



North Dakota

QUICK FACTS

STRATEGIC INCENTIVE ADVANTAGES

Property Tax Exemptions

- Up to 5-year property tax exemption
 - Additional 5 years available for agricultural processors or a project located in property leased from a governmental entity
 - In lieu of a property tax exemption, in full or part, a company may negotiate a fixed or graduated rate for a period not to exceed 20 years
 - No personal property, including equipment, materials in process, and accts receivable

Corporate Tax Exemptions

- Five-year corporate income tax exemption for new or expanding technology based business
 - Wage, salary and research credits available

Sales Tax Exemptions

- Sales and use tax exemptions on manufacturing/computer/telecommunication equipment, water, electricity, and interstate communications for technology-based business

Financial Incentives

- North Dakota Development Fund – gap financing loan and equity program
- PACE program – interest buy down program at Bank of North Dakota
- Match Program – some of the lowest interest rates in the nation for “A” rated companies

Job Training Programs

- One-stop job training assistance – both state and federal programs available for businesses
- Workforce 2020 – state-funded program for training new technologies and processes
- New Jobs Training Program – “no cost” program utilizing employee withholding tax

Workers Compensation

- Lowest workers compensation premium rates in the nation

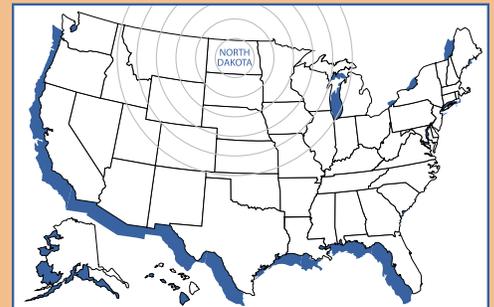
INFRASTRUCTURE ADVANTAGES

Transportation

- Two major Interstates: I-94 East/West, I-29 North/South
- Foreign trade zone
- Two Canada-Mexico Trade Corridors
 - Fourth largest port of entry for Canadian goods by truck and rail
 - 24-hour ports of entry along the North Dakota-Canadian Border
 - Extensive Cargo Rail by Burlington Northern Santa Fe and Canadian Pacific
 - BNSF – main line route including Seattle to Chicago
 - CP – main line route including Vancouver to Chicago
 - Four International airports – Bismarck, Fargo, Grand Forks and Minot
 - Four additional commercial airports – Devils Lake, Dickinson, Jamestown and Williston

Voice/Data

- 100% fiber optic broadband communication network links all regions of the state
- Minimal investment needed to reach major fiber trunk
- Two OC-48 SONET Rings provide strong redundancy
- Connectivity ranging from T-1 to OC-12, ISDN, ATM, xDSL, frame relay, SONET, satellite, cable and wireless service
- Ideal physical environment with minimal risk of natural disasters



DEMOGRAPHICS

Population

North Dakota (2000 census) 642,200

MSAs

Fargo - Moorhead 174,367
 Grand Forks - East Grand Forks 97,478
 Bismarck - Mandan 94,719

Employment Profile (2006 Annual Avg.)

Mining & Natural Resources 4,669
 Utilities 3,222
 Construction 18,265
 Manufacturing 26,009
 Wholesale Trade 19,507
 Retail Trade 43,223
 Transportation & Warehousing 8,931
 Information 7,489
 Finance & Insurance 15,358
 Real Estate, Rental & Leasing 3,349
 Professional, Scientific & Technical Services 11,810
 Management of Companies & Enterprises 3,762
 Administrative & Waste Services 12,750
 Educational Services (private) 1,558
 Health Care & Social Assistance 46,520
 Leisure & Hospitality 39,257
 Other Services 11,154
 Public Services 64,115

Total Nonfarm Employment 332,812

North Dakota

Quality of life, combined with a
great place to work, play and do business.



COMPETITIVE BUSINESS COST ADVANTAGES

Power

- Power offered at industrial rates well below national average – avg. 4.26 cents/kh
- State exports nearly 70% of electricity produced
- Supporting “green” business trend by developing renewable energy sources

Real Estate/Facilities

– weighted averages for Fargo, ND, according to NAI Global

- Rent/lease
 - \$13.00-\$22.00/sf to rent quality office space
 - \$4.00-\$6.00/sf to rent industrial space
- Development Construction Costs
 - \$11.00-\$16.00/sf to build in commercial building district

Public Policy

- Person-to-person access to public officials
- Constitutionally balanced budget – no deficit - \$650 million surplus
- Only state-owned bank in the nation offers business expansion funds

Taxes

- Ten-year tax analysis completed by third-party accounting firm comparing property, corporate, and sales taxes along with workers compensation and unemployment insurance cost across 11 states and communities
 - ND #1 in lowest taxes for manufacturing facility
 - ND #1 in lowest taxes for food processing facility
- #3 in nation for lowest cost of doing business (2007 Milken Institute)
- State Legislature lowered top corporate income tax rate from 10.5% to 6.5%

EDUCATION, WORKFORCE & QUALITY OF LIFE ADVANTAGES

Primary/Secondary

- 12.9 to 1 student to teacher ratio - 2006
- #4 overall in achievement indicators for K-12
- #2 for highest public high school graduation rate - 2007
- #3 in SAT Test Scores - 2005

Post Secondary

- #3 in college continuation rate for high school graduates – 2006
- #3 in college participation rates for 19 year olds – 2007
- Nineteen college and university campuses, including 2 major research universities

Workforce Proficiency

- Right-to-work state – Union membership less than 10%
- Unisys Shared Service Center – Bismarck (325 employees – accounts payable)
 - Annual Turnover Rate – 11% compared to industry standard of 35-40%
 - Absenteeism Rate – 1%
 - Worldwide accounts payable and payroll
 - 10 Languages spoken: Nordic Languages, French, Dutch, German, Spanish, Portuguese, Italian, Vietnamese and Korean

Quality of Life

- #1 safest state in the nation for 10 out of last 11 years (Morgan Quinto Press)
- Clean air, abundant recreational opportunities, quality education & family-friendly

SUCCESS STORIES

Microsoft Business Solutions

www.microsoft.com/BusinessSolutions

- 1,333+ employees and division HQ in Fargo
- North Dakota-grown Great Plains Software acquired for \$1.1 billion in April 2001

Bobcat

www.bobcat.com

- 2,685+ employees and World HQ in West Fargo, facilities in Gwinner and Bismarck
- Over 40% world market share of skid-steer loaders
- Over 30% U.S. and European market share of compact excavators

ING

www.ing.com

- 750+ employees at Customer Service Operations center in Minot

Alien Technology

www.alientechnology.com

- Leading producer of Radio Frequency Identification (RFID) Producers

Amazon.com

www.amazon.com

- 305+ employees at Internet Distribution Center in Grand Forks



701-328-5300 or 1-866-4DAKOTA • www.ndbusiness.com

WE'RE READY FOR YOU.