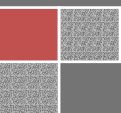




**COMPARATIVE
CORPORATE HEADQUARTERS
OPERATING COSTS**

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 corporate headquarters office are presented for a series of 55 comparative cities in the U.S. Annual operating costs are itemized and totaled in summary Exhibit I and the full **BizCosts® Report** ranks the 55 locations from the highest cost head office city to the 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 **BizCosts®** analysis focuses on those key geographically-variable cost elements considered to be most pivotal within the corporate headquarters site selection process. Geographically variable operating cost differentials are current for **2010 and 2011**.

Operating costs are scaled to a hypothetical 75,000 sq. ft. corporate headquarters office employing 300 workers. The analysis provides an independent and authoritative point of reference for the corporate planner's assessment of comparative office operating costs in each of the 55 surveyed cities. The factor-by-factor format of the exhibits will allow custom tailoring of the cost data, occupancy assumptions and staffing levels to reflect alternate requirements of the corporate head office site-seeker.

Comparative Headquarters Locations

For purposes of comparative economic analysis, major geographically-variable operating costs have been projected in the full **BizCosts® Report** for a series of

55 U.S. cities. Surveyed cities all house major concentrations of national and regional corporate headquarters operations. These 55 U.S. cities are:

New England Region

- Boston, Massachusetts
- Providence, Rhode Island
- Springfield, Massachusetts
- Hartford, Connecticut
- Stamford, Connecticut
- New Haven, Connecticut

Middle Atlantic Region

- New York, New York
- Newark/Northern New Jersey
- Cherry Hill/Southern New Jersey
- Philadelphia, Pennsylvania
- Pittsburgh, Pennsylvania
- Wilmington, Delaware

Southeast Region

- Baltimore, Maryland
- Richmond, Virginia
- Charlotte, North Carolina
- Memphis, Tennessee
- Atlanta, Georgia
- Birmingham, Alabama

Florida Region

- Orlando, Florida
- Jacksonville, Florida
- Broward County, Florida
- Miami, Florida
- Tampa/St. Petersburg, Florida
- Palm Beach County, Florida

East North Central Region

- Cleveland, Ohio
- Cincinnati, Ohio
- Chicago, Illinois
- Detroit, Michigan
- Milwaukee, Wisconsin

- Indianapolis, Indiana

West North Central Region

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

South Central Region

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

Mountain Region

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

Pacific Region

- Los Angeles/Long Beach, California
- San Diego, California
- Orange County, California
- San Francisco, California
- San Jose, California
- Seattle, Washington
- Portland, Oregon

Comparative Labor Costs

Annual costs for nonexempt labor are presented in the full **BizCosts® Report's** Exhibit II. Comparative costs are based on a mix of 25 representative support staff job titles scaled to the model corporate headquarters office. Comparative labor costs for exempt positions, including executive salaries, were not included

as these costs would tend not to vary significantly by geography, but rather by individual company compensation practices. Fringe benefit costs are included as a percent of total 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 55 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 corporate headquarters office space in each of the 55 surveyed locations.

Comparative Ad Valorem and Sales Tax Costs

Exhibit V presents comparative ad valorem (property) tax costs in each of the 55 surveyed sites scaled to the land and building specifications of the model biotechnology facility. Also presented in this exhibit are comparative local and state sales tax costs based on a fixed annual purchase of supplies, furnishings, equipment and other taxable goods.

Comparative Corporate Travel Costs

Comparative annual on-site and air travel costs for each of the 55 surveyed headquarters cities are presented in Exhibit VI. On-site 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, national staff and other customer visitations to each of the 55 surveyed corporate headquarter sites.

About BizCosts® About Boyd

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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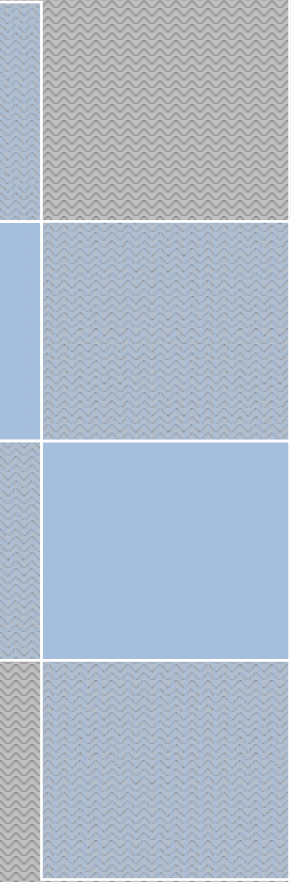
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