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## I.E. competitor seen

### Study: Indian reservations to vie for small manufacturers

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The Inland Empire's relatively cheap land has been its selling point for decades, drawing companies looking to save cash on their monthly rents and mortgages.

But John Boyd says new regional competitors are shaping up in unexpected places - American Indian reservations.

Boyd, owner of The Boyd Company Inc. - a Princeton, N.J.-based corporate site consultant firm - presented a company research report with former and prospective clients Tuesday at the Marriott hotel in Ontario.

The Ontario-San Bernardino-Riverside economy will eventually start competing with American Indian reservations in California, Nevada, Arizona and elsewhere to attract small manufacturing

companies, the report states.

Because of American Indian water rights, a higher supply of water in those areas - compounded by Southern California's drought issues - will make doing business in those regions cheaper, especially for the food and beverage processing industries, it says.

"When we sit down with manufacturers, they have to look and predict things that'll happen 10 years from now," Boyd said in an interview after the event.

"(California's) water crisis is real ... and when this credit crisis shakes out, we're going to see companies restructure their distribution networks."

Still, our two-county area ranks as the second-cheapest area in the state for small manufacturing operations to do business in - costing one light manufacturing plant about \$37.2 million annually, the study says.

The Sacramento-Davis area is the state's least expensive environment. The report examined 75 regions throughout the United States, Canada and Mexico. That area costs \$36.3 million for one such plant in that area.

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Bud Weisbart, vice president of Fontana-based A & R Tarpaulins Inc., said he knows of some local manufacturing businesses that might relocate based on financial incentives.

But he doesn't foresee his aerospace-commercial-industrial fabric manufacturing operation moving to an area located on an American Indian reservation.

"We've learned for many years that financial advantages are an important element but only one element it takes to run your business," Weisbart said.

"There's the development and loyalty of customers, the development and loyalty of markets, and the development and loyalty of employees. There are so many other elements that need to be looked at."

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