



cutting through complexity

# Competitive Alternatives

KPMG's Guide to International  
Business Location Costs

2012 Edition

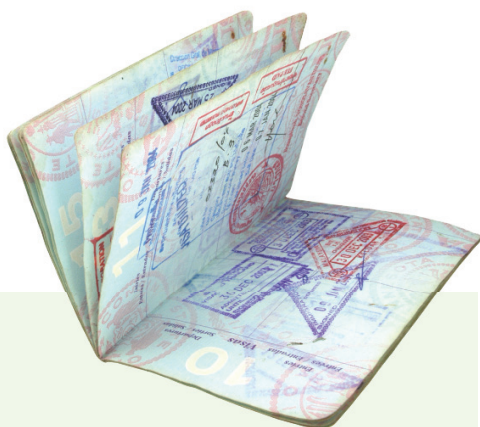
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# A Guide to Business Location Costs

*Competitive Alternatives* is KPMG's guide to comparing international business locations in mature and high growth markets



*Competitive Alternatives* 2012 compares business costs and other competitiveness factors in more than 110 cities in 14 countries. For the first time, the 2012 study features four major high growth countries—Brazil, Russia, India, and China—frequently referred to as the “BRIC Countries.” The study also updates the comparison of 10 other countries included in the 2010 edition—Australia, Canada, France, Germany, Italy, Japan, Mexico, the Netherlands, the United Kingdom, and the United States.

The primary focus of *Competitive Alternatives* is international business costs. The study measures the combined impact of 26 significant cost components that vary by location, over a 10-year analysis horizon commencing in 2012. The study compares 19 different business operations, including three operations that are new in 2012—advanced battery/fuel cell manufacturing, video game production, and international financial services.

*Competitive Alternatives* also provides important information on non-cost factors that influence the business attractiveness of different locations. Aspects addressed by the study include labor availability and skills, economic conditions, innovation, infrastructure, regulatory environment, cost of living, and personal quality of life factors.

Further details on the study methodology, study resources, plus full study results, are available at [www.CompetitiveAlternatives.com](http://www.CompetitiveAlternatives.com)

***Competitive Alternatives* 2012 is the most thorough comparison of international business locations ever undertaken by KPMG. This study contains valuable information for any company considering international business location options.**

## **New For 2012 – Major High Growth Markets**

For the first time, *Competitive Alternatives* 2012 compares five leading high growth countries—Brazil, China, India, Mexico, and Russia. Over the last decade, these five countries have nearly doubled their share of world output and they now account for one fifth of global GDP. In 2010, China became the world's second largest economy, overtaking Japan and now ranking only behind the United States. In recent years, China has also surpassed both Germany and the United States to become the world's leading exporter.

The rapid economic growth in these countries has been integrally linked with their lower labor costs and increasing importance in global supply chains. Rapid economic growth has also led to the emergence of a large and growing middle class in these countries, creating a more self-sustaining economic base.

While the high growth markets offer many opportunities to business, there are numerous factors to consider before deciding where, how, and why to enter these markets. These countries have all experienced similarly high rates of economic growth in recent years, yet they still differ greatly in many other regards. *Competitive Alternatives* 2012 details a range of cost and non-cost issues related to the high growth markets, including:

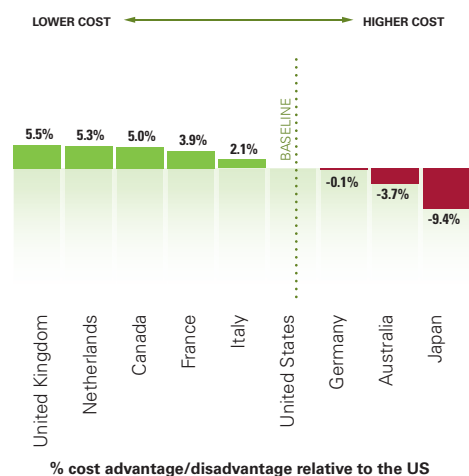
- **Population/demographics** – The high growth countries generally have a young age demographic, providing advantages for both labor supply and consumption. Russia is an exception in this regard, with population aging issues similar to the mature countries. China is also projected to move rapidly to an aging population demographic over the next two decades.
- **Education/skilled labor** – Access to education has been growing rapidly in the high growth markets, as has the demand for skilled workers. However, issues exist around both the quality of education in certain areas, and skill shortages in certain fields as demand for educated workers has outstripped the growth of the education systems.
- **Innovation** – High growth economies, particularly China and India, have historically focused on process and secondary product innovation in pursuit of production cost efficiencies. However, relatively high rates of wage inflation in recent years have been eroding the labor cost advantages in these countries, leading to an increased focus on higher value added innovation.
- **Infrastructure** – Infrastructure levels in the high growth countries are generally behind those of the mature countries. China stands out among the high growth countries in recent years for the sheer scale of its infrastructure investments – particularly in the rapid development of its transportation and distribution networks.





