



Secretary of State Business Filings Q1 2024 Data Analysis Summary

- New entity filings in Q1 2024 decreased 19.2% year-over-year and increased 10% quarter-over-quarter. The seasonal increase from Q4 to Q1 occurred at a slower-than-average rate. A fee credit that reduced limited liability filing fees led to a surge in filings a year ago, and likely contributed to the decline in the current year.
- Colorado's labor market remained tight in the first quarter. Colorado's job opening rate ranked 4th-highest nationally in March, and the ratio of job openings to the number of unemployed individuals remained above the national average (1.7 versus 1.4). Colorado continued to record growth in jobs and income.
- Colorado posted job growth of 1.8% in April, adding 51,800 jobs year-over-year, ranking the state 15th for the pace of growth.
- Colorado real GDP grew 3.2% year-over-year and personal income grew 4.8%, both ranking Colorado 22nd.
- National inflation grew 3.4% in April and Denver MSA prices were up 2.8% in March, year-over-year, according to the Consumer Price Index published by the Bureau of Labor Statistics.

COLORADO INDICATORS

EMPLOYMENT FORECASTS

Employment



vs. prior quarter



vs. prior year

Unemployment



vs. prior quarter



vs. prior year

New Entity Filings



vs. prior quarter



vs. prior year

Existing Entity Renewals



vs. prior quarter



vs. prior year



Q1 2024 vs. Q4 2023

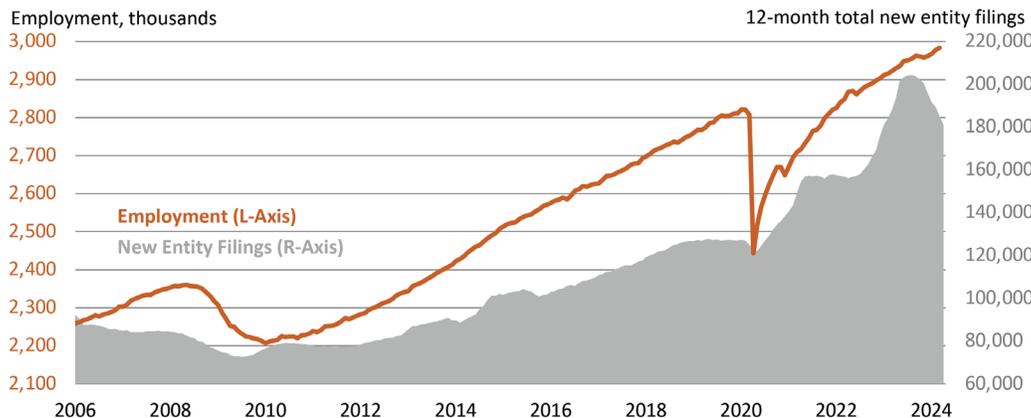


Q1 2024 vs. Q1 2023



Q2 2024 vs. Q1 2024

Employment and New Entity Filings



Source: Seasonally adjusted. Colorado total nonfarm employees from the Bureau of Labor Statistics, Current Employment Statistics (CES), calculations by BRD research team.

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Secretary of State Business Filings Q1 2024 Data Analysis Summary

GDP growth slowed in Q1 2024.

Real gross domestic product (GDP) grew 1.6% from Q4 2023 to Q1 2024 and was up 3% year-over-year. According to the report from the Bureau of Economic Analysis (BEA), first quarter consumption grew 2.5%, investment increased 3.2%, government spending grew 1.2%, and the trade deficit increased (growth of imports exceeded the growth of exports).

Job growth remains resilient. The U.S. added 2.8 million jobs year-over-year in April 2024, growing 1.8%. The year-to-date average job growth through April totaled 246,000, but the U.S. added fewer jobs in the month of April (175,000). The average month-to-month jobs gains over the past 12 months totaled 234,000 jobs.

Like the nation, Colorado's job growth has remained fairly resilient. The 1.8% pace of growth in April 2024 ranked Colorado 15th nationally. Colorado added an average of 4,900 jobs per month over the past four months, and an average of 4,300 jobs per month over the past year. April 2024 employment increased 51,800 year-over-year. The largest annual percent increases came from Education and Health Services, Government, and Mining. Two industries recorded over-the-year losses in Colorado: the Trade, Transportation, and Utilities industry and the Construction industry.

The U.S. unemployment rate increased to 3.9% in April 2024, while the number of people in the labor force and the number of people employed hovered near-record levels. The national labor underutilization rate (U-6) stood at 7.4% in April. Colorado's unemployment rate increased to 3.7% in April, ranking the state 32nd.

State indices pointed to broad growth. All 50 states posted quarterly GDP growth from Q3 2023 to Q4 2023. Colorado's quarterly growth of 2.7% ranked the state 36th, and the year-over-year growth of 3.2% ranked the state 22nd.

Colorado's labor force participation rate tied for 4th-highest in April, totaling 68% (compared to 62.7% nationally). The state's labor force grew 0.3% year-over-year (37th). The state's per capita personal income ranked Colorado 7th in Q4 2023 with per capita income of \$79,835, and annual per capita personal income growth (4.2%) ranked Colorado 24th. Annualized personal income in Colorado climbed 4.8% in Q4 to \$470.5 billion.

Colorado's home prices decreased 1.2% (42nd) quarter-over-quarter in Q4 2023 but grew 2.3% (44th) year-over-year, according to the FHFA All-Transactions Home Price Index.

According to the Baker Hughes Rig Count, the number of rigs in Colorado averaged 14 in early May 2024 compared to 19 in May 2023.

In early May 2024, gasoline prices were down 3.9% from May 2023, but were up 17% over December levels. The average in early May was \$3.33 per gallon in the state compared to \$3.75 nationally, according to the Energy Information Administration.

