

Site Selection Primary Criteria

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**Presentation to: South Carolina Economic Developer's Assoc.
2007 Midyear Meeting**

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1. **Logistics/Supply Chain**
(Applies to All Types of Businesses)
2. **Demographics**
3. **Workforce**
(Availability and Quality)
(Illegal immigrants an issue – 7+ million living in the U.S.)
4. **Education**
(Manhattan Institute recently released a study that revealed that only 1 of 3 18-year olds are even minimally prepared for the rigors of college [admission or succession related])
5. **Transportation**
(Access to highways, airports, rail, deepwater ports, and intermodal access)
6. **Overall Operating Costs**
(One very expensive cost – health care costs paid by employee per worker - \$5,500 to \$7,000)
7. **Energy**
(Availability, reliability, and costs)
8. **Water and Wastewater Services and Costs**
9. **Government Factors**
10. **Permitting/Environmental & Project Development Related**
11. **Properties**
(Availability, Costs, Quality)
12. **Business Interactions & Attention to the Retention of Existing Business**
13. **Image**
14. **Incentives**
(statutory and discretionary) –
All location factors should be satisfied before incentives really come into play. All considerations of value apply to NPV.
15. **Humanistic Factors**
16. **Overall Quality of Life Factors**



Workforce Development Achievements, Jan. to Oct. 2007

1. The Jobs for South Carolina Graduates program had a 95% retention rate of at-risk students across the 2-year pilot and placed in the top 5 states in the nation.
2. Workforce Investment Act Incumbent Worker Training funds results (as reported by participating employers):
 - 268 S.C. businesses participated.
 - 7,068 employees have completed training.
 - Average cost per worker was \$313.
(7,608 workers, total expenditure \$2,209,504)
 - 5,651 jobs were saved and 524 new jobs were created.
 - \$2.2M investment in the Incumbent Worker Training program created a minimum of \$66M in recurring annual wages.
 - ROI exceeds 2,990%.
3. On-the-job training using Workforce Investment Act funds has increased 98%.
4. Customized training using Workforce Investment Act funds has increased 275%.
5. Workforce Investment Act adult participants increased 38% and youth participants rose 13%.



September 2007:

S.C. Labor Force & UI Claimants—

Sorted by Unemployment/UI Ratio

County	Labor Force	Unemployed	No. of receiving UI Checks	Unemployment UI Ratio	Received checks over 16+ weeks	"Unemployment Rate"
Lancaster	31,230	2,890	1098	2.632	266	0.093
Orangeburg	40,350	3,910	1400	2.793	181	0.097
Dillon	13,350	1,310	451	2.905	86	0.098
Chester	16,600	1,790	594	3.013	180	0.108
Marion	13,420	1,490	477	3.124	123	0.111
Laurens	35,500	2,650	809	3.276	177	0.075
Fairfield	11,920	940	272	3.456	69	0.079
Barnwell	9,180	840	239	3.515	45	0.092
Williamsburg	15,540	1,310	371	3.531	77	0.084
Union	12,140	1,040	286	3.636	62	0.086
Bamberg	6,580	610	154	3.961	30	0.093
Cherokee	24,780	1,710	419	4.081	82	0.069
Sumter	45,670	3,250	796	4.083	223	0.071
Abbeville	12,180	900	215	4.186	65	0.074
Allendale	3,470	360	84	4.286	20	0.104
Marlboro	12,570	1,260	287	4.390	77	0.100
Kershaw	30,200	1,670	379	4.406	92	0.055
Calhoun	7,430	510	114	4.474	18	0.069
Hampton	7,830	550	121	4.545	32	0.070
Darlington	31,780	2,080	454	4.581	90	0.065
Newberry	17,720	1,070	233	4.592	38	0.060
Greenwood	32,150	2,180	473	4.609	131	0.068
Florence	63,840	3,960	855	4.632	180	0.062
Anderson	85,920	5,090	1091	4.665	315	0.059
Oconee	30,170	2,050	435	4.713	109	0.068
Lee	8,370	670	141	4.752	34	0.080
Spartanburg	133,280	7,720	1624	4.754	360	0.058
Colleton	16,570	1,090	228	4.781	44	0.066
York	103,250	5,390	1125	4.791	225	0.052
Horry	134,320	6,220	1286	4.837	237	0.046
Richland	179,200	9,820	1996	4.920	465	0.055
Clarendon	12,830	1,100	222	4.955	56	0.086
Georgetown	28,570	1,760	349	5.043	85	0.062
Greenville	221,150	10,870	2119	5.130	507	0.049
McCormick	3,570	330	61	5.410	24	0.092
Aiken	74,800	3,780	684	5.526	136	0.051
Saluda	9,610	500	88	5.682	31	0.052
Pickens	59,850	3,110	541	5.749	110	0.052
Edgefield	11,210	680	116	5.862	29	0.061
Berkeley	76,530	3,900	665	5.865	149	0.051
Chesterfield	18,290	1,380	233	5.923	51	0.075
Dorchester	60,380	2,830	474	5.970	120	0.047
Lexington	133,670	5,890	975	6.041	211	0.044
Charleston	177,570	8,120	1339	6.064	249	0.046
Jasper	9,870	500	79	6.329	13	0.051
Beaufort	60,270	2,980	354	8.418	62	0.049
Total	2,144,680	124,060	26,806	4.628	5,966	0.058

