



# *Why Nevada: For the Manufacturing Industry*



MANUFACTURING



*Nevada Governor's Office of*  
**ECONOMIC DEVELOPMENT**  
*Empowering Success*

# EFFICIENT AND COST-EFFECTIVE

*manufacturing happens in Nevada*

Unparalleled proximity to West Coast and California markets, business-friendly tax policies, and excellent financial incentives are just a few of the benefits Nevada has to offer manufacturers.

Whether you are looking to relocate or expand your manufacturing operations, Nevada is the perfect place for your business.

---

800.336.1600 • [www.diversifynevada.com](http://www.diversifynevada.com)



# REASONS WHY

1

## READY AND ABLE WORKFORCE

Manufacturing represents a significant segment of Nevada's economy, employing more than 56,000 workers at over 1,800 manufacturing companies. Printing, publishing and metals fabrication account for more than 10,000 of those jobs. Other significant manufacturing sectors include electronics, chemicals, food processing, industrial machinery, transportation equipment, lumber, textiles and paper products. To ensure quality candidates for new manufacturing positions, the State has instituted Career Readiness Training Certification programs at community colleges across Nevada to, among other things, teach critical thinking and how to apply information from workplace documents to solve problems. Additionally, the Nevada Department of Education, Training and Rehabilitation is focused on providing companies with a workforce that is skill-ready through its training and education programs.

Southern Nevada is the main hub for manufacturing in Nevada, with more than 27,000 jobs, it is home to advanced manufacturing companies such as Pololu, a robotics and electronics manufacturer. Northern Nevada is home to 13,000 jobs and is a center for food processing and packaging, led by such companies as NOW Foods, Hidden Valley Ranch, French Gourmet and Pacific Cheese.

2

## LOCATION

Centrally located in the western market, Nevada is ideal for manufacturing and distribution operations. Nevada's location within the western U.S. provides an unparalleled market reach that gives manufacturing and distribution companies a competitive advantage.

Nevada is less than one day's drive to more than 40 million consumers and five major U.S. ports serving the Pacific Rim. Northern Nevada is at the center of the western region, with 11 states and 53 million people only one day's drive away. Southern Nevada is just hours away from the Southern California markets and within 2-day delivery of nearly every state west of the Mississippi River.



### 3

## EXCELLENT TRANSPORTATION INFRASTRUCTURE

Our unparalleled transportation infrastructure and market reach, combined with our zero inventory tax, are why top brands such as Pololu Robotics & Electronics, Tyco, Trex, James Hardie and Chevron Pipe chose to locate their manufacturing operations in Nevada.

In southern Nevada, Las Vegas offers a robust highway transportation network, with easy access to three major corridors (Interstate 15, U.S. Highway 95, and U.S. Highway 93). The McCarran International Airport in Las Vegas serves more than 40 million customers every year, and handles 600,000 pounds of arriving/departing cargo each day.

More importantly, the airport offers nonstop flights to and from nearly every major metropolis in the United States as well as several in Europe, Asia and Latin America.

Northern Nevada is served by two major highways and several railroads, as well as trucking and airline carriers that make distribution to the western market efficient and cost effective. Reno-Tahoe International Airport receives more than 114 million pounds of cargo annually. Approximately 310,000 pounds of cargo arrives or departs daily through the Reno-Tahoe International Airport.

### 4

## FOREIGN TRADE ZONES

Nevada has more than 7,500 acres of flexible, available Foreign Trade Zones (FTZs). Nevada's FTZs offer a great advantage to companies when it comes to duty fees, taxes and international shipping costs. Companies can use FTZs for both warehousing and distribution operations. Companies can also use an FTZ for manufacturing operations with specific authorization by the U.S. FTZ Board.

### MANUFACTURING COMPANIES IN NEVADA

Chevron Pipe

Clickbond

Ebara

French Gourmet

GE

Hidden Valley Ranch

James Hardie

Ken's Foods

Lincoln Electric (Torchmate)

NOW Foods

Oceanspray

Pacific Cheese

Pololu Robotics & Electronics

RR Donnely

Sierra Nevada Corp.

Timet

Trex

Tripp Plastics

Tyco

Unilever Ice Cream



5

## AFFORDABLE INDUSTRIAL REAL ESTATE AND UTILITY RATES

For companies that are looking to relocate or expand their manufacturing operations, Nevada has affordable, industrial-scale real estate available. With major industrial parks already developed, and prime land available and zoned for industrial use, companies are able to easily find a facility or work with one of our many industrial developers to construct a build-to-suit facility that fits their unique needs. Additionally, Nevada has very competitive utility rates for commercial operations.

