



Ohio – The Beating Heart of ‘Silicon Prairie’



A Warm Welcome to Ohio



**By Ron Rock,
Managing Director
– Financial Services,
JobsOhio**

Ohio has always attracted intrepid pioneers. First colonized by French fur traders, it became a British colonial possession following the French and Indian War in 1754. After the American Revolution, Britain ceded control of Ohio to the newly formed United States.

While no one can be certain where Ohio's name came from, some experts believe it derives from the Iroquois word "oyo", which roughly means "the great river", and refers to the Ohio River. You will also often hear us called "the Buckeye State," a nickname that comes from a common tree in Ohio. Its nuts look like a deer's eye – that is, a buck's eye.

Since becoming a state in March 1803, Ohio has progressed from strong to stronger. Indeed it's sometimes referred to as the "Mother of Modern Presidents," having sent no fewer than eight Ohioans to the White House since 1869. It's also sometimes called the "Birthplace of Aviation," because it was home to Wilbur and Orville Wright, who invented and flew the first aircraft.

Today, Ohio features a fast-growing economy fit for the future: the seventh-largest state economy and, according to Forbes, one of the best states in which to start a business in 2023. Ohio's dedicated, loyal workforce and central siting helps it to stand out as an attractive location, both for domestic entrepreneurs and international executives initiating new operations in the United States.

We also have one of the most diverse state economies, with everything from advanced manufacturing and automotive, to healthcare and financial services.

JobsOhio, the state's unique private economic development corporation, acts as a catalyst for the high-growth business investments and accompanying jobs that are helping propel Ohio's ingenuity and ambitions.


We encourage, foster, and facilitate a world-class innovation ecosystem where bold new ideas come to life. We bring public and private innovators and decision makers together to remove barriers, make connections, and provide exciting new opportunities.

AN EMERGING, TECH-LED POWERHOUSE

While fintech and insurtech companies are popping up throughout the United States, the Midwest is rapidly being seen as a central hub, giving rise to the phrase "Silicon Prairie."

Ohio, in particular, has harnessed its pioneering spirit to emerge as an exciting new fintech and insurtech center, with a host of innovative new companies making the state their home base, and more established companies evolving through innovation to grow their business. We are proud to stand at this new frontier of financial services, bringing the hardworking ethos from the Rust Belt days to the new digital economy.

Ohioans have long been comfortable with the concept of change. Many famous Buckeyes have marshalled it spectacularly, including Steven Spielberg – a much-loved son of Cincinnati – who altered the approach to cinema, and Neil Armstrong,



who fundamentally changed the way we view the world around us.

We are now changing the financial and insurance sectors for the better. Such change can be challenging, sometimes painful, but always interesting and, ultimately, rewarding. Driven by the availability of smarter data, forward-looking startups and seasoned enterprises are reimagining products and services, designing them around what individuals want and need in these tough economic times.

This customer-centric approach to financial services, cutting through to the places where consumers are most active, is achieved through trends like embedded finance, which is a result of maturing

partnerships in the supply chain. It's a true pleasure to witness it converge in Ohio's thriving economy.

TAKING TO THE GLOBAL STAGE

Looking ahead, Ohio is set up perfectly to become a genuine world leader in fintech and insurtech. It offers ambitious founders a host of inherent advantages, including an abundance of tech talent, a central location within striking distance of the bulk of the financial services industry in the United States and Canada, and low operating costs.

As the fourth-largest financial services sector in the United States, having recently surpassed Illinois, Ohio is also home to a significant number of leading financial institutions and insurers, giving rise to a wealth of resources and a fintech-friendly environment in which to build new partnerships that will reshape the future of financial services.



One illustration of this is the Emerging Products and Innovation Initiative, introduced by the Ohio Department of Insurance, which ensures the state's regulatory framework is flexible enough to allow insurers to innovate while providing the highest level of consumer protection for Ohioans.

The unveiling of Innovation Districts in Ohio's three largest metropolitan areas – Cincinnati, Columbus, and Cleveland – will further ensure that the state is competitive both nationally and globally as a go-to place for innovation, and the people that make it all happen.

JobsOhio is investing \$300 million into these three world-class Innovation Districts. Our goal is to create sustainable ecosystems of ideas, infrastructure, and talent where the world's top companies come to roll up their sleeves, innovate, and grow. These areas are expected to inspire more than 47,500 new STEM graduates, fuel an estimated 60,000 new jobs, and generate up to \$9 billion in annual economic impact to the state over the next 10 years.

To illustrate the state's vast potential, I like to draw parallels between the three Cs of Ohio – Cincinnati, Columbus, and Cleveland – and the three Cs of economic growth – human capital, fiscal capital, and real estate capital.

In terms of human capital, there is a huge amount of talent to fill the roles in growing companies. When it comes to fiscal capital, the state's low operating costs help to reduce a company's expenses and boost profitability. And then there's a plethora of affordable office space throughout the state, helping startups to set up near their partners and their customers – prime real estate opportunities.

These strengths have helped to attract tech giant Intel, which is in the process of building a new "mega-site" in Ohio. I believe this will have a halo effect by creating a couple thousand jobs directly, but also tens of thousands of jobs indirectly through associated services, as well as new opportunities for partnerships.

Great things are happening in Ohio. So why don't you come and join us?

A FERTILE CLIMATE FOR BUSINESS GROWTH

In recent years, nascent startups and established brands alike have taken root in Ohio, drawn in by the state's professional environment that facilitates growth and expansion with a global mindset.

Ohio's simplified tax structure and affordable cost of doing business have powered economic diversification and prosperity. The resultant rich economic ecosystem that has developed is perfect for growing sectors, like fintech and insurtech.

The state's global approach has successfully reeled in a rich and diverse roster of startups, Fortune 500 brands, and the small and medium-sized enterprises (SMEs) that sit in between. Ohio's business landscape is now populated by potential partners, customers, and even mentors. It's a consummate networker's dream!

Leading insurance firm Nationwide, for example, has its corporate headquarters in Columbus. Western & Southern Financial Group, commonly referred to as Western & Southern, is a Cincinnati-based diversified family of financial services and another of the state's bright lights. Other big names in Ohio include Progressive Insurance, Huntington, Kroger, P&G, and TQL Logistics.

Such a strong business climate provides stability and predictability for companies of all shapes, sizes, sectors – and geographies. Nearly 50 countries conduct business operations in Ohio, with global companies employing hundreds of thousands of state residents.

A HOST OF ADVANTAGES ON OFFER TO BOLD COMPANIES

Whether you're a seasoned C-suite executive or an eager entrepreneur, there are a host of advantages associated with basing yourself in Ohio.

