EDCUTAH INDUSTRY PROFILE | FY 23-24

FINTECH
IN UTAH



EDCUtah ECONOMIC DEVELOPMENT CORPORATION OF UTAH

Governor's Office of Economic Opportunity

The Perfect Place for Finance and Technology to Play Together

Industry

- Utah is proud to be home to companies like **SoFi, MX Technologies, Lendio, HealthEquity, LendingClub,** and many others. Utah is an emerging hub for innovative FinTech companies, with established complementary industries in software development and financial services.
- As the 4th largest global location for Goldman Sachs, and with additional hubs from Fidelity, Wells Fargo, and others, Salt Lake City has earned its position as **"the Wall Street of the West."**
- Utah has industry expertise in both the tech sector and financial services, making it an ideal location for any FinTech company. Utah also has incredible access to capital, with **Provo, UT and Salt Lake City, UT both frequently among the highest in the nation in investment dollars per-deal.**

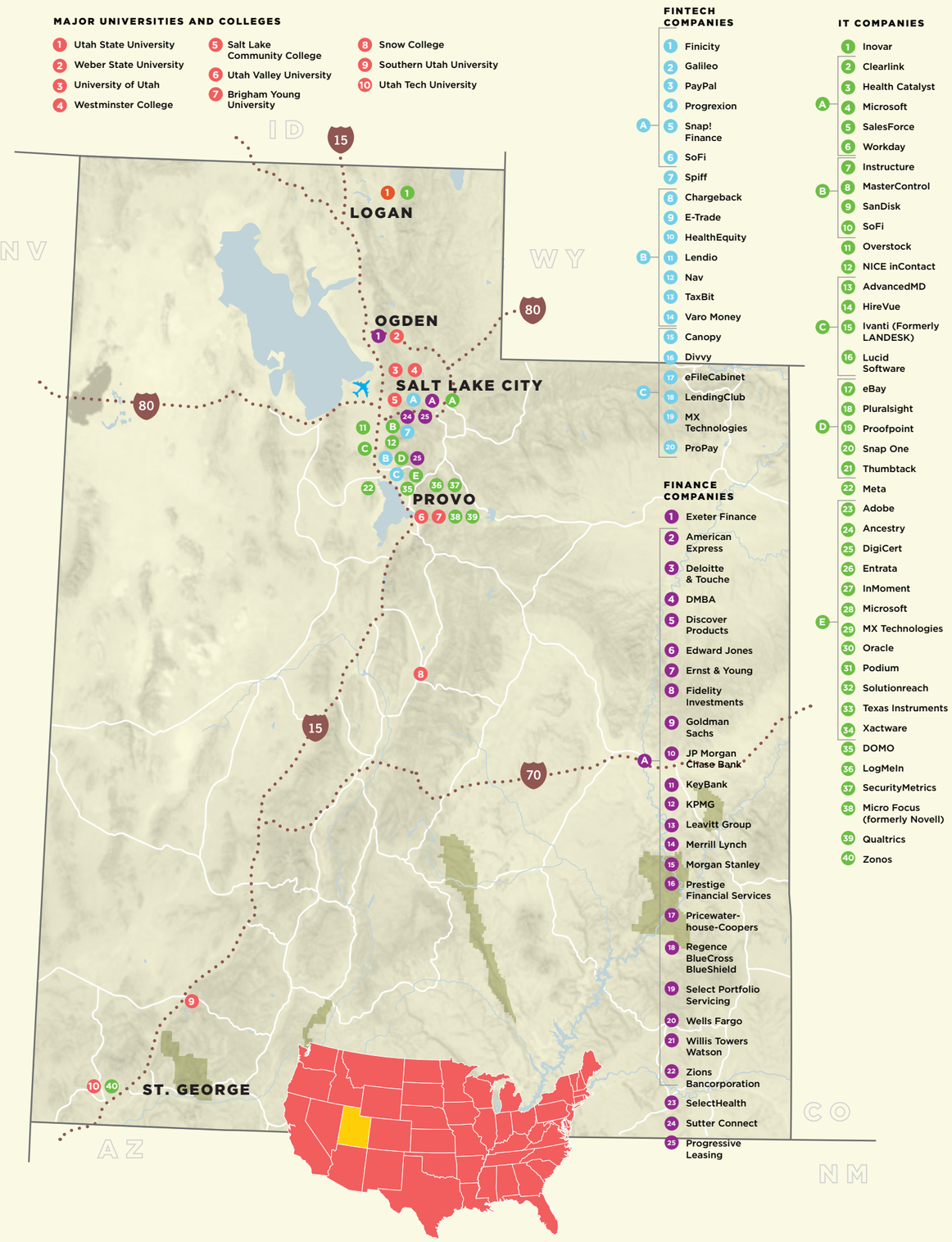


Best State for Business

- Forbes Magazine recognized Utah as **"The Best State for Business"** six of the past eight years, ranking 3rd in 2019.
- In 2021, Utah's post-performance tax incentives program facilitated over **19,800 new jobs and more than $740M in new state revenues.**
- In 2022, the Tax Foundation ranked Utah's Total Tax Climate as the **10th best in the nation.** Since 2011, Utah has eliminated or modified nearly 400 business regulations to ease the burdens placed on businesses.

Trained Workforce

- Utah has high employee concentrations of **software developers, web developers, financial analysts** and many other FinTech-related occupations.
- There are a wealth of FinTech education resources in Utah, with **11 major institutions offering programs related to information technology and finance.**
- Utah is recognized nationally as an established tech hub and a burgeoning finance market. These two industry clusters employ more than **180,000 people** and experienced **18% growth** over the last five years, 10% higher than the nation.



Major FinTech Employers

COMPANY	EMPLOYEES*	DESCRIPTION
Canopy	100-249 map #15	Canopy is a developer of an online tax workflow management software designed to streamline tax resolution for tax professionals.
Chargeback	50-99 map #8	Chargeback, a Sift company, develops software and tools to help merchants prevent and manage chargeback fraud, providing fraud monitoring, responses, and alerts.
Divvy	250-499 map #16	Divvy, a Bill.com company, is the first free, fully-automated, proactive spending management platform, providing instant visibility and control over business spending and expenses.
E-Trade	500-999 map #9	E-Trade is a pioneer in the online brokerage industry and provides digital platforms for online stock broking and retail banking.
