40,000 businesses want him to come to their rescue

THE FIXER

MARCUS LEMONIS
Host of CNBC's runaway hit The Profit

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WHO SUCCESSES, WHO FAILS
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INC.
The Magazine for Growing Companies
THE NEW STARTUP

Researchers are debunking some long-held assumptions about what drives the success and failure of startups.

There were more founders 50 or older in the sample group than there were founders in their 20s.

In the sample group, there were three times as many companies founded by men as by women. The rate of survival for each gender was nearly identical.

RESEARCHERS ARE DEBUNKING SOME LONG-HELD ASSUMPTIONS ABOUT WHAT DRIVES THE SUCCESS AND FAILURE OF STARTUPS

GENDER

Male- and female-led companies survive and close at nearly the same rate as the overall sample, ending the minor differences between the genders shown here statistically insignificant.

AGE

Silicon Valley might want to revisit its obsession with youth. Companies founded by geeks in their 30s are at statistically significant risk of closure.

RACE

Far more companies are founded by white people than by other groups. Companies with Asian founders have a significantly higher rate of survival.

STARTUP CAPITAL

Researchers concluded that even though the data captures some differences, lower levels of venture capital don’t significantly alter a company’s chance of survival.

INTELLECTUAL PROPERTY

The researchers defined intellectual property as patents or copyrights. Surprisingly, the presence of IP had little impact on startup survival or closure rates.

HERE WERE some revelations lurking in the data generated by the Kauffman Foundation’s Firm Survey, one of the longest and largest studies ever of privately owned startups. Three researchers, Carmen Cotei and Susan Coleman of the University of Hartford and Joseph Farhat of Central Connecticut State University, parsed the rich data to see what effect things like age, gender, and amount of startup capital had on company outcomes after five years. They were a little amazed at what they learned. For instance, intellectual property had no significant effect on survival or closure. And they found no statistical difference in the survival or closure rates between male- and female-led companies. “This really surprised us,” said Farhat. “We haven’t been able to establish that definitively before.” Time to check a few assumptions at the door when predicting startup winners and losers.

—Kris Frieswick and Kristin Lenz