The state provides a wealth of affordable commercial space. According to CommercialCafe, state-wide Ohio average office rents in 2021 stood at \$22.65 per square foot for class A office space, and \$17.64 per square foot for class B. This compared with an

average of around \$82 per square foot for class A office space in Midtown Manhattan – a figure over three times higher.

And in 2022, Cincinnati, Columbus, and Cleveland averaged \$22 per square foot for class A office space. As a further comparison, New York was over \$83 per square foot, and San Francisco just over \$80 per square foot. Affordable office space is a consistent trend.

Ohio's \$2.7 billion budget reserve and status as the seventh-largest state economy (and the 21st largest globally) means lower taxes and operating costs with fewer barriers to real success. With no state tax on corporate income, for example, companies are able to grow fast and thrive.

"If you're an organization with a certain level of revenue, you're going to have a certain level of expenses, and you're trying to be profitable," said Ron Rock, Managing Director – Financial Services, JobsOhio. "It's harder to turn a profit in high-cost cities – the cost of talent is going to be higher, and the cost of living is going to be higher. In Ohio, everything is a third, or even a quarter, of that cost. If you reduce your expenses, you can get an early-stage company to profitability a lot quicker than you can on the coast."

When it comes to accessing talent, Ohio has a workforce of some 5.7 million people, known for their productivity and strong work ethic ambitious companies can draw upon. This includes more than 240,000 skilled in financial services, greater than the number present in the City of London and a figure that is supercharged by the 39,000+ college graduates each year that are qualified to work in the industry.

With more than 170 colleges, universities, and adult training programs – including The Ohio State University and the University of Cincinnati – there is a considerable pipeline of tech-savvy talent to tackle the jobs of tomorrow. This talent runs through

A uniquely good example of the power of Ohio

Alex Frommeyer, Co-Founder and CEO, Beam Benefits – a digital-first employee benefits company that offers dental, vision, life, and disability services.

"I think I'm a uniquely good example of the power of Ohio, and the direction in which it's headed. The reason I say that is because we have no connection here. I'm from Kentucky, but I have no connection to the Columbus market, other than my business."

"We are here for one reason: because it's the best place to build our company. The talent market is what we came here to access. As an insurtech company, we need a lot of seasoned insurance talent, and we've been able to find all of that and grow from the four people that came to Ohio to the 400 we are now. We've added 100x people, and the vast majority of that has been in Central Ohio."

"We actually do a lot of business in Columbus – it's one of our largest markets, which we love. Even our local pro soccer team, Columbus Crew, is a customer, and the world-class Jeni's Splendid Ice Creams is another customer. These are wonderful relationships that we are lucky to have. Our team gets really excited when we see, and interact with, some of our customers right here in town."

The Ohio State University

The Ohio State University, also known as simply Ohio State or OSU, is a public land-grant research university based in Columbus. A leading member of the University System of Ohio, Ohio State was founded in 1870 and today has a total enrollment of more than 60,000 students.

Ohio State is one of only seven universities to have won an NCAA national championship in baseball and men's basketball, and to be recognized as a national champion in football. In fact, The Ohio State Buckeyes are one of the most successful college football teams in history, winning eight national championships since their first season in 1890.

In collaboration with Nationwide Children's Hospital, Ohio State also leads the Columbus

Innovation District. Created in February 2021, the Columbus Innovation District establishes inviting and amenity-rich places for leading educational and healthcare research organizations to collaborate in ways that lead to economic growth, discoveries, and impactful career opportunities within Ohio's largest city.

The Columbus Innovation District plans to drive \$1.1 billion in real estate and research, including an Interdisciplinary Research Facility and an Energy Advancement and Innovative Center.

a robust research and innovation network, consisting of collaborative public and private organizations, accessible academic and clinical resources, and business supporters that help companies hone their competitive edge.

As well as having an abundance of talent right on the doorstep, Ohio is within a two-hour flight of around 75% of the financial services industry in the United States and Canada. Ohio's central location is therefore perfect for headhunting talent, but also provides a huge amount of potential deal partners within striking distance.

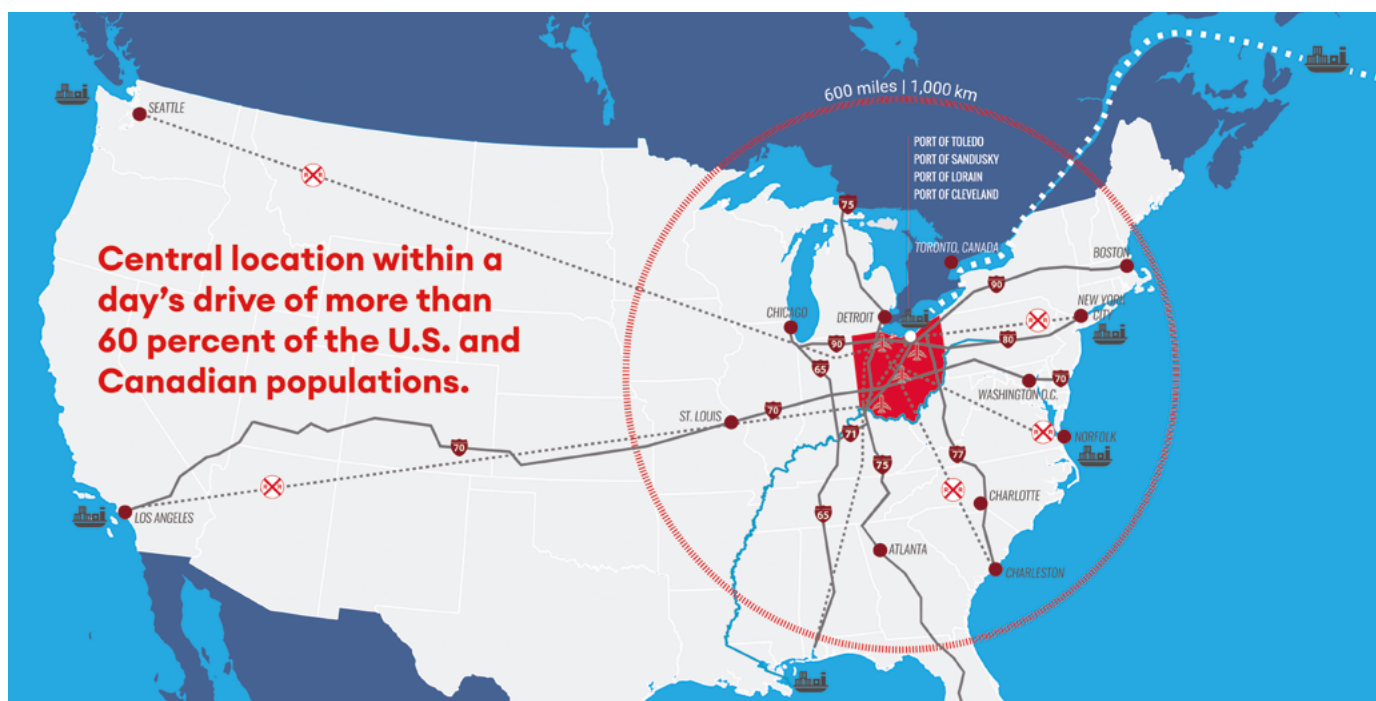
In fact, the state's lauded location puts it at the heart of all the action. Ohio is within close proximity to population and industry epicenters in Atlanta, Boston, Chicago, New York, Detroit, and Toronto.

