

- All of the Denver South region's six clusters posted both one-year and five-year employment gains in 2021.
- The six clusters represent over 33% of the Denver South region's employment base.
- Five of the six clusters in the region had an average wage over \$100,000, led by the Aviation & Aerospace cluster with the highest average wage.
- Aviation & Aerospace was the fastest growing cluster Denver South in 2021, rising 5.3%.
- Aviation & Aerospace was also the fastest growing cluster between 2016 and 2021, rising 27.7% compared with a 0.2% decline nationwide.
- Financial Services is the region's largest cluster in terms of employment size, with 35,140 workers or 9.8% of the region's total employment base.
- Five 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 Clusters, 2021 Competitor MSA Employment Concentrations									
	Aviation & Aerospace	Broadband & Digital Communications	Engineering Services	Financial Services	Financial Services			Healthcare & Life Sciences	IT-Software & Electronics
				Total Industry Cluster <sup>1</sup>	Banking & Finance	Investments	Insurance		
Denver South	2.2%	5.8%	2.2%	9.8%	3.6%	3.1%	3.1%	7.7%	6.1%
San Francisco MSA	0.4%	1.7%	1.0%	4.9%	2.0%	1.5%	1.4%	10.7%	5.8%
Seattle MSA	2.2%	1.0%	1.0%	3.4%	1.2%	0.7%	1.4%	12.3%	3.4%
New York MSA	0.5%	1.9%	0.5%	4.8%	1.8%	1.5%	1.5%	13.3%	3.0%
Chicago MSA	0.6%	1.1%	0.5%	5.0%	2.0%	1.0%	2.0%	11.3%	1.8%
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 and Aerospace**

The Aviation & Aerospace cluster was the fastest growing cluster in the Denver South region in 2021 and was the fastest growing cluster between 2016 and 2021. With 7,850 employees in over 200 companies in Denver South, employment in the Aviation & Aerospace cluster has grown every year for the last five years.

Since 2000, the number of employees in the region's cluster has more than quintupled and the number of companies has almost quadrupled. United Launch Alliance (ULA), Sierra Nevada Corporation, Lockheed Martin, Boom Supersonic, and BYE Aerospace are just a few of the companies with a significant presence in the region. Employment growth in Denver South's Aviation & Aerospace cluster rose 5.3 percent in 2021 and increased 27.7 percent over the past five years. The cluster also earned a high average wage of \$129,190, approximately double the average private-sector worker in the state.

**Broadband and Digital Communications (BDC)**

The Denver South region has evolved as a major Broadband & Digital Communications hub. The region is nearly 10 times more concentrated than the U.S. and three times more concentrated than the nine-county Metro Denver and Northern Colorado region. Employment in the Broadband & Digital Communications cluster rose 1.4 percent in 2021, after falling 0.2 percent in

2020. Between 2016 and 2021, employment increased 15.6 percent, or 30 percentage points higher than the U.S. growth rate. More than 47 percent of Metro Denver's Broadband & Digital Communications employment is concentrated in Denver South.

**Engineering Services**

Denver South has the highest concentration of Engineering Services employment and companies among the 50 largest metropolitan areas in the nation in 2021. Over the past year, employment in the region's Engineering Services cluster grew 1.5 percent and rose 5.3 percent between 2016 and 2021. Since 2000, the number of engineering services companies has more than

tripled, adding more than 320 companies during this period. Denver South and the greater nine-county Metro Denver and Northern Colorado region is home to one of the top 10 metro areas where engineering talent grew the fastest between 2019 and 2021, according to LinkedIn.

**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 35,140 employees in nearly 4,680 companies. The Financial Services cluster overall performed relatively well during the pandemic, posting employment gains in 2020 and 2021. Employment

in the cluster grew for the seventh-consecutive year in 2021, increasing 2.4 percent. Employment in the Financial Services cluster in the Denver South region is two times more concentrated than the U.S.

**Healthcare and Life Sciences**

Denver South is a global healthcare and life sciences leader. The Healthcare & Life Sciences cluster represents 7.7 percent of the region's total jobs. The cluster was impacted early in the pandemic and continues to face new challenges. After falling 1.4 percent in 2020, employment in the cluster rebounded 3.4 percent in 2021. Over the past five years, employment in the region grew 17.2 percent,

more than three-times the growth rate posted nationally. During this period, 4,050 workers were added in 1,100 companies. Prior to the pandemic, employment in the cluster posted 16 years of consecutive employment growth in Denver South.

***IT-Software and Electronics***

The IT-Software & Electronics cluster expanded for 11-consecutive years in 2021, rising 3.9 percent over-the-year. IT-Software & Electronics rose 19 percent between 2016 and 2021, compared with 15.9 percent nationally. IT-Software & Electronics employment in Denver South is nearly two-times more concentrated than the U.S., with over 22,010 workers in nearly 1,220 companies. Workers in the cluster earned an average of \$126,860, more than 1.5 times higher than the average private-sector worker in the region.