



South Carolina

Sustaining growth in the Palmetto State

In recent years, South Carolina’s tech industry has grown faster than the national average, and all signs point to continued growth. The state climbed a rung to Innovation Leader on the 2018 Scorecard.

In 2016, South Carolina’s tech sector grew by 3.3 percent over the year before, and the number of tech companies opening their doors in the Palmetto State jumped by nearly four percent, second only to Oregon. Organizations in the state hope to keep growing. Since its inception in 2006, the SC Launch program has funneled more than \$40 million into innovation sector companies.

Charleston, in particular, is becoming a major tech hub thanks in part to a population boom that has drawn talent and investors. Since the Charleston Digital Corridor launched in 2001 to support and attract startups, more than 80 companies have set up shop in the city.

In 2017, Good Growth Capital opened in Charleston to support startups in South Carolina and nearby areas. The \$20-million fund, started by two New York and Boston transplants, has already helped finance Charleston startups including Questis, a financial software company.

Despite those promising trends, the state lagged behind its counterparts in the overall number of tech jobs per capita and has a disappointing 9.6 percent of residents over the age of 24 with an advanced degree

Sources: (Post and Courier) (SCRA) (VentureBeat) (Questis)

WHAT DID WE DO RIGHT?

South Carolina is a Right-to-Work state, and workers are protected from discrimination based on sexual orientation or gender identity by federal statute.

WHAT CAN WE DO BETTER NEXT YEAR?

The state can build a tech pipeline for students. South Carolina is among the bottom 10 states in tech jobs per capita (28.19).

WHERE HAVE WE MOST IMPROVED?

A law passed in 2017 eases restrictions to on driver-assistive truck platoon testing.

Best & Brightest	B
Fast Internet	C+
Grants Advanced Degrees	C
Tech Workforce	D+
Tax Friendly	C+
Attracts Investment	D+
Entrepreneurial Activity	B+
Ridesharing	A
Short-Term Rentals	B
Sustainable Policies	B
Self-Driving Vehicles	A
Drones	A



Ridesharing

Ridesharing services operate freely throughout South Carolina.



Entrepreneurial Activity

Small-firm job creation, at about 73.85 net jobs per 1,000 residents, is on par with most other states.



Short-Term Rentals

Short-term rentals are allowed throughout South Carolina, and companies can collect and remit taxes on behalf of hosts. However, zoning and regulatory issues in the city of Charleston pose challenges.



Fast Internet

More than 60 percent of households have internet connections of at least 10 mbps, and more than a third enjoy speeds of 25 mbps or more.

Connected Home Technologies Cut Energy Usage and Create Hundreds of Jobs in Charleston

The Charleston-area workforce will receive 60 new employees thanks to Heatworks Technologies’ announcement that it will expand its operations and increase production.

The Mount Pleasant-based startup produces tankless water heaters that connect to smartphones, allowing users adjust their water temperatures remotely. Company leaders said their aim is to give users more detailed control over their water heaters, and reduce energy consumption.

In January, the growing startup’s MODEL 3 Water Heater was selected as a CES 2018 Innovations Award Honoree. The growth is significant for Heatworks which, prior to the announcement, employed roughly a dozen workers.

As part of its expansion, Heatworks will relocate to a larger site and bring its corporate and laboratory spaces together at a single, larger facility just north of Charleston.

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