"We're in the middle of the country," explains Michael Fiedel, Co-Managing Director of InsurTech

Ohio. "We've got access to the East Coast, which is valuable, but I think part of the secret sauce is the fact we've got three major cities (Cincinnati, Cleveland, and Columbus) that are very heavily involved in the insurance industry, and have been for a long time."

"So it's very easy to network within the state, and with organizations like the Department of Insurance and JobsOhio, there is an extremely strong network."

And when it comes to moving from A to B, Ohio features an advanced, integrated transportation infrastructure, connected by highways, intermodal facilities, airports, water, and low-cost energy that



enables companies to obtain raw materials, produce goods, and reach customers more efficiently and cost-effectively.

the No.1 most affordable state, with the cost of living in the state's significant cities between 42% and 70% lower than San Francisco and New York.

A VIBRANT PLACE TO LIVE

As well as being a fertile environment in which to start, or expand, a business, Ohio is an exciting, vibrant place in which to live. It's often referred to as a microcosm of the United States, both politically and culturally. The state features four distinct seasons to enjoy in around 75 state parks and a host of inherent opportunities, making it the ideal location to achieve success.

Across the state, there are 16 major metropolitan areas. These of course include the famous three Cs – Cincinnati, Cleveland, and state capital Columbus – but also gems that include Akron and Toledo. Dayton, a growing city in western Ohio, is home to the National Museum of the US Air Force, with a vast collection of aircraft from the first planes built in the early 1900s to a space shuttle exhibit.

Ohio offers an affordable alternative to the US coasts, with a better standard of living. Every dollar goes further without sacrificing quality of life. In fact, according to the 2020 US News rankings, Ohio was

Ohio Fast Facts

- 4th largest financial services sector in the US
- \$14.2 billion total R&D annual investment
- 47 countries with Ohio operations
- 9 weekly international 747 and 777 freighter flights, providing great global air freight connectivity
- 270,000 + Ohioans employed by global companies
- 16 major metropolitan areas including Cincinnati, Cleveland, and Columbus
- 173 colleges, universities, and adult training programs
- 6 major airports (plus CVG in Kentucky)
- 18 major league sports teams

In Q3 2020, Ohio ranked No.3 in Moody's Housing Affordability Index, which highlighted the combination of higher median income and lower housing prices. Ohio has a low population density, which means there are a lot of available

A Fine Sporting Heritage

Ohio is home to a host of major sports teams in baseball, basketball, football, hockey, and soccer. It's one of the few states to have more than one team in the National Football League (NFL) – the Cincinnati Bengals and the Cleveland Browns.

Other professional teams include the Cincinnati Reds and Cleveland Guardians (Major League Baseball - MLB), Cleveland Cavaliers (National Basketball Association - NBA), Columbus Blue Jackets (National Hockey League - NHL), and FC Cincinnati and the Columbus Crew, who compete in Major League Soccer (MLS).

Ohio played a key role in the development of both Major League Baseball and the NFL.

Baseball's first fully professional team, the Cincinnati Red Stockings (now the Cincinnati Reds), was organized in Ohio in 1869. An informal early 20th century American football association, the Ohio League, was the direct predecessor of the NFL, and the Pro Football Hall of Fame is located in Canton.

Ohio teams have won seven World Series (five for Cincinnati Reds, two for Cleveland Guardians), nine NFL Championships (four for Cleveland Browns, two for Canton Bulldogs, one for Cleveland Rams, one for Akron Pros, and one for Cleveland Bulldogs), one NBA Finals (Cleveland Cavaliers), four AAFC Championships (Cleveland Browns), and two MLS cups (Columbus Crew).

housing units. And since housing is typically affordable, employees and their families can more easily purchase a home.

Data released in 2023 by RentCafe reported the cost of living in Ohio is 11% lower than the national average, with housing 28% lower, and utilities 7%

lower. When it comes to basic necessities, groceries and clothing cost around 4% less than in the rest of the country.

Healthcare services, including medical check-ups and dentistry, are 8% lower than the national average and are carried out in some of the world's best medical centers, including Cleveland Clinic, Ohio State University Wexner Medical Center in Columbus, and the University of Cincinnati Medical Center.

It's also worth noting that both the Cleveland Innovation District and the Cincinnati Innovation District are points of collaboration among world-class healthcare and business institutions, creating significant research, development, and job opportunities.

Ohioans benefit from access to a wealth of education amenities, with more than 170 colleges, universities, and adult training programs that can facilitate both an employee's family needs and their own professional development.



TIME TO PLAY

A lower cost of living is a huge benefit on its own, especially as much of the world faces a cost of living crisis marked by spiralling inflation and interest rates, but in Ohio, residents can enjoy an exciting lifestyle with festivals, live sports, and other events, museums, and much more.

Once employees log off and it's time to relax, Ohio truly comes alive. Highlights include the Rock & Roll Hall of Fame perched on Cleveland's stunning waterfront, the Cincinnati Zoo & Botanical Garden (the second-oldest zoo in the US), and hundreds of arts organizations to experience.

Adventurers and nature lovers can enjoy around 5,000 miles of trails across the state, whether by foot, bike, horse, or canoe. "I spend a lot of time at the Ohio River, boating and jet-skiing," said JobsOhio's Rock. "When the weather hits and people are out moving around, I feel like the state really comes alive."

For those who crave adrenaline-pumping roller coasters, Cedar Point has a wide range of thrilling rides. Located in Sandusky, it's a must-see destination. The park is home to more than 70 rides, ranging from the leisurely, family-friendly Snake River Expedition to white knuckle rides like Steel Vengeance and Millennium Force. Live shows, immersive dining, and signature summer events add extra layers to the trip. Kings Island, located in Mason, just north of Cincinnati, is another gem. It offers thrill seekers pulsating rides, live entertainment, and excellent dining experiences.