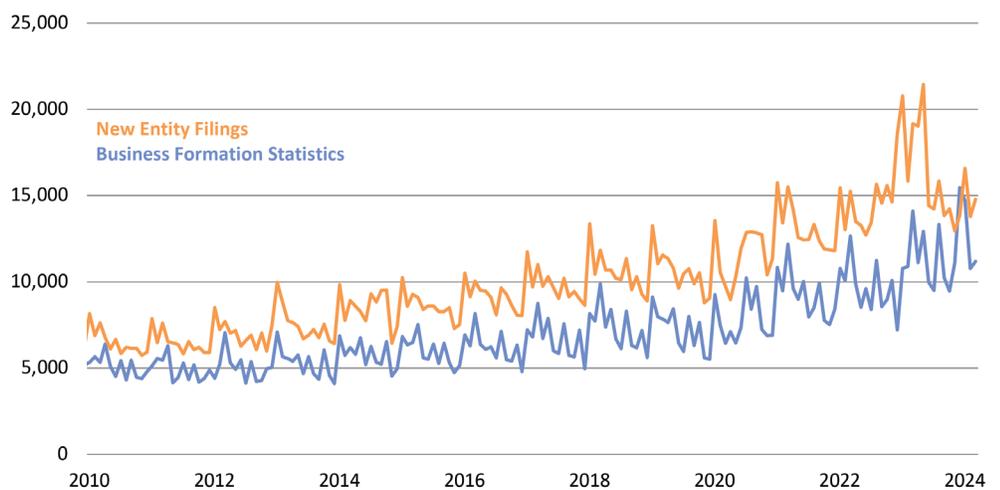
Inflation continues to improve. The Consumer Price Index in the Denver-Aurora-Lakewood region increased 2.8% (not seasonally adjusted) year-over-year in March 2024. Core inflation (all items less food and energy) increased 3.4% in the Denver region. The national Consumer Price Index (U.S. City Average) increased 3.4% year-over-year in April.

New entity filings decreased in Q1. Total new entity filings decreased 19.2% year-over-year. Filings increased quarter-over-quarter in Q1, but at a slower seasonal pace for the quarter. A total of 45,150 new entities were filed in Q1 2024, most of which were LLCs.

Existing entity renewals increased. Existing entity renewals increased 7.9% year-over-year and 19.9% quarter-over-quarter. In Q1 there were 209,443 existing entity renewals.

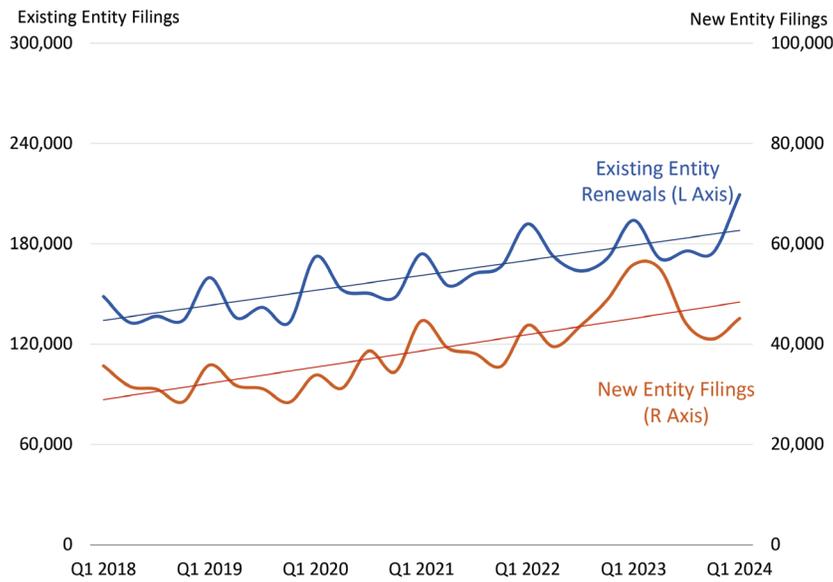
New entity filings are highly correlated with Business Formation Statistics. Colorado new entity filings from the Secretary of State's Office are highly correlated (r=0.89) with the Business Formation Statistics from the U.S. Census Bureau that tracks business applications and formations.

Colorado Business Formation Statistics and New Entity Filings



Sources: U.S. Census Bureau and the Colorado Secretary of State's Office.

Existing Entity Renewals and New Entity Filings



Note: Trendlines based on a year-over-year percent change.

Business Filings Overview

New business filings weakened further in Q1. The quarterly count of new entity filings decreased from Q1 2023 to Q1 2024, and the quarter-over-quarter increase was smaller than the average seasonal increase. Existing entity renewals were up over the year and over the quarter.

Entities in good standing increased 4% compared to last March, but decreased from December levels. Delinquencies also increased, up 9.8%, and the trailing 12 months of dissolutions were up 7.7%. Trademark and trade name filings posted over-the-year decreases.