eFileCabinet	100-249 map #17	eFileCabinet develops full-fledged electronic document management software for capturing, managing, and protecting data for organizations.
Finicity	100-249 map #1	Finicity is an innovator in personal financial management and develops software for financial data aggregation for optimized data access and application.
Galileo Financial Technologies	250-499 map #2	Galileo Financial Technologies, a SoFi company, develops software for payment processing, authorization, full service API, and financial analytics and reporting.
HeathEquity	1000-1999 map #10	HealthEquity is a leading health care account management company, specializing in health plan integration and online payment portals.
Lendio	250-499 map #11	Lendio provides a technology platform to compare business loans, rates, and terms, allowing businesses to gain the capital they need quickly and efficiently.
LendingClub	250-499 map #18	LendingClub is a peer-to-peer lending company and was the first peer-to-peer lender to register its offerings as securities with the Securities and Exchange Commission.
MX Technologies	500-999 map #19	MX provides digital banking providers and financial institutions with software for data-driven money management, financial data API, analytics, and financial marketing.
Nav	100-249 map #12	Nav is changing the way business owners secure lending with innovative technology and a customer-centric approach, providing a simple and intelligent financing experience.
PayPal	50-99 map #3	PayPal is an industry leader and innovator of online payments, mobile commerce, money transfers, payment processing, and e-commerce.
Progrexion	500-999 map #4	Progrexion is a leading provider of credit report repair services, using technology to help consumers understand, verify, and correct inaccuracies with creditors and bureaus.
ProPay	50-99 map #20	ProPay is a trusted leader in simple, secure, and affordable payment processing technology for entrepreneurs and small businesses.
Snap! Finance	250-499 map #5	Snap! Finance is a digital finance company that specializes in providing consumer financing and rent-to-own purchase options to retailers and consumers.
Spiff	250-499 map #7	Spiff aims to solve the headache of running commissions for the finance team and reduce friction between finance and sales by automating and optimizing commissions plans.
SoFi	100-249 map #6	SoFi is a technology driven finance company specializing in refinancing student loans, consolidation, mortgages, personal loans, MBA loans, and more.
TaxBit	50-99 map #13	TaxBit provides enterprise clients with seamless end-to-end solutions including core accounting suite, customer management suite, and form issuance.
Varo Money	250-499 map #14	Varo Money is a mobile only neobank based in San Francisco, California. The company provides financial services through its mobile app.