# The Bottom Line

## Mature Markets



SOURCE: *Competitive Alternatives*, KPMG LLP (Canada), 2012

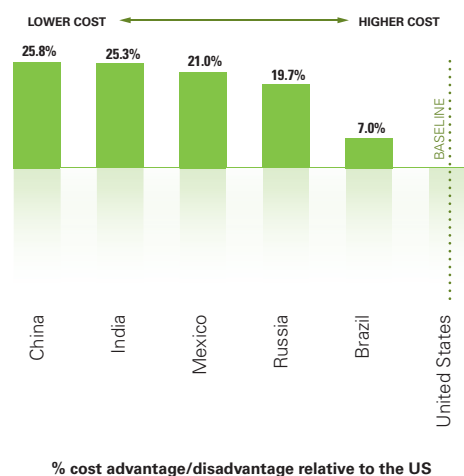
The four largest US metro areas—New York City, Los Angeles, Chicago, and Dallas-Fort Worth—form the US baseline against which costs for major cities in other countries are compared to determine the national results.

Among mature markets, the **United Kingdom**, the **Netherlands**, and **Canada** are the low-cost leaders, with business costs five percent or more lower than the United States. Favorable results for the UK and the Netherlands are due, in part, to devaluations of the euro and the pound resulting from the European debt crisis.

**France** and **Italy** rank fourth and fifth among the mature markets. Costs in France are 3.9 percent lower than the US baseline, while costs in Italy are 2.1 percent lower than in the US. Pegged as the study baseline, costs in the **United States** rank sixth among the mature markets, while costs in seventh-ranked **Germany** are virtually equal to the US.

**Australia's** business cost structure is 3.7 percent higher than the United States, while **Japan** has the highest cost structure at 9.4 percent above the US. Relative costs in both of these countries have risen in recent years due to the strong appreciation of their currencies relative to other major world currencies.

## High Growth Markets



SOURCE: *Competitive Alternatives*, KPMG LLP (Canada), 2012

Business costs in the five emerging countries are below those in the nine mature countries examined. Costs in these countries are also compared to the US baseline.

**China** and **India** are the low-cost leaders among the high growth countries, with overall business costs 25.8 and 25.3 percent, respectively, below the United States.

Business costs in **Mexico** and **Russia** are relatively close. Mexico ranks third among the high growth countries, with business costs 21.0 percent below the US. In fourth-ranked Russia, business costs are 19.7 percent below the US baseline.

Costs in **Brazil** are higher than in the other high growth countries, and approach the cost levels of the leading mature countries. Brazil's wage levels, including minimum wage standards, are significantly above those of the other high growth countries studied. A heavy burden for both direct and indirect taxes also impacts Brazil's total cost performance.

The business costs examined here do not include variations related to different physical security requirements that may be required in each country.

## Exchange Rates

All study results are sensitive to exchange rates. The exchange rates used in this edition of *Competitive Alternatives* are as follows:

EXCHANGE RATES <sup>1</sup>			
Currency	2010 Edition	2012 Edition <sup>2</sup>	% Change <sup>3</sup>
Euro	0.68	0.74	-8.1%
UK £	0.61	0.64	-4.7%
Canadian \$	1.06	1.02	3.9%
Mexican peso	13.07	13.64	-4.2%
Australian \$	1.10	0.99	11.1%
Japanese ¥	89.86	77.33	16.2%
Brazilian R\$	—	1.80	—
Russian RUB	—	31.07	—
Indian Rs	—	50.75	—
Chinese ¥	—	6.36	—

1: Per US\$

2: Average exchange rates for October-December 2011

3: Two-year appreciation/depreciation relative to US\$

## Business Cost Trends

For the 10 countries included in both this and the prior 2010 edition of *Competitive Alternatives*, the following table tracks the change in business costs over the last two years. Australia and the United Kingdom have seen the greatest changes in business costs, albeit moving in opposite directions.