6

## BUSINESS-FRIENDLY REGULATIONS

Nevada's tax regulations and economic incentive programs are the reason many companies have moved or expanded their operations to the state. Nevada is known for its low-cost startup, regulatory, licensing and annual fees. The state's business-friendly tax policies have also drawn many companies to the area.

*The State of Nevada has no personal income, corporate income, unitary, franchise or inventory taxes. It also offers personal property, modified business, and large-scale energy use abatements, as well as sales & use tax deferrals.*

In addition to our excellent tax policies, Nevada offers several financial incentives to businesses willing to make multi-year commitments to jobs and capital investments. Companies can work with Governor's Office of Economic Development (GOED) to take advantage of these incentives and develop other incentives specific to their needs.

7

## EASE OF DOING BUSINESS

Businesses that relocate or expand to Nevada experience how easy it is to start up and operate their enterprises, especially relative to many other states in the surrounding region. Nevada's state and local governments are committed to streamlining approval processes and remaining a low-regulation environment, and these government officials are very accessible. Nevada's Governor is committed to economic development, creating an office (GOED) and organizational support system dedicated to businesses who are relocating, expanding, or starting up operations in Nevada. Regional Development Authorities support the State's economic development effort with extensive local knowledge, resources and assistance.



## 8

## COST OF BUSINESS COMPARISON

	Las Vegas, NV MSA Pop. 2,027,900	Reno, NV MSA Pop. 433,600	Phoenix, AZ MSA Pop. 4,398,800	Salt Lake, UT MSA Pop. 1,140,500	
<b>1</b>	<b>Average Annual Wage</b>				
	All Industries	\$42,216	\$42,700	\$47,799	\$46,735
	Manufacturing Industry	\$54,195	\$54,000	\$69,468	\$56,901
<b>2</b>	<b>Worker's Compensation Cost (per \$100 in Payroll)</b>				
		\$1.33	\$1.33	\$1.61	\$1.35
<b>3</b>	<b>Payroll Tax (Modified Business Tax)</b>				
		1.17%	1.17% over \$85,000	None	None
<b>4</b>	<b>Unemployment Insurance Tax (New Employer Rates)</b>				
		2.95%	2.9%	2%	Up to 9.5%
<b>5</b>	<b>State Corporate Income Tax</b>				
		None	None	6.5%	5.0%
<b>6</b>	<b>Personal Income Tax</b>				
		None	None	2.59% to 4.54%	5.0%
<b>7</b>	<b>Sales Tax</b>				
		8.1%	7.6% - 7.725%	6.3% to 6.7%	5.95% to 6.85%
<b>8</b>	<b>Property Tax on Business Inventory</b>				
		None	None	None	None
<b>9</b>	<b>Leasing Cost (\$ PSF per Month)</b>				
	Industrial	\$0.51	\$0.48	\$0.53	\$0.42
	Office	\$1.61	\$1.32	\$1.74	\$1.67
<b>10</b>	<b>Electric Cost (per kWh)</b>				
		<b>NV Energy:</b>	<b>NV Energy (Northeast):</b>	<b>AZ Public Service:</b>	<b>PacifiCorp:</b>
	Industrial	\$0.076	\$0.061	\$0.079	\$0.055
	Commercial	\$0.091	\$0.097	\$0.102	\$0.080
<b>11</b>	<b>Natural Gas Cost (per 1,000 cu ft)</b>				
	Industrial	\$6.55	\$6.55	\$6.32	\$5.32
	Commercial	\$6.61	\$6.61	\$8.43	\$7.13

GOED is here to help businesses considering relocation or expansion in Nevada.

Contact our office to find out how we can support your business.

800.336.1600 • [www.diversifynevada.com](http://www.diversifynevada.com)

## NEVADA ADVANTAGES

- Less than one day's drive to more than 40 million customers and five major US ports serving the Pacific Rim
- Consistently ranked in Top 10 among states for business friendliness
- No corporate or personal income tax, no inventory tax, no franchise tax, no unitary tax, no special intangible tax
- Affordable large-scale real estate
- Robust technology infrastructure
- Profitable operating costs
- Able and willing workforce in a right-to-work state
- Diverse, rewarding quality of life

*Nevada Governor's Office of*  
**ECONOMIC DEVELOPMENT**

*Empowering Success*

*800.336.1600 • [www.diversifynevada.com](http://www.diversifynevada.com)*