| | Q1 2024 | Q4 2023 | Q1 2023 | Percent Change over Prior Year | | 5-Year CAGR ^a | |
|--|---------|---------|---------|--------------------------------|---|--------------------------|---|
| New Entity Filings | | | | | | | |
| Domestic Limited Liability Company | 36,446 | 30,586 | 48,057 | -24.2% | ▼ | 5.7% | ▲ |
| Domestic Nonprofit Corporation | 1,191 | 998 | 1,061 | 12.3% | ▲ | 4.9% | ▲ |
| Domestic Corporation | 3,836 | 6,138 | 2,926 | 31.1% | ▲ | 2.9% | ▲ |
| Other Entity Types | 3,677 | 3,308 | 3,813 | -3.6% | ▼ | -1.2% | ▼ |
| Total New Entity Filings | 45,150 | 41,030 | 55,857 | -19.2% | ▼ | 4.7% | ▲ |
| Total New Entity Filings - 12 mo. trailing | 185,072 | 195,779 | 187,786 | -1.4% | ▼ | 7.8% | ▲ |
| Existing Entity Renewals | | | | | | | |
| Domestic Limited Liability Company | 143,535 | 117,314 | 129,443 | 10.9% | ▲ | 7.5% | ▲ |
| Domestic Nonprofit Corporation | 14,477 | 11,060 | 13,561 | 6.8% | ▲ | 3.1% | ▲ |
| Domestic Corporation | 29,100 | 24,551 | 29,314 | -0.7% | ▼ | -0.8% | ▼ |
| Other Entity Types | 22,331 | 21,815 | 21,744 | 2.7% | ▲ | 5.6% | ▲ |
| Total Existing Entity Renewals | 209,443 | 174,740 | 194,062 | 7.9% | ▲ | 5.6% | ▲ |
| Total Existing Entity Renewals - 12 mo. trailing | 731,049 | 715,668 | 701,185 | 4.3% | ▲ | 5.3% | ▲ |
| Other Business Filings | | | | | | | |
| Dissolution Filings | 16,814 | 14,470 | 14,000 | 20.1% | ▲ | 11.5% | ▲ |
| Dissolution Filings - 12 mo. trailing | 54,566 | 51,752 | 50,663 | 7.7% | ▲ | 10.3% | ▲ |
| Trademarks | 836 | 719 | 873 | -4.2% | ▼ | -2.6% | ▼ |
| Trademarks - 12 mo. trailing | 3,100 | 3,137 | 3,169 | -2.2% | ▼ | -3.1% | ▼ |
| Trade Names | 11,307 | 9,170 | 12,613 | -10.4% | ▼ | -2.0% | ▼ |
| Trade Names - 12 mo. trailing | 40,845 | 42,151 | 43,206 | -5.5% | ▼ | -1.7% | ▼ |
| Entities in Good Standing | | | | | | | |
| Corporation | 125,016 | 127,225 | 122,362 | 2.2% | ▲ | 0.3% | ▲ |
| Foreign | 99,321 | 99,562 | 96,393 | 3.0% | ▲ | 5.2% | ▲ |
| Limited Liability Company | 671,563 | 687,648 | 641,432 | 4.7% | ▲ | 8.1% | ▲ |
| Nonprofit Corporation | 55,573 | 55,758 | 54,486 | 2.0% | ▲ | 2.0% | ▲ |
| Other Entity Types | 11,226 | 11,448 | 11,403 | -1.6% | ▼ | -0.6% | ▼ |
| Total Entities in Good Standing | 962,699 | 981,641 | 926,076 | 4.0% | ▲ | 6.0% | ▲ |
| Delinquencies | | | | | | | |
| Corporation | 162,357 | 159,621 | 152,884 | 6.2% | ▲ | 5.8% | ▲ |
| Foreign | 49,655 | 48,386 | 46,272 | 7.3% | ▲ | 8.5% | ▲ |
| Limited Liability Company | 644,260 | 619,551 | 579,278 | 11.2% | ▲ | 10.1% | ▲ |
| Nonprofit Corporation | 30,586 | 29,905 | 28,693 | 6.6% | ▲ | 6.6% | ▲ |
| Other Entity Types | 16,416 | 16,179 | 15,644 | 4.9% | ▲ | 5.2% | ▲ |
| Total Delinquencies | 903,274 | 873,642 | 822,771 | 9.8% | ▲ | 9.0% | ▲ |

^a Compound Annual Growth Rate.

New Entity Filings & Existing Entity Renewals

Quarterly new business filings strained in Q1.

The seasonal increase that impacts first-quarter filings continued in 2024, but the increase was noticeably smaller than the historical average for the quarter. The year-over-year decrease in new entity filings occurred at the fastest pace in the series dating back to 2005 due to a reversion in activity following the surge that occurred in FY23. New entity filings decreased 19.2% year-over-year and increased 10% from the prior quarter. Quarterly filings totaled 45,150.

The four-quarter rolling sum of filings decreased 5.5% over the quarter and 1.4% year-over-year. Annual filings totaled 185,072. The 12-month filings had recorded an all-time high in Q3 2023.

New business filings were likely impacted by the reduction in filing fees that were instituted on July 1, 2022. Fees for LLCs decreased from \$50 to \$1, and fees for trade names decreased from \$20 to \$1. HB22-1001 allocated \$8.435 million to implement the fee reduction program.

Business renewals increased over the year and from last quarter.

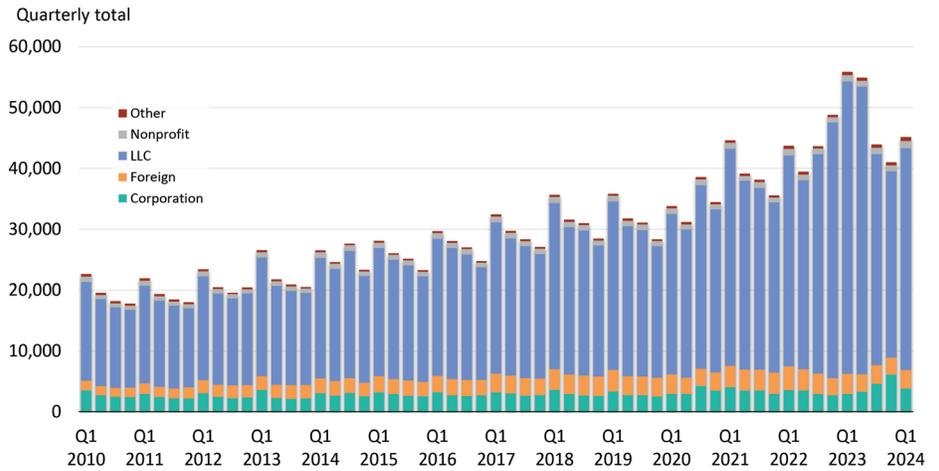
There were 209,443 renewals in Q1 2024, an increase of 7.9% year-over-year and 19.9% over the previous quarter. This was the highest number of quarterly and annual renewals in the series dating back to 2005.

Using a four-quarter rolling sum to remove seasonality, renewals demonstrated an annual increase of 4.3% and a quarterly increase of 2.1%.