*SOURCE: Department of Workforce Services

Recent Announcements

LoanPro to Expand its Headquarters in Utah (2022)
LoanPro announced plans to expand its Farmington, UT headquarters, bringing up to 459 new high-paying jobs and $45 million in capital investment over the next 16 years. LoanPro is a fintech SaaS company, providing both mid-market and enterprise lenders with a best-in-class Lending Core (software and cloud configuration). Its SaaS product provides a next-generation lending platform enabling lenders to be more efficient, organized, and streamlined.

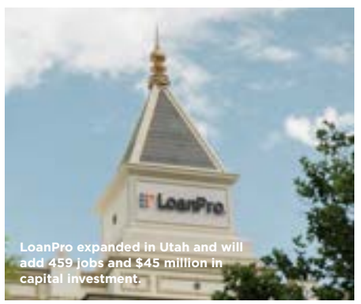
TaxBit to Expand its Utah Location (2021)
TaxBit, Inc announced plans to expand its facility in Utah, adding up to 1,700 new high-paying Utah jobs and $70 million in capital investment over the next 10 years. TaxBit is a software that automates tax and accounting reporting for capital assets. The company provides tax reports and back-end accounting, working with some of the county's most prominent brokerages and CPA firms.

Deserve to Grow in Utah (2020)
Deserve, Inc. will open an office in Utah, creating up to 258 high-paying jobs in the next five years. Founded in 2013, Deserve is a venture-backed fintech company that provides a digital-first, mobile-centric, highly configurable credit card solution using machine learning and alternative data. Deserve may earn up to 20% of the new state taxes it will pay, with an approved post-performance tax credit not to exceed $374,089.

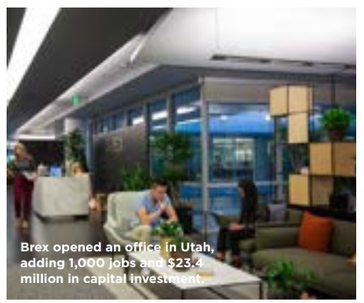
Blue Vine to Expand in Utah with New Operations Center (2019)
BlueVine Capital Inc. announced it will expand its operations in Utah, creating 1,449 new jobs over the next nine years. BlueVine offers a suite of products designed to meet the diverse financial needs of today's business owners, including BlueVine business checking, line of credit, term loan, and invoice factoring.

Unicorn Brex to Open New Location in the Salt Lake Valley (2019)
Brex, the financial technology company that helps ambitious companies scale, will open its new location in the Salt Lake Valley, creating up to 1,000 new jobs over the next seven years. Since launching out of stealth in 2018, Brex has announced offerings in both the e-commerce and life science industries, intending to bring tailored underwriting, benefits and rewards to these two new verticals in need of a financial solution.

Canopy Grows in Utah (2018)
Canopy will expand in Utah, adding up to 538 high-paying jobs, $6,203,272 in new state revenue and $7.5 million in capital investment. Canopy was founded in Utah in 2014 after CEO Kurt Avarell, a former Wall Street tax attorney, grew frustrated with the lack of efficient, streamlined tools for tax professionals. Since then, the Company has received an additional $70M in funding.



LoanPro expanded in Utah and will add 459 jobs and $45 million in capital investment.