Cincinnati also boasts an impressive history when it comes to growing the arts. In 1927, Cincinnati Institute of Fine Arts, now known as ArtsWave, was founded with a challenge grant to the community by Anna Sinton and Charles Phelps Taft, in order to secure the future of the region's arts. Today, Cincinnati is one of the 20 most vibrant art communities in the United States, attracting creative talent from across the country and beyond.

Rock & Roll Hall of Fame, Cleveland

In 1985, when the Rock & Roll Hall of Fame Foundation was deciding where to open its highly-awaited museum, Cleveland threw its hat into the ring.

Thanks to a groundswell of public support and a \$65 million commitment from city officials, the Foundation chose Cleveland as the winning site, over locations including New York, San Francisco, Memphis, and Chicago.

On June 7, 1993, The Who's Pete Townshend, Chuck Berry, and Billy Joel – to name a few – attended the Cleveland ground-breaking ceremony, with Jerry Lee Lewis performing a year later when the building was complete.

The Rock & Roll Hall of Fame opened its doors on September 2, 1995, and celebrated with a once-in-a-lifetime benefit concert at Cleveland Municipal Stadium. The show featured performances by greats such as James Brown, Bob Dylan, and Aretha Franklin.

Ohio feels like the perfect stage to showcase the very best in the music business, given that those born in the state include Tracy Chapman, John Legend, and Dave Grohl.

Ohio is also home to a plethora of restaurants, bars, and nightclubs, which keep residents and visitors fed, watered, and entertained well into the early hours. Some of the finest belong to Cameron Mitchell Restaurants, which comes with an inspiring story.

Like most entrepreneurial companies, Cameron Mitchell Restaurants had humble origins – Cameron’s mother’s dining room table. It was here where Cameron mapped out his goals. After learning his trade at 55 Restaurant Group in Columbus, Cameron pursued his dream of running his own company – going 14 months without a paycheck while putting together the essential ingredients of his own startup.

In 1993, Cameron signed a lease for a small piece of property in the northwest corner of Columbus, Cameron’s hometown. This space became Cameron’s, his first restaurant. Today, Cameron Mitchell Restaurants, which remains independent and privately held, has grown to over 43 restaurants in 14 states. A fantastic example of what’s possible in Ohio, and something to chew over as you and your colleagues consider the future of your own company.

A NURTURING ENVIRONMENT FOR NEW IDEAS

Ohio provides everything that an embryonic new business could possibly need to thrive. It’s the perfect environment in which to seed and grow innovative new ideas.

When a business chooses to make its home in the state, it gains instant access to all the partners, customers, and talent that it will need to put itself firmly on the fast track to success. Ohio’s business ecosystem is extremely diverse, supporting world leaders in insurance and banking as well as disruptors in the insurtech and fintech spaces.

Ohio is rapidly becoming the location of choice for financial services and insurance in the United States because it’s ready-made for forward-looking leaders who want to stay innovative and create the next generation of in-demand financial solutions.

Five Famous Faces from Ohio

NEIL ARMSTRONG (1930-2012) –

Armstrong is famously known as the first person to walk on the moon, and uttered the famous quote, “That’s one small step for man, one giant leap for mankind.”

Born in Wapakoneta, Armstrong had a long and varied career, having been an astronaut, an aeronautical engineer, naval aviator, test pilot, and university professor. In 1962, he became NASA’s first civilian astronaut to fly in space and was awarded the Presidential Medal of Freedom by President Nixon.

HALLE BERRY (1966-PRESENT) –

Berry is a popular American actress who is instantly recognizable across the world. Her career began in beauty pageants, and she finished as the first runner-up in the Miss USA and sixth in the Miss World contest of 1986.

Her spotlight moment came with her role in Boomerang in 1993, a role that led to other appearances in The Flintstones (1994) and Bulworth (1998). The 1999 film Introducing Dorothy Dandridge won her a Primetime Emmy Award and a Golden Globe, establishing her as the highest-paid actress in Hollywood.



STEVEN SPIELBERG

(1946-PRESENT) – Born in Cincinnati, Spielberg is a renowned filmmaker who is widely considered one of the most innovative directors and producers in cinema history.

Spielberg found international fame for directing *Jaws*, the first true “summer blockbuster.” His forward-looking, escapist filmmaking can also be seen in *Raiders of the Lost Ark*, *E.T. the Extra-Terrestrial*, *Jurassic Park*, and *Ready Player One*.

LEBRON JAMES (1984-PRESENT)

– A professional basketball player who plays for the Los Angeles Lakers, James is considered one of the greatest players of all time, famously going by the name ‘King James.’

He has won four NBA championships, four NBA MVP awards, four NBA Finals MVP awards, three All-Star MVP awards, and two Olympic gold medals. In 2022, James became the first player in NBA history to accumulate 10,000 or more career points, rebounds, and assists.

SIMONE BILES

(1997-PRESENT) – Hailing from Columbus, Biles is the most-decorated American gymnast of all time. Her first experience with gymnastics was at the tender age of six, and she has gone on to win a combined total of 30 Olympic and World Championship medals.

OhioX – growing the local economy through technology and innovation

OhioX is a lauded non-profit membership organization that represents and connects those who are fully committed to growing the state’s economy through technology and innovation.

Membership is open to all – including Ohio’s large corporations, small businesses, startups, universities and research institutions, venture capital funds, investors, and service providers.

The organization has a number of robust, popular, and growing media channels. These include newsletters, podcasts, blogs, and social media microphones through which OhioX tells the compelling stories of the state’s tech stars.

More than 100,000 Ohioans are employed by OhioX members, and the organization puts a big emphasis on education, helping those involved to stay on top of the latest trends in innovation and emerging technologies, and how they are shaping Ohio’s future.

Further information at: [OhioX](#) | [Ohio’s tech hub](#)

The tone is set directly from the very top. “It really starts with the whole administration,” explains Judi French, Director of the Ohio Department of Insurance. “It starts with Governor DeWine, Lieutenant Governor Husted, and everything that they do to encourage innovation and new technologies.”

“What we did, specifically, was set up an emerging products and innovation initiative. It’s about

streamlining communication with companies that have ideas for emerging products, and for new ways of doing business in the insurance industry. That could be a brand new company - an insurtech, as we like to say - or it could be one of the companies that I would call the old guard – somebody who has been around for 100, or 150, years and is looking for a new way to reach out and meet the needs of its consumers.”

“I’m happy to say we have been successful in streamlining communication, and really acting as a concierge; somebody who can take a company through that regulatory process, give them a roadmap for what they’ll be required to do, help them understand what our expectations are for consumer protection, and then, on the end of that, get to the compliance side. How do we ensure we are protecting our consumers? That’s our first and foremost goal, and I’m happy to say that the companies share that goal as well.”

