



## **Report: CT a costly place for advanced manufacturers**

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Connecticut is one of the most expensive states in the U.S. to operate an advanced manufacturing plant, according to a new analysis from online comparative business relocation costs specialist BizCosts.com.

The report from BizCosts.com, which draws from data provided by New Jersey location consultancy The Boyd Company Inc., analyzes all major geographically-variable operating costs critical to the corporate site selection decision, including labor, taxes, construction, real estate, shipping, utilities and other factors.

The analysis compares states based on the operating costs for a 225,000-square-foot plant that employs 500 workers, but does not include startup or relocation costs. A company that size in Connecticut has average annual operating costs of \$38.6 million, second highest in the country behind New Jersey, the report said. The lowest-cost state is South Carolina, at \$30.1 million.

Of the annual costs analyzed, a plant in Connecticut would cost \$24.8 million in base payroll to run, with another \$9 million for fringe benefits. Other high expenses are amortization costs, at \$2.2 million. The rest of the expenses are in energy use, sales and property taxes.

"With the current focus on re-shoring, comparative costs are the white-hot issue in corporate boardrooms," said John Boyd, Jr., principal at The Boyd Co. "Today, costs are ruling the site selection process. For many corporations, improving the bottom line on the cost side of the ledger is far easier than on the revenue side in this weak, uncertain and globally-linked economy."

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