Brex opened an office in Utah, adding 1,000 jobs and $23.4 million in capital investment.



Canopy will bring 538 jobs to Utah over 5 years.

Incentives

STATE INCENTIVES	DETAILS
Economic Development Tax Increment Financing (EDTIF)	The EDTIF tax credit is a post-performance, refundable tax credit rebate for up to 30% of new state revenues (sales, corporate, and withholding taxes paid to the state) over the life of the project (typically 5-10 years). It is available to companies seeking relocation and expansion of operations to the State of Utah who are looking to add at least 50 jobs with annual wages of at least 110% of county average annual wages, have demonstrated company stability and profitability, and have demonstrated competition with other locations. Companies must also obtain commitment from the local government to provide local incentives
Industrial Assistance Fund (IAF)	The Industrial Assistance Fund is a post-performance grant for the creation of high-paying jobs in Utah. Companies are required to obtain commitment from local government to provide local incentives, create new high-paying jobs in the state (at least 50 jobs and at least 110% of county average annual wages), demonstrate company stability and profitability, and demonstrate competition with other locations.
Rural Fast Tract	The Rural Fast Track (RFT) Program is a post-performance grant available to small companies in rural Utah. The program provides an efficient way for existing small Utah companies to receive incentives for creating high paying jobs in the rural areas of the state and to further promote business and economic development.
Custom Fit Training	Custom Fit Training is a partnership between the Utah Colleges of Applied Technology and other select sister institutions across the state, and the local business community. Its mission is to provide customized employee training to businesses at an affordable cost. The Utah State Legislature appropriates funds each year as an investment in custom fit training.

LOCAL INCENTIVES	DETAILS
Tax Increment Financing (TIF)	Cities and counties may award incentives to companies locating in Economic Development Areas (EDA), Urban Renewal Areas (URA) or Community Development Areas (CDA). The city or county determines EDA/URA/CDA areas on a local level. Incentive dollars are generated through the creation of new "property tax increment" that a development will generate. When a company constructs a new building, for example, its property tax increment is the result of the assessed value of the building multiplied by the property tax rate. In an EDA or URA, all public entities entitled to property tax agree to rebate their increment back to the new development for a specified period of time to incent the development to occur. In a CDA, public entities must opt-in on a property tax rebate if they see fit. Incentives are awarded as a percentage of the tax increment created by the development. • EDAs are intended for development on land sites that will result in the value-added creation of jobs. There is no requirement for blight in an EDA and the property can be vacant or partially improved land. • URAs are blighted areas that require local assistance to reasonably justify any type of economic renewal. • CDAs are intended to undertake any economic or community development purpose of the city, including job growth or retail sales.
Revolving Loan Funds (RLFs)	Numerous RLF programs have been established in the state to promote economic development within Utah. RLFs are a gap financing measure used primarily for development and expansion of small businesses. Communities in Utah offer RLFs to provide access to a flexible source of capital to be used in combination with more conventional sources. Often RLFs act as a bridge between the amount a borrower can obtain through private market funding and the amount needed to start or sustain a business. RLFs issue loans at competitive market rates. Durations and loan amounts vary according to the use of funds.

Financial Services



Utah has a thriving financial services industry and is known as the nation's leader in industrial banking. Utah is home to the highest number of industrial banks in the nation with 15 active industrial bank charters, eight of which are in the top 10 in the nation by asset size.

Employment **91,732**

1 Year Growth **4.5%**

Annual Wage **$86,427**

Notable Employers	Employees
Discover Products	3000-3999
Fidelity	1000-1999
Goldman Sachs	2000-2999
Wells Fargo	3000-3999
Zions Bank	7000-9999

COMPANY	LOCATION	JOBS / CAPITAL INVESTMENT	EDTIF TAX CREDIT PERCENT / YEARS / CAP	FACILITY FUNCTION	YEAR
LoanPro	Farmington	459 / $45 M	20% / 16 / $4.10 M	Headquarters	2022
TaxBit	Salt Lake City	1,700 / $70 M	15% / 10 / $4.42 M	Headquarters	2021
Blue Vine	Cottonwood Heights	1,449 / $20 M	25% / 9 / $4.09 M	Regional Office	2019
Brex	Draper	1,000 / $23.4 M	25% / 7 / $2.74 M	Regional Office	2019
Plaid	Salt Lake City	120 / NA	NA	R&D	2019

Information Technology



Utah has a robust information technology industry and has been referred to as the next "Silicon Valley", and an up-and-coming software and information technology hub. Utah has been one of the fastest-growing states for tech jobs in the nation since 2008.

