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Commentary: Why Entrepreneurs Are Setting Up Shop in St. Louis



Group of entrepreneurs doing business and handshaking

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By Michael Kiel
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Around here, fans lovingly refer to Busch Stadium — home of the St. Louis Cardinals — as “Baseball Heaven.” But with Mark McGwire long gone, it’s entrepreneurs who are hitting the home runs these days. Over the past several years, St. Louis has become “Startup Heaven.”

In 2018, 76% of venture capital was concentrated in Silicon Valley, New York City and Boston — cities with astronomical costs of living. This prompted Forbes to seek cheaper alternatives, with the publication pinpointing 10 cities emerging as startup powerhouses. St. Louis, which boasts a cost of doing business that's 8% below the national average, claimed the No. 2 spot. The city has seen 146 VC deals in the past three years, and the value of local investments has shot up 90%.

The Midwest might seem like an improbable location for startups, but there are plenty of reasons why young companies should call St. Louis home.

Why here? If you thought St. Louis backed the Cardinals and Blues, wait until you see the support for business. From a website dedicated to all things STLMade to a \$50,000 grant courtesy of local donors, this stealthy startup town is ready and willing to back its entrepreneurs.

Looking to connect with industry experts? Check out T-REX or a Venture Cafe gathering at the Cortex Innovation Community on Thursdays where you can network and attend breakout sessions. As an added bonus, schools such as Washington University and Saint Louis University send out a constant stream of top talent.

That sort of support can make it much easier to grow your company. I started my first business in Los Angeles during the Great Recession, grinding it out every day in a city where I had no family and few friends. I eventually made it back to St. Louis, where I set up shop in my parents' warehouse. This strong support system allowed my company to survive its first year while I quickly and easily connected with prospects.

Over time, this supportive Midwestern atmosphere has seeped into my own business philosophy. At Boat Planet, one of our core values is to give first. Instead of setting out to make money, we wanted to solve a problem we saw in the boating industry while delivering as much value as possible. It might lack the ocean view, but St. Louis truly is startup heaven for hundreds of talented and ambitious entrepreneurs.

*Michael Kiel is a serial entrepreneur with a passion for boating and online marketing. He is the founder of the startup **Boat Planet**, an online marketplace for connecting boat owners with trusted marine professionals.*

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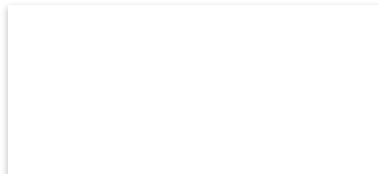
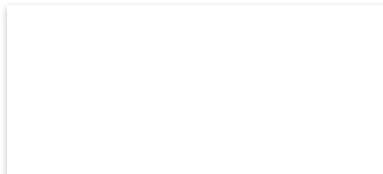
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