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## Austin takes No. 1 spot in nation on influential startup index

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**Mael Theis**

Staff Editor

*Austin Business Journal*

Email (mailto:mtheis@bizjournals.com)

Twitter (https://twitter.com/myABJ)

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**Mael Theis** says: Unseating Silicon Valley, the No. 1 city in the U.S. for startups, is moving up from the No. 2 spot in the annual Kauffman Index report.

Unseating Silicon Valley, Austin has moved up to be the No. 1 U.S. city for startups in [the latest annual Kauffman Index report](#).

The Kauffman Index, from the [Ewing Marion Kauffman Foundation](#), measures entrepreneurship at the national, state and metropolitan levels across a three metrics: the rate of new entrepreneurs, the number of entrepreneurs who started their companies when unemployed, and the number of startups per capita.

According to the data, roughly 555 out of every 100,000 adults in the Austin region became entrepreneurs in a given month during the past five years, on average. Further, nearly eight out of 10 new entrepreneurs in the Austin area were employed at the time they created their startups, on average. Lastly, Austin claims about 180 startup businesses – defined as businesses less than a year old that employ at least one person besides the owner – per 100,000 residents. You can explore Austin's data in the chart embedded below this story.

In 2014, the Kauffman Index ranked Austin No. 2. San Jose, California, ranked No. 1 in the 2014 report, fell two spots to No. 3 in this year's edition.

The latest Kauffman Index ranked Miami as No. 2, with Los Angeles as No. 4, followed by Denver, San Francisco, and New York City. The full metro-area rankings from the report [can be found here](#).

Elsewhere in Texas, Houston snagged the No. 8 spot, climbing one spot in the rankings from last year, while San Antonio ranked 10th. Dallas-Fort Worth fell two spots to No. 15.

[At the state level](#), Montana was ranked as the No. 1 state in the U.S. for entrepreneurship. Texas placed 13th on the list, falling four spots from the 2014 edition.



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