

## America's Top States for Business 2010 Iowa: 2009 vs. 2010

<u>Category</u>	<u>Score</u>	<u>2010 Rank</u>	<u>2009 Rank</u>
Cost of Doing Business	361	1	1
Workforce	183	20	21
Quality of Life	201	17	20
Economy	172	10	4
Transportation & Infrastructure	92	32	31
Technology & Innovation	99	29	24
Education	99	16	14
Business Friendliness	131	12	11
Access to Capital	16	36	34
Cost of Living	17	17	15
OVERALL	1371	6	4

*In ranking the states for CNBC's fourth edition of "America's Top States for Business," they were scored on some 40 measures of competitiveness. States received points based on their rankings in each metric. Those metrics were then separated into ten broad categories, weighting the categories based on how frequently they are cited in state economic-development marketing materials. That way, the study ranks the states based on the criteria they use to sell themselves.*

### **Cost of Doing Business (450 Points)**

*Cost is a major consideration when a company chooses a location. We looked at the tax burden, including those on individuals, property, business taxes and even gasoline. Utility costs can add up to a huge expense for business, and they vary widely by state. We also looked at the cost of wages and workers' compensation insurance, as well as rental costs for office and industrial space (rental cost information furnished by The CoStar Group.)*

### **Workforce (350 Points)**

*Many states point with great pride to the quality and availability of workers, as well as government-sponsored programs to train them. We rated states based on the education level of the workforce, as well as the number of available workers. We also considered union membership. While organized labor contends that a union workforce is a quality workforce, that argument, more often than not, doesn't resonate with business. We also looked at the relative success of each state's worker training programs in placing participants in jobs.*

### **Quality of Life (350 Points)**

*The best places to do business are also the best places to live. We scored the states on several factors, including local attractions, crime rate, health care, air and water quality, as well as overall perceived livability.*

### **Economy (314 Points)**

*A solid economy is good for business. So is a diverse economy, with access to the biggest players in a variety of industries. We looked at basic indicators of economic health and growth. We also gave credit to states based on the number of major corporations located there.*

### **Transportation & Infrastructure (300 Points)**

*Access to transportation in all its modes is key to getting your products to market and your people on the move.*

*We measured the vitality of each state's transportation system by the value of goods shipped by air, land and water. We looked at the availability of air travel in each state, and the quality of the roads.*

**Technology & Innovation (250 Points)**

*Succeeding in the new economy—or any economy—takes innovation. The top states for business prize innovation, nurture new ideas, and have the infrastructure to support them. We evaluated the states on their support for innovation, the number of patents issued to their residents, and the deployment of broadband services. We also considered federal health and science research grants to the states.*

**Education (175 Points)**

*Education and business go hand in hand. Not only do companies want to draw from an educated pool of workers, they want to offer their employees a great place to raise a family. Higher education institutions offer companies a source to recruit new talent, as well as a partner in research and development. We looked at traditional measures of K-12 education including test scores, class size and spending. We also considered the number of higher education institutions in each state.*

**Business Friendliness (175 Points)**

*Regulation and litigation are the bane of business. Sure, some of each is inevitable. But we graded the states on both perceptions as well as hard data about their legal and regulatory frameworks.*

**Access to Capital (50 Points)**

*Companies go where the money is, and venture capital—an increasingly important source of funding—flows to some states more than others.*

**Cost of Living (25 Points)**

*The cost of living helps drive the cost of doing business. From housing to food to energy, wages go further when the cost of living is low.*