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Ohio makes pitch to the coasts: Zero business taxes, low cost of living, great workers

Mark Williams - The Columbus Dispatch – March 25, 2021



Hey, come to Ohio, where there is no corporate income tax and the cost of living is so low that someone actually can save for a rainy day.

So goes the pitch from JobsOhio, the state's economic development group that believes the billboards it has posted in cities primarily along the East and West coasts coupled with a digital ad and social media campaign will woo business leaders — and the jobs that go with them — to the Buckeye State.

The pandemic has created what JobsOhio and state economic development officials believe is an opportunity to lure businesses to Ohio from high-tax, high-cost states, especially now that companies have learned how well work can be done from home.

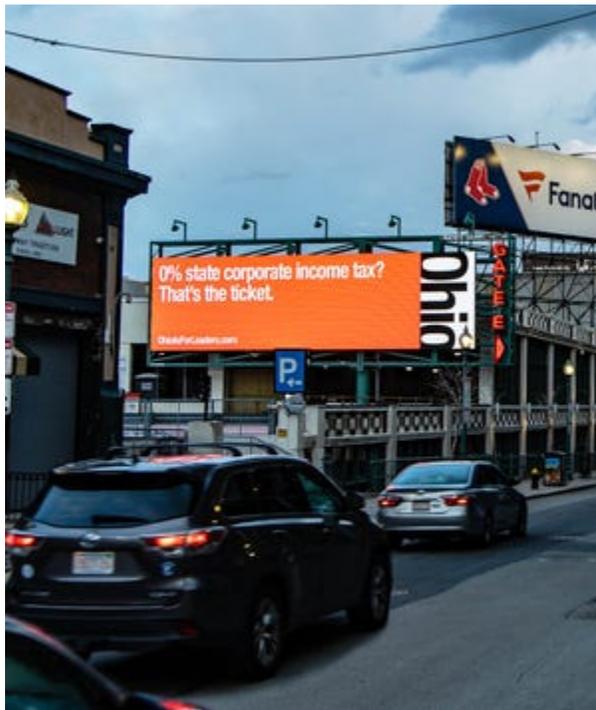
"Ohio can capitalize on this migration from the coasts," said JP Nauseef, JobsOhio's president and CEO, said at the group's most recent meeting this month. "Not only people are leaving, but capital and business."

'Ohio is for Leaders' campaign designed to bring in businesses

Sensing the opportunity, JobsOhio has more than doubled its marketing budget this fiscal year to \$25 million to pay for the campaign, dubbed "Ohio is for Leaders." JobsOhio says it can scale back the program if it doesn't pay off.

JobsOhio is funded by profits from the state's liquor industry.

In Seattle, an Ohio billboard says, "Live where you can actually save for a rainy day." In Boston, a billboard near Fenway Park where the Red Sox play, reads, "0% corporate tax rate? That's the ticket."



In Times Square, a billboard teases that people should search for "cost of living in Ohio vs NYC."

The billboards all feature the word Ohio.

"We needed to break down some of our Midwest modesty and we wanted to break through," said Renae Scott, JobsOhio's senior managing director of marketing and communications, who has led the campaign in conjunction with other state officials.

JobsOhio also has put billboards in Chicago, San Francisco, Austin and the Washington, D.C., area.

"We know it's a little edgy," she said. "But everybody is responding that it is fun and they're enjoying seeing the billboards in their

communities."

The current campaign builds on one started before the pandemic called "Find Your Ohio" that focused on trying to lure people from the coasts to Ohio to help fill jobs that were in demand. It includes photos and testimonials of professionals who have relocated to Ohio.

Filling jobs amid the COVID-19 pandemic

The campaign came at a time when the state's unemployment rate was around 4% and companies struggled to fill jobs in areas such as technology, engineering and health care.

The focus is now on business leaders because of what the coronavirus has done to some coastal cities and other high-cost metro areas, where expensive office space now sits empty.

Take San Francisco. The number of people leaving the city the last nine months of 2020 compared with the same period of 2019 increased 649% to 38,800 people, according to the California Policy Lab. Of that number, though, about two-thirds are remaining in the region and about 80% are staying in the state.

Scott said the effort has paid off, leading to more searches at the JobsOhio website, email submissions looking for more information and general searches for information about the state.

Visitors from New York and Illinois have been spending the most time on the site, she said.

"The results, to date, have blown me out of the water," she said.

"It's a necessary campaign. It's a timely campaign," said John Boyd, principal of the Boyd Co., based in Princeton, New Jersey, which provides site-selection services to some of the nation's biggest companies.

Ohio's emphasis on being a low-cost option is a narrative the state can win on in a competitive landscape, he said. But there must be more to the story than just low taxes and incentives, he said.

Other states have done similar billboard campaigns. Boyd noted that Indiana years ago put up billboards along the Illinois line to lure companies from that state.

"The sizzle is important. This new JobsOhio campaign matters. It says Ohio is open for business," Boyd said.

Columbus is competing with cities such as Indianapolis, Louisville, Chicago, Phoenix, Miami and Charlotte for projects, and it needs a way to stand out, he said.

"Our clients are in cost-cutting mode today," he said, especially given that federal corporate tax increases could be on the horizon.

But such campaigns have to be consistent, he said.

"Economic development is cumulative," he said. "It's creating the message, building the brand and being consistent."

"It's a kind of aggressive and in-your-face campaign," said Mike Posey, chairman of the public relations department at Franklin University. "Ohio is a better move here and here's why," he said the campaign promotes.

Posey is not sure of the appeal of the billboards, though.

Driving is down because of the pandemic, and most drivers are unlikely to care about what the corporate tax rate is for Ohio, for example.

"To me, it's a billboard that is confusing," he said.

On social media, the campaign has been panned by some.

"It's like advertising that your state has crumbling roads, leaky pipes and dumbed-down schools," read one tweet. "Now that I know this about Ohio, I'll never consider moving there."

Other states have had campaigns that advertise beaches or their countryside, Posey said.

The JobsOhio campaign should do more than focus on the benefits of Ohio's low business taxes, he said. It also should emphasize the quality of life, schools, safety, parks and the countryside, he said.

"To me, that's the whole package. Just selling one side seems a little short-sighted," Posey said.

On top of what JobsOhio is doing, Gov. Mike DeWine has proposed spending \$50 million in the upcoming state budget targeted at people living on the coasts, especially to get those who are native to Ohio to come back home for good.

"As people are packing up and leaving the coasts looking for more affordable places to live, more affordable places to locate their businesses and live their lives, we want to invite them here," he said then.

But it was DeWine's comment about Ohio being a welcoming place that caught the attention of some.

"We want you to come to Ohio. It's a progressive state. It's a state that has its fiscal house in order," DeWine said.

"Instead of spending \$50m for a PR campaign Republicans could stop passing extremist legislation that keeps women, people of color, the LGBTQ community, and working families from realizing their American dream in Ohio," House Minority Leader Emilia Skyes, D-Akron, tweeted at the time. "It would be a lot cheaper. And much more kind."