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New study ranks Memphis in top cities to start a business

Earlier this year, [one of our reporters predicted](#) that the environment for small business was bound to turn around after Memphis was ranked last in small business vitality out of 101 U.S. cities.

Today, I have better news. Memphis is one of the best cities for entrepreneurs, according to a study compiled by WalletHub.

Memphis came in at No. 5 on the list with Jacksonville, Florida, at No.1 and Newark, New Jersey, anchoring the ranking at No. 150.

The cities are ranked based on 14 unique metrics including five-year survival rate, local cost of living, access to financing and cost of office space.

Economic development centers such as Start Co., Startup Memphis and Emerge Memphis have influenced the "surge in economic activity." [Douglas Cambell](#), director of the Center for Economic Education at University of Memphis, adds that, "Many of the new businesses that have opened are 'greenfield' businesses, meaning that they are entirely new operations and are not replacing previous ventures. It appears that local entrepreneurs are recognizing that there is a lot of latent demand in Memphis for new restaurants and stores and that the economy of Memphis is strong enough to support many new entrants."

[Jim Sposto](#), CEO of the start-up online project platform Xtrant, agrees.

"And part of that goes back to the easy nature of doing business here — Memphis doesn't put up a lot of roadblocks to success," Sposto says. "I wouldn't dare start a business in California or New York, not only for the prohibitive cost of living for present and future team members, but for the burdensome red tape and demoralizing nature of a contentious and unnecessarily zero-sum-game attitude that seems to pervade."

The report can be found [here](#).