labor Markets								
Employment (in thousands)	2,882.8	2,860.7	0.8%	▲	4.1%	▲	1.5%	▲
Unemployment Rate ^b	3.4%	3.4%	0.0%	▷	-1.3%	▼	0.6%	▲
Initial Jobless Claims (monthly average)	2,353	2,357	-0.2%	▼	10.9%	▲	2.9%	▲
Continuing Jobless Claims (monthly average)	16,281	16,906	-3.7%	▼	-21.0%	▼	-3.3%	▼
Hires	127	139	-8.6%	▼	-9.9%	▼	4.9%	▲
Job openings	222	236	-5.9%	▼	2.3%	▲	11.1%	▲
Total separations	75	87	-13.8%	▼	-19.4%	▼	-2.9%	▼
Quits	116	129	-10.1%	▼	-29.3%	▼	-2.6%	▼
Labor Force	3,255	3,249	0.2%	▲	2.9%	▲	1.7%	▲
Labor Force Participation Rate ^b	69	70	-0.1%	▼	1.1%	▲	1.4%	▲
Economic Overview								
Real Quarterly GDP (billions of chained 2012 dollars)	383.1	371.3	13.3%	▲	4.8%	▲	3.2%	▲
Building Permits, Number of Units, 12 mo. trailing	19,892	61,048	-67.4%	▼	-65.8%	▼	-14.7%	▼
Valuation (millions of dollars), 12 mo. trailing	4,686	14,834	-68.4%	▼	-67.6%	▼	-12.8%	▼
FHFA Purchase-Only Home Price Index	697	677	2.8%	▲	17.7%	▲	11.3%	▲
Private Firms	234,440	229,518	2.1%	▲	6.1%	▲	4.0%	▲
Rotary Rig Count (monthly average)	21	19	10.5%	▲	87.5%	▲	-9.1%	▼
Total Business Bankruptcy Filings	57	59	-3.4%	▼	11.8%	▲	-12.3%	▼
Chapter 7	40	41	-2.4%	▼	14.3%	▲	-12.0%	▼
Chapter 11	15	18	-16.7%	▼	50.0%	▲	-7.4%	▼
Chapter 13	1	0	NA	▲	0.0%	▷	0.0%	▷
State Economy Expectations (LBCI)	40.2	40.0	0.4%	▲	-30.2%	▼	-7.1%	▼

Sources in order as metrics appear and dates in parentheses indicate most recent data at time of publication: Bureau of Economic Analysis, Quarterly Personal Income (SA) (Q2 22); Colorado Department of Revenue, Office of Research and Analysis (NSA) (M8/22); Leeds School of Business, Leeds Business Confidence Index (LBCI) (Q1 23); Colorado Department of Labor and Employment, QCEW (NSA) (Q1 22); U.S. Energy Information Administration, Weekly Retail Gasoline and Diesel Prices (10/01/22); Bureau of Economic Analysis, (SAAR) (Q2 22); Bureau of Labor Statistics, CES (SA) (09/22); Bureau of Labor Statistics, LAUS (SA) (09/22); U.S. Department of Labor, Employment and Training Administration (NSA) (10/01/22); Census Bureau, New Privately Owned Housing Units Authorized (NSA) (8/22); Bureau of Labor Statistics (SA) (); Bureau of Labor Statistics (SA) (9/22/22); Colorado Division of Housing, Foreclosure Report (Q1 21); FHFA Purchase-Only Home Price Index (SA) (Q2 22); Bureau of Labor Statistics, QCEW (Q1 2022); Baker-Hughes (10/01/22); Administrative Office of the U.S. Courts (Q2 22); Leeds School of Business, Leeds Business Confidence Index (LBCI) (Q1 23).

^aCompound Annual Growth Rate. ^bPercentage point change.

National Job Openings



Source: Bureau of Labor Statistics (JOLTS).
 Note: Wage terciles calculated using the average annual wage for each industry as of Q1 2022 and grouping each industry's total employment.

National Economic Indicators

More jobs for lower-income industries. The number of job openings peaked in the first half of 2022. In September, industries with an annual average income below \$50,000 and between \$50,000 and \$75,000 each recorded 3.5 million job openings. Industries with an annual average income greater than \$75,000 had 2.6 million job openings.

National job openings experienced a sharp decline in April 2020 due to the pandemic. The total number of job openings hit a low of 4.1 million jobs. Historically, that was the lowest number since 2014 with 3.9 million openings in the month of March. Job openings surged following April 2020.

Following the pandemic shutdown, industries paying below \$50,000 recorded the greatest number of jobs openings. This is consistent with historical patterns of lower income industries having more jobs available.

	Current Period	3 Months Prior	Percent Change over Prior Period		Annual Percent Change		5-Year CAGR ^a	
Wealth & Income								
Personal Income (billions of dollars)	21,931	21,604	1.5%	▲	4.9%	▲	5.3%	▲
Retail and Food Services Sales, 12 mo. trailing (billions of dollars)	7,994.5	7,814.4	2.3%	▲	11.8%	▲	7.1%	▲
Food Services and Drinking Places Sales, 12 mo. trailing (billions of dollars)	991.6	964.4	2.8%	▲	22.2%	▲	7.7%	▲
S&P 500	3,813.7	4,023.6	-5.2%	▼	-16.6%	▼	8.3%	▲
Annual Wages Per Employee	68,726	67,610	1.7%	▲	5.9%	▲	6.0%	▲
Business Outlays								
Consumer Price Index	296.8	295.3	0.5%	▲	8.2%	▲	3.8%	▲
Core Inflation (All Items Less Food & Energy)	298.7	294.4	1.5%	▲	6.7%	▲	3.4%	▲
Shelter	359.6	352.6	2.0%	▲	6.6%	▲	3.7%	▲
Retail Gasoline Price (dollars per gallon; monthly average)	3.94	4.67	-15.7%	▼	16.3%	▲	8.5%	▲
Labor Markets								
Employment (in thousands)	153,047	151,903	0.8%	▲	3.9%	▲	0.8%	▲
Unemployment Rate ^b	3.5%	3.6%	-0.1%	▼	-1.2%	▼	-0.8%	▼
Initial Jobless Claims (monthly average)	219,000	245,200	-10.7%	▼	-28.9%	▼	-8.4%	▼
Continuing Jobless Claims (monthly average)	1,222,803	1,386,400	-11.8%	▼	-49.0%	▼	-12.6%	▼
Hires	6,082	6,456	-5.8%	▼	-6.5%	▼	2.2%	▲
Job openings	10,717	11,040	-2.9%	▼	0.4%	▲	11.1%	▲
Total separations	5,688	6,009	-5.3%	▼	-5.3%	▼	1.5%	▲
Quits	4,061	4,253	-4.5%	▼	-4.5%	▼	4.9%	▲
Labor Force	164,689	164,023	0.4%	▲	2.0%	▲	0.4%	▲
Labor Force Participation Rate ^b	62	62	0.1%	▲	0.6%	▲	-0.8%	▼
Economic Overview								
Real Quarterly GDP (billions of chained 2012 dollars)	20,022	19,895	2.6%	▲	1.8%	▲	2.0%	▲
Building Permits, Number of Units, 12 mo. trailing	1,724,910	1,755,973	-1.8%	▼	1.1%	▲	6.4%	▲
Valuation (millions of dollars), 12 mo. trailing	381,432	383,950	-0.7%	▼	5.4%	▲	8.8%	▲
FHFA Home Price Index	390.2	375.3	4.0%	▲	17.7%	▲	10.3%	▲
Rotary Rig Count (monthly average)	768	757	1.4%	▲	42.7%	▲	7.4%	▲
Total Business Bankruptcy Filings	3,527	3,325	6.1%	▲	12.1%	▲	-7.8%	▼
Chapter 7	1,975	1,839	7.4%	▲	0.0%	▷	-9.8%	▼
Chapter 11	1,204	1,173	2.6%	▲	34.5%	▲	-2.2%	▼
Chapter 13	65	73	-11.0%	▼	-21.7%	▼	-12.3%	▼
National Economy Expectations (LBCI)	27.7	40.4	-31.5%	▼	-59.0%	▼	-12.7%	▼

Sources in order as metrics appear and dates in parentheses indicate most recent data at time of publication: Bureau of Economic Analysis, Quarterly Personal Income (SA) (8/22); U.S. Census Bureau (NSA) (9/22); Yahoo Finance (10/27/22); Bureau of Labor Statistics, QCEW (NSA) (Q1 2022); Bureau of Labor Statistics, All Urban Consumers, U.S. City Average (SA) (9/22); U.S. Energy Information Administration, Weekly Retail Gasoline and Diesel Prices (10/1/22); Bureau of Economic Analysis (SAAR) (Q3 22); Bureau of Labor Statistics, CES (SA) (9/22); Bureau of Labor Statistics (SA) (9/22); U.S. Department of Labor, Employment and Training Administration (SA) (10/1/22); Bureau of Labor Statistics (SA) (9/22); Bureau of Labor Statistics (SA) (9/22); Census Bureau, New Privately Owned Housing Units Authorized (NSA) (9/22); FHFA Purchase-Only Home Price Index (SA) (Q2 22); Baker-Hughes (10/1/22); Administrative Office of the U.S. Courts (Q3 22); Leeds School of Business, Leeds Business Confidence Index (LBCI) (Q3 22).