“Over the past 12 months, we’ve helped 17 companies get through the process. It starts with making sure we understand what they have in mind from as early in the process as we can, and also making sure they understand what our expectations are. For that 100 year-old company, they know the regulatory landscape. The insurtech company may not, so it’s really starting with that communication.”

Speaking to French, it’s clear that the mission of the Ohio Department of Insurance is to provide consumer protection through education, and fair but vigilant regulation, while promoting a stable and competitive environment for insurers. And here perhaps a new three Cs emerges – collaboration, communication, and customers.

Another organization that supports intrepid business leaders is InsurTech Ohio, which traces its roots back to the rise of early insurtech startups in the state. The organization is a community of insurance innovators, tech builders, and enthusiasts looking to stay at the forefront of a fast-evolving industry.

“It really started as a passion project for myself,” said Andrew Daniels, Founder of InsurTech Ohio. “I was coming back to Columbus from the Chicago area with a really large carrier, working on innovation. I had never really networked, or really known anybody here professionally. When you get here, you first look at the buildings and all the insurance companies are up there, with their logos on most of the buildings! At the time, I was starting to hear about investments into the insurtech space, and some here in Columbus were getting those big investments. I really wanted to network with these people, learn from them, and it’s kind of snowballed since then. There are a lot of insurance professionals in this area - there are insurtech enthusiasts, the companies, and then there is a history of insurance across the state. These pieces all come together to create a big, innovative ecosystem.”

“We see ourselves as sitting right in the middle. We are facilitators. We make introductions through organic material and the content we create, and the events that we put on to bring these people together. We think it’s really important to have somebody who can kind of sit in the middle and do these types of introductions, without having a skew one way or the other.”

ALL THE RIGHT INGREDIENTS

As well as organizations like the Ohio Department of Insurance and InsurTech Ohio, who are helping the state to shape the very future of the insurance industry, the state offers a wealth of resources for fintechs to draw upon.

Ohio has three dedicated Innovation Districts in Cincinnati, Cleveland, and Columbus. These key districts are establishing Ohio as a global leader in healthcare, life sciences, and – importantly – technology.

In addition, the state also provides nascent companies with a wide, and growing, range of innovation hubs (including the JPMorgan Chase Financial Technology R&D Center and The University of Cincinnati 1819 Innovation Hub), centers of

Ohio's Innovation Districts Powering Progress

CINCINNATI INNOVATION DISTRICT

The Cincinnati Innovation District is anchored by The University of Cincinnati and Cincinnati Children's Hospital which lead a combined \$450 million each year in research. This research results in discoveries that become the basis for innovative startups in the tech and healthcare sectors.

CLEVELAND INNOVATION DISTRICT

The Cleveland Innovation District is a point of collaboration among world-class healthcare, higher education, and business institutions, creating significant research, development, and job opportunities in Northeast Ohio, including Cleveland Clinic, Cleveland State University, Case Western Reserve University, MetroHealth, and University Hospitals.

COLUMBUS INNOVATION DISTRICT

The Ohio State University and Nationwide Children's Hospital lead the Columbus Innovation District, which collaborates and invests in economic growth, discoveries, and impactful career opportunities within the state capital.

excellence (such as Kroger Technology Campus and Siemens Cybersecurity Center), and fantastic startup service providers (including Cintrifuse, Plug and Play Cleveland, and JumpStart).

"I'm a California native that parachuted into Ohio, and saw a ton of untapped opportunity in what I think is a really important Midwest tech movement that is taking place," said Pete Blackshaw, CEO of Cincinnati-based startup catalyst Cintrifuse.

"We are totally dedicated to helping any entrepreneur that has an idea to get to the next level, and we are partnering with all sorts of organizations across the state to surround them with a lot of resources, increasing their odds of success."

"We help entrepreneurs by first just letting them know that we are here, that we have resources. We have a pretty extensive network, and we have physical space – around 40,000 square feet – if an entrepreneur needs a high energy place to do their work, connect, and catalyze with others."

As well as low operating costs, a simplified tax structure, and access to great talent, there is also a ready flow of venture capital (VC) funding for hungry business leaders to tap into. In 2022, Ohio's VC total topped \$1.8 billion, up from what had previously been a record \$1.5 billion in 2020. The state is now ranked No.3 in the Midwest when it comes to the availability of VC funding.



There are visionaries in Cleveland

Jim Marous, an Ohioan regarded as one of the most influential people in global banking, speaks to Ray Leach, the Founder of JumpStart.

Can you tell me a little about JumpStart?

We are almost 20 years old, and we are an organization that works to unlock the full potential of entrepreneurship to transform the communities that we operate in – and we are totally focused on Ohio.

I'm from Cleveland, where your company is headquartered. What made you do this in Ohio?

There are visionaries in Cleveland – public, private, and philanthropic leaders who really aspired to create a different kind of organization that would have the skillsets of a for-profit venture capital firm, with staff and team members who had a lot of experience with tech startups, but that were doing the work, or making investments, for impact.

What is appealing about Ohio from the standpoint of the workforce?

Ohio has this incredible history as an entrepreneurial state, particularly in the 19th and early 20th centuries. Over the last three or four generations, particularly in northeast Ohio, that economy was driven by a lot of large companies, particularly manufacturing companies.

So 20 years ago, when JumpStart was founded, one of the goals was to make entrepreneurship cool again, and to figure out a way to bring resources to accelerate the progress of individual entrepreneurs, or small teams. That was the original vision. We have made a ton of progress in executing that vision, and now there are companies of all different sizes that have started in northeast Ohio and that are creating tens of thousands of jobs each year.

When people think about fintechs or insurtechs they usually think about the coasts. What advantages did Ohio bring for your company?

One of the things that is so powerful about Ohio is that we have multiple regions of the state that have real strengths, and these different regions have figured out ways to collaborate and partner together.

So, for example, when it comes to a fintech or an insurtech, we have very large financial institutions and insurance companies across the state that could be first customers, or that certainly have the ability to attract talent that would make sense for younger, smaller companies to be able to gain access to.

Can you give me a nice success story?

We have invested in 170 companies. One that we are really proud of is an embedded finance platform called Alviere.

Alviere has basically invented a way to create a banking capacity for brands. Large brands have an interest to connect and partner with their customers in all these different ways. Social media, of course, builds these great connections and so Alviere has built a technology that actually allows brands to provide financial services, something you wouldn't necessarily anticipate. So that is a company we are very excited about.