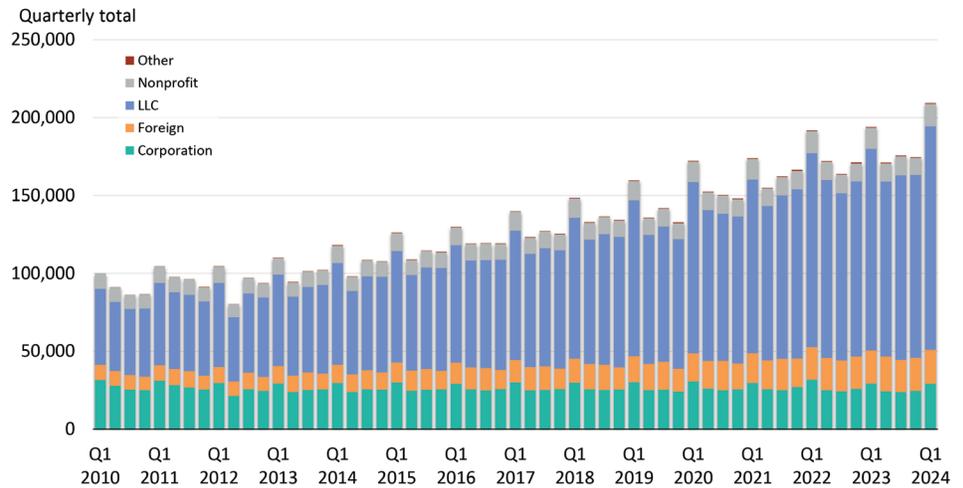
Businesses in good standing took a step back in Q1.

Total entities in good standing decreased 1.9% quarter over quarter, decreasing for three consecutive months. Entities in good standing increased 4% year-over-year. Over the year, limited liability companies recorded the greatest increase in good standing (4.7%) while other entities recorded a decline (-1.6%).

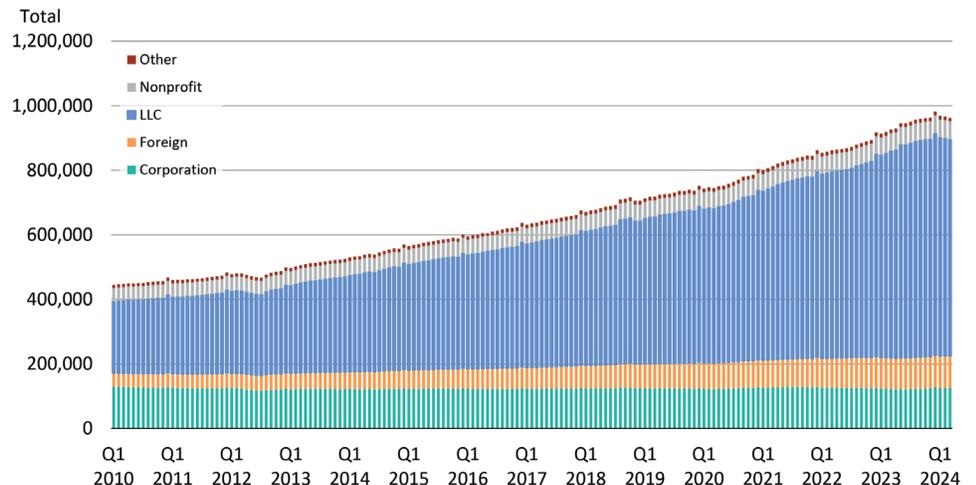
New Entity Filings



Existing Entity Renewals



Entities in Good Standing

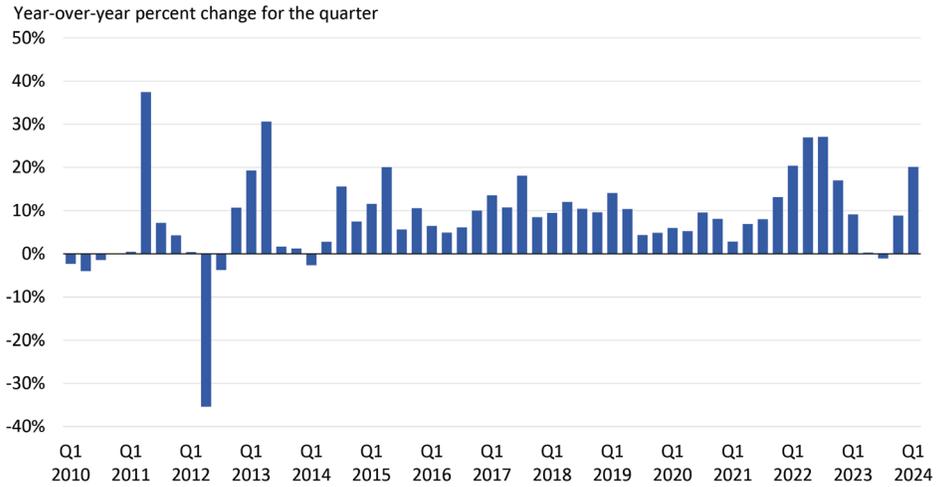


Dissolutions, Trade Names, & Trademarks

Dissolutions surged in Q1. The number of dissolutions increased year-over-year and over the quarter in Q1 2024. Dissolution filings totaled 16,814 in Q1 2024 compared to 14,000 in Q1 2023—an increase of 20%. Filings increased 16.2% from the 14,470 recorded in Q4 2023.

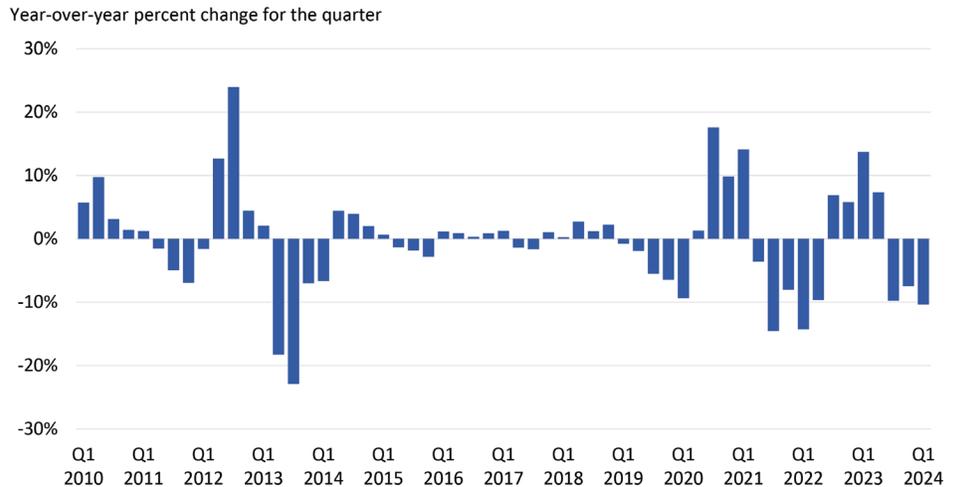
The 12-month trailing total of dissolution filings—54,566—was up 7.7% year-over-year and 5.4% quarter-over-quarter.

