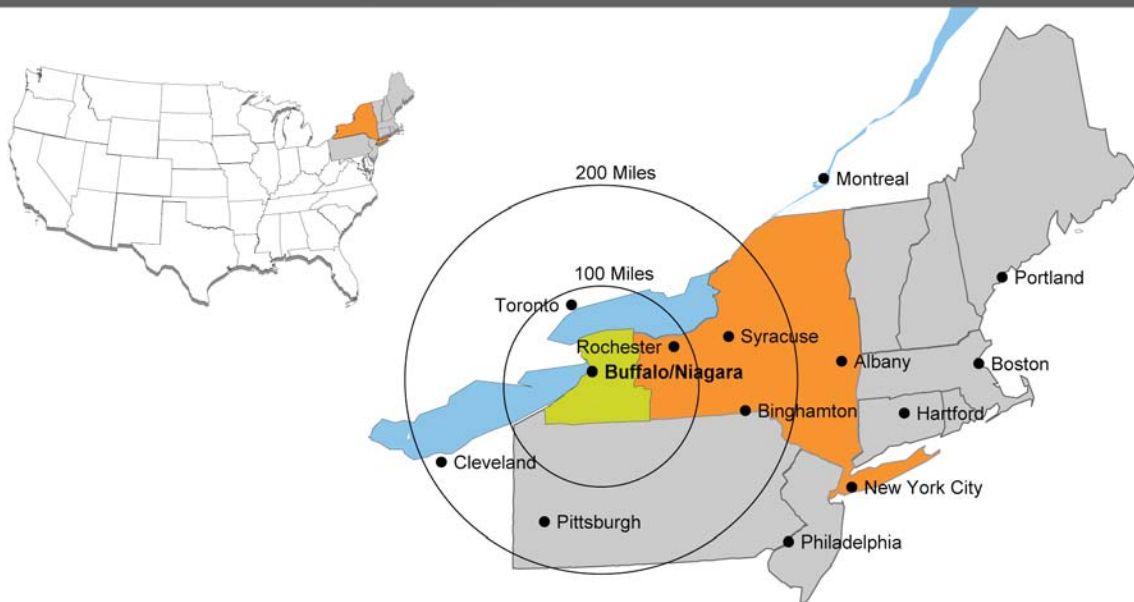




Buffalo Niagara Region Shared Services Opportunities

Western New York State has over 50 companies with over 16,000 employees in customer contact centers and back office operations. Based on the success of our employers and their continual expansion in the area, we have the right resources and business environment to make your operation a success. In addition to our well-developed telecom and transportation networks, diversity of colleges and universities producing 20,000+ graduates annually is our people. Their reputation for high work ethic, company loyalty and customer service focus, places us high on many location search lists.

Strategic Positioning of the Western New York Area



Air fare and Airport Accessibility

- Buffalo Niagara International Airport ranks among the five cheapest airports from which to fly in the country, according to the U.S. Bureau of Transportation Statistics.
- The average cost of a round-trip ticket in the Buffalo Niagara is \$295.58 for the fourth quarter of last year. The U.S. average is \$378.00.

Back Office and Customer Contact Center Segments in Western New York State

Operation	Number of Operations	Number of Employees
Collection Agencies	11	3,250
Customer Contact Centers	26	1,530
Financial, Back Office and Shared Service Centers	8	5,670



Workforce and Population

Employers from throughout the area consistently give positive feedback on the available supply of qualified labor, even when the economy is tight, due to the large number of two and four-year colleges in the area and the restructuring of manufacturing employers in the area. They have also found that the local high school graduates have excellent customer service and computer skills and are often hired after two or three years in some retail or other customer oriented job. The favorable work environment, good benefits and reasonable wages (in-line with local cost of living) provided by the employers has made recruiting relatively easy.