“Fintech has drawn about 25% of global venture capital,” adds Blackshaw. “So it’s an area you can’t afford to ignore. At the same time, I think there are some aspects of fintech that a place like Cincinnati, or Ohio in general, can own. For example, inclusive fintech is an area where we have quite a few entrepreneurs that are looking at novel solutions to serve underserved populations, like the unbanked.”

AND THE PERFECT PLACE TO MIX THEM!

In December 2022, Ohio Governor DeWine signed into law Senate Bill 249, which laid the foundations for a new testing ground for emerging financial products and services.

The Ohio Regulatory Sandbox Law, which became effective in March 2023, requires the Ohio Superintendent of Financial Institutions to establish a regulatory sandbox program.

The regulatory sandbox will be available to test “novel financial products or services”, a term that includes financial products or services that make use of, or incorporate, new or emerging technology, or reimagine uses of existing technologies to address a problem, provide a benefit, or otherwise offer a product, service, business model, or delivery mechanism that is not known to have a comparable, widespread offering in Ohio.

Generally speaking, regulatory sandboxes are specifically designed to be alternative regulatory mechanisms to facilitate the development, or testing, of innovative financial technology solutions. Existing regulatory requirements are adjusted to provide applicants the opportunity to offer and evaluate new products and services in a live environment, for a trial period, without the usual licensing process. Applicants approved to participate in Ohio’s Regulatory Sandbox may test their novel financial product or service for a period of up to 24 months.

“With the addition of a regulatory sandbox, companies can now quickly test the market without

the hassle of crossing too many hurdles,” explains JobsOhio’s Rock. “Ohio has joined a number of other states (11 to be exact) to create a regulatory sandbox, and our legislation allows for companies to reciprocally test products in their markets as well.”

This is big, big news for Ohio. It means that startups and larger corporations alike now have a clear runway to test new propositions, innovate with mitigated risks, and collaborate amongst themselves to drive the industry forward.

This regulatory tool is necessary for companies to continue moving toward a more customer-centric market. In today’s digital economy, consumers are firmly in the driving seat, and financial services and insurance products need to meet them where, and when, they want to be met.

With such a wide range of resources available to them, and given their proximity to potential partners, Ohio-based startups are perfectly placed to deliver on evolving customer demands.

THE POWER OF PARTNERSHIPS: BRINGING NEW PROPOSITIONS TO LIFE

Ohio is well known for being home to a plethora of financial services and insurance organizations.

Based on total company assets, the state ranks No. 5 in the United States for the number of banks headquartered there, and No. 2 for the number of top 50 insurers present there. It’s the perfect playground for fintechs and insurtechs looking to make their mark.

All across the state, entrepreneurs are successfully moving from ideation to product launch, often in tandem with the large banks and insurers based in Ohio.

“We have what I like to refer to as an unfair advantage, in terms of having access to some of the world’s leading corporations” explains Cintrifuse’s Blackshaw.

Ohio's Short North

The Short North Arts District is a pioneer in urban revitalization, a buzzing stretch of high street that has helped put Columbus firmly on the map.

Before it became a vibrant sector of arts and culture, it was a rough area comprised mostly of deserted, derelict buildings with boarded up windows. There were few actual businesses, and the newly-built Convention Center nearby highlighted just how neglected High Street had become.

The stretch was at the time known to residents as the “Near Northside,” and it was the local police who first dubbed the area the “Short North” because it was north of downtown Columbus and just short of The Ohio State University campus.

A successful renewal project of German Village in the 1960s and historic tax credits gave developers ideas for the Short North Arts District, and the charm of its architecture and huge potential for redevelopment began to attract business owners. Starting in 1980, a handful of people with a pioneering spirit who were integral in

founding the Short North Arts District worked hard to create its identity as a place where artistic culture and small business owners are celebrated. The Short North Business Association was soon founded to seek funding for neighborhood reforms from the City of Columbus and transform the area into a thriving community.

Today, the Short North Arts District is the most vibrant spot in Columbus, and it is home to more than 300 businesses, including First Commonwealth Bank and Huntington. Many of the resident businesses are locally owned or headquartered. The area has received a number of prestigious national accolades, and it is widely considered a prime model for regeneration.

“This includes the likes of Kroger, P&G, Western & Southern, Fifth Third, and Duke Energy who are all looking to figure out the future, and often look to entrepreneurs and startups as part of that formula. We think there is a symbiotic relationship between the ingenuity, the breakthrough thinking of the startups, and these big company needs.”

David McFarland, Founder and CEO of Coterie Insurance, which seeks to bring speed, simplicity, and service to commercial insurance, agrees.

“I was actually in Chicago, before moving to Cincinnati,” he said. “I came to Cincinnati because it’s a hub for commercial insurance specifically. We have Great American right down the street, Western & Southern, Cincinnati Financial, American Modern Insurance Group, and many others. That is just Cincinnati, not to mention what is in Columbus and Cleveland.”



CREATING THE NEXT GENERATION OF PRODUCTS AND SERVICES

Incumbents and new entrants are working hand-in-hand to bring new propositions to life, building better and faster financial services, helping underserved communities, and getting customers their money when and where they need it.

Anthony Spiteri, CTO at Ohio's Battleface, a full-stack global insurance company with modular tech and embedded travel products, believes that partnerships across tech, insurance, travel, and finance, have been key to his organization's significant success.

Battleface disrupted the travel insurance industry back in 2018 by offering customization for travellers using innovative underwriting. It has gone on to develop a global infrastructure to provide claims and emergency travel assistance support under white-label arrangements with partner brands.

"As an insurtech, we have continued to grow and evolve into areas where we see a lot of opportunity," said Spiteri. "A big part of what we now do is a realignment to go more toward partnerships instead of direct-to-consumer. So, we have adopted a B2B2C model. With travel insurance, the direct-to-consumer model is difficult when considering the circumstances of trying to sell to somebody travelling at the right time, who still hasn't purchased travel insurance. Partnering with key partners in the travel and fintech spaces has helped us rapidly grow, and we have shifted our focus toward that, versus going direct-to-consumer."

Also close to home, Matic is an Ohio-based digital insurance agency built for partners, integrating insurance directly into the property-owning experience. It has grown to work with more than 100 home and auto carriers and distribution partners in industries ranging from mortgage origination, servicing, and banking to automotive organizations and real estate.

"To support our growth, we have prioritized increasing our network of insurance carriers," explains Matic CEO Ben Madick. "One of the reasons we picked Ohio as our headquarters is because it is a hub for insurance. There are so many insurance carriers nearby, which helps us build relationships. Today, we have over 45 insurance carriers on our platform, which, three years ago, was probably under 20."