Dissolution Filings



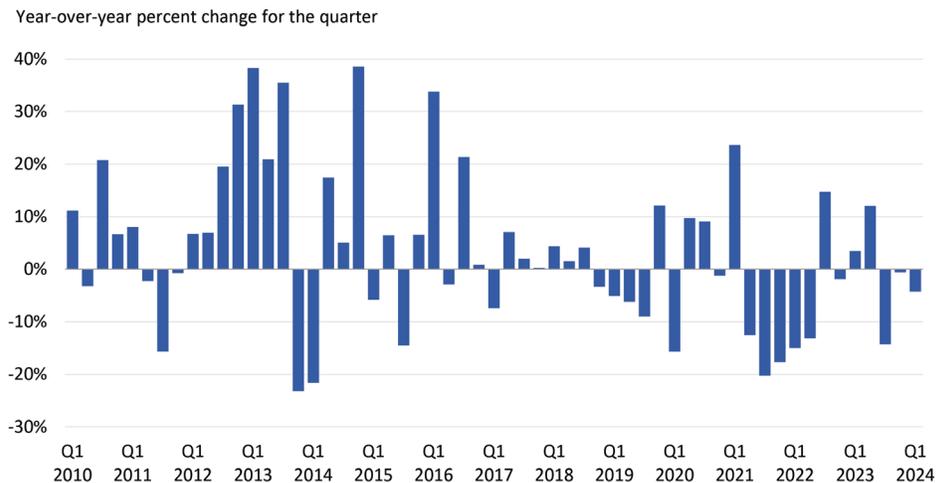
Trade name filings mixed in the first quarter. Trade name filings increased 23.3% quarter-over-quarter but slipped 10.4% year-over-year in Q1 2024. The quarter ended with 11,307 trade name filings. Entities must file a statement of trade name when operating under any name other than their true name.

Trade Name Filings



Trademark filings decreased further in Q1. Trademark filings totaled 836 in Q1 2024, a 4.2% increase from the prior year but a 16.3% increase from Q4 2023. Using a 12-month trailing sum to adjust for seasonality, filings decreased 3.1% year-over-year and 1.2% over the quarter. Trademarks protect the symbols and words used in commerce.

Trademark Filings



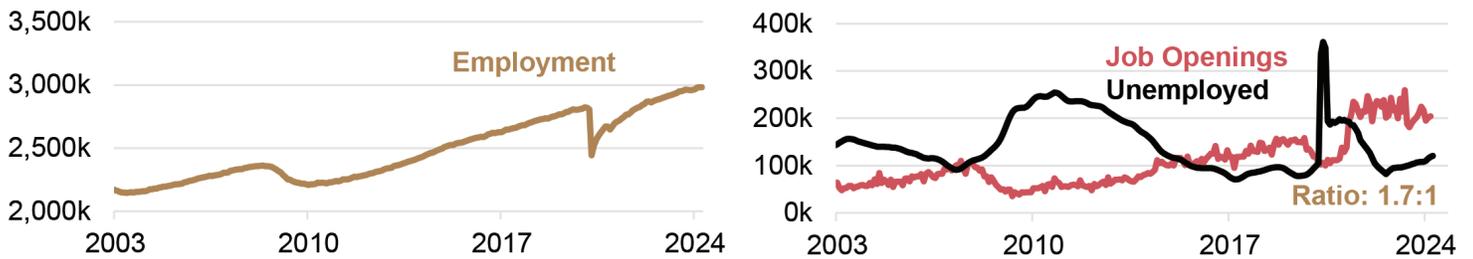
Colorado Economic Indicators

Colorado's job growth continues to outperform other states.

For the 13th-consecutive year, Colorado job growth has placed the state among the top 20 nationally. State job growth of 2.3% placed Colorado 11th in 2023, and the 1.8% job growth in April 2024 placed Colorado 15th in the country. The state has benefited from a comparatively high labor force participation rate (tied for 4th-highest in April 2024), but slow net migration to the state and demographic shifts could strain the pace of job growth.

Demand for workers decreased but remained high in March with 204,000 postings (14th-highest), a rate of 6.4% (4th). The state's unemployment rate increased to 3.7% (32nd) and the number of unemployed individuals grew. The ratio of job postings to unemployed individuals stood at 1.7, making the labor shortage slightly closer to average nationally, ranking Colorado 20th.

Colorado Labor Market



Sources: Bureau of Labor Statistics.