Employment **92,587**

1 Year Growth **6.5%**

Annual Wage **$113,101**

Notable Employers	Employees
Adobe	1000-1999
eBay	1000-1999
Entrata	1000-1999
Qualtrics	1000-1999
Texas Instruments	1000-1999

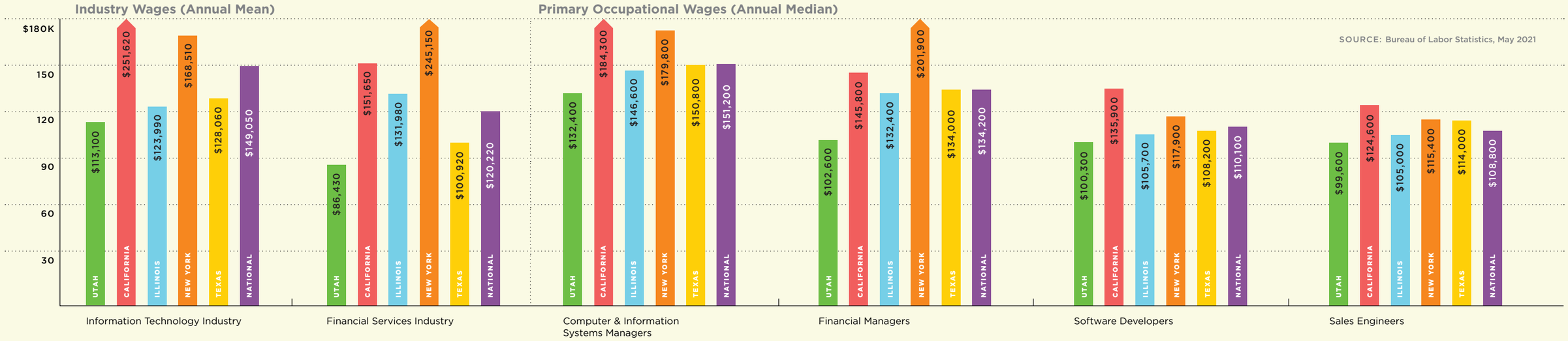
COMPANY	LOCATION	JOBS / CAPITAL INVESTMENT	EDTIF TAX CREDIT PERCENT / YEARS / CAP	FACILITY FUNCTION	YEAR
LiveView Technologies	Orem	3,400 / $328 M	20% / 10 / $17.63 M	Regional Office	2022
Scorpion	Salt Lake City	997 / $65 M	20% / 10 / $5.18 M	Headquarters	2021
Facebook	Eagle Mountain	50 / $1.0 B	Tax Credit - $150 M	Data Center	2021
DOMO	American Fork	2,230 / $1.5 M	25% / 10 / $23.31 M	Headquarters	2021
Novva	West Jordan	50 / $100 M	NA	Data Center	2020

