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Relocation experts: N.J. business climate becoming more competitive

By [Melinda Caliendo](#)

While New Jersey has consistently been at the bottom of lists ranking business-friendly states, relocation experts say corporations have been taking notice of the improvements made under Gov. **Chris Christie's** administration.

"The state is certainly moving in the right direction," said **John Boyd Jr.**, principal with Princeton relocation consultants **The Boyd Co. Inc.** "Companies are giving New Jersey another look, there's no question about that."

Boyd said many of the larger corporations moving to New Jersey would have picked Texas or Florida over the Garden State as recently as three years ago if it wasn't for the state "getting its fiscal house in order."

Andy Shapiro, managing director at **Biggins, Lacy, Shapiro & Co.**, also in Princeton, said the governor using his national recognition to champion business has enhanced the work done under Lt. Gov. **Kim Guadagno** to reorganize the state's economic development efforts into more business-friendly agencies.

"The state has traditionally not been a game player," Shapiro said, speaking of the national market. "The Christie administration has done a couple of things that are really substantive."

Both Shapiro and Boyd emphasized the difference incentive packages have made in attracting businesses.

Shapiro called the Economic Development Authority "one of the best economic development banks in the country in terms of financing tools and programs." The

incentives help companies clear the risk and financial hurdles of relocation, which Shaprio said can be greatly understated.

Boyd said New Jersey can also use other state's economic development models to help attract new businesses to the state. He pointed to Indiana, which is attracting businesses from neighboring state Illinois through becoming a right-to-work state after the Land of Lincoln increased its income and corporate tax rates.

"Illinois is just hemorrhaging industry and hemorrhaging intellectual talent, and Indiana is the recipient," Boyd said. "Our firm carried out a study for (Indiana Gov. **Mitch Daniels**) and identified cost savings associated with becoming a right-to-work state. That's really all about targeting Illinois industries and leveraging Indiana's geographic proximity." Christie also [targeted Illinois with advertising campaigns](#) in early 2011, when the tax hikes were announced.

In terms of specific industries, online gaming offers promise in South Jersey, as do the aerospace and warehousing industries, Boyd said.

"We see a trend away from Connecticut — particularly Stamford and Fairfield County — and northern New Jersey will be competing for that in the next year or so," Boyd said of the corporate headquarters market.

But Shapiro said the state will still have to negotiate through its current perception as a high-cost, high-regulation place to do business before the relocation floodgates will open.

"There's an argument that you get what you pay for," Shapiro said. New Jersey's marketers have to "translate the cost of doing business here (into) a perception of value."

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