| | Current Period | 3 Months Prior | Percent Change over Prior Period | | Annual Percent Change | | 5-Year CAGR ^a | |
|--|----------------|----------------|----------------------------------|---|-----------------------|---|--------------------------|---|
| Wealth & Income | | | | | | | | |
| Personal Income (billions of dollars) | 470.5 | 465.5 | 1.1% | ▲ | 4.8% | ▲ | 6.9% | ▲ |
| Colorado Sales Tax Receipts, 12 mo. trailing (billions of dollars) | 4.3 | 4.3 | 0.2% | ▲ | 1.7% | ▲ | 7.6% | ▲ |
| Retail and Food Services Sales, 12 mo. trailing (millions of dollars) | 303,286.9 | 303,284.8 | 0.0% | ▲ | 0.6% | ▲ | 7.8% | ▲ |
| Food Services and Drinking Places Sales, 12 mo. trailing (millions of dollars) | 18,284.6 | 18,099.9 | 1.0% | ▲ | 4.9% | ▲ | 5.6% | ▲ |
| Sales Expectations (LBCI) | 57.9 | 46.0 | 25.9% | ▲ | 14.8% | ▲ | 0.4% | ▲ |
| Profit Expectations (LBCI) | 56.6 | 45.4 | 24.7% | ▲ | 18.9% | ▲ | 0.4% | ▲ |
| Business Outlays | | | | | | | | |
| Annual Wages Per Employee (\$) | 64,681 | 63,804 | 1.4% | ▲ | 4.9% | ▲ | 5.8% | ▲ |
| Hiring Expectations (LBCI) | 50.1 | 44.8 | 11.8% | ▲ | 7.2% | ▲ | -1.5% | ▼ |
| Capital Expenditures Expectations (LBCI) | 52.2 | 43.2 | 20.8% | ▲ | 23.1% | ▲ | 0.1% | ▲ |
| Retail Gasoline Price (dollars per gallon; monthly average) | 3.33 | 2.95 | 12.8% | ▲ | -3.9% | ▼ | 2.6% | ▲ |
| Labor Markets | | | | | | | | |
| Employment (in thousands) | 2,983.3 | 2,961.4 | 0.7% | ▲ | 2.1% | ▲ | 1.5% | ▲ |
| Unemployment Rate ^b | 3.7% | 3.4% | 0.3% | ▲ | 0.7% | ▲ | 1.1% | ▲ |
| Initial Jobless Claims (monthly average) | 2,953 | 2,869 | 2.9% | ▲ | 49.4% | ▲ | 10.8% | ▲ |
| Continuing Jobless Claims (monthly average) | 27,593 | 32,344 | -14.7% | ▼ | 37.6% | ▲ | 8.8% | ▲ |
| Hires | 110 | 132 | -16.7% | ▼ | -6.0% | ▼ | 0.9% | ▲ |
| Job openings | 204 | 217 | -6.0% | ▼ | -4.7% | ▼ | 5.9% | ▲ |
| Total separations | 67 | 63 | 6.3% | ▲ | -13.0% | ▼ | -0.3% | ▼ |
| Quits | 106 | 104 | 1.9% | ▲ | -20.9% | ▼ | -0.2% | ▼ |
| Labor Force | 3,237 | 3,237 | 0.0% | ▼ | 0.3% | ▲ | 0.9% | ▲ |
| Labor Force Participation Rate ^b | 68 | 68 | -0.1% | ▼ | -0.5% | ▼ | -0.7% | ▼ |
| Economic Overview | | | | | | | | |
| Real Quarterly GDP (billions of chained 2012 dollars) | 425.0 | 422.3 | 2.6% | ▲ | 3.1% | ▲ | 3.1% | ▲ |
| Building Permits, Number of Units, 12 mo. trailing | 37,611 | 39,337 | -4.4% | ▼ | -15.3% | ▼ | -1.7% | ▼ |
| Valuation (millions of dollars), 12 mo. trailing | 11,152 | 11,029 | 1.1% | ▲ | -5.5% | ▼ | 2.5% | ▲ |
| FHFA Purchase-Only Home Price Index | 691 | 685 | 0.8% | ▲ | 3.3% | ▲ | 8.8% | ▲ |
| Private Firms | 258,343 | 253,261 | 2.0% | ▲ | 6.0% | ▲ | 4.9% | ▲ |
| Rotary Rig Count (monthly average) | 14 | 16 | -12.5% | ▼ | -24.3% | ▼ | -15.3% | ▼ |
| Total Business Bankruptcy Filings | 98 | 103 | -4.9% | ▼ | 30.7% | ▲ | 0.4% | ▲ |
| Chapter 7 | 74 | 68 | 8.8% | ▲ | 45.1% | ▲ | 1.7% | ▲ |
| Chapter 11 | 16 | 27 | -40.7% | ▼ | 6.7% | ▲ | -4.4% | ▼ |
| Chapter 13 | 3 | 0 | NA | ▲ | NA | ▲ | NA | ▲ |
| State Economy Expectations (LBCI) | 54.1 | 47.2 | 14.6% | ▲ | 16.6% | ▲ | 0.8% | ▲ |

Sources in order as metrics appear and dates in parentheses indicate most recent data at time of publication: Bureau of Economic Analysis, Quarterly Personal Income (SA) (Q4 23); Colorado Department of Revenue, Office of Research and Analysis (NSA) (02/24); Leeds School of Business, Leeds Business Confidence Index (LBCI) (Q2 24); Colorado Department of Labor and Employment, QCEW (NSA) (Q2 23); U.S. Energy Information Administration, Weekly Retail Gasoline and Diesel Prices (05/01/24); Bureau of Economic Analysis, (SAAR) (Q2 23); Bureau of Labor Statistics, CES (SA) (03/24); Bureau of Labor Statistics, LAUS (SA) (04/24); U.S. Department of Labor, Employment and Training Administration (NSA) (05/01/24); Census Bureau, New Privately Owned Housing Units Authorized (NSA) (3/24); Bureau of Labor Statistics (SA) (03/01/24); Bureau of Labor Statistics (SA) (03/01/24); Colorado Division of Housing, Foreclosure Report (Q1 21); FHFA Purchase-Only Home Price Index (SA) (Q4 23); Bureau of Labor Statistics, QCEW (Q3 2023); Baker-Hughes (05/01/24); Administrative Office of the U.S. Courts (Q1 24); Leeds School of Business, Leeds Business Confidence Index (LBCI) (Q2 24).

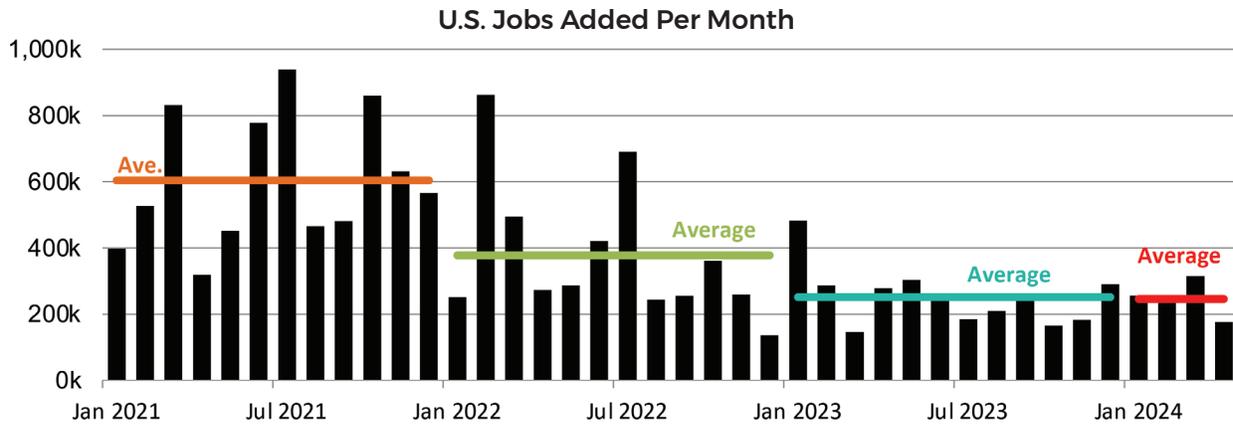
^aCompound Annual Growth Rate. ^bPercentage point change.

