

Oklahoma Money News and Articles

Q&A with John Boyd Jr., Principal, The Boyd Co., during a recent visit to Oklahoma City

Expert talks about corporate relocation needs



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Site selector spends time scoping out locales across Oklahoma

Q: Tell me about the Boyd Company?

A: We were founded in 1975 in Princeton, N.J. We are one of the nation's leading corporate site selection firms. We've done a lot of work in Oklahoma. We routinely look at Oklahoma City. We routinely look at Tulsa, and some other markets here in Oklahoma for our corporate projects. The prevailing trend right now — on the industrial end for aerospace manufacturing, for high-tech manufacturing, for the green industry — is toward small markets. Oklahoma City is competing against small markets. These are markets that our clients are asking us about.

Q: Why this trend to smaller markets?

A: We're in a recession so reducing operating costs is the most critical factor right now. Our clients tell us that the ability to go into a small market provides them greater flexibility, also with being able to influence town fathers, getting more favorable incentives. It's also true that labor markets don't begin and end at municipal lines. If you are in Ardmore you are benefiting from a metroplex presence, Dallas/Fort Worth, Oklahoma City.

Q: Your company ranked Ardmore and Pryor as top small markets. Why?

A: The critical factor today in industrial site selection is energy, energy, energy. Oklahoma is an energy power. Low utility costs. Cheap reliable electricity. That's why Google has invested here in a big way in Pryor. Very recently in Oklahoma the state Legislature passed a bill setting a goal to have 15 percent renewable energy by 2015. Oklahoma is joining states ahead of the curve, recognizing the goal toward green energy but they are smart because they aren't mandating anything. There are no penalties applied so it doesn't hurt the business community. So the state has that going for it. That's very important in this economy because of looming cap and trade legislation.

Q: What about labor costs?

A: Labor costs are very low here, especially against Dallas. Low cost of living, especially against Dallas. Low utility rates, that's crucial. The big negative here, with respect to Texas, is the corporate income tax here. Washington has no corporate income tax. That's crucial now. That's a way for companies to justify higher labor costs and be part of this green movement. I can tell you now the focus is on the Pacific Northwest. These are the markets with which you are competing against. Quincy, Wash., has hydroelectric power, 2 cents per industrial kilowatt. That's half what you'd pay here.

SUSAN SIMPSON, BUSINESS WRITER



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