

Virginia Rated Top State for Business

Forbes.com and CNBC Release State-by-State Business Rankings

Virginia has done it again. For the second year in a row, the Commonwealth led the nation in Forbes.com's "Best State for Business" ranking. And that's not all. In the same week, CNBC, the leading financial news cable channel that reaches influential business and financial leaders around the world, designated Virginia its "Top State for Business."

"It is gratifying to see our state applauded by internationally respected financial media organizations such as CNBC and Forbes.com," said Virginia Governor Timothy M. Kaine. "These rankings are significant. As a result of responsible management and bipartisan leadership, the Commonwealth's positive business climate and quality workforce has again been validated and showcased before a global audience."



CNBC evaluated each state on 40 different measures of competitiveness in 10 broad categories: cost of doing business; workforce; economy; education; quality of life; technology and innovation; transportation; cost of living; business friendliness; and access to capital.



Virginia dominated the rankings, coming in at #1 according to CNBC and Forbes.com.

- Overall business costs in Virginia are 9% lower than the national average according, to Forbes.com.
- CNBC reports that Virginia's legal and regulatory framework are one of the most "business-friendly" in the nation.
- Virginia's tax and energy costs are the seventh and ninth lowest in the nation, as reported by Forbes.com.
- Forbes.com reports that Worker Compensation costs are 47% below the national average.

"Virginia didn't just stand out in one or two areas—it was solid across the board," said CNBC Senior Correspondent Scott Cohn during the live announcement at Northrop Grumman shipyard in Newport News, Virginia.

"More than any state, Virginia offers a more complete package for business. It finished in the top 15 in all but two of our categories," said Cohn. "According to our study, there are very few weak spots for business in Virginia."



Forbes.com, the official Internet site of the Forbes family of business publications, ranked Virginia the Best State for Business for a second straight year. The review examines multiple objective measurements, including business costs, regulatory climate, quality of the workforce, and economic growth. Virginia finished in the top 10 in four of the six main categories, including regulatory environment (1st), quality of its workforce (5th), overall quality of life (6th), and prospects for growth (8th).



Rank / State	Cost to do Bus.	Workforce	Economy	Education	Quality of Life	Technology and Innov.	Transp.	Cost of Living	Business Friendliness	Access to Capital
1. Virginia	12	8	3	11	11	14	22	35	4	12
2. Texas	27	7	1	31	26	5	5	4	24	3
3. Utah	8	5	6	45	2	22	30	24	9	14
4. Georgia	21	2	17	28	36	17	3	9	19	11
5. North Carolina	22	1	22	30	28	18	21	15	10	9
6. Idaho	1	9	5	46	28	27	26	30	35	37
7. Colorado	26	17	11	34	13	12	41	40	12	7
8. Minnesota	31	22	34	10	7	13	11	23	15	13
9. Florida	43	11	4	37	25	8	1	32	16	15
10. Arizona	23	5	10	43	37	20	6	34	6	20
11. Iowa	5	15	35	14	22	33	33	12	10	41
12. Massachusetts	40	26	41	1	3	4	38	43	13	2
13. North Dakota	1	22	12	24	23	47	27	22	21	48
14. Wyoming	11	13	16	15	20	49	24	25	23	44
15. New Jersey	45	40	22	5	1	2	30	48	27	5
16. Kansas	24	14	28	13	31	32	13	7	13	30
17. Tennessee	14	12	31	39	45	25	4	5	2	23
18. South Dakota	3	24	24	18	18	50	47	1	6	48
19. Pennsylvania	42	39	18	8	15	10	20	29	30	10
20. Nebraska	25	18	25	20	16	35	24	15	4	40
21. New York	50	50	2	1	7	3	8	37	39	4
22. Washington	36	37	30	16	10	7	13	36	35	6
23. Oregon	18	19	31	27	27	19	43	38	31	19
24. New Hampshire	35	35	28	6	5	24	40	41	3	24
25. Missouri	6	30	36	18	40	26	27	9	24	21
26. Indiana	12	31	48	23	37	22	9	14	8	26
27. Maryland	29	33	15	26	37	11	23	46	20	8
28. California	48	33	6	31	9	1	19	49	48	1
29. South Carolina	10	3	38	35	50	31	17	19	27	33
30. Ohio	33	48	37	12	19	15	2	17	33	18
31. Connecticut	47	44	20	3	4	15	45	43	16	17
32. Oklahoma	8	9	26	47	42	35	35	3	42	28
33. Wisconsin	30	46	46	9	21	21	11	13	21	27
34. Kentucky	7	25	39	36	41	37	9	19	32	29
35. Montana	19	45	9	17	33	45	33	25	44	47
36. Arkansas	4	4	41	40	49	43	44	2	40	34
37. Alabama	16	31	13	48	43	39	7	8	33	36
38. Vermont	38	29	33	4	11	34	46	41	35	46
39. Illinois	44	47	27	24	16	6	18	32	38	16
40. Delaware	31	20	14	28	43	28	39	30	1	39
41. Michigan	38	36	46	21	24	8	13	28	24	22
42. Maine	34	37	40	7	14	41	35	38	27	32
43. Nevada	41	21	18	49	30	28	16	11	16	38
44. West Virginia	15	42	44	33	33	48	41	21	50	35
45. New Mexico	20	41	21	43	48	40	27	27	44	31
46. Mississippi	17	16	49	50	47	45	32	6	43	43
47. Louisiana	27	27	45	42	46	38	35	18	41	45
48. Rhode Island	46	28	43	22	31	30	48	45	46	25
49. Hawaii	49	49	8	38	6	44	50	50	46	42
50. Alaska	37	43	50	40	35	42	48	47	48	48