National Economic Indicators

U.S. job growth continues. Examining data back to the year 2000, the U.S. recorded the three best years for jobs added in 2021, 2022, and 2023; and data through April 2024 shows continued growth. The U.S. recouped jobs lost due to the pandemic recession in June 2022, and by April 2024, U.S. job levels were nearly 6 million jobs, or 3.9% above pre-pandemic levels. The demand for workers remained high in April, with

1.4 job openings for every unemployed person in the U.S., and the unemployment rate was 3.9% in April.

Real GDP growth posted 1.6% growth in Q1, personal income grew 4.7% year-over-year in March, and the consumer price index growth remained under 4% for 11 consecutive months.



Source: Bureau of Labor Statistics.

| | Current Period | 3 Months Prior | Percent Change over Prior Period | | Annual Percent Change | | 5-Year CAGR ^a | |
|--|----------------|----------------|----------------------------------|---|-----------------------|---|--------------------------|---|
| Wealth & Income | | | | | | | | |
| Personal Income (billions of dollars) | 23,826 | 23,397 | 1.8% | ▲ | 4.7% | ▲ | 5.5% | ▲ |
| Retail and Food Services Sales, 12 mo. trailing (billions of dollars) | 8,384.9 | 8,303.9 | 1.0% | ▲ | 3.3% | ▲ | 6.8% | ▲ |
| Food Services and Drinking Places Sales, 12 mo. trailing (billions of dollars) | 1,115.4 | 1,096.7 | 1.7% | ▲ | 8.8% | ▲ | 8.6% | ▲ |
| S&P 500 | 5,308.2 | 5,021.8 | 5.7% | ▲ | 28.7% | ▲ | 13.2% | ▲ |
| Annual Wages Per Employee | 71,686 | 71,175 | 0.7% | ▲ | 3.4% | ▲ | 6.2% | ▲ |
| Business Outlays | | | | | | | | |
| Consumer Price Index | 313.5 | 308.4 | 1.7% | ▲ | 3.4% | ▲ | 4.2% | ▲ |
| Core Inflation (All Items Less Food & Energy) | 318.0 | 313.6 | 1.4% | ▲ | 3.6% | ▲ | 3.9% | ▲ |
| Shelter | 397.5 | 391.9 | 1.4% | ▲ | 5.5% | ▲ | 4.7% | ▲ |
| Retail Gasoline Price (dollars per gallon; monthly average) | 3.75 | 3.33 | 12.6% | ▲ | 2.2% | ▲ | 4.9% | ▲ |
| Labor Markets | | | | | | | | |
| Employment (in thousands) | 158,286 | 157,560 | 0.5% | ▲ | 1.8% | ▲ | 1.0% | ▲ |
| Unemployment Rate ^b | 3.9% | 3.7% | 0.2% | ▲ | 0.5% | ▲ | 0.2% | ▲ |
| Initial Jobless Claims (monthly average) | 227,000 | 209,250 | 8.5% | ▲ | 0.0% | ▷ | -10.4% | ▼ |
| Continuing Jobless Claims (monthly average) | 1,794,000 | 1,797,250 | -0.2% | ▼ | 4.6% | ▲ | 0.9% | ▲ |
| Hires | 5,500 | 5,787 | -5.0% | ▼ | -7.6% | ▼ | -0.7% | ▼ |
| Job openings | 8,488 | 8,889 | -4.5% | ▼ | -11.8% | ▼ | 3.0% | ▲ |
| Total separations | 5,200 | 5,419 | -4.0% | ▼ | -12.1% | ▼ | -1.3% | ▼ |
| Quits | 3,329 | 3,439 | -3.2% | ▼ | -12.6% | ▼ | -1.2% | ▼ |
| Labor Force | 167,982 | 167,276 | 0.4% | ▲ | 0.8% | ▲ | 0.7% | ▲ |
| Labor Force Participation Rate ^b | 63 | 63 | 0.2% | ▲ | 0.1% | ▲ | -0.1% | ▼ |
| Economic Overview | | | | | | | | |
| Real Quarterly GDP (billions of chained 2012 dollars) | 22,679 | 22,491 | 3.4% | ▲ | 3.1% | ▲ | 2.2% | ▲ |
| Building Permits, Number of Units, 12 mo. trailing | 1,467,403 | 1,452,370 | 1.0% | ▲ | -6.4% | ▼ | 2.3% | ▲ |
| Valuation (millions of dollars), 12 mo. trailing | 364,351 | 350,686 | 3.9% | ▲ | 5.5% | ▲ | 6.6% | ▲ |
| FHFA Home Price Index | 412 | 406 | 1.5% | ▲ | 6.5% | ▲ | 9.7% | ▲ |
| Rotary Rig Count (monthly average) | 604 | 622 | -2.9% | ▼ | -17.0% | ▼ | -3.7% | ▼ |
| Total Business Bankruptcy Filings | 5,390 | 4,855 | 11.0% | ▲ | 53.2% | ▲ | -1.6% | ▼ |
| Chapter 7 | 2,824 | 2,691 | 4.9% | ▲ | 39.0% | ▲ | -3.9% | ▼ |
| Chapter 11 | 2,119 | 1,725 | 22.8% | ▲ | 84.7% | ▲ | 3.5% | ▲ |
| Chapter 13 | 380 | 331 | 14.8% | ▲ | 32.9% | ▲ | -3.6% | ▼ |
| National Economy Expectations (LBCI) | 51 | 45 | 12.8% | ▲ | 37.6% | ▲ | 2.0% | ▲ |