Cost Profile

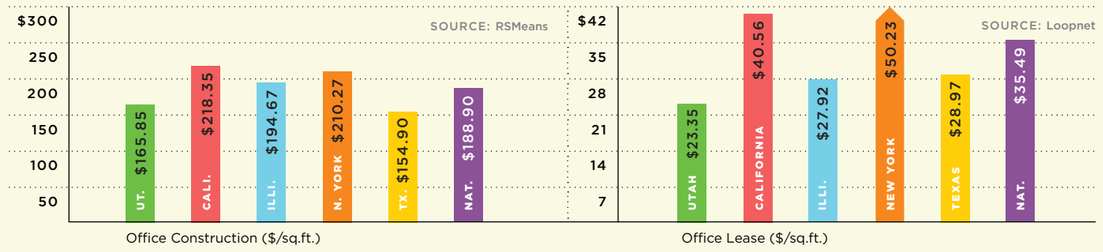
Other Comparative Wages in FinTech

OCCUPATION	UTAH	CALIFORNIA	ILLINOIS	NEW YORK	TEXAS	NATIONAL
Budget Analysts	$75,800	$89,300	$78,800	$78,600	$74,700	$79,000
Financial Analysts and Advisors	$62,800	$90,500	$85,300	$132,700	$76,300	$84,200
Computer and Information Research Scientists	$89,900	$144,700	$115,800	$134,600	$123,800	$126,800
Computer Programmers	$84,300	$104,300	$99,300	$84,500	$91,800	$89,200
Software Developers	$100,300	$135,900	$105,700	$117,900	$108,200	$110,100
Web Developers and Digital Interface Designers	$68,700	$89,400	$75,900	$76,500	$72,200	$77,200
Sales Representatives of Services	$53,000	$63,000	$56,600	$70,100	$52,800	$58,800
Customer Service Representatives	$33,600	$39,600	$37,700	$40,500	$34,100	$35,800

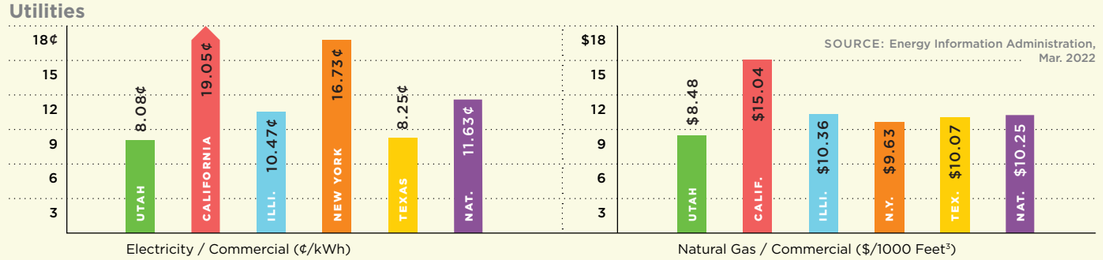
*SOURCE: Department of Workforce Services & Bureau of Labor Statistics



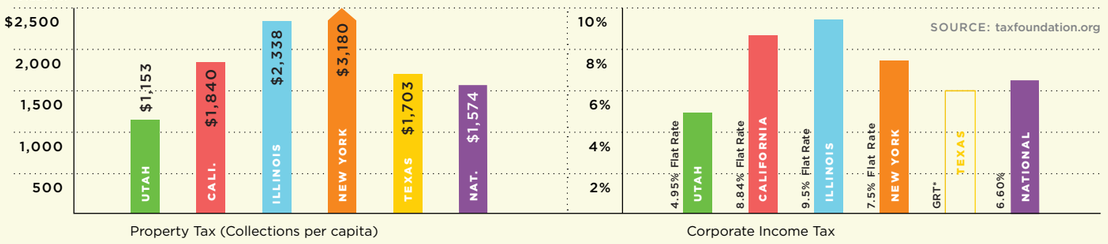
Real Estate



Utilities



Taxes

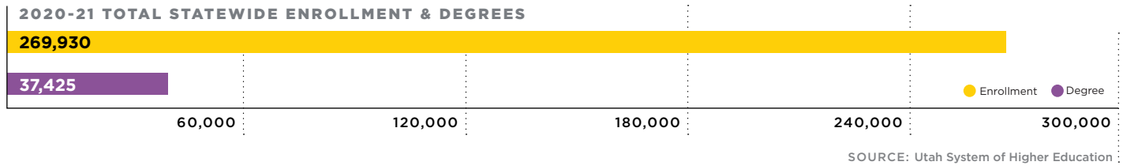


*GRT = Gross Receipts Tax. Businesses are taxed on ALL business sales transactions instead of corporate income.