BUSINESS COST INDEX			
Country	2010 Edition	2012 Edition	Cost Change <sup>1</sup>
Australia	97.8	103.7	+5.9
Canada	95.0	95.0	0.0
France	98.3	96.1	-2.2
Germany	102.6	100.1	-2.5
Italy	100.0	97.9	-2.1
Japan	107.6	109.4	+1.8
Mexico	81.8	79.0	-2.8
Netherlands	96.5	94.7	-1.8
UK	98.2	94.5	-3.7
US	100.0	100.0	0.0

1: Increase in cost index represents an increase in relative business costs since 2010.

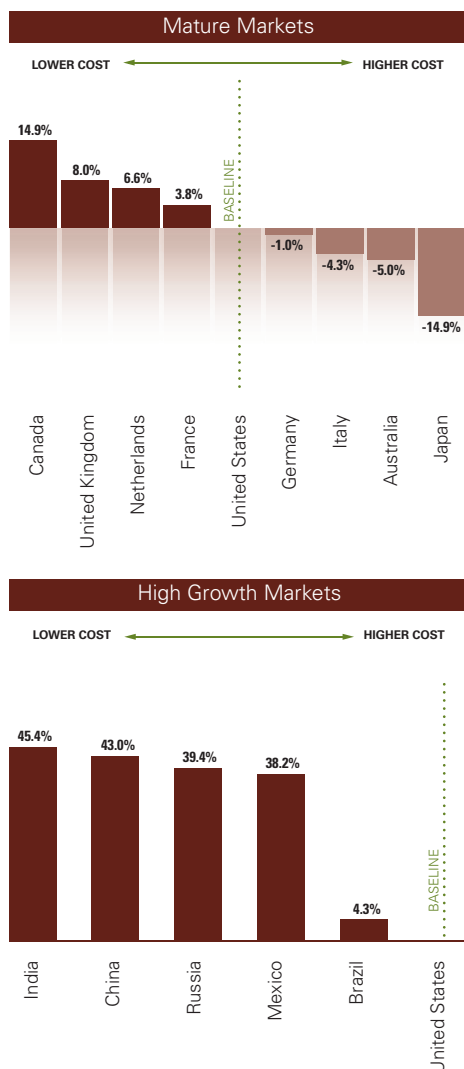
# Results by Sector

Results for specific business operations form the basis for comparing major sectors

## Digital

Costs in the digital sector primarily reflect salary levels and benefit costs associated with hiring creative and technical IT professionals.

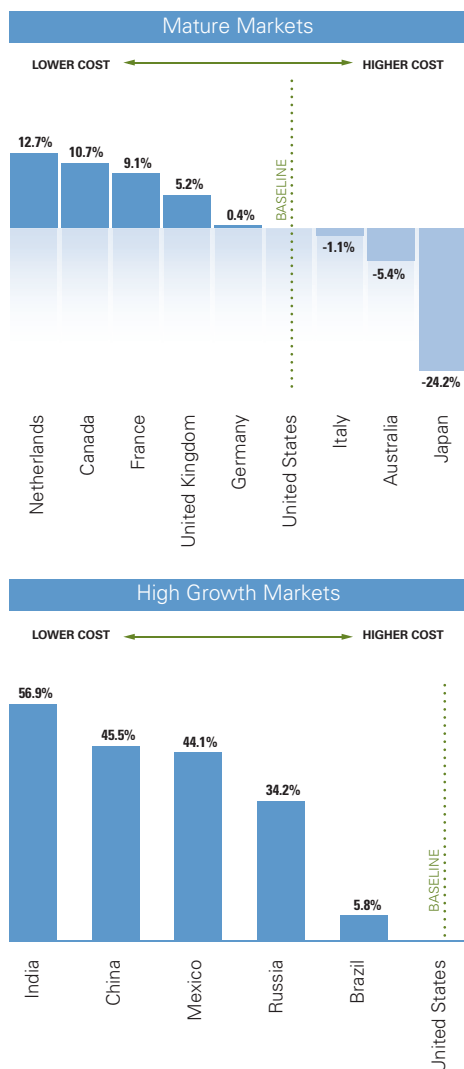
Among the mature markets, **Canada**, the **United Kingdom**, and the **Netherlands** are the most cost-competitive countries for digital operations, while among the high growth markets, **India**, **China**, and **Russia** offer the lowest overall costs in this sector. Costs in Brazil are higher than in the leading mature countries, due to a high indirect tax burden on businesses in this sector.



