

Customer-Service Centers IN SOUTH CAROLINA

An Industry Report Published by the
South Carolina Department of Commerce

SOUTH CAROLINA WORKERS: *Plentiful, Talented & Well Trained*

A f f o r d a b l e , h i g h - p e r f o r m i n g w o r k e r s i n a b u n d a n c e

What is the number one pressing issue for your customer-service center? Undoubtedly it's labor—the quantity and quality of the people who will staff your site. The right workers will increase your productivity and cut turnover.

In South Carolina, you'll find an abundance of high performers, experienced at helping companies succeed.

A Large & Growing Labor Pool.

While many areas of the US are reporting labor shortages along with difficulty recruiting and retaining a quality team, South Carolina offers an available work force that continues to grow. In fact, the state's pool of potential employees is increasing by almost 30,000 workers every year. Total employment is projected to increase 17.6% between 1998 and 2010—5% more than in the US as a whole. In addition, South Carolina is nationally ranked among the Top 10 states for population "in-migration," creating a steady stream of qualified workers seeking employment.

Youthful & Energetic.

Another advantage for customer-service centers is that South Carolina's labor force is younger than the national average with more women participating as full-time workers. Approximately 50% of high school graduates enter the work force directly. Combined with an already youthful population, these individuals provide an abundance of entry-level job candidates now and for the future. South Carolina's wealth of universities, colleges, technical schools and military bases also provide an ample pool of skilled labor.

The 'Yes Ma'am' Factor—

Light southern accents convey friendliness, politeness and empathy.

A bonus for service centers is the Palmetto State's ready availability of underemployed. These men and women offer a prime source of recruitable workers to any business offering rewarding job opportunities. In addition, these individuals tend to bring transferable skills and strong work habits.

Ready to Work.

South Carolina's available work force has recently been bolstered by erosion in traditional industries. Since 1988 alone, the state has lost nearly 60,000 jobs in textile and apparel. A high percentage of these workers are firmly rooted in their communities and eager to staff a customer-service facility.

Get-to-work Attitudes.

Make-it-Better Philosophies.

The difference between an average center and a superbly performing one boils down to one thing—people. And "quality" is where South Carolina's work force truly shines. The state is rich in workers with thinking ability, planning ability and the innate people skills necessary to deal with customers at critical junctures.

South Carolina boasts many great locations for service centers near university centers and military operations.

South Carolina Workers:

- Strong Work Ethic
- High Productivity
- Able to Problem-Solve

For more South Carolina advantages:
www.TeamSC.com

Timing Is Everything

Available sites and buildings speed startup

Selecting the best customer-service center site is a strategic decision with immense bottom-line implications. In an industry where time is definitely money, finding a ready-to-go site or building can help a facility be operational on a short timeframe to make money faster.

To help service centers reduce "time to market," South Carolina offers a large supply of available buildings and development sites for sale and for lease. Based on a company's specifications, the South Carolina Department of Commerce will identify a location that best suits specific needs.

These speculative and non-industrial buildings (many of which have been used as service centers in the past) provide perfect customer-service center locations. They feature amenities such as uninterrupted power sources, raised flooring, existing wiring for phone lines and computer rooms, few or moveable walls, and ample parking.

South Carolina offers affordable, available sites & buildings for service centers

To find the right building or site for your project, call Frank Newman, SC Department of Commerce's Chief Development Officer at (803)737-3087.

Statewide Digital Fiber Optics

From urban areas to rural, South Carolina communities have the reliable, advanced telecom networks for seamless operations.

Customer-service facilities will discover that South Carolina offers one of the most comprehensive state-of-the-art telecommunications networks in the entire Southeast. To prevent costly downtime, digitally switched central offices serve all areas of the state and every one has redundancy to at least one other central office. This well engineered system guarantees that voice and data transmission are reliable and efficient with virtually no risk of breakdowns, delays or loss of data.

