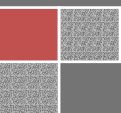




**COMPARATIVE
INFORMATION TECHNOLOGY
OPERATING COSTS**

BizCosts®....*The Cost of Doing Business*

BizCosts.com
Princeton, NJ



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EXECUTIVE SUMMARY AND NOTES

Introduction

In the following **BizCosts®** analysis, major operating costs scaled to a representative 200-worker information technology center are presented for a series of 65 comparative cities in the U.S. In summary Exhibit I, annual costs are itemized and totaled and the full **BizCosts® Report** ranks the 65 locations from highest cost to lowest.

Annual operating costs were projected solely for comparative purposes, with only major geographically-variable factors being considered. Those costs not varying significantly with geography, including relocation and start-up expenses, were not considered. The full **BizCosts® Report** focuses on those key geographically-variable cost elements considered to be most pivotal within the corporate site selection process. Geographically-variable operating cost differentials are current for **2010 and 2011**.

Operating costs are scaled to a hypothetical 100,000 sq. ft information technology center. The analysis provides an independent and authoritative point of reference for the corporate I.T. planner's assessment of comparative operating cost levels in each of the surveyed sites. The format of the cost exhibits in the full **BizCosts® Report** will allow the corporate planner to further tailor the cost data, occupancy assumptions and staffing levels to reflect alternate I.T. areas of concentration, scales of operation and growth expectations.

Comparative Information Technology Center Locations

For purposes of comparative economic analysis, major geographically-variable operating costs have been projected in the full **BizCosts® Report** for a series of 65 U.S. cities. Surveyed cities represent all regions of the country and house

major concentrations of information technology operations. These 65 U.S. cities are listed below:

New England Region

- Boston, Massachusetts
- Providence, Rhode Island
- Springfield, Massachusetts
- Hartford, Connecticut
- Stamford, Connecticut
- Portland, Maine

Middle Atlantic Region

- New York, New York
- Rochester, New York
- Buffalo, New York
- Newark, New Jersey
- Philadelphia, Pennsylvania
- Pittsburgh, Pennsylvania
- Wilmington, Delaware

Southeast Region

- Atlanta, Georgia
- Charlotte, North Carolina
- Greensboro, North Carolina
- Winston-Salem, North Carolina
- Memphis, Tennessee
- Nashville, Tennessee
- Birmingham, Alabama

Florida Region

- Orlando, Florida
- Jacksonville, Florida
- Broward County, Florida
- Miami, Florida
- Tampa/St. Petersburg, Florida
- Ft. Walton/Destin, Florida
- Pensacola, Florida
- Lee County, Florida

East North Central Region

- Cleveland, Ohio
- Cincinnati, Ohio
- Columbus, Ohio

- Chicago, Illinois
- Detroit, Michigan
- Milwaukee, Wisconsin

West North Central Region

- Kansas City, Missouri
- Minneapolis/St. Paul, Minnesota
- Des Moines, Iowa
- Omaha, Nebraska
- St. Louis, Missouri
- Wichita, Kansas

South Central Region

- Tulsa, Oklahoma
- Oklahoma City, Oklahoma
- Dallas, Texas
- San Antonio, Texas
- Houston, Texas
- New Orleans, Louisiana

Mountain Region

- Denver, Colorado
- Phoenix, Arizona
- Tucson, Arizona
- Salt Lake City, Utah
- Las Vegas, Nevada
- Albuquerque, New Mexico
- Colorado Springs, Colorado

Pacific Northwest Region

- Seattle, Washington
- Spokane, Washington
- Portland, Oregon
- Salem, Oregon
- Eugene/Springfield, Oregon

California Region

- Los Angeles/Long Beach, California
- San Diego, California
- Sacramento, California
- Modesto, California
- Oakland, California
- San Francisco, California
- San Jose, California

Comparative Labor Costs

Annual costs for labor, including positions in network systems, data security, software engineering, programming, network systems, telecom, web support, and other I.T. groups are presented in the full ***BizCosts® Report's*** Exhibit II. Costs are based on a representative mix of 39 different nonexempt I.T. job descriptions for the hypothetical center.

Comparative labor costs for management were not included as these costs would tend not to vary as significantly by geography, but rather by individual company compensation practices. Fringe benefit costs are included as a percent of annual base payroll costs and are assumed to include all statutory benefits, pay for time not worked, and company-sponsored benefits.

Comparative Electric Power Costs

Comparative annual electric power costs are presented in the full ***BizCosts® Report's*** Exhibit III. Annual costs reflect commercial rate schedules of the various utilities serving each of the 65 surveyed areas.

Comparative Land Acquisition and Construction Costs

Exhibit IV presents comparative costs for the purchase of commercially-zoned land and the construction of new information technology center space in each of the 65 surveyed locations.

Comparative Ad Valorem and Sales Tax Costs

Exhibit V presents comparative ad valorem (property) tax costs in each of the 65 surveyed sites scaled to the land and building specifications of the model information technology center. Also presented here are comparative local and state sales tax costs based on a fixed annual purchase of supplies, furnishings, equipment and other taxable goods.

Comparative Heating and Air Conditioning Costs

Exhibit VI presents comparative annual costs for heating and air conditioning based on variances in climatic conditions and energy costs in the surveyed locations.

Comparative Corporate Travel Costs

Comparative annual on-site corporate travel costs in each of the 65 surveyed cities are presented in the full ***BizCosts® Report's*** Exhibit VII. Costs include corporate traveler lodging, meals, local transportation and other business travel incidentals. Figures are indicative of local business travel cost structures expected to be incurred by management, technical support, regulators and other employee and customer visitations to each of the 65 surveyed information technology sites.

Total Annual Operating Cost Ranking

Taken from summary Exhibit I is an overall cost rankings of the 65 surveyed information technology center sites.

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BizCosts® is a registered trademark of The Boyd Company, Inc., of Princeton, NJ, and represents the firm's proprietary operating cost data bank used to shape its domestic and international corporate site selection recommendations. Founded in 1975, Boyd (www.theboydcompany.com) provides independent location counsel to leading U.S. and overseas corporations. Devoted exclusively to corporate mobility, The Boyd Company is recognized as the nation's premier authority in comparative business cost analysis.

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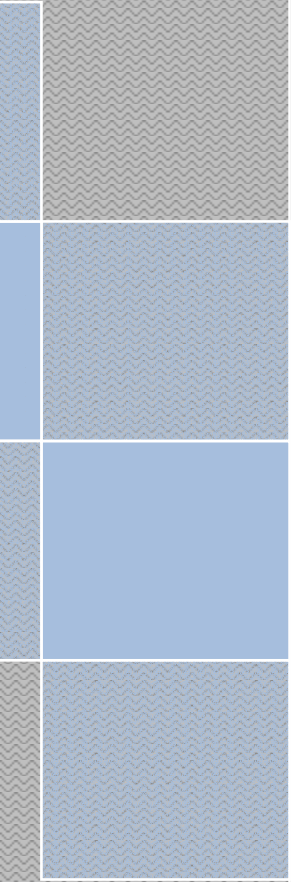
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