## Research & Development

Cost differentials are generally higher for R&D, due to differences in labor costs for scientific and technical employees, as well as differences in the tax and incentive treatment of R&D costs among jurisdictions.

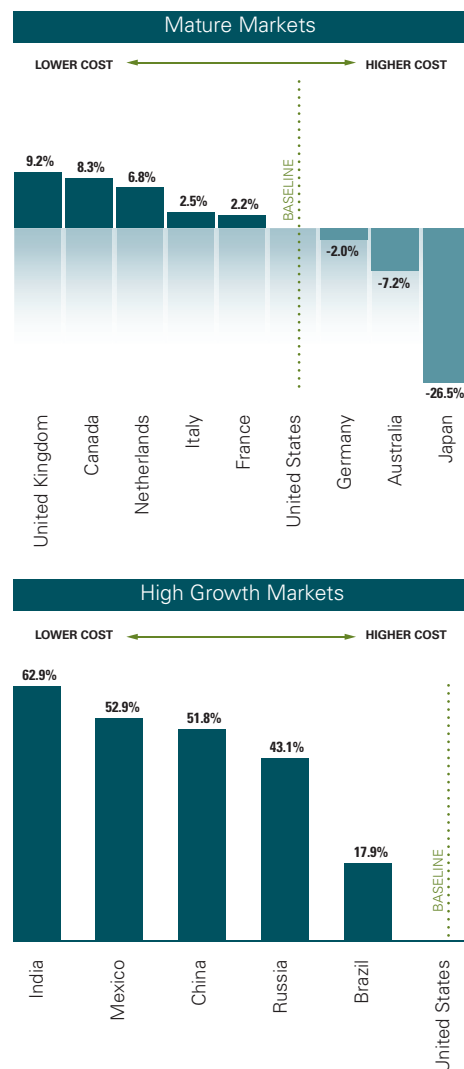
Among the mature markets, the **Netherlands**, **Canada**, and **France** are the most cost-competitive countries for R&D operations, while among the high growth markets, **India**, **China**, and **Mexico** offer the lowest overall costs in this sector.



## Corporate Services

Labor costs for entry-level administrative and customer service employees, as well as finance professionals, are most significant in this sector. These costs vary considerably by country and region, resulting in generally higher cost differentials in this sector.

Among the mature markets, the **United Kingdom**, **Canada**, and the **Netherlands** are the most cost-competitive countries for corporate services operations, while among the high growth markets, **India**, **Mexico**, and **China** offer the lowest overall costs in this sector.





## Manufacturing

For manufacturing operations, component costs fixed at other levels in the supply chain and costs for globally sourced equipment are similar by location, resulting in lower cost differentials among countries than seen in other sectors.

Among the mature markets, the **United Kingdom**, the **Netherlands**, and **France** are the most cost-competitive countries for manufacturing operations, while **China**, the world's largest exporter, offers the lowest overall costs in the manufacturing sector.



## Key Cost Factors

Labor costs vary significantly between the high growth and mature countries. For many other business factors, however, costs in the high growth countries are similar to, or even higher than, those in the mature countries.