"Our partnerships allow us to meet customers where they want to be and choose how and where they want to shop. From buyer behavior trends, we have been able to create insurance carrier insights reports and supply this information to carriers in a way they haven't seen before."

"We have been working really hard over the last couple of years to design these reports in a way that is meaningful to our insurance carrier partners. It will help them become better in what they do, whether it's pricing, product availability, or consumer experience. Ultimately, that supports our customers as well and allows us to be the best partner to our insurance carriers that we can be."

WITH SOME OF THE WORLD'S BIGGEST NAMES

One of the biggest names in insurance is the long-established, Columbus-based carrier Nationwide. It has experience of building a partnership ecosystem with 30 portfolio companies in which it has directly invested and many more that it is partnering with.



It's good to know that we live in a state that wants to support us

Azadeh Hardiman is the Business Leader for Level20, which is Progressive Insurance's new business incubator. Level20 is built on the principle that people face real problems every day – and deserve real solutions.

Could you tell us about Level20's mission?

I think that Progressive has, from its foundation, had this history of innovation. We have always taken this customer-centric approach to thinking about what types of services we could offer. And so, over the decades, we have innovated within property and casualty insurance, and what we realised is that we really wanted to meet the broader financial needs of our customers, and really try to start to explore what other industries Progressive could get into. And so that was the start of Level20, about four years ago.

We have three different businesses that we have already launched to market. So we have launched Castle, which is a concierge home repair service. And if you really think about it, your home is one of your largest assets, something that you want to protect, and also enjoy, and we found that there was a need in the market to help homeowners figure out, "How do I really diagnose the issues that I'm having? How do I actually get quality service providers to come and fix the issue? And how do I make sure that I'm actually getting a good price for it?"

We also launched a term life business. Nobody wants to talk about dying, but we do want to make sure that our loved ones are taken care of, if something happens to us. And so we found a niche around building out a flexible term life product, where you can start protecting your family, or your loved ones, where you are today, and at key life events you can actually increase your coverage over time. So we think that is kind of unique and interesting to market.

And, last but not least, we have also launched a financial wellness product, called Stretch Financial Wellness. And it's really a coaching solution, to help people make some behavioural changes, and also help them reduce their credit card debt. We also have a few other fintech products in stealth mode, so we are excited about those, as well.

What has the state of Ohio brought to Level20?

First and foremost, I think it's good to know that we live in a state that wants to support us, and wants to see us succeed and thrive. And I think that is one of the things that I really have loved about Ohio. I am not originally from here, but have been here now 20 years, and it's just the type of place where people want to lift you up. People are not territorial, people make connections where they can; if they hear a problem that you are having, they are trying to figure out how to help you solve that.

And so I think that, as a whole, whether it's the state, or the people in your community, it's the type of place that people can really come, and make an impact, and thrive, and drive successful business. Because you can never go at it alone. You need a village – right? – to help you be successful, and I think that is the exciting thing about doing this in Ohio.

It has also seen and responded to insurtechs' move toward targeting intermediaries as opposed to an exclusive B2C strategy.

Angie Klett, Nationwide's Senior Vice President of Corporate Development, leading ventures, mergers and acquisitions, strategic partnerships, and brokerage solutions, said: "When I started in my role a couple of years ago, it felt as if founders were just focused on disrupting the sales component of the value chain and replacing the intermediary altogether."

"If you look at all the results in the market, you can see that there is proof that founders have been able to grow quickly in our industry. The question is, can they grow profitably? Even in the distribution space, there has been a lot of growth, but given the cost of acquisition to loan-to-value equation in a direct-to-consumer model, we have seen more of a shift toward partnering with intermediaries versus disrupting them, or eliminating them from the equation. It's important to us to enable their business models."

In this vein, Nationwide recently announced a partnership with GloveBox, a client experience platform for insurance agents and carriers, which sees the Denver-based insurtech integrate with Nationwide's post-bind service APIs to deliver a seamless, digital policyholder service experience.

"The demands on agents are growing. This partnership helps by digitizing some of the servicing aspects within the agency, relieving some of those demands," explains Klett. "You will see more and more of a shift to partnering with the intermediary in the founder space. Just as consumers and access to data become more costly, the concept of selling direct-to-consumer may not work out."

The power of the Nationwide brand in this space cannot be underestimated. Partners with a startup brand can bask in the reflective glory that comes from association with, and endorsement by, this



insurance behemoth. Being able to say that they are doing business with Nationwide is fantastic for building their own brands, but the secret sauce in the mix is the technology that allows partnerships to take root and flourish.

THE PIVOTAL ROLE OF TECHNOLOGY

Nationwide embarked on significant investment in core system modernization, enabling it to move quickly in the market and to take advantage of its breadth. It also built a partner platform; a digital chassis that is housed centrally and can be used over and over. Klett says Nationwide has 214 underlying publicly-available APIs "powering millions of pings each day".

"Investment in the digitization of our partners is one of the most important competitive advantages that we have in the market," adds Klett. "We are able to be in-market with partners very quickly. It allows us to be nimble and responsive, which are two words that you don't typically hear associated with 100 year-old insurance companies," adds Klett.

Battleface has also leveraged its own versatile platform and is talking to other companies about taking claims and assistance in-house on the back of their technology offering.

"We realized there is a large market for directly working in the B2B space within the insurance industry," said Battleface's Spiteri. "Right now, our focus is mostly travel insurance, but we also see the

possibility of getting into other lines, working with MGAs, brokers, and insurance companies in the future.”

Adam Erlebacher, Co-Founder of Cincinnati’s Fabric by Gerber Life, a digital platform to help families master their financial lives, stresses the need for compatible technology as a prerequisite for partnering with a third party, as well as a forward-thinking strategy when it comes to digital distribution.

“If the partner doesn’t have that, the best technology in the world is not going to solve that problem,” he said. “We are looking for partners with digital backends that we can integrate seamlessly. If you have to build too much technology to take on

the carrier partner’s work, it becomes a bit of a mismatch when operating your business.”

When Fabric accepted an acquisition offer from Western & Southern, both the technology and the mindset were key deciding factors.

“It’s still rare to find a financial services company with the history that Western & Southern has that is looking so far into the future and willing to make the investments in their backend system to push forward on a digital front. That was extremely important to us,” added Erlebacher.

And when it comes to working with partners, Western & Southern knows exactly what it’s looking for as well. “The first thing on partnerships

JobsOhio: The State’s Competitive Advantage

JobsOhio, the state’s unique, private, non-profit economic development corporation, collaborates closely with our regional network partners to drive Ohio’s success to a whole new level.

We exist to empower world-class corporations, entrepreneurs, and talented individuals to build their businesses and careers in Ohio.

