

Advantage New Brunswick

Published Wednesday July 15th, 2009

Province's expertise in telecommunications and information technology sector are attractive drawing cards, as is the low cost of doing business in New Brunswick, U.S. consultant says

B1 Dave MacLean
Telegraph-Journal

TELEGRAPH-JOURNAL

A leading American corporate consultant says New Brunswick should be promoting its competitive advantages in an effort to grab a significant share of the emerging e-health sector.

ENLARGE PHOTO



photo by Richard Arless Jr

'Right now, the white-hot issue in corporate boardrooms is the cost of doing business,' says John Boyd, president of Princeton, N.J.-based The Boyd Company Inc. 'Companies are focusing heavily on the bottom line. This is a competitive advantage that New Brunswick has in the North American context.'

John Boyd, president of Princeton, N.J.-based The Boyd Company Inc., says the province's expertise in telecommunications and the information technology sector are attractive drawing cards, as is the low cost of doing business in New Brunswick.

"In today's environment, comparative costs are very important," said Boyd, who did some consulting work for the provincial government when the call-centre industry was developing during the administration of former premier Frank McKenna.

"Companies are taking a world view of their competition. New Brunswick is a low-cost provider in North America and there's nothing wrong with that. That is a fundamental corporate driver, especially because of the recession and competitive pressures.

"Many of the telecommunications and IT skills that were developed in the call-centre industry have evolved to a point where they are attractive to other industries, such as data centres. There's a booming industry here in the

United States that would be well suited for New Brunswick - not only the major cities, but some of the smaller markets as well - and that would be the health-care industry."

Boyd said U.S. President Barack Obama wants to spend billions in health care and there's an opportunity for New Brunswick to crack into that market.

"President Obama is pumping \$20 billion into health-care reform, including the digitizing of medical records," he said. "That's a sector that we're involved with now - it's a growth avenue for our firm. It's a whole new industry and it looks for locations with IT skills. It looks for locations with IT infrastructure that Aliant provides.

"The federal government in the U.S. is becoming a catalyst for the growth of this industry. It involves the digitizing, the storing and the transmission of medical records and there's an emphasis on security. You look for low-profile locations and secure locations. That's a profile that New Brunswick fits."

Boyd, a site selection consultant, has more than 30 years of experience with public- and private-sector clients from several North American jurisdictions. The company has a client list that includes well-known names such as Time Inc.; Pratt & Whitney; PepsiCo; Hewlett-Packard; Philips; JP Morgan Chase; Royal Caribbean Cruises, Ltd.; the Globe and Mail and Rogers Communications.

Boyd said New Brunswick should be trumpeting its advantages, such as affordable labour costs and a favourable exchange rate versus the U.S. dollar.

"Right now, the white-hot issue in corporate boardrooms is the cost of doing business," he said.

"Companies are focusing heavily on the bottom line. This is a competitive advantage that New Brunswick has in the North American context. The cost of doing business in New Brunswick is very attractive, vis-a-vis the United States and vis-a-vis other Canadian provinces.

"We know that exchange rates will fluctuate, but eighty-six cents on the dollar is a significant advantage for most projects. That's a 14 per cent savings above and beyond the cost savings that our clients receive in the area of fringe benefits."

Boyd said Canada's health-care system also provides New Brunswick with an advantage over U.S. jurisdictions.

"In Connecticut, Pratt & Whitney is paying about 38 per cent of its payroll for fringe benefits, mostly health care," he said. "The same plant in New Brunswick would pay about 17 per cent of payroll."

Boyd said New Brunswick's energy hub development could also benefit from the U.S. government's focus on alternative energy sources.

"The Obama administration is also focusing on energy and on becoming less dependent on offshore supplies," he said. "That's another trend that New Brunswick can work with. You have nuclear energy that's relatively unique and you're developing other sources of energy," such as wind and tidal power.

"At minimum, it sends out a clear message that New Brunswick is focusing on energy and creates an awareness here in the U.S. that the province is working with trends."

Sixth in a series of interviews with prominent thinkers and leaders in economic development by David MacLean, a business reporter for the Telegraph-Journal. He can be reached at macleandavid@telegraphjournal.com.

Please **Log In** or **Register FREE**

You are currently not logged into this site. Please [log in](#) or [register](#) for a **FREE ONE Account**.



Logged in visitors may comment on articles, enter contests, manage home delivery holds and much more online. Your **ONE Account** grants you access to features and content across the entire CanadaEast Network of sites.

Comments (1)

All comments are subject to the site [Terms of Use](#). For a full commenting tutorial [click here](#).

Our editorial team relies on filtering technology and our visitor community to identify inappropriate comments. In the event that a site user has submitted offensive content that has evaded our filter, please select the option to **Flag As Inappropriate** presented within the comment. Thank you for helping to keep this site clean.

Nice to see the recognition of the Contact Center industry as part of the roots of our current IT sector

2  THUMBS UP 0  THUMBS DOWN

 FLAG AS INAPPROPRIATE

David Burke, Fredericton on 15/07/09 11:24:09 AM ADT

ALL COMMENTS ARE SUBJECT TO THESE [TERMS OF USE](#)