

Six key industry clusters drive the Denver South economy, representing a diverse combination of businesses, occupations, and opportunities.

- Four of the six region's clusters were resilient during the pandemic, posting positive employment growth in 2020.
- All of the region's six clusters posted positive 5-year employment growth in 2020.
- Five of the six clusters had an average wage over \$100,000, led by the Aviation and Aerospace cluster with the highest average wage.
- The six clusters represent over 32 percent of the Denver South region's employment base.
- Four of the six clusters in the Denver South region had employment concentrations that were higher than the competitor MSAs. Financial Services and Broadband & Digital Communications in the Denver South region were at least 3.9 percentage points higher than the competitor MSAs.

Denver South Industries Cluster Snapshot								U.S. data in ( )		
Denver South Industries	Broadband & Digital Communications					Healthcare & Life Sciences	IT-Software & Electronics			
	Aviation & Aerospace	Digital Communications	Engineering Services	Financial Services	Financial Services					
	Total Industry Cluster <sup>1</sup>				Banking & Finance	Investments	Insurance			
	Direct Employment	6,810	20,320	7,240	33,980	12,670	10,580	10,730	26,260	20,610
	Companies	190	620	440	4,250	710	2,660	880	3,180	1,220
	One-Year Employment Growth (2020)	4.5% (-6.5%)	-0.2% (-4.6%)	0.6% (1.1%)	0.6% (0.5%)	-0.7% (0.5%)	2.1% (-0.2%)	0.8% (0.9%)	-1.4% (-2.7%)	0.5% (1.4%)
	Five-Year Employment Growth (2015-2020)	9.6% (4.6%)	14.9% (-14.1%)	6.2% (8.6%)	12.4% (5.4%)	10.9% (3.9%)	17.9% (4.8%)	9.2% (7.6%)	14.2% (5.4%)	18.8% (15.0%)
	Direct Employment Concentration (2020)	1.9% (0.9%)	5.7% (0.6%)	2.0% (0.7%)	9.5% (4.0%)	3.5% (1.6%)	3.0% (0.9%)	3.0% (1.5%)	7.3% (10.5%)	5.8% (3.1%)
	Average Wage <sup>2</sup>	\$122,500	\$107,110	\$106,590	\$119,450	\$93,720	\$183,390	\$84,470	\$66,650	\$118,660
									<sup>1</sup> Totals may not sum due to rounding.	
<sup>2</sup> The average wage represents the nine-county Metro Denver and Northern Colorado region.										

<sup>1</sup> Totals may not sum due to rounding.

<sup>2</sup> The average wage represents the nine-county Metro Denver and Northern Colorado region.

Denver South Industries Cluster Competitor Employment Concentration										
	Aviation & Aerospace	Broadband & Digital Communications	Engineering Services	Financial Services	Financial Services	Banking & Finance	Investments	Insurance	Healthcare & Life Sciences	IT-Software & Electronics
				Total Industry Cluster						
Denver South	1.9%	5.7%	2.0%	9.5%	3.5%	3.0%	3.0%	7.3%	5.8%	
San Francisco MSA	0.5%	1.7%	1.1%	4.9%	1.9%	1.5%	1.5%	11.2%	5.1%	
Seattle MSA	2.2%	1.1%	0.9%	3.3%	1.2%	0.7%	1.4%	11.8%	3.2%	
New York MSA	0.4%	1.8%	0.5%	4.9%	1.8%	1.5%	1.6%	14.0%	3.0%	
Chicago MSA	0.6%	1.1%	0.5%	5.1%	2.0%	1.0%	2.1%	11.3%	1.7%	
Note: Due to data availability, the IT-Software & Electronics employment concentration for the San Francisco, Seattle, New York, and Chicago MSAs represents only the IT-Software definition components.										

Note: Due to data availability, the IT-Software & Electronics employment concentration for the San Francisco, Seattle, New York, and Chicago MSAs represents only the IT-Software definition components.

## Aviation & Aerospace



The Aviation & Aerospace cluster was the fastest growing cluster in the Denver South region in 2020. The Denver South region is home to nearly 6,810 employees in almost 190 companies in the Aviation and Aerospace cluster. Companies with a major presence in the region include United Launch Alliance (ULA), Sierra Nevada Corporation, Lockheed Martin, UP Aerospace Inc., and Jeppesen: A Boeing Company, among others. Aviation and Aerospace employment in the Denver South region increased for the fourth-consecutive year in 2020, rising 4.5 percent between 2019 and 2020. Employees earned an average annual salary of \$122,500, which was 40.8 percent higher than the national average.

***Broadband and Digital Communications (BDC)***

The Denver South region is an established national and internationally recognized center for the BDC industry. With nearly 20,320 employees, the region is more than 9 times more concentrated than the U.S. Denver South. Employment declined 0.2 percent in Denver South between 2019 and 2020 as companies in the cluster were hesitant in hiring to meet the demand for services too quickly during COVID. However, employment increased 14.9 percent over the past five years, outpacing nationwide growth by 29 percentage points.

***Engineering Services***

Engineering Services employment in the region is nearly three times more concentrated than the national average and has the highest concentration of Engineering Services employment out of the 50 largest metropolitan areas in the nation in 2020. Between 2019 and 2020, employment in the region's Engineering Services increased 0.6 percent and grew 6.2 percent between 2015 and 2020. With nearly 7,240 Engineering Services workers in about 440 companies, the region employs 2 percent of the region's total employment base.

***Financial Services***

Financial Services consists of three subclusters: banking and finance, insurance, and investments. The financial services cluster in the Denver South region is the largest cluster in terms of employment, with 33,980 employees in about 4,250 companies. Over the past five years, Financial Services employment grew 12.4 percent, compared with 5.4 percent nationally, and the number of Financial Services firms in Denver South has increased almost 50 percent.

***Healthcare and Life Sciences***

The Healthcare and Life Sciences cluster is a significant contributor to Denver South's economy. The Healthcare and Life Sciences cluster is one of the largest in the region with nearly 26,260 workers in over 3,180 companies, employing 7.3 percent of the region's total employment base. Over the past five years, the number of Healthcare and Life Sciences companies in Denver South increased over 54 percent from 2,060 in 2015 to 3,180 in 2020.

***IT-Software and Electronics***

The IT-Software and Electronics cluster in the region expanded for the 10th-consecutive year in 2020, adding over 7,170 jobs since 2010. Between 2015 and 2020, IT-Software and Electronics was the fastest growing cluster. IT-Software & Electronics employment in Denver South is nearly two-times more concentrated than the U.S., with nearly 20,610 workers in approximately 1,220 companies. Workers in the cluster earned an average of \$118,660, more than 1.5 times higher than the average private-sector worker in the region.