In total, South Carolina is home to 27 local exchange carriers—including industry leaders such as BellSouth, GTE and United Telephone. BellSouth, the largest local exchange company in the state, has invested more than \$1.8 billion to expand its service networks and to extend fiber optic lines statewide.



**Pro-business—
it's more than an attitude.
It's an obsession.**

"After evaluating the strong labor force, solid transportation infrastructure, and the business-friendly environment in South Carolina, this decision was easy. We look forward to working closely with state and local officials to make sure that our expansion project benefits our customers as well as the local community."

Jerry Dammeier,
*Executive Vice President,
Harbor Freight Tools*

In 2001, the company chose Dillon, SC for its East Coast customer-service center as well as its retail distribution center.

Affordable, reliable telecom service

South Carolina's work force training—free, customized and number one Workers Ready to Produce from "Day One"

Rated #1 by Expansion Management magazine

South Carolina's Center for Accelerated Technology Training (CATT) enables companies to start up quicker, operate more efficiently and experience success faster. Internationally recognized CATT's mission is to provide specifically trained, highly motivated employees for all South Carolina companies.

CATT operates through the South Carolina Technical College System, which has become a model for the nation. Services include screening, trainee evaluation and assessment, and pre-employment training—all

**CATT has trained
250,000 workers
for more than
1,600 companies.**

at no cost to qualified companies. The program is customized; every component totally driven by a company's needs. Along with new hires for the initial facility startup,

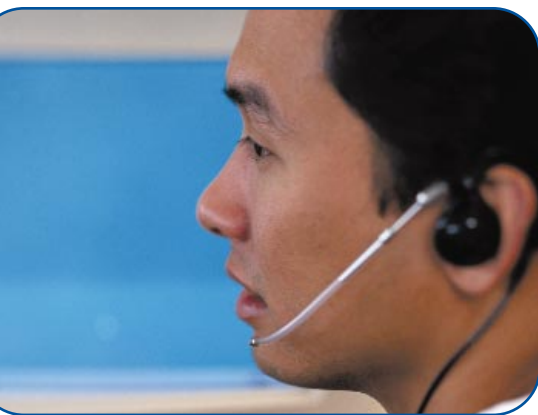
CATT is also available to train workers every time a company adds jobs.

By creating a hands-on learning experience, CATT can condense a program to meet a

company's startuptimeline. Prospective employees attend class with no pay or promise of a job. As a result, the program attracts self-motivated individuals who are able to produce from "Day One."

People trained to do exactly what you want them to do.

"Throughout South Carolina, in both urban areas and rural, the same high level



of training is readily available to any customer-service facility. With 60 years in the training business, and because CATT is centralized at the state level, we can piggyback on our vast experience in preparing work forces for customer-service centers. We've already got the experts and tools. When another center chooses

our state, we have a proven plan in place. We can tweak that plan to the specific company's needs, because our experience has taught us what works."

Gregory Mitchell, Field Manager, CATT Program

Curriculum to address critical needs for customer-service centers

- Phone etiquette & voice diction
- Computer skills
- Company-specific software instruction
- Hands-on technical training for in-bound service centers
- Soft skills such as teamwork, communication and problem solving
- Training sessions held morning, midday and evening to accommodate workers on rotating shifts
- Development of mobile curriculum on CD, enabling trainees to continue learning outside the classroom
- Accountability network developed among trainees to encourage faster, more in-depth grasp of crucial concepts

At no cost to qualifying companies, CATT offers:

- Pre-employment training
- Providing qualified instructors and training sites
- Recruiting and screening trainees
- Securing necessary equipment and supplies
- Post-employment training

No matter where a company locates in South Carolina, it will be surrounded by 16 technical colleges and 33 four-year colleges offering 400 degree programs.