**Labor costs** represent the single largest location-sensitive cost factor for all industries examined.

Labor comparisons are based on a mix of 42 job positions, which vary by industry. Labor costs comprise wages and salaries, statutory costs (payroll taxes, government pension plans, medical plans, etc.), and other benefits typically provided by employers. In the high growth markets, total labor costs are adjusted for the higher rates of wage inflation and lower, but improving, levels of worker productivity seen in these countries.

- In the mature markets, labor costs account for approximately 55 percent of total location-sensitive costs in manufacturing and approximately 85 percent of total location-sensitive costs in the service operations examined. Labor costs are lowest in the United Kingdom, Canada, and Italy.
- In the high growth markets, total labor costs account for approximately 30 percent of total location-sensitive costs in manufacturing and approximately 65 percent of total location-sensitive costs in service operations. Labor costs are lowest in India, China, and Mexico.

**Facility costs** vary both by location and type of business operation.

- Industrial facility lease costs average approximately 5 percent of total location-sensitive costs for the manufacturing operations examined. Industrial lease costs are lowest in India, Canada, the United States, and China.
- For non-manufacturing operations, office lease costs average approximately 10 percent of total location-sensitive costs. Office lease costs are lowest in India, the Netherlands, Mexico, and Germany.

**Transportation costs** vary widely by industry and represent between 6 and 22 percent of location-sensitive costs for the manufacturing operations examined. Transportation costs vary by product and markets served, but tend to be lowest in Asia (India, Japan, China) and Europe (France and the Netherlands).

**Utility costs** include electricity and natural gas costs and represent up to 8 percent of total location-sensitive costs. Overall utility costs are lowest in Russia, followed by the United States, Canada, and Mexico.

## Taxes, Taxes, Taxes

Taxes typically represent up to 18 percent of location-sensitive costs across the locations and industries examined. Effective income tax rates, calculated net of generally applicable tax credits and incentives, vary by business sector:

- For **digital** operations, Canada, China, France, and Australia offer the lowest effective corporate income tax rates.
- For **research and development** operations, many of the countries studied offer significant R&D tax incentives. France, the Netherlands, Canada, and Australia offer the lowest effective tax rates in this sector.
- For **corporate services**, Russia, Canada, the United Kingdom, and China offer the lowest effective rates of corporate income tax.
- For **manufacturing** operations, Canada, China, Russia, and the United Kingdom also offer the lowest effective corporate tax rates.

Taxes are also the subject of a separate KPMG report, *Competitive Alternatives Special Report: Focus on Tax*, which analyzes international tax issues in greater depth than the main report on business costs. The *Focus on Tax* report is expected in June 2012 at [www.CompetitiveAlternatives.com](http://www.CompetitiveAlternatives.com).

# National and Overall Cost Results

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## National Cost Results by Industry and Business Operation<sup>1</sup>