Labor force data are not seasonally adjusted, resource:

Bureau of Labor Statistics

UI checks data resource: SCESC



Proposed Incentive Changes

1. Overhaul Jobs Tax Credit Statutes to eliminate legislated “bumps” for certain counties—restore the effect back to the original intent. Also, reduce from five economic tiers to three tiers band or objective criteria.
2. Investment Tax Credit – eliminate and take fiscal impact to eliminate small business’ franchise taxes (small businesses are defined as those having less than 100 employees).
3. Headquarters Credits – allow LLCs and possibly lower qualifications (very few companies qualify today).
4. Repeal Extraordinary Retail Establishment incentives. These pose a serious threat to the homegrown small businesses in the market area.
5. Make retention of jobs statewide a prerequisite for incentives.

Department of Commerce Achievements

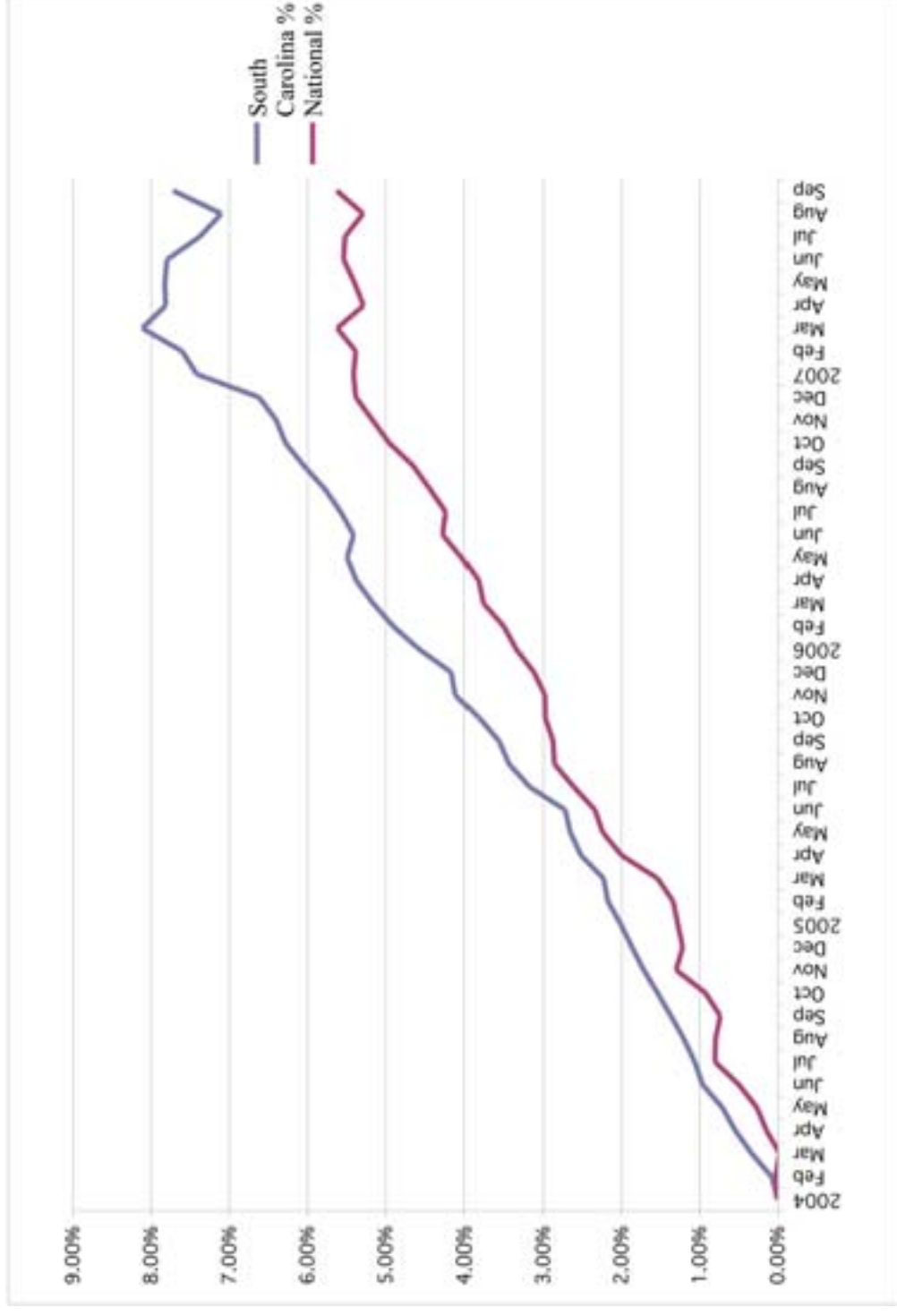
1. 2006 was a record year for capital investment and jobs.
2. Current numbers indicate that 2007 will be even better.
3. Google, Starbucks, adidas, Cytec and QVC are world-class companies choosing South Carolina.
4. In 2006, approximately 28% of capital investment and jobs were in rural counties where 23% of the workforce resides.
5. Commerce opens fourth international office in Toronto, Canada
6. Statewide career readiness certificate is launched—WorkKeys®
7. First Ever Memorandum of Understanding (MOU) between the Chinese government and South Carolina

State-By-State Comparison, Labor Figures, Jan. 2004 to Sept. 2007

(Source: U.S. Bureau of Labor Statistics,
seasonally-adjusted figures as of 10/30/07)