South Carolina's Work Force

- Unrelenting dedication
- Uncompromising quality
- Undeniable availability



A Less Taxing Business Address

Incentives provide the "icing on the cake" for choosing a South Carolina location

5% corporate income tax rate; LOWEST in the Southeast

Companies doing business in more than one state only pay taxes on business done in SC

No state property tax

Opportunity to negotiate Fee-in-Lieu of property tax

Extremely low 5% sales and use tax

Sales tax exemptions—Service Centers can benefit from sales tax exemptions on long-distance service and 800 numbers

SC's Enterprise Program Job Development Credit can significantly reduce capital expenditures for a new or expanding facility over a 15-year period

No commercial occupancy taxes

For more South Carolina advantages, log on to:

www.TeamSC.com

Customer-Service Advantages:

- No labor shortage; work force is growing at 10 times the national average
- A statewide, customized work force training program
- Highly reliable telecom network
- Remarkably low costs
- Abundance of available non-industrial buildings
- A proven reputation for record-breaking startups
- State policies and incentives that encourage sustained competitiveness and profitability
- A right-to-work labor environment with very low union activity to reduce costs

"South Carolina has a unique combination; a strong base of customer-service centers without being over-saturated."

Charles S. Way, Jr., SC Secretary of Commerce

By reducing operating expenses, companies will experience success that happens faster and lasts longer!

ClientLogic

International provider of marketing, customer contact management and fulfillment services for high-tech companies finds 400 specifically trained workers for its South Carolina operation.

"The team we have put in place helped us achieve a record-setting year for our clients. I am very proud of our South Carolina associates."

Timothy Re, Site Director for ClientLogic

Perception Isn't Always Reality

Perception: Rural Williamsburg County, South Carolina with a population of 35,000 couldn't possibly provide the skilled work force needed by the technology-intensive operations of ClientLogic, a company that services such cutting-edge giants as Microsoft, Dell Computers and BellSouth.

Reality: Williamsburg has provided 400 specifically trained workers for ClientLogic with plans in place to add more workers to the company's South Carolina team.

"We began early, six to eight months before the company's opening, visiting ClientLogic to find out its needs," explained Hilton McGill, executive director of Williamsburg County Development Board. "Our contingent included representatives of South Carolina's outstanding worker training program, the South Carolina Technical College System, the local school district superintendent and others critical to the process. We saw first-hand what ClientLogic required so we would know how to train the workers." In the 1960s, Williamsburg County had many of its residents employed in the apparel industry. As the county entered the 21st century, most of those jobs had gone overseas, leaving a large pool of available workers ideal

for service center demands.

As ClientLogic Project Manager Walt Lopus explained, "the decision was based on two factors: availability of the labor force and the fact that South Carolina was extremely business friendly, characterized by the help we received at the state and local levels to conduct research and get answers to our questions. In our industry, everything moves quickly. South Carolina always had a timely response. We've been more than pleased with our work force in South Carolina."

To train its work force, ClientLogic is taking advantage of South Carolina's Center for Accelerated Technology Training (CATT). The company

has utilized CATT to recruit, hire, and conduct pre-employment training, all at no cost.

"What we have done for ClientLogic in terms of training its work force will have a bleed-over effect, so now we will be able to serve other high-tech companies," Jimmy Williamson, president of Williamsburg Technical College said. "Now, we are ready to serve more companies. We have a long way to go in South Carolina to reach our saturation point."



"The massive growth of our South Carolina facility would not have been possible without the support of the state and Williamsburg County. Through the efforts of South Carolina's Center for Accelerated Technology Training, ClientLogic was able to create a strong work force in a compressed amount of time."

Patrick Sheehan, Former Site Director, ClientLogic

Verizon Wireless

Industry leader chooses South Carolina for expansion again and again.

Between May 2001 and February 2002, as competitors watched, Verizon Wireless significantly expanded its South Carolina-based customer service centers.

