



THE FRONTIER OF INNOVATION

COST OF DOING BUSINESS in MINNESOTA

The Biobusiness Park at Elk Run is on the vanguard of the industry with unsurpassed access to Mayo Clinic and IBM, in one of the most affordable biobusiness regions in the U.S. From cost of living to taxes, operating costs to workers compensation claims, Minnesota is tops in affordability. Couple this with some of the nation's premier science and technology resources and a stellar workforce, and you have the country's foremost new biobusiness frontier.

BUSINESS-FRIENDLY TAX STRUCTURE

- State law does not allow local governments to tax corporate activity, unlike many states.
- The Tax Foundation's 2007 State Business Climate Index ranked Minnesota 14th lowest nationwide in property tax index.
- *Site Selection* magazine ranked the state 14th for new corporate facilities expansions.
- Minnesota ranked ninth lowest in a 2004 Federal Reserve Bank of Boston study on the ratio of taxes to total business profits.
- Tax on commercial and industrial property has fallen 46 percent over the past decade.
- A testament to Minnesota's business friendly environment, the state boasts 19 Fortune 500 companies, the second highest nationwide per capita.
- Minnesota's R&D tax credit allows any excess credit to be carried forward up to 15 years.
- Minnesota's sales tax law exempts capital equipment used in the manufacturing process.

FOR COMPARISON

Average Annual Pay in Hot Biotech Destinations

San Francisco	\$50,169.00
Boston	\$40,903.00
Rochester (Elk Run)	\$35,025.00

(Source: CityRating.com)

COMPETITIVE OPERATING COSTS

- In 2006 Beacon Hill Institute at Suffolk University study ranked Minnesota the ninth most competitive, based on infrastructure, technology, business incubation and other factors.
- Energy costs rank below the national average (Energy Information Administration).
- Minnesota's median hourly salary in life science occupations (\$26.66) is lower than those of other high-tech states such as California (\$29.35), Massachusetts (\$29.64) and New Jersey (\$28.57).

STRONG LOCAL WORKFORCE

- Minnesota In 2009, Minnesota ranked first for people 25 years and older with a high school diploma.
- Quality Counts 2007 ranked the state third in lifelong education.
- Minnesota ranks fourth highest in the nation for the percentage of graduate level science and engineering students and 16th in doctoral scientists.
- Milken Institute ranks Minnesota 12th in its Technology and Science Work Force Composite Index which measures 18 factors including the percentage of biomedical engineers; Minnesota ranks third in this category.

HEALTHY LIFESTYLE, AFFORDABLE HEALTH CARE

- Minnesota is the healthiest state in the country, according to 2008 CQ Press rankings.
- Average worker's compensation cost per \$100 in the manufacturing industry (\$3.81) is lower than the national average (\$3.90).

A competitive insurance market and self-insurance options made it one of only 10 states to receive five stars in *Expansion Management's* 2006 "Healthcare Cost Quotient."

REASONABLE COST OF LIVING

- The Rochester area's cost of living is far below competing biobusiness destinations, making for lower salary requirements. San Francisco's cost of living is 63.7 percent higher, and Boston and San Diego exceed Rochester by
- more than 40 percent.