- **Entry Level Workforce:** 30 colleges and universities, with a total enrollment of 100,000 students and 20,000 graduates students yearly, providing an abundance of educated and talented workers.
- **Low Turnover:** Buffalo Niagara boasts turnover rates that are half the national average in such industries as call centers - rates ranged from less than 10% to around 25% (depending on job situation) with the majority of attrition due to spouse relocation, life stage issues and promotion. In addition, the region is known for a workforce that boasts incredibly low absenteeism rates. There is a relatively low incidence of job-hopping except at the lowest pay levels (<\$10/hour). Employers described work force as having a high loyalty and work ethic. In general, the local rates were significantly lower than employers experience in other regions of the country.
- **Reasonable Wages:** Existing professional support services have competitive but reasonable wages. The average customer service job pays \$10-\$12/per hour based on the survey and the published average for the area is \$10.08 - \$10.92/hour. A significant attraction to the customer service jobs is the benefits package offered and should be considered in estimating the overall compensation required to compete in the area.
- **International Familiarity:** Due to its close location to Canada, the workforce here is culturally sensitive and often multilingual.
- **Strong Training Support:** A variety of training programs exist to support specific industries.
 - Advanced Training Center offers classroom facilities for computer service firms
 - Customer Outsourcing Performance Center (COPC) offers COPC-2000 certification standard for fulfillment and technical support call service centers
 - Niagara Community College offers a Call Center management program and Call Center Service Representative program

Statistics

Total Population: 1,142,277

Population 18+ (Workforce): 852,831

% Population with High School Diploma: 32.5

% Population with Some 2-yr College: 14.5

% Population with 4-yr College: 14.3

Continued on next page



Workforce and Population continued

- **Average Commute Time:** 20 minutes is the average commute time for the greater Buffalo area. Individuals will commute further, particularly in the more rural areas. The accessible interstate and improved secondary road system allows for relatively smooth and short commute times in contrast to other metro areas of its size of over 1 million people.
- **Education:** The region is supported by a both private and state colleges and universities that produce a substantial number of annual graduates as summarized below:

Total number of College Students: >110,000

- Business (Associates) annual graduates: 695
- Business (Bachelors) annual graduates: 2,014
- Business (Masters) annual graduates: 673
- Computer/IT (Associates) annual graduates: 133
- Computer/IT (Bachelors/Masters) annual graduates: 361

Total Enrollment - Less Than 4 Year Institutions	31,678
Total Enrollment - Four + Year Institutions	79,863
Total Enrollment – All colleges and universities	111,541

Summary of Area Workforce

	Labor Cost Index	Human Resources Manager	Accountants	Financial Analyst	Accounting Clerk	Customer Service Rep.	Systems Analyst	Computer Programmer
U.S. Average	100	\$94,910	\$60,670	\$77,280	\$31,780	\$30,400	\$72,230	\$69,500
Boston	146.4	\$110,480	\$63,000	\$84,360	\$37,220	\$38,340	\$79,690	\$76,570
Buffalo	100.6	\$92,340	\$59,850	\$58,320	\$29,660	\$28,230	\$65,570	\$57,660
Charlotte	114.1	\$88,860	\$58,800	\$68,890	\$31,810	\$32,760	\$71,330	\$76,910
Dallas	99.2	\$107,860	\$60,980	\$79,180	\$32,090	\$30,570	\$75,070	\$74,820
Des Moines	95.3	\$81,840	\$56,990	\$65,620	\$31,830	\$30,330	\$65,230	\$58,970
Hartford	111.4	\$95,050	\$63,060	\$66,990	\$38,810	\$36,420	\$76,050	\$67,800
Jacksonville	112.1	\$87,250	\$55,490	\$69,470	\$30,710	\$28,910	\$65,880	\$70,850
Milwaukee	104.7	\$95,790	\$61,990	\$65,970	\$32,090	\$32,970	\$65,150	\$66,490
New York City	219.4	\$108,320	\$74,700	\$94,120	\$37,080	\$35,900	\$84,960	\$78,490
Omaha	101.7	\$112,090	\$59,750	\$59,620	\$30,170	\$28,620	\$66,610	\$63,710
Orlando	110.4	\$80,430	\$56,900	\$62,990	\$29,530	\$27,450	\$65,020	\$71,400
Philadelphia	126	\$105,140	\$67,330	\$72,850	\$34,250	\$32,260	\$71,740	\$70,620
San Antonio	94.5	\$91,050	\$54,130	\$50,420	\$28,300	\$24,590	\$64,460	\$54,380
Tampa/St. Petersburg	104.8	\$83,250	\$54,220	\$57,960	\$25,670	\$28,380	\$69,340	\$63,220

