



Best States For Doing Internet Business

IA's latest economic white paper examines the key factors that determine the strength of an area's internet economy and develops an index to rank the ease of doing internet businesses (EDIB) in each state. *Key findings include:*

INTERNET ACCESSIBILITY IS THE SINGLE LARGEST VARIANT BETWEEN LEADING STATES AND LAGGING STATES.

It's so important, that it appears companies will ignore cost barriers and regulation in favor of internet accessibility.

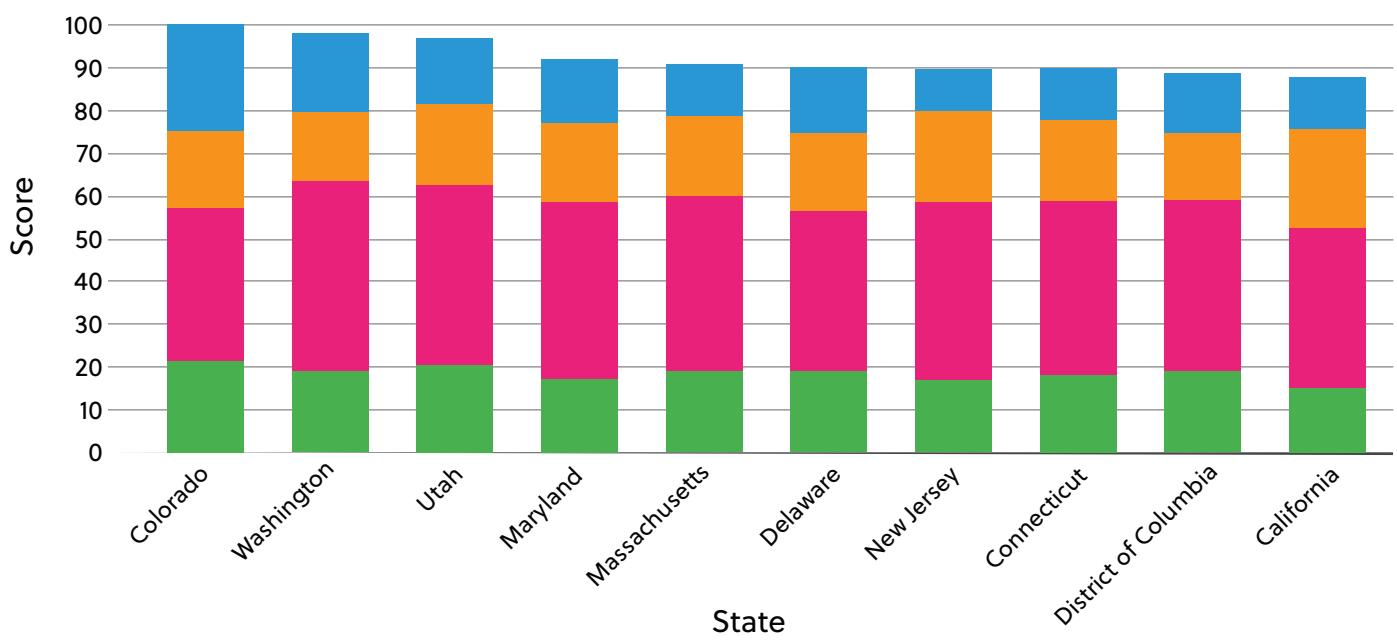
A STATE'S INTERNET BUSINESS ENVIRONMENT CORRELATES TO THE OVERALL PRODUCTIVITY & SIZE OF THE INTERNET SECTOR.

The report finds strong, statistically significant relationships between a state's internet environment and overall productivity, internet jobs, internet firms, and internet sector productivity.

THE INDEX IS MODELED ON THE WORLD BANK'S "EASE OF DOING BUSINESS" REPORT.

IA's EDIB uses widely accepted methods to take a closer look at the policies and business environment that best foster the internet economy.

EASE OF DOING INTERNET BUSINESS INDEX SCORES BY THEME





THE FOUR KEY THEMES IN THE EDIB

The EDIB index measures four key themes (outlined below), that affect a state's internet sector. These themes take into account both the overall businesses environment and internet-specific factors.

1

INTERNET BUSINESS ENVIRONMENT:

The factors surrounding the development of new and existing internet businesses. Captured through a combination of the subtopics: Internet Sector Strength, General Economic Health & Cost Barriers.

2

INTERNET ACCESSIBILITY:

The provision and quality of internet services available to businesses. Captured through the subtopics: User Accessibility & Internet Infrastructure Quality.

3

INNOVATION FINANCING:

The provision of financing and investment from public and private sources specific to technology and research activity. Captured through the subtopics: Research and Development, Internet Investment & General Investment.

4

GENERAL BUSINESS GOVERNANCE:

The general regulatory environment of an area for businesses. