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The Colorado Business Intelligence Center: An Innovative Plan for Public Data Management and Economic Growth

“We have begun an inventory of state ‘assets’ that the private sector can use to make location and investment decisions. With your support we hope to partner with the Secretary of State and fund a comprehensive ‘suite of business services’ that will give entrepreneurs additional resources to grow their businesses. I must have opened 20 businesses in my previous life. I can tell you these services are needed and will help small business.”

-Governor John Hickenlooper
State of the State Address
January 10, 2013

Introduction

Departments and agencies within Colorado possess large amounts of public data regarding businesses and the economy. This data can help businesses with strategic planning, but it exists in so many different places and formats that most businesses cannot use it. The Secretary of State’s office will address this problem through the creation of the Business Intelligence Center (BIC). The BIC seeks to aggregate public data and make it available to the widest audience in the most useful format. It will provide businesses with unprecedented access to public data and encourage economic growth.

I. The Secretary of State’s office maintains a large amount of public data and actively seeks ways to make it useful.

The Secretary of State’s office interacts with hundreds of thousands of business entities, charities, and nonprofits in the state. Each entity must register with the Department of State to meet regulatory requirements. The Secretary of State’s office collects, manages, and disseminates basic data about those organizations and wanted to make the data useful to Colorado businesses.

To meet this goal the Department collaborated with the Leeds School of Business at the University of Colorado to publish the Quarterly Business and Economic Indicator Report. This report combines Department data with other economic data collected by The Leeds School to provide meaningful economic information to the business community. For instance, this report identified and quantified that new business filings are a

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leading indicator of job creation. With this and other information provided in the report, the business community can make smarter decisions that will grow the Colorado economy.

Since first publishing the report in 2012, the Secretary of State received comments from many members of the business community asking to see more detailed data regarding economic trends in order to better understand the distribution of commerce in Colorado. This includes access to the location, size, vibrancy, and concentration of key business nodes. While this level of detail would be tremendously helpful, the Department cannot provide the information because multiple state agencies collect the desired data, it is not readily available in a common place, and often it is stored in different formats.

With this understanding, the Department staff met with staff from the Office of Information Technology, Office of Economic Development and International Trade, the Statewide Internet Portal Authority, and the Governor's Office to explore what options or solutions already existed. Subsequently, Department staff concluded that these data requests could be met by aggregating all the information spread throughout various agencies and databases into a single tool by breaking down agency silos and better cataloging existing resources. Department staff also concluded that access and availability to the data is not enough. In order to make the raw data useful to the vast majority of business owners, data analysis and visualization tools are needed. These conclusions led to the Business Intelligence Center project.

The vision for this project is two-fold. First, it consolidates public data relevant to businesses on a single platform. Second, it gives businesses the tools to make the data useful. The second goal is achieved through a civic apps challenge—the Colorado Business Innovation Challenge—that will give financial incentives to the technology community to build web and mobile applications that use state and other data to solve existing business challenges.

II. The Business Intelligence Center will consist of a centralized data catalog that combines public data into a common platform and contributes to economic growth.

The data platform is akin to an information clearing house. It will offer Colorado businesses unprecedented access to public data that is validated and relevant to short and long-term needs. It will make data sources currently dispersed over multiple government departments and agencies accessible in a common location for any entrepreneur at no additional cost. Currently only large entities with the time, staff, and budget to engage in detailed statistical analysis can use these data sets. With the BIC, an entrepreneur seeking to open a restaurant in Denver will be able to view locations of vendors, suppliers, and competitors. They will also be able to better analyze potential locations based on where customers live and work.

Providing this data to every type and size business in Colorado provides a unique opportunity to contribute to economic development. The BIC will nurture key industry networks and lay the foundation for a digital infrastructure that will continue to expand and improve over time. Likewise, this data will benefit communities, economic development organizations, and any public or private group engaged in strategic planning.

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III. The Secretary of State will develop the BIC in cooperation with multiple agencies.

The BIC will be housed by the Department of State because of its expertise with digital business registry and other public data. The project will be funded through business registration fees, assuring that money paid by Colorado businesses benefits them as well as the BIC's long-term viability.

Although the operational management of the BIC will be the Department's responsibility, the success of the program will rely on the cooperation and partnerships of other state agencies, local governments, and the private sector. To foster the collaborative relationships necessary to make the program successful, an executive committee, an advisory board, a program manager, and a project team will govern the BIC:

- The Executive Committee will provide senior level approval and support for the overall project mission and charter.
- The Advisory Board will advise the program manager on the operation of the Business Intelligence Center and will help identify Business Innovation Challenge problems, judges, and partners. This board will provide critical support to the program manager from both the public and private sector.
- A program manager will be responsible for managing the daily operation and development of the BIC and promoting the Business Innovation Challenge.
- A project team composed of data experts and sponsors of the Challenge will provide required legal support, marketing, expertise on technical contracts, and any other required support including both state resources and outside contracts.

IV. The Colorado Business Innovation Challenge will engage the technology community in making the BIC useful to Colorado businesses.

Simply making data available is insufficient to most business owners. To truly help the vast majority of businesses—especially small businesses—tools must be developed to present the data in a useful and consumable format. Normally government agencies develop these tools but they are often not effective. A new approach is needed—that approach is the Colorado Business Innovation Challenge.

The Challenge will create a civic technology industry that will transform the way government delivers services to the public. Unlike a traditional government IT development process, the Challenge will establish guidelines and parameters for judging a successful application, but it will not stifle the creativity and innovative talents of the participants by telling them what the end result looks like or how the product has to work. Modeled after a “civic apps” challenge employed by multiple cities across the United States, the Challenge presents the software development community with problem questions and asks them to create possible solutions. At the end of the challenge, the Secretary of State will license the most innovative and implementable

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web or mobile application. The best design will receive a contract with the Secretary of State’s office to make the application available to the public on the BIC platform. The Department will also pursue partnerships with the Colorado technology and startup industry to provide additional incentives, such as mentoring, hosting, and office space to the Challenge winners.

App challenges and competitions are successfully used by municipal, state, and federal government agencies all over the United States. In general, app challenges are known to encourage business, create jobs, and enhance the overall economic environment. There is documented evidence from similar challenges that they produce an extraordinary return on investment. Additionally, apps that do not win the challenge are often still marketable for other purposes.

- The “Apps for Healthy Kids,” hosted by the U.S. Department of Agriculture, awarded \$60,000 in prizes, which resulted in the creation of over \$5 million in software—a published return on investment of 8,333%.¹
- The “Big Apps Challenge,” hosted by New York City, awarded \$20,000 in prizes, which resulted in the production of over \$4.25 million in apps—a published return on investment of 21,250%. This challenge also resulted in a new technology company now listed on NASDAQ.²

Conclusion

The Business Intelligence Center and the Colorado Business Innovation Challenge represent a new and innovative method for cataloguing public data and making it useful to the state’s business community. By pursuing this program, the Secretary of State’s office can also make this data more accessible and support economic development across the state, sparking the creation of a civic technology industry that will transform the delivery of government services.

¹ See Case Study, www.challengepost.com

² See Case Study, www.challengepost.com