Our passionate advocacy and investments in partnership with the state enable sustainable economic growth and a better quality of life for all Ohioans through the power and dignity of work.

FIND OUT MORE AT [JOBSOHIO.COM](https://jobsOhio.com)

HELPING YOU TO FIND THE PERFECT SITE FOR SUCCESS

Ohio is packed full of beautiful land with a wide range of sites and buildings that are ready for job creation and economic growth.

As part of JobsOhio’s free services for companies within our targeted industry sectors, we routinely perform in-depth statewide site and building searches.

We offer options beyond certified sites to meet each business’s specific needs. If you are looking to set up operations in Ohio, and interested in having JobsOhio perform a search on your behalf, you can contact us and one of our project managers will quickly be in touch to discuss how we can best meet your real estate and project needs.



I would say is foundational,” said Jim Vance, Chief Investment Officer of the Western & Southern Financial Group, and the man responsible for its strategic venture capital, specifically in the insurtech and fintech spaces.

“We look for partners that share our values, have a long-term focus, who are middle market – that is very important; we go to the average person in America – and who are focused on the consumer.”

“Then, what we are looking for, and the whole reason for looking at partnerships, is the opportunity to cross-sell. We have 6.5 million customers. We think there is a massive potential to link up with a partner and generate cross-sells.”

“Ohio is an awesome place to actually construct from. We are in the middle of America. I mean, you can’t get more Middle America than being in the middle of America!”

Speaking to all of these different players in Ohio, the recurring themes are clear and obvious: the customer is king; partnerships – whether through embedded finance or rewriting the conventional B2C playbook – are key; and technology is the oil in the wheels that allows these partnerships to prosper.

“Our support for the insurtech and fintech world is unwavering,” concludes Nationwide’s Klett. “I’m excited to say that we are open for business when it comes to investing in, or partnering with, companies that share our values and believe in our mission.”

“We think that we can make the experience and futures for our customers and businesses better when we work together. We are going to continue to invest, look for ways to partner, and keep the customer at the center of our business strategy.”

IN SUMMARY: STAYING AHEAD OF THE CURVE

Ohio is primed to remain firmly at the forefront of developments in fintech and insurtech. The state has it all. It offers business leaders a friendly business climate, underpinned by a simplified tax structure, and a fantastic quality of life. In addition, the low operating costs are conducive to a faster rise to profitability for ambitious startups.

Ohio ticks all the boxes when it comes to tech, talent, and time zones, and its status, within not just the U.S. economy but also the global economy, is set to spiral.



“We also noticed there needed to be a shift to more earlier stage companies, so what we did is we created our JobsOhio Growth Capital Fund, which helps bring us into a little bit more of an equity stake in those companies, and create a portfolio of earlier stage companies.”

As mentioned at the outset of this paper, Ohio’s strengths have already attracted Intel to the state. The company is investing more than \$20 billion in the construction of two new cutting-edge chip factories to boost production to meet demand for advanced semiconductors, power a new generation of innovative products from Intel, and serve the needs of foundry customers.

Spanning close to 1,000 acres in Licking County, just outside of Columbus, the “mega-site” - which is the biggest investment ever for any company in the state of Ohio - can accommodate a total of eight chip factories, as well as supporting operations and ecosystem partners, which will no doubt include the agile fintechs providing value-added services on the back of this huge deal.

Taken as a whole, Intel, and its ecosystem, will create tens of thousands of jobs and countless new opportunities for partnerships, adding to Ohio’s burgeoning reputation. It will also prove to be a draw for the bright stars leaving Ohio State and other colleges, keeping them in the state and ultimately creating an expanded pool of talent for others to draw upon.

A HOME FOR GLOBAL GIANTS

All the right pieces are in place. “JPMorgan Chase has a large presence here, U.S. Bank, and Nationwide,” said JobsOhio’s Rock. “So lots of huge companies that have large assets. And with that comes legacy systems in insurance companies, legacy systems in banking, and all these companies looking to innovate.”

“With Western & Southern, for example, it is a 135-year-old company partnering with a new insurtech in Fabric. I think that is the epitome of the type of partnership Ohio is becoming well known for. Ohio is also becoming known for being a test market, and I think that’s a great selling point for any company that is looking to quickly scale into the United States and beyond.”

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- RON ROCK -

POSITIONED AT THE FINE EDGE OF THE LATEST DEVELOPMENTS

The growing number of fintechs and insurtechs that call Ohio home are also already looking to the future, and reinventing products and services fit for a digital age and rising customer expectations. The state has a wealth of resources spanning cryptocurrencies, blockchain, insurance technology, digital banking, and much more, giving it a head start when it comes to new trends.

One such emerging trend is bringing real estate into the world of blockchain. Mohsin Masud is the Founder and CEO of Cincinnati-based AKRU, a real estate investment platform working toward democratizing commercial real estate investments.

“AKRU is a platform where we enable fractional real estate investing,” explains Masud. “Our tagline is ‘making the exclusive inclusive,’ and we are not the first ones to do real estate tokenization, but I am absolutely certain that we are the first ones to do it right.”

“We use blockchain as the general-purpose utility that it’s meant to be used for, and we use it for the benefits and the efficiencies that it lets us create within our systems and in our operations. And if it was not for that immutable distributed ledger that we can record transactions on, record the right kind of information in a cryptographic manner, and in a secure manner, then we wouldn’t be able to operate the platform the way we do.”

“But we also would not be able to do this if it was not for the innovation happening all around us. The state of Ohio is extremely supportive of innovation, and it is also extremely supportive of growth in this area.”

“JobsOhio has a growth fund, so they don’t just talk and they don’t just say, ‘Hey, we are here to support you,’ and they don’t just back you up, but they truly put their money behind the startups they really believe in.”

The future of fintech and insurtech is in Ohio’s hands. Financial services industry expertise, innovation, and talent all thrive in the state, making it the ideal lens through which to view the future of the financial services industry.

Shape the Future of Financial Services

Pursue Fintech in Ohio

Ohio is a hub for innovation and it starts with the state's leadership in fintech and financial services. Ohio has the tech talent, venture capital, and low operating costs to support fintech companies.

Ohio is Within a Two-Hour Flight of Nearly 3/4 of the Financial Services Industry in the U.S. and Canada



242K+

More workforce than the total population of London, England

4th

Largest financial services sector in the U.S.

75% + 66%

Lower commercial rent cost
Lower wage cost

than New York City and San Francisco



Ohio's Economic Development Corporation



Ron Rock
Managing Director,
Financial Services
rock@jobsOhio.com



Learn more about the partnerships and resources available in Ohio