National Cost Results by Industry and Business Operation¹		MATURE MARKETS				
Industry	Business Operation	Americas		Europe		
		Canada	US	France	Germany	Italy
MANUFACTURING						
Aerospace	Aircraft Parts	97.0 (7)	100.0 (11)	97.2 (8)	100.4 (12)	98.8 (10)
Agri-Food	Food Processing	97.8 (10)	100.0 (12)	96.3 (9)	99.2 (11)	95.9 (8)
Automotive	Auto Parts	96.9 (9)	100.0 (11)	96.6 (8)	100.1 (12)	97.0 (10)
Chemicals	Specialty Chemicals	96.6 (8)	100.0 (11)	97.8 (9)	100.3 (12)	98.0 (10)
Electronics	Electronics Assembly	96.0 (6)	100.0 (11)	97.7 (8)	100.9 (12)	98.7 (10)
Green Energy	Advanced Batteries/Fuel Cells	95.8 (9)	100.0 (12)	94.1 (7)	98.2 (11)	97.6 (10)
Medical Devices	Medical Device Manufacturing	96.2 (9)	100.0 (11)	96.0 (8)	101.2 (12)	97.0 (10)
Metal Components	Metal Machining	96.2 (10)	100.0 (12)	94.5 (8)	99.0 (11)	94.4 (7)
Pharmaceuticals	Pharmaceutical Products	95.9 (8)	100.0 (11)	96.1 (9)	100.1 (12)	96.9 (10)
Plastics	Plastic Products	97.2 (10)	100.0 (12)	93.8 (7)	98.6 (11)	94.0 (8)
Precision Manufacturing	Precision Components	96.9 (9)	100.0 (12)	96.5 (8)	99.6 (11)	97.1 (10)
Telecommunications	Telecom Equipment	95.9 (6)	100.0 (11)	97.6 (9)	101.3 (12)	98.4 (10)
DIGITAL						
Digital Entertainment	Video Game Production	77.7 (5)	100.0 (10)	91.5 (7)	100.9 (12)	101.3 (13)
Software Design	Software Development	90.9 (5)	100.0 (10)	99.8 (9)	101.0 (11)	106.7 (12)
R&D						
Biotechnology	Biomedical R&D	93.0 (6)	100.0 (10)	98.1 (8)	102.4 (12)	101.5 (11)
Clinical Trials	Clinical Trials Management	88.1 (6)	100.0 (10)	79.4 (5)	107.5 (12)	107.0 (11)
Product Testing	Electronic Syst. Dvlt/Testing	86.7 (6)	100.0 (12)	89.8 (8)	94.1 (10)	98.3 (11)
CORPORATE SERVICES						
Professional Services	International Financial Services	85.5 (5)	100.0 (11)	93.6 (8)	96.4 (10)	102.3 (12)
Support Services	Shared Services Center	96.7 (9)	100.0 (10)	101.2 (11)	106.6 (12)	93.4 (7)
OVERALL RESULTS						
	OVERALL RESULTS	95.0 (8)	100.0 (11)	96.1 (9)	100.1 (12)	97.9 (10)

## Overall Cost Results by Region and City<sup>1</sup>

MATURE MARKETS			
LOCATION	COUNTRY	INDEX	RANK
AMERICAS			
New England/Atlantic Canada			
Bangor, ME	United States	95.4	6
Boston, MA	United States	101.2	11
Burlington, VT	United States	98.8	8
Charlottetown, PE	Canada	93.0	4
Fredericton, NB	Canada	92.5	2
Halifax, NS	Canada	92.7	3
Hartford, CT	United States	100.1	10
Manchester, NH	United States	99.1	9
Moncton, NB	Canada	92.3	1
Providence, RI	United States	98.0	7
St. John's, NL	Canada	95.3	5
Northeast US/Canada			
Baltimore, MD	United States	97.0	11
Buffalo, NY	United States	97.8	15
Charleston, WV	United States	94.8	5
Cincinnati, OH	United States	95.9	9
Cleveland, OH	United States	97.1	12
Detroit, MI	United States	98.7	17
Indianapolis, IN	United States	96.3	10
Lexington, KY	United States	94.7	4
Montreal, QC	Canada	94.3	3
New York City, NY	United States	103.4	21
North Virginia (Metro DC), VA	United States	99.2	18
Philadelphia, PA	United States	99.4	19
Pittsburgh, PA	United States	97.2	13
Quebec City, QC	Canada	94.2	2

MATURE MARKETS			
LOCATION	COUNTRY	INDEX	RANK
Saginaw, MI	United States	97.3	14
Toronto, ON	Canada	95.7	8
Trenton, NJ	United States	101.0	20
Trois-Rivières, QC	Canada	92.8	1
Wilmington, DE	United States	98.0	16
Windsor-Essex, ON	Canada	95.1	7
Youngstown, OH	United States	94.9	6
Southeast US			
Atlanta, GA	United States	96.2	11
Baton Rouge, LA	United States	94.3	2
Gulfport-Biloxi, MS	United States	94.8	3
Jackson, MS	United States	96.1	10
Little Rock, AR	United States	95.1	5
Miami, FL	United States	97.8	15
Mobile, AL	United States	95.4	6
Montgomery, AL	United States	95.0	4
Nashville, TN	United States	95.7	7
New Orleans, LA	United States	96.0	9
Orlando, FL	United States	96.3	12
Raleigh, NC	United States	96.6	14
Shreveport, LA	United States	93.3	1
Spartanburg, SC	United States	95.7	8
Tampa, FL	United States	96.4	13
Midwest US/Western Canada			
Albuquerque, NM	United States	96.1	11
Austin, TX	United States	97.0	15
Beaumont, TX	United States	97.1	17
Billings, MT	United States	95.4	6

