

Another top business title for Virginia

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Paula C. Squires



The CNBC business channel has named Virginia the "Top State for Business" in 2009. Virginia received the top ranking in 2007, fell down to No. 2 last year and regained the top status this year thanks to a strong showing of competitiveness in 10 categories.

They included work force, education, quality of life, technology and innovation, cost of doing business, cost of living, transportation and infrastructure and access to capital.

According to CNBC, Virginia has the 7th best economy nationally in 2009, thanks in part to the presence of many major corporations. Since January of last year, according to state figures, Virginia has attracted \$6.5 billion in investment and 30,856 new jobs.

In recent years, it has successfully recruited Rolls-Royce, AREVA Newport News, MeadWestvaco, Hilton Hotels, and Volkswagen of America. Its only big miss, recently, was the loss of a \$1 billion dollar Apple data center to North Carolina.

The business channel highlighted Virginia's "reasonable" sales, personal income and corporate tax rates as keys to creating a strong business environment. "This recognition shines an international spotlight on the commonwealth, distinguishing Virginia as a stellar business location — an especially important distinction in the current economic climate," said Gov. Timothy M. Kaine.

Virginia has been recognized seven times as the most-business friendly state by various groups under Kaine's leadership. Three major rankings have been announced over the past month, including the No. 1 Pro-Business State by Pollina Corporate Real Estate Inc.

This is good news for Kaine, a Democrat, who has been taking some lumps lately from the state's Republican Party over his busy travel schedule outside Virginia as chairman of the Democratic National Committee.

Earlier this month, Republican legislators and GOP Party Chairman Pat Mullins criticized Kaine for the state's failure to secure a deal with Apple to bring a new data center to Southern Virginia, where unemployment rates are running as high as 20 percent in some areas. The 500,000-square-foot center represented a potential investment of \$1 billion with 50 jobs at the center and as many as 3,000 new jobs during construction. Although Virginia was a serious contender, the project ended up going to Maiden, North Carolina.

According to published reports, Maiden and Catawba County have agreed to offer \$7.3 million in incentives for Apple, on top of the \$46 million in state incentives that North Carolina committed to snag the deal.

Mullins alleged that an amendment — which Kaine got approved during the assembly's spring veto session — was faulty and didn't go far enough in exempting California-based Apple from sales taxes on some of the equipment it needed for the center. "One has to wonder: is Tim Kaine spending too much of his time working for his national political party and taking his eye off the ball here at home?" Mullins said during a telephone conference call with reporters.

Kaine disputes charges about spending too much time away, and says even when he's traveling on national party business, he's always working on the state's business and on ways promote to Virginia's interest.

In an interview with Virginia Business, Kaine said, "We had a financial deal with Apple that was the equivalent of what they were getting in North Carolina. You can't get all of the deals."

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