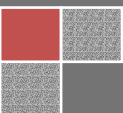




**COMPARATIVE  
MOTOR VEHICLE PARTS AND  
EQUIPMENT  
MANUFACTURING COSTS**

**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 motor vehicle parts and equipment manufacturing plant are presented for a series of 61 comparative production sites in the U.S. In the full **BizCosts® Report's** summary Exhibit I, annual costs are itemized and totaled and the full study ranks the 61 locations from high to low.

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 independent **BizCosts®** analysis focuses on those key geographically-variable cost elements considered to be most pivotal to the motor vehicle parts and equipment industry site selection process. Geographically-variable operating cost differentials are current for **2010 and 2011**.

Overall costs in the full **BizCosts® Report** are scaled to a hypothetical 150,000 sq. ft. production plant employing 250 workers and shipping over-the-road to a national U.S. market. The cost simulations are designed to provide an independent, third-party point of reference for the corporate planner's assessment of relative operating cost levels in each of the surveyed manufacturing sites. The format of the cost exhibits will also allow the planner to tailor cost data, facility specifications and shipping assumptions to reflect alternate scales of operation, staffing needs and market expectations.

The full **BizCosts® Report** has been structured to be an authoritative cost-comparison tool for a broad segment of the motor vehicle parts and equipment industry. This includes after-market and original equipment manufacturers (OEM) of such products as automotive stampings, engine electrical and electronic equipment, spark plugs, ignition harness and cable sets, alternators,

truck and bus bodies, gasoline engine and parts, engine filters, exhaust system components, drive chain components, travel trailers, campers, pickup covers and other various other aluminum, steel and plastic component motor vehicle parts, accessories and equipment.

### ***Comparative Plant Locations***

For purposes of comparative economic analysis, major geographically-variable operating costs in the full **BizCosts® Report** have been projected for a series of 61 manufacturing sites in the U.S. The comparative locations in the **BizCosts®** analysis all house significant concentrations of motor vehicle parts and equipment manufacturing. Major benchmark cost centers for the automotive industry in Michigan, Ohio, Indiana, Tennessee, South Carolina, Alabama and Texas are included as are a series of other emerging North American hubs of motor vehicle parts manufacturing.

The 61 comparative locations included in the full **BizCosts® Report** are detailed below by region.

#### ***New England Region***

- Bridgeport/Stamford/Norwalk/Danbury, Connecticut
- Boston, Massachusetts
- Worcester/Marlborough, Massachusetts
- Springfield, Massachusetts
- Portland, Maine
- Hartford, Connecticut

#### ***Mid-Atlantic Region***

- Nassau/Suffolk, New York
- Rochester, New York
- Syracuse, New York

- Philadelphia, Pennsylvania
- Baltimore, Maryland
- Wilmington, Delaware

***Southeast Region***

- Richmond, Virginia
- Greensboro/Winston-Salem, North Carolina
- Charlotte, North Carolina
- Greenville/Spartanburg, South Carolina
- Atlanta, Georgia
- Savannah, Georgia

***Florida Region***

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

***Mid-South Region***

- Nashville, Tennessee
- Memphis, Tennessee
- Birmingham, Alabama
- Georgetown/Lexington, Kentucky
- Louisville, Kentucky
- Jackson, Mississippi

***East North Central Region***

- Cleveland, Ohio
- Toledo, Ohio

- Dayton, Ohio
- Indianapolis, Indiana
- Lafayette, Indiana
- Fort Wayne, Indiana
- Detroit, Michigan

***South Central Region***

- Houston, Texas
- San Antonio, Texas
- Dallas, Texas
- Austin, Texas
- Oklahoma City, Oklahoma
- Shreveport, Louisiana

***West North Central Region***

- Chicago, Illinois
- Cedar Rapids, Iowa
- Milwaukee, Wisconsin
- Minneapolis/St. Paul, Minnesota
- Kansas City, Missouri
- St. Louis, Missouri

***Western Region***

- Phoenix/Mesa, Arizona
- Denver/Boulder, Colorado
- Salt Lake City, Utah
- Tucson, Arizona
- Seattle/Everett/Renton, Washington

- Albuquerque, New Mexico

***California Region***

- San Jose, California
- Los Angeles/Long Beach, California
- Bakersfield, California
- Riverside/San Bernardino, California
- San Diego, California
- Orange County, California

***Labor Costs***

Annual costs for labor, including direct and indirect production workers, are presented in the full ***BizCosts® Report's*** Exhibit II. Costs are based on a representative mix of 40 different nonexempt production, engineering, material handling, transportation, I.T. and office/clerical job descriptions for the model motor vehicle parts plant. Comparative labor costs for management staff 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 and Natural Gas Costs***

Comparative annual electric power and natural gas costs are presented in the full ***BizCosts® Report's*** Exhibit III. Annual costs reflect industrial rate schedules of the respective local electric utilities serving each area. Natural gas costs are based on an assumed monthly consumption of industrial-use gas.

***Comparative Land Acquisition and Construction Costs***

Exhibit IV in the full study presents comparative costs for the purchase of industrially-zoned land and the construction of new motor vehicle parts manufacturing space in each of the surveyed locations.

***Comparative Ad Valorem and Sales Tax Costs***

Exhibit V presents comparative ad valorem (property) tax costs in each of 61 surveyed production sites scaled to the land and building specifications of the model motor vehicle parts plant. Also presented in this exhibit are comparative local and state sales tax costs based on a fixed annual purchase of supplies, equipment, furnishings and other taxable goods associated with the plant.

***Comparative Shipping Costs***

Transportation costs from each of the 61 surveyed manufacturing sites to a designated national U.S. market are detailed in the full ***BizCosts***® ***Report's*** Exhibit VI. Comparative costs reflect over-the-road finished product shipments in truckload lots.

***Total Annual Operating Cost Ranking***

Taken from the full report's summary Exhibit I is a ranking of the 61 surveyed motor vehicle parts and equipment manufacturing locations.

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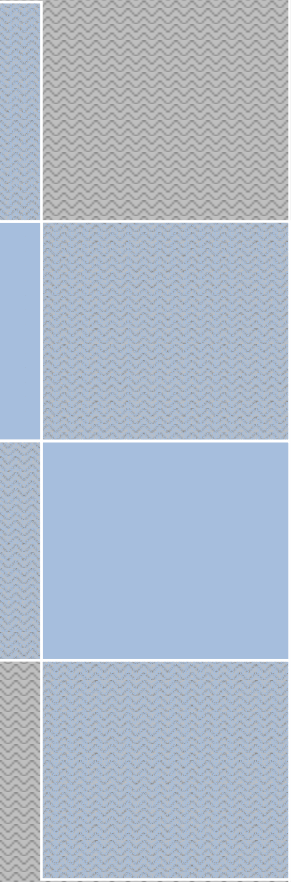
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