MATURE MARKETS	
LOCATION	COUNTRY
Calgary, AB	Canada
Cedar Rapids, IA	United States
Champaign-Urbana, IL	United States
Cheyenne, WY	United States
Chicago, IL	United States
Dallas-Fort Worth, TX	United States
Denver, CO	United States
Edmonton, AB	Canada
Fargo, ND	United States
Houston, TX	United States
Madison, WI	United States
Minneapolis, MN	United States
Oklahoma City, OK	United States
Omaha, NE	United States
Phoenix, AZ	United States
Salt Lake City, UT	United States
Saskatoon, SK	Canada
Sioux Falls, SD	United States
St. Louis, MO	United States
Wichita, KS	United States
Winnipeg, MB	Canada
Pacific US/Canada	
Anchorage, AK	United States
Boise, ID	United States
Honolulu, HI	United States
Las Vegas, NV	United States
Los Angeles, CA	United States
Portland, OR	United States

<sup>1</sup> Business costs are compared in 19 industries, based on analysis of one specific type of business operation within each industry. Overall results reflect the combined results for all 19 industries greater than 100 indicates higher costs than the US. (e.g., an index number of 95.0 represents a 5.0% cost advantage relative to the US.) For National Cost Results, all 14 countries are ranked and are grouped by region and ranked within their region (with 1 representing the lowest cost city in the region), while the 10 cities in high growth countries are ranked together as a single group.



## COST INDEX (RANK)

MARKETS					HIGH GROWTH MARKETS				
		ASIA PACIFIC			AMERICAS		EUROPE	ASIA PACIFIC	
	Netherlands	UK	Australia	Japan	Brazil	Mexico	Russia	China	India
	95.8 (6)	98.4 (9)	105.2 (13)	107.4 (14)	94.5 (5)	84.3 (3)	85.9 (4)	78.0 (1)	81.4 (2)
	94.8 (7)	92.7 (6)	102.7 (13)	105.0 (14)	90.2 (5)	85.9 (4)	83.4 (3)	81.3 (2)	80.8 (1)
	96.2 (7)	95.0 (6)	102.9 (13)	107.4 (14)	94.6 (5)	87.0 (3)	87.6 (4)	82.1 (1)	85.1 (2)
	96.2 (7)	94.5 (5)	100.4 (13)	104.4 (14)	95.4 (6)	87.0 (3)	86.2 (2)	86.1 (1)	87.1 (4)
	96.2 (7)	97.8 (9)	101.6 (13)	107.1 (14)	95.8 (5)	85.4 (3)	86.2 (4)	78.8 (1)	83.0 (2)
	94.5 (8)	94.1 (6)	105.1 (14)	103.5 (13)	94.0 (5)	87.1 (4)	86.2 (3)	79.5 (1)	81.8 (2)
	95.0 (7)	94.8 (6)	104.1 (13)	111.9 (14)	90.6 (5)	76.7 (3)	78.4 (4)	67.8 (1)	71.6 (2)
	95.0 (9)	92.4 (6)	105.6 (13)	110.9 (14)	90.2 (5)	80.5 (3)	82.1 (4)	76.3 (2)	76.2 (1)
	94.7 (6)	95.0 (7)	102.6 (13)	106.0 (14)	92.5 (5)	81.4 (3)	81.6 (4)	73.1 (1)	77.7 (2)
	94.2 (9)	92.2 (6)	109.1 (13)	110.0 (14)	91.1 (5)	80.6 (3)	81.7 (4)	76.5 (2)	76.3 (1)
	96.0 (7)	94.4 (6)	101.4 (13)	102.6 (14)	94.0 (5)	88.1 (4)	87.8 (3)	82.9 (1)	86.3 (2)
	96.6 (8)	96.0 (7)	102.5 (13)	108.0 (14)	94.4 (5)	83.2 (3)	84.1 (4)	76.9 (1)	79.9 (2)
	92.4 (8)	90.7 (6)	100.8 (11)	114.0 (14)	95.5 (9)	61.1 (4)	60.7 (3)	53.8 (2)	53.2 (1)
	94.2 (7)	93.0 (6)	108.5 (13)	115.7 (14)	95.8 (8)	62.3 (4)	60.6 (3)	59.5 (2)	55.8 (1)
	89.5 (5)	99.3 (9)	107.4 (13)	128.5 (14)	97.4 (7)	58.3 (3)	71.5 (4)	57.3 (2)	45.6 (1)
	91.5 (7)	94.6 (8)	113.1 (13)	131.5 (14)	99.5 (9)	59.9 (3)	62.8 (4)	52.7 (2)	46.1 (1)
	83.7 (5)	91.3 (9)	100.5 (13)	117.5 (14)	89.3 (7)	52.2 (2)	62.3 (4)	52.9 (3)	39.9 (1)
	89.7 (6)	92.6 (7)	103.4 (13)	118.6 (14)	93.7 (9)	55.6 (2)	60.4 (4)	59.9 (3)	47.0 (1)
	96.0 (8)	89.2 (6)	110.4 (13)	133.0 (14)	72.4 (5)	40.1 (3)	53.9 (4)	38.4 (2)	28.9 (1)
	94.7 (7)	94.5 (6)	103.7 (13)	109.4 (14)	93.0 (5)	79.0 (3)	80.3 (4)	74.2 (1)	74.7 (2)