<i>Labor Force</i>				<i>Employment</i>			
Rank	State	Total	Growth %	Rank	State	Total	Growth %
1	Nevada	190,906	16.29%	1	Nevada	178,108	15.97%
2	Utah	147,002	12.09%	2	Utah	174,908	15.19%
3	Florida	923,540	11.07%	3	Idaho	92,609	14.05%
4	Idaho	75,748	10.92%	4	Arizona	336,223	12.87%
5	Arizona	289,990	10.51%	5	Florida	955,806	12.04%
6	Georgia	458,857	10.40%	6	West Virginia	321,948	10.87%
7	Washington	267,423	8.41%	7	Colorado	246,511	10.47%
8	Colorado	206,677	8.26%	8	Georgia	433,598	10.29%
9	Arkansas	99,622	7.75%	9	New Mexico	74,810	8.88%
10	Montana	33,085	7.02%	10	Montana	38,941	8.64%
11	North Carolina	297,385	7.00%	11	North Carolina	325,992	8.15%
12	Wyoming	17,944	6.57%	12	Arkansas	95,888	7.92%
13	South Carolina	131,255	6.50%	13	South Carolina	145,288	7.72%
14	Virginia	242,985	6.36%	14	Oregon	130,609	7.65%
15	Hawaii	37,939	6.18%	15	Wyoming	19,846	7.57%
16	New Mexico	54,583	6.10%	16	Virginia	272,148	7.40%
17	Illinois	369,632	5.79%	17	Illinois	437,394	7.32%
18	Tennessee	160,334	5.55%	18	Hawaii	42,883	7.24%
19	Delaware	22,585	5.35%	19	Texas	717,730	6.93%
20	Connecticut	90,493	5.03%	20	Alabama	131,241	6.55%
21	Kentucky	98,508	4.99%	21	Tennessee	172,132	6.30%
22	California	845,967	4.84%	22	Delaware	25,515	6.29%
23	North Dakota	16,658	4.77%	23	California	963,676	5.91%
24	Oregon	88,354	4.77%	24	Connecticut	97,032	5.68%
25	Alabama	98,662	4.66%	25	Alaska	17,150	5.52%
26	Texas	501,444	4.53%	26	Washington	37,915	5.11%
27	West Virginia	34,310	4.37%	27	North Dakota	16,733	4.97%
28	Maryland	125,052	4.34%	28	Maryland	134,128	4.87%
29	Alaska	13,505	4.01%	29	New Hampshire	32,775	4.76%
30	New Hampshire	28,784	4.00%	30	Kentucky	87,482	4.71%
31	South Dakota	16,013	3.79%	31	South Dakota	17,762	4.36%
32	Rhode Island	20,348	3.63%	32	Iowa	66,883	4.34%
33	Iowa	58,572	3.63%	33	Rhode Island	22,142	4.18%
34	Missouri	91,110	3.06%	34	New Jersey	170,713	4.12%
35	New Jersey	128,005	2.92%	35	Kansas	53,610	3.91%
36	Oklahoma	46,623	2.76%	36	Oklahoma	61,483	3.84%
37	Kansas	38,454	2.64%	37	New York	307,172	3.52%
38	Maine	17,984	2.60%	38	Pennsylvania	193,011	3.30%
39	Ohio	138,521	2.36%	39	Missouri	90,342	3.21%
40	Pennsylvania	139,136	2.25%	40	Ohio	143,640	2.61%
41	Vermont	7,219	2.06%	41	Nebraska	22,924	2.45%
42	Wisconsin	53,464	1.76%	42	Maine	16,022	2.43%
43	New York	144,316	1.55%	43	Vermont	7,290	2.17%
44	Nebraska	14,728	1.51%	44	Wisconsin	57,834	2.02%
45	Minnesota	34,384	1.18%	45	Massachusetts	53,666	1.68%
46	Mississippi	11,982	0.91%	46	Indiana	48,691	1.62%
47	Indiana	25,865	0.81%	47	Minnesota	35,850	1.30%
48	Massachusetts	13,268	0.39%	48	Mississippi	1,805	0.15%
49	Michigan	9,446	0.19%	49	Michigan	-20,094	-0.43%
50	Louisiana	-39,741	-1.96%	50	Louisiana	-10,495	-0.55%

Job Growth, South Carolina vs. the Nation, 2004 - 2007 YTD



Percentage growth based on seasonally-adjusted employment figures from the U.S. Department of Labor, Bureau of Labor Statistics.

Figures verified as of 10/30/07

Top 10 South Carolina Counties 2004 - 10/31/07

Average per capita job creation

Rank	County
1	Lancaster
2	Chester
3	Union
4	Barnwell
5	Edgefield
6	Kershaw
7	Lee
8	Marlboro
9	Calhoun
10	Cherokee

Total jobs

Rank	County
1	Greenville
2	Spartanburg
3	Charleston
4	York
5	Richland
6	Lancaster
7	Aiken
8	Anderson
9	Lexington
10	Kershaw

Average yearly capital investment per person

Rank	County
1	Calhoun
2	Allendale
3	Union
4	Marlboro
5	Chester
6	Clarendon
7	Georgetown
8	Aiken
9	Dorchester
10	Lancaster