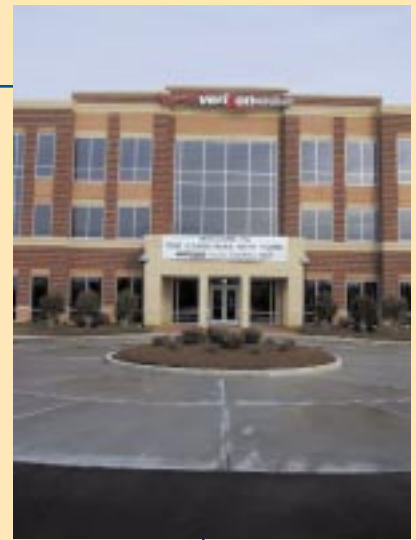
What prompted the nation's leading provider of wireless communications and Internet services to make this investment decision? Start with an ample supply of friendly, qualified workers with the diverse skills necessary to successfully serve customer service centers. Next, add a proven reputation for minimal startup lead times. Now, include a state-of-art telecommunications infrastructure, and competitive operating costs. The result: South Carolina has become a location of choice for call center operations.



In Columbia, a \$10 million expansion project completed in May 2001, has nearly doubled the size of Verizon's original 70,000 square foot customer service call center. Total employment, now exceeding 800, is soon expected to reach 1,050.

In Mauldin, located in South Carolina's Upstate region, Verizon dedicated a new \$38 million regional headquarters facility in February 2002. Specifically designed to accommodate a new customer service call center of over three times the size of the company's original 60,000 square foot Greenville center, the new facility currently houses 700 employees. That number is expected to reach approximately 1,200 by 2004.

"While expansions of this magnitude inevitably create a number of challenges," said Jerry Fountain, Verizon Wireless' regional president- Carolinas, "the partnership our company enjoys with Team South Carolina meant state and local officials worked hard to produce transitions that were as close to seamless as any we've ever experienced."



"The growth of our customer-service call center reiterates Verizon Wireless' commitment to both provide superior service to our rapidly growing customer base and to cultivate the partnership the company enjoys with the Palmetto State and the people of Columbia."

Jerry Fountain,
Regional President-Carolinas,
Verizon Wireless

By choosing South Carolina, Verizon has benefited from close proximity to Fort Jackson, one of several large military bases in South Carolina. The base provides an excellent source of workers for the company.

For more South Carolina advantages:
www.TeamSC.com

Insurall Casualty Group

Insurance company finds friendly, well-qualified, eager-to-assist workers in rural South Carolina.



Insurall Casualty Group, one of the fastest-growing direct auto and homeowners insurance underwriters in the Southeast, provides its customers complete agency and claims services through high caliber customer-service representatives using the latest technology.

Headquartered in Columbia, South Carolina's capital city, the company looked no farther than Hemingway, a rural community east of Myrtle Beach, when it needed a new state-of-the-art customer support facility.

Lack of turnover was the first reason. South Carolina's numerous rural communities and the continued shift from textile and agriculture-

based jobs in these areas means a readily available labor pool to draw on.

The second: South Carolina views customer contact centers as new sources of economic prosperity for its small towns, so it offers incentives and loans like the \$5 million loan to Insurall, guaranteed through the U.S. Department of Agriculture's Business and Industry Guaranteed Loan Program and financed locally by Carolina Capital Investment Corporation. Insurall Casualty was able to leverage these funds to construct its 22,000 square foot call center in Hemingway. This loan also provided working capital and enabled the firm to purchase furniture,

fixtures and equipment.

Jay Specter, Insurall president and CEO, said the ready availability of friendly, qualified workers also benefits his company.

"Our success comes from giving customers the individual attention they deserve. So we need people who truly care about the quality of the assistance they provide," said Specter.

"We wanted to locate where we'd be able to recruit and retain workers who were extremely competent, personable and eager to assist. In Hemingway, we believe we found the workers we need to enhance our continued strategy of expanding."

Crunch The Numbers

Low costs make South Carolina the #1 customer-service center location.