^aCompound Annual Growth Rate. ^bPercentage point change.

Secretary of State Business Filings Q3 2022

Businesses are established under several different entity types. The most commonly formed is a **domestic limited liability company** (DLLC), blending structures from both corporations and partnerships/sole proprietorships. DLLCs provide owners with protection from personal liability and also offer benefits from the effects of pass-through income taxation. As an example, Indigo Partners is the parent company of Frontier Airlines, a low-cost carrier headquartered in Denver.

Domestic corporations (DCs) are the second-most popular business filing received by the Secretary of State. DCs provide owners with limited liability, similar to DLLCs, and business must be conducted in the state in which it was formed. Coors Brewing Company is a well-known DC in Colorado.

A third entity type is a **domestic nonprofit corporation** (DNC). DNCs differ from DLLCs and DCs in that they

are formed not for profit and pursue an agenda of social responsibility. Building a Better Colorado operates as a DNC with the goal of facilitating conversation between Colorado voters to improve the state government.

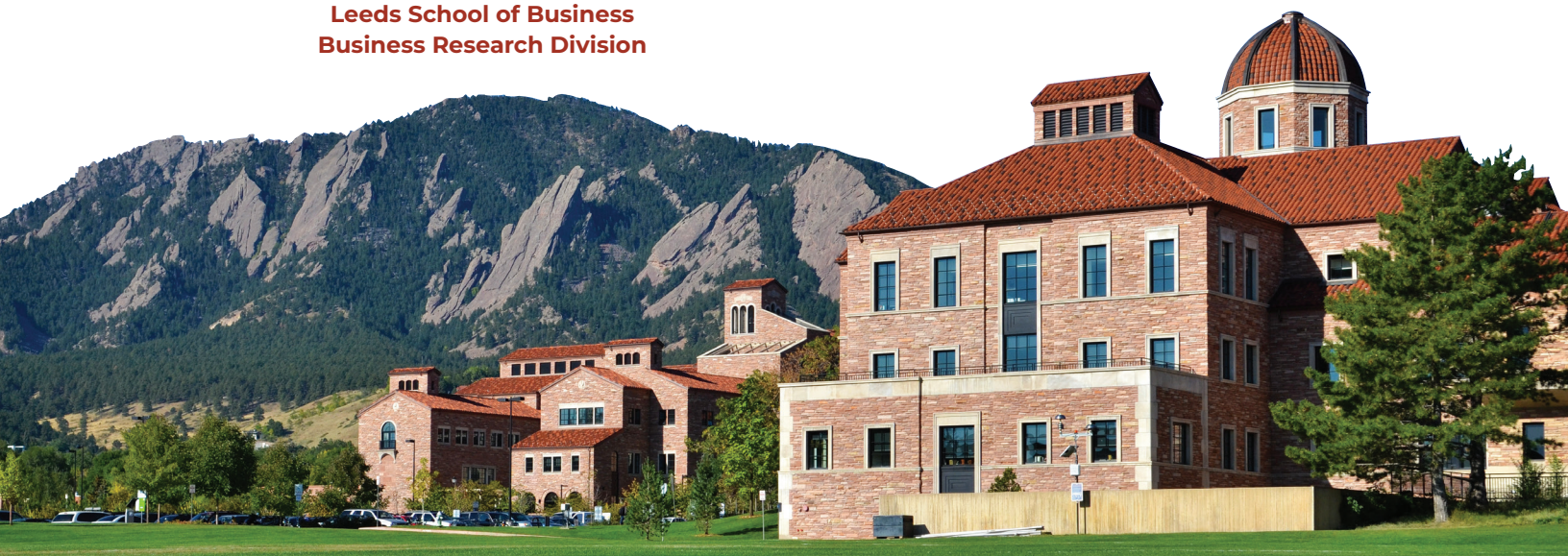
Public benefit corporations (PBC) create a framework for companies that seek to solve social and environmental problems while benefiting their shareholders. Group14 Engineering, which provides sustainable energy and environmental solutions for buildings, is an example of this type of corporation in Colorado.

Foreign entities (FE), or business entities registered in a different state, are authorized to transact business or conduct activities in the state of Colorado. According to the Colorado Secretary of State, all foreign entity types are functionally equivalent to their domestic counterparts. Simple Energy Inc. is an example of a foreign entity in Colorado.

A partnership between the
Colorado Secretary of State's Office
and the
University of Colorado Boulder
Leeds School of Business
Business Research Division



Leeds School of Business
UNIVERSITY OF COLORADO BOULDER



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