Total capital investment

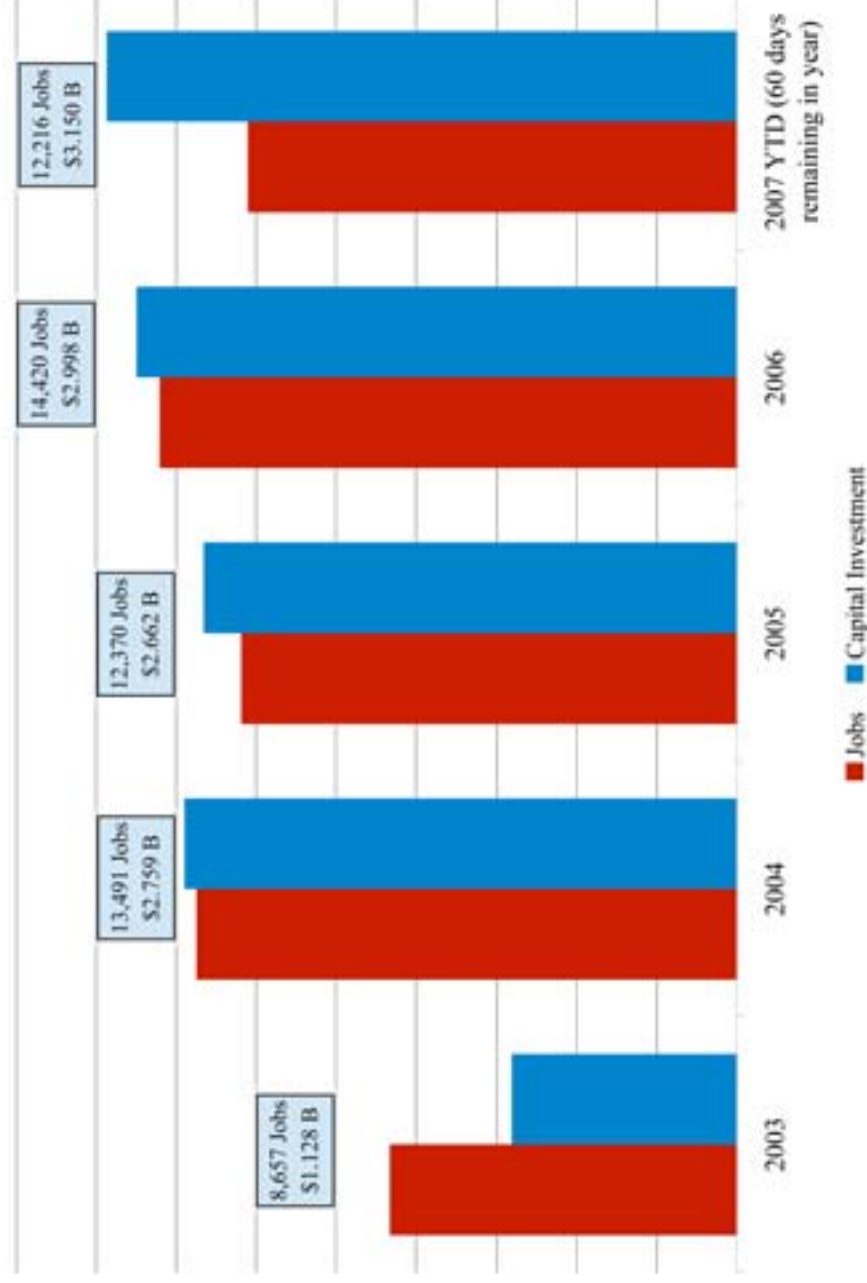
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3	Aiken
4	Anderson
5	Richland
6	Berkeley
7	Spartanburg
8	Dorchester
9	Calhoun
10	Georgetown