MARKETS		
	INDEX	RANK
	97.3	20
es	95.7	9
es	96.1	12
es	95.2	3
es	99.3	25
es	96.5	14
es	98.4	24
	96.0	10
es	96.3	13
es	97.8	22
es	97.2	18
es	98.3	23
es	95.5	7
es	95.6	8
es	97.6	21
es	97.2	19
	95.2	4
es	95.1	2
es	97.1	16
es	95.4	5
	94.8	1
es	105.3	14
es	97.0	3
es	108.4	15
es	98.7	7
es	100.9	11
es	99.3	8

MATURE MARKETS			
LOCATION	COUNTRY	INDEX	RANK
Prince George, BC	Canada	96.6	2
Riverside-San Bernardino, CA	United States	98.6	6
Sacramento, CA	United States	100.0	9
Salem, OR	United States	98.1	5
San Diego, CA	United States	100.6	10
San Francisco, CA	United States	104.5	13
Seattle, WA	United States	101.5	12
Spokane, WA	United States	98.1	4
Vancouver, BC	Canada	96.5	1
EUROPE			
Marseille	France	94.1	2
Paris	France	98.1	8
Berlin	Germany	98.0	7
Frankfurt	Germany	102.2	10
Milan	Italy	97.9	5
Rome	Italy	97.9	6
Amsterdam	Netherlands	94.7	4
Rotterdam	Netherlands	94.7	3
London	England	98.1	9
Manchester	England	90.8	1
ASIA PACIFIC			
Adelaide	Australia	102.3	1
Brisbane	Australia	103.2	3
Melbourne	Australia	102.4	2
Sydney	Australia	105.0	4
Osaka	Japan	106.5	5
Tokyo	Japan	112.3	6

HIGH GROWTH MARKETS			
LOCATION	COUNTRY	INDEX	RANK
AMERICAS			
Belo Horizonte	Brazil	91.4	9
São Paulo	Brazil	94.6	10
Mexico City	Mexico	79.7	7
Monterrey	Mexico	78.4	6
EUROPE			
Moscow	Russia	83.0	8
Saint Petersburg	Russia	77.5	5
ASIA PACIFIC			
Chengdu	China	72.0	1
Shanghai	China	76.3	3
Chennai	India	72.9	2
Mumbai	India	76.4	4

ies. Business costs are expressed as an index, with the United States being assigned the baseline index of 100.0. An index less than 100 indicates lower costs than the US. An index of 100 together (with 1 representing the lowest cost country and 14 representing the highest cost country). For Overall Cost Results by Region and City, the 103 cities in mature countries (with 1 representing the lowest cost city).

## About KPMG's Global Location and Expansion Services

Based in all regions of the globe, KPMG's GLES professionals offer locally relevant, industry-specific knowledge that can help support business expansion and relocation decisions.

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