CNBC scored all 50 states – using publicly available data – on 40 different measures of competitiveness. States received points based on their rankings in each metric. Those metrics were put into 10 broad categories, with input from business groups. CNBC weighted the categories based on how frequently each is cited in state economic development marketing materials. In the grid above, states are ranked from 1 to 50 (based on point totals) in all 10 individual categories, as well as the overall one. Based on CNBC scoring systems, ties did occur.

Overall Rank	2006 Rank	State	Business Costs	Labor Rank	Regulatory Environment	Economic Climate	Growth Prospects	Quality of Life
1	1	Virginia	17	5	1	11	8	6
2	4	Utah	12	11	17	9	16	12
3	3	North Carolina	6	22	2	27	5	30
4	2	Texas	21	26	7	10	2	28
5	12	Washington	33	4	5	16	4	32
6	6	Idaho	11	10	30	3	23	27
7	9	Florida	31	15	12	1	3	35
8	5	Colorado	35	2	15	33	1	23
9	13	North Dakota	5	37	16	11	42	14
10	14	Minnesota	32	13	19	23	26	1
11	8	Delaware	7	14	32	39	14	15
12	11	Maryland	41	3	24	8	15	21
13	20	Tennessee	3	39	13	15	21	37
14	18	New Hampshire	39	1	42	14	13	5
15	10	Georgia	23	25	4	34	17	29
16	22	Missouri	14	20	8	44	37	17
17	7	Nebraska	15	36	11	30	38	13
18	15	Arizona	30	6	37	6	11	40
19	16	New Jersey	46	9	33	25	7	3
20	21	Kansas	29	18	8	49	22	18
21	24	Arkansas	9	40	22	17	9	45
22	26	Nevada	19	24	31	6	10	48
23	27	South Carolina	20	28	6	36	17	43
24	25	Iowa	8	43	26	22	44	11
25	17	South Dakota	1	31	45	17	35	24
26	29	New Mexico	10	34	43	5	6	50
27	32	Indiana	4	46	18	40	39	20
28	31	Oregon	26	7	34	32	19	38
29	23	Wyoming	2	35	48	4	36	39
30	19	Oklahoma	18	47	14	20	30	36
31	28	Connecticut	44	8	40	37	24	4
32	30	Vermont	45	12	35	26	40	10
33	35	New York	48	33	20	21	26	19
34	36	California	50	17	39	17	12	26
35	40	Alabama	27	45	23	23	20	41
36	37	Massachusetts	49	19	29	47	29	2
37	42	Hawaii	47	16	38	2	40	33
38	34	Ohio	36	42	8	45	49	9
39	41	Pennsylvania	38	31	27	35	46	7
40	44	Illinois	37	30	20	46	31	22
41	33	Kentucky	16	41	28	48	25	34
42	38	Montana	24	21	47	13	48	42
43	48	Mississippi	13	48	25	40	34	47
44	39	Wisconsin	34	38	44	38	33	8
45	43	Rhode Island	42	23	49	28	28	25
46	45	Michigan	40	44	3	50	47	31
47	47	Alaska	28	29	36	42	32	44
48	46	Maine	43	27	46	30	42	16
49	50	Louisiana	22	50	41	43	45	49
50	49	West Virginia	25	49	50	29	50	46

Business Costs: index based on cost of labor, energy and taxes. **Labor:** measures educational attainment, net migration and projected population growth. **Regulatory Environment:** measures regulatory and tort climate, incentives, transportation and bond ratings. **Economic Climate:** reflects job, income and gross state product growth as well as unemployment and presence of big companies. **Growth Prospects:** reflects projected job, income and gross state product growth as well as business openings/closings and venture capital investments. **Quality of Life:** index of schools, health, crime, cost of living and poverty rates. Sources: Moody's Economy.com; Pollina Corporate Real Estate; Pacific Research Institute; Tax Foundation; CFED, Sperling's Best Places.

While the methodologies used in these comprehensive and impartial studies may have varied, the conclusion was the same – Virginia is the Top State for Business. This is a major distinction for Virginia. It also represents a huge opportunity for decision-makers looking for a prime location where their business will flourish.

We welcome the opportunity to discuss business growth in the Commonwealth of Virginia.

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