Sources in order as metrics appear and dates in parentheses indicate most recent data at time of publication: Bureau of Economic Analysis, Quarterly Personal Income (SA) (3/24); U.S. Census Bureau (NSA) (4/24); Yahoo Finance (5/15/24); Bureau of Labor Statistics, QCEW (NSA) (Q2 2023); Bureau of Labor Statistics, All Urban Consumers, U.S. City Average (SA) (4/24); U.S. Energy Information Administration, Weekly Retail Gasoline and Diesel Prices (5/1/24); Bureau of Economic Analysis (SAAR) (Q4 23); Bureau of Labor Statistics, CES (SA) (4/24); Bureau of Labor Statistics (SA) (4/24); U.S. Department of Labor, Employment and Training Administration (SA) (5/1/24); Bureau of Labor Statistics (SA) (3/24); Bureau of Labor Statistics (SA) (4/24); Census Bureau, New Privately Owned Housing Units Authorized (NSA) (3/24); FHFA Purchase-Only Home Price Index (SA) (Q4 23); Baker-Hughes (5/1/24); Administrative Office of the U.S. Courts (Q4 23); Leeds School of Business, Leeds Business Confidence Index (LBCI) (Q2 24).

^aCompound Annual Growth Rate. ^bPercentage point change.

Secretary of State Business Filings Q1 2024

Businesses are established under several different entity types. The most commonly formed is a domestic limited liability company (DLLC), blending structures from both corporations and partnerships/sole proprietorships. DLLCs provide owners with protection from personal liability and also offer benefits from the effects of pass-through income taxation. As an example, Wynkoop Brewing is a brew pub located in Denver.

Domestic corporations (DCs) are the second-most popular business filing received by the Secretary of State. DCs provide owners with limited liability, similar to DLLCs, and business must be conducted in the state in which it was formed. Johns Manville manufactures and sells construction materials and is headquartered in Denver.

A third entity type is a domestic nonprofit corporation (DNC). DNCs differ from DLLCs

and DCs in that they are formed not for profit and pursue an agenda of social responsibility. Protect Our Winters operates as a DNC with the goal of mobilizing the snowsports community on climate change.

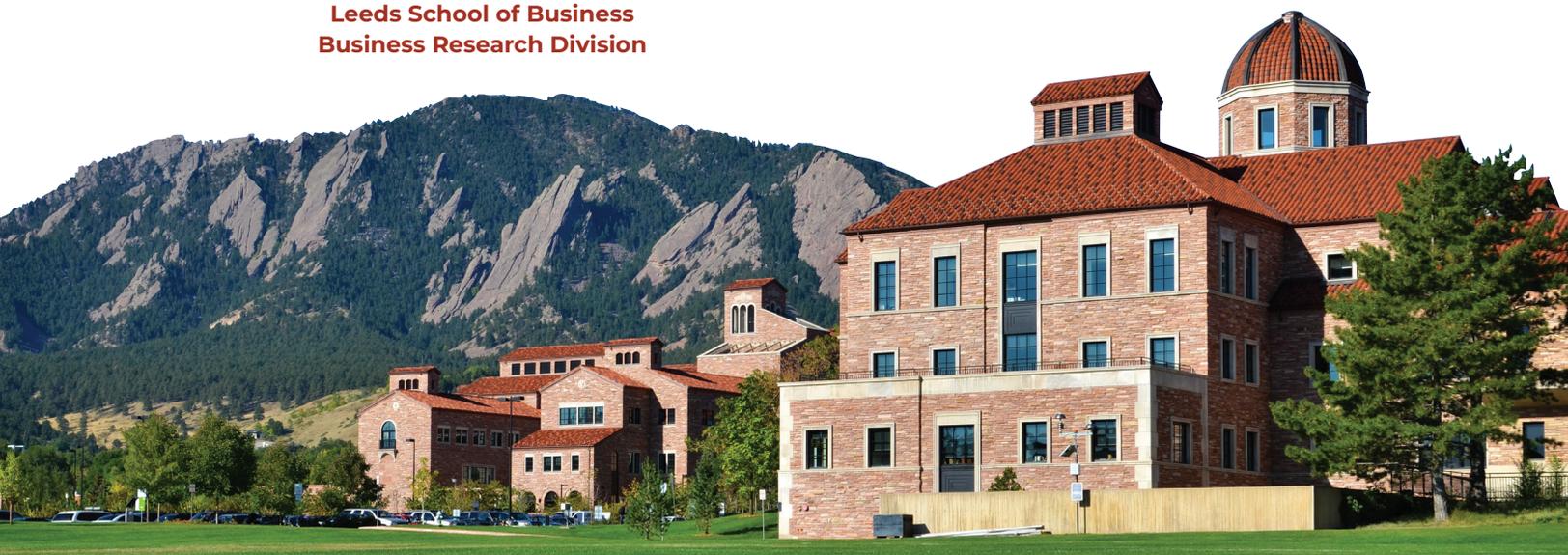
Public benefit corporations (PBC) create a framework for companies that seek to solve social and environmental problems while benefiting their shareholders. Group14 Engineering, which provides sustainable energy and environmental solutions for buildings, is an example of this type of corporation in Colorado.

Foreign entities (FE), or business entities registered in a different state, are authorized to transact business or conduct activities in the state of Colorado. According to the Colorado Secretary of State, all foreign entity types are functionally equivalent to their domestic counterparts. Simple Energy Inc. is an example of a foreign entity in Colorado.

A partnership between the
Colorado Secretary of State's Office
and the
University of Colorado Boulder
Leeds School of Business
Business Research Division



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The Quarterly Business & Economic Indicators, produced by the Business Research Division (BRD) on behalf of the Colorado Secretary of State, reports on the correlations between various business filing data and economic metrics. The Business Research Division (BRD) conducts marketing and economic impact studies and customized research projects that assist companies, associations, nonprofits, and governmental agencies with making sound business and policy decisions. Visit colorado.edu/business/brd to learn more.

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