



★★ AMERICA'S TOP STATES FOR BUSINESS 2013 ★★

Set it in stone! South Dakota is #1

Compiled by Benjamin Snow, President of Rapid City Economic Development Partnership

CNBC recently completed their annual study on America's Top States for Business and we are delighted that South Dakota has finished at the top of the list!

All 50 states were scored on more than 50 metrics in 10 categories of competitiveness developed with input from business groups including the National Association of Manufacturers and the Council on Competitiveness. States received points based on their rankings in each metric, weighting the categories based on how frequently they are cited in state economic development marketing materials. That way, the study holds the states to their own standards.

This year's categories and point values were:

- Cost of Doing Business (450 points)
- Economy (375 points)
- Infrastructure (350 points)
- Workforce (300 points)
- Quality of Life (300 points)
- Technology & Innovation (300 points)
- Business Friendliness (200 points)
- Education (150 points)
- Cost of Living (50 points)
- Access to Capital (25 points)

This year's finish is the best yet for our state, which has been a consistent top 10 performer in years past. Even more impressive was South Dakota's point total this year—1,639 out of a possible 2,500. This is the highest total logged by any state since the survey began in 2007.

In many ways, the competitive landscape—and this study—shifted in South Dakota's direction this year. A wave of tax cutting following the 2010 national election cycle led to a wave of states touting their low costs of doing business. Business leaders and groups consulted for the study also consistently ranked cost at the top of their criteria. As a result, Cost of Doing Business carries more weight than ever in the study. South Dakota not only offers one of the lowest tax burdens in the country—no individual or corporate income taxes and low sales and property taxes—but it also has among the nation's lowest utility rates, wages and commercial rent costs.

In Business Friendliness, which measures the state's legal and regulatory climate, South Dakota finished No. 2 this year, to perennial favorite Delaware.

South Dakota's economy, while often overshadowed by our oil-booming neighbor to the north, finished a solid sixth. State finances are strong, the housing market is recovering, and the unemployment rate is among the nation's lowest.

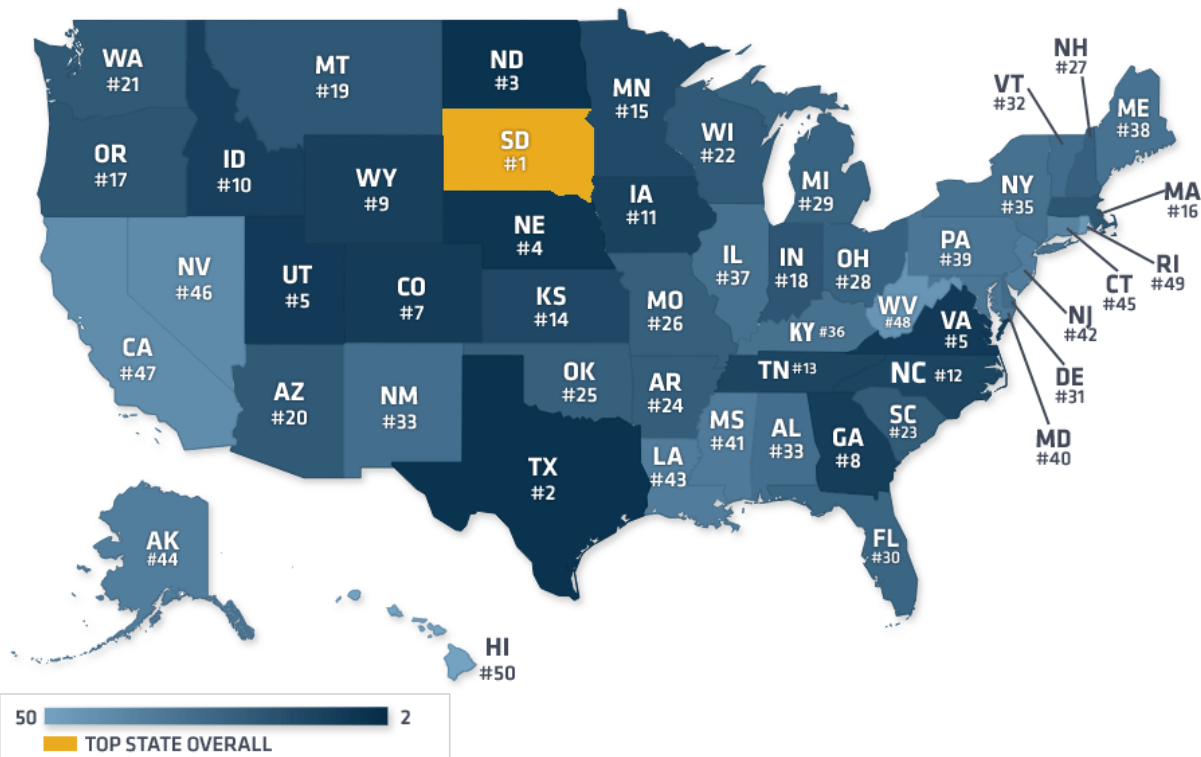
With a pristine environment, relatively low crime, and some of America's most stunning natural beauty, South Dakota finished seventh in Quality of Life.

Notwithstanding the high overall score, the survey did reveal some areas for improvement. Our low unemployment hurts us a little in the Workforce category, where we finished 11th—in part due to the short supply of available workers and the state lags in Education, where we finished 30th. We were also among the least Internet-connected states, and research dollars largely bypass the state. Venture capital funding is also scarce, with a 39th-place finish in Access to Capital and we finished near the bottom, 48th, in the Technology & Innovation.

CNBC's Senior Correspondent Scott Cohn Revealed America's Top Five States for Business Today on CNBC & CNBC.com in July 2013.

For more information and story links, Google 'South Dakota CNBC'.

AMERICA'S TOP STATES FOR BUSINESS 2013: OVERALL RANKING



OVERALL RANKING IS BASED ON METRICS FOR THESE CATEGORIES: COST OF DOING BUSINESS, ECONOMY, INFRASTRUCTURE & TRANSPORTATION, WORKFORCE, QUALITY OF LIFE, TECHNOLOGY & INNOVATION, BUSINESS FRIENDLINESS, EDUCATION, COST OF LIVING AND ACCESS TO CAPITAL.



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