Lower Labor Costs

- Lowest payroll costs in the Southeast
- #1 Ranked work force training by Expansion Management magazine, available at no cost to qualified companies
- #1 Aggregate productivity in the Southeast
- Right-to-work labor environment, virtually no work stoppage
- Low overall cost of living

Lower Corporate Taxes

- Lowest state-level sales and use tax in the Southeast only 5%

Lower Utility Costs

- Among the lowest commercial power costs in the South

Lower Construction Costs

- Industrial construction costs 25% below the national average

Government is your ally in South Carolina.



Enjoy life!

200 miles of Atlantic Coast beaches. Foothills of the Appalachian Mountains. South Carolina offers culture, history and outdoor fun—not to mention **400** of the world's most challenging golf courses!

- A **moderate climate year-round** virtually eliminates weather-related stoppage or transportation failure
- An enjoyable lifestyle quality
- So **affordable** that mid-level managers can live an executive lifestyle



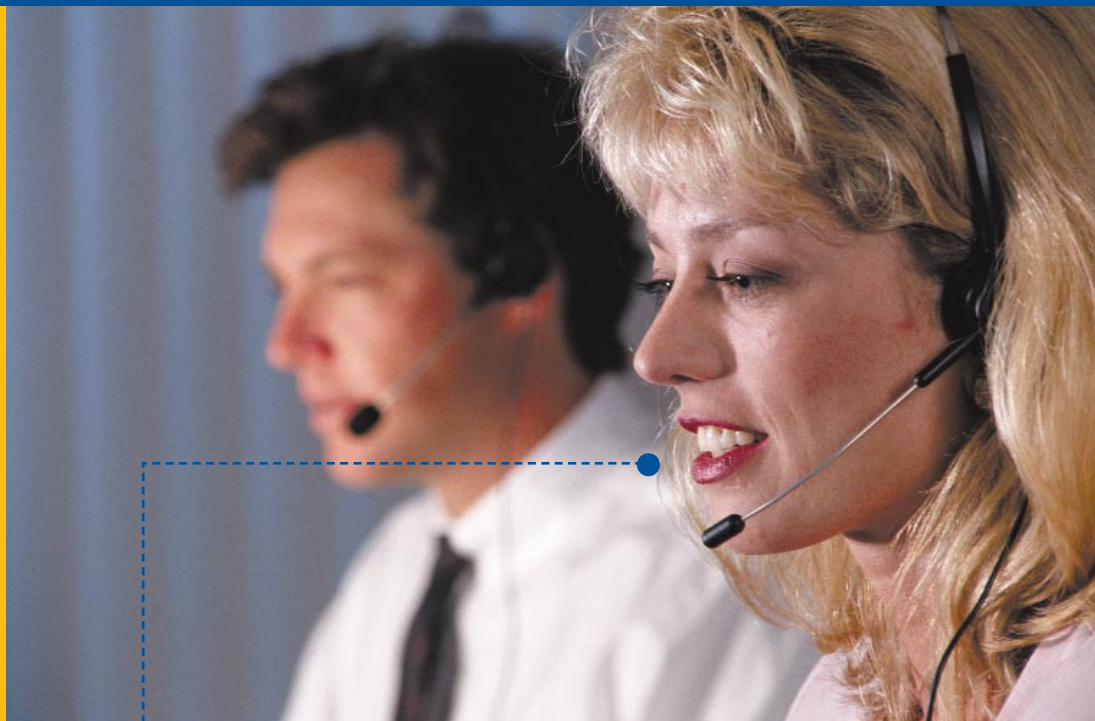
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"The increasing demand for our wireless voice and data services in this region meant we had to develop additional facilities to serve our customers. By selecting Columbia, we gain access to a tremendous pool of talent and have the ability to grow even further as our customer base increases."

Bill Wheeler,
Regional Vice President,
Cingular Wireless

In 2000, Cingular selected South Carolina's capital city for its state-of-the-art customer service center operations.

- Affordable, high-performing workers in abundance
- Affordable, available sites & buildings for service centers
- Affordable, reliable telecom service



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We perform. You win.