Top 10 South Carolina Counties 2004 - 10/31/07 Total Projects

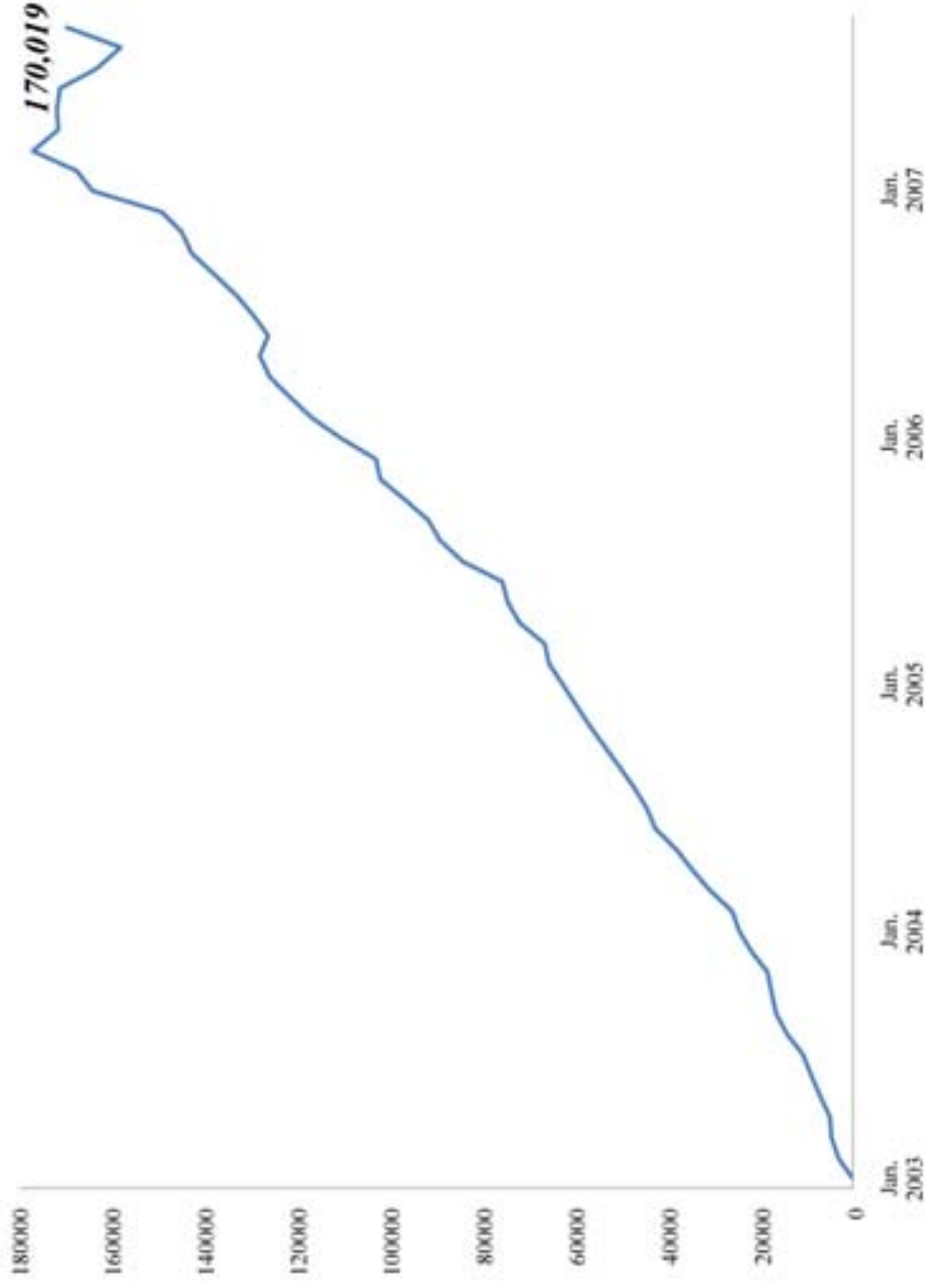
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1.	Greenville
2.	Spartanburg
3.	Charleston
4.	Anderson
5.	Richland
6.	Aiken
7.	Lancaster
8.	Lexington
	York
10.	Cherokee
	Dorchester
	Florence
	Orangeburg

South Carolina Department of Commerce

Job Creation and Capital Investment, 2003 - 10/31/07



Total Job Growth in South Carolina since Jan. 2003



Source: U.S. Department of Labor, Bureau of Labor
Statistics, seasonally adjusted figures