

NEWS RELEASE

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TEXAS AND NORTH CAROLINA BEST STATES FOR BUSINESS; NEVADA NEW AMONG TOP FIVE ACCORDING TO NEW SURVEY

Chicago, Sept. 26, 2005 – Texas and North Carolina have the most favorable business climates in the United States, according to a latest survey of 207 senior-level U.S. corporate executives and the site selection consultants who advise them on matters of expansion and relocation. Rounding out the top five are South Carolina, Georgia, and Nevada.

The survey results are being released today at the annual meeting of the International Economic Development Council, being held this week in Chicago. It was conducted by Development Counsellors International (www.aboutdci.com), an economic development marketing firm that has worked with more than 375 cities, states, regions, and countries throughout the world to attract investors and visitors. DCI conducted similar surveys in 1996, 1999, and 2002. Unlike the previous three, this year's edition included the executives of mid-sized as well as large companies.

Credited for a favorable tax climate, business-friendly attitude and low cost of business, Texas claimed the "Best State for Business" title for the third consecutive survey, with 33% of the respondents giving the Lone Star State highest marks. A positive view of North Carolina by site selection consultants pushed the state to second place, with 26% of all respondents naming it as one of the top three states. Repeating in third place was South Carolina (20%), while Georgia (18%) moved up one spot to fourth. Making its first appearance in the top five was Nevada (16%), knocking out Florida from its position on the 2002 list.

When perceptions are broken down into individual groups – site selection consultants, large companies, and midsize companies – only Texas and North Carolina consistently make the top five. Site selection consultants also placed South Carolina (#2), Alabama (#4) and Florida (#5) on their list. Executives from large companies preferred Georgia (#2), Tennessee (#4) and California (#5). Midsize-company executives favored Nevada (#3), Georgia (#4) and South Carolina (#5).

"Nevada was one of the biggest surprises this year," noted DCI president Andy Levine. "It had never even made the top 10 in the previous three editions and is only the third state west of the Mississippi to make the top five since the survey's inception."

Ireland Leads European Countries

For the first time since European countries were included in the 1999 survey, Ireland was named as having the "Best Business Climate" in Europe, with 70% of the respondents naming them among the top locations. The United Kingdom, which finished first in 1999 and 2002, was second (50%) followed by Spain (30%), Germany (23%) and the Netherlands (21%). The strong finish by Ireland and the United Kingdom were buoyed by the unanimous 1-2 finish, respectively, among site selection consultants, large companies and midsize companies.

New Addition to Top Sources of Reliable Location Information

The survey also asked where these executives get their information about the business climate of a given community. Once again, "dialogue with industry peers" remains the number one source of information about a community's business climate, with 54% of the respondents naming among their top three. "Articles in newspapers and magazines" and "business travel" were the other two predominant answers, both identified by 45% of those surveyed. The most significant increase from the 2002 rankings was "online resources," which was selected on 22% of the responses, good for fifth place.

"I don't think the increase of online activity is any surprise," notes Levine. "We're seeing a lot of those responsible for site-selection decisions conduct their primary research online. It is predominant in our culture, and it is now an increasingly important part of the economic development business."

Survey Audience

In previous studies, the survey audience focused on senior level executives from companies with over \$100 million in annual gross revenue as well as site selection consultants. Based upon feedback from a range of economic development organizations, the 2005 survey audience was expanded to also include corporate executives from midsize companies (organizations with annual gross revenues between \$25 million and \$100 million). A random selection of 3,049 companies was selected. The survey targeted executives with direct site selection responsibilities and was heavily weighted toward the following business titles: "Chief Executive Officer," "President," "Chief Financial Officer," and "Vice President." In addition, 714 U.S.-based site selection consultants were included in the survey sample.

Development Counsellors International

Founded in 1960, Development Counsellors International has developed economic development marketing programs for more than 350 locations around the world, including countries, states, cities and regions around the world. For a copy of the full report on the survey findings, call DCI at (212) 725-0707.

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