Sources: Cost of Labor Index from Economic Research Institute. Based on salary level of \$50,000, U.S. Bureau of Labor Statistics (2005)



Comparison of Average Gross Cost for Class B Office Space

	Quoted Lease Rate	Vacancy Rate
Boston		
CBD	\$31.41	11.10%
Suburban	\$19.31	17.30%
Buffalo		
CBD	\$14-\$17	13.03%
Suburban	\$14-\$17	13.17%
Charlotte		
CBD	\$19.84	7.91%
Suburban	\$16.56	18.50%
Dallas-Fort Worth		
CBD	\$18.33	22.96%
Suburban	\$18.38	18.78%
Jacksonville		
CBD	\$18.96	15.60%
Suburban	\$15.63	13.10%
Northern New Jersey		
Suburban	\$25.64	18%
Orlando		
CBD	\$23.99	8.10%
Suburban	\$20.06	11.40%
Philadelphia		
CBD	\$24.13	1.31%
Suburban	\$24.40	15.52%
Tampa-St. Petersburg		
CBD	\$19.94	16.20%
Suburban	\$23.63	7.70%

Source: CB Richard Ellis



Comparing Buffalo with other Metro Areas

	Total Population	Total Population Age 25+	High School Graduate	Associates Degree	Bachelor's Degree	Graduate Degree	Unemployment Rate(4/07)
Boston	4,427,156	3,027,749	26.1%	7.5%	25.0%	18.6%	4.0%
Buffalo	1,142,277	777,299	35.1%	9.9%	17.1%	10.2%	4.5%
Charlotte	1,542,831	1,003,854	25.4%	8.7%	23.1%	7.8%	4.4%
Dallas-Fort Worth	5,950,033	3,712,469	24.0%	6.8%	22.3%	10.1%	3.9%
Des Moines	527,116	347,917	28.8%	10.1%	22.2%	10.2%	3.1%
Hartford	1,203,275	816,223	28.6%	8.5%	18.6%	15.3%	4.3%
Jacksonville	1,272,685	826,769	32.6%	8.7%	17.9%	8.3%	3.1%
Milwaukee	1,519,489	995,099	26.1%	10.6%	21.6%	8.3%	5.3%
New York-Northern New Jersey	18,959,366	12,720,431	29.5%	6.1%	21.1%	15.1%	3.9%
Omaha	819,246	525,547	28.9%	8.7%	20.8%	10.5%	3.0%
Orlando	1,966,680	1,298,045	30.0%	8.4%	21.1%	8.8%	3.1%
Philadelphia	5,853,963	3,881,718	33.1%	6.7%	20.6%	12.4%	3.9%
San Antonio	1,921,322	1,194,710	29.2%	5.9%	17.0%	8.4%	3.6%
Sioux Falls	210,846	136,326	31.6%	10.1%	21.2%	6.0%	2.8%
Tampa-St. Petersburg	2,678,397	1,853,621	31.5%	7.9%	18.1%	9.0%	3.3%
Tulsa	890,926	579,782	30.3%	8.5%	18.8%	7.0%	3.6%

Source: DemographicsNow, U.S. Bureau of Labor Statistics