Education & Labor

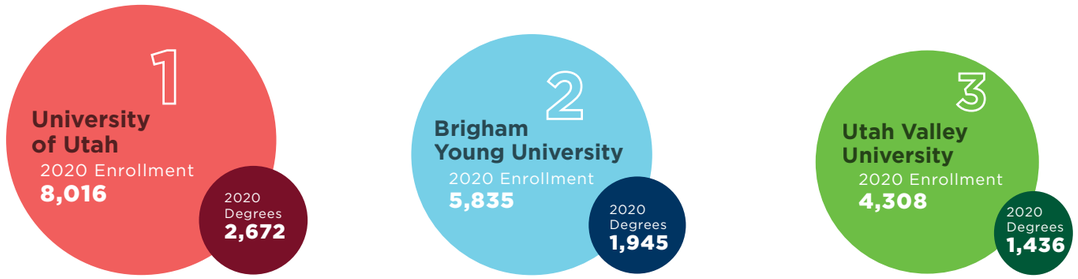
A State of Education

Utah is home to **12 major colleges and universities** and has an excellent talent pipeline of over **269,000** students. Bachelor's and graduate awards grew by **16.9% over the last five years**. Utah has an educated workforce, with over 93% of the population 25 or over with a high school diploma and over **34.7%** with a bachelor's degree.



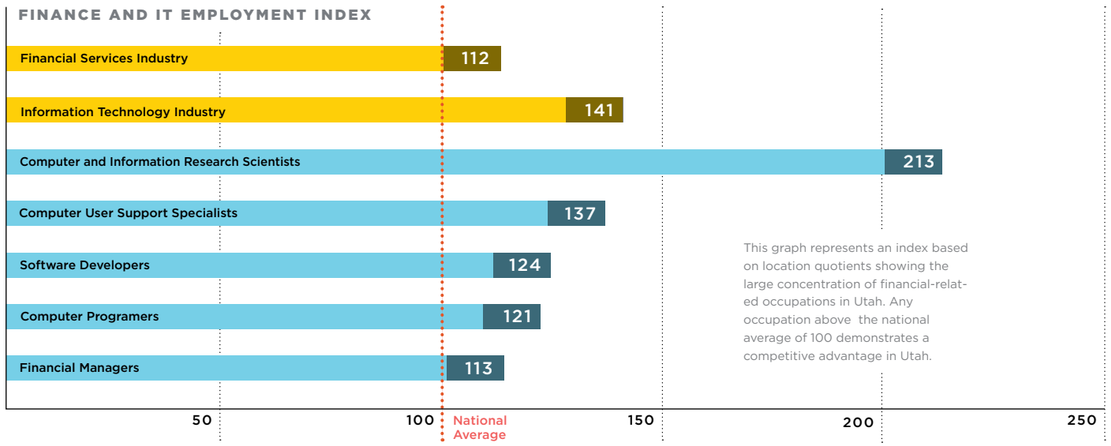
SOURCE: Utah System of Higher Education

TOP THREE SCHOOLS FOR FINANCE AND IT BY GRADUATES



The Labor Picture

Utah's labor force is well educated, growing, and affordable. Utah **created nearly 80,000 jobs in 2021** and maintained one of the highest job growth rates in the nation throughout the year. Utah is the youngest state in the nation with a median age of 31.1 and has an average wage of $56,300, which is **14% lower than the national average**.



SOURCE: Bureau of Labor Statistics



COMPANY Goldman Sachs | ANNOUNCEMENT YEAR 2008, 2010, 2015, 2018 | TOTAL JOBS 3,000

"Our Utah office has grown to become the 4th largest office in the world for Goldman Sachs. That growth is largely attributed to the quality of life and access to talent that Utah provides."

DAVID LANG, PARTNER, GOLDMAN SACHS





EDCUtah questions?
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Have questions about the FinTech industry in Utah?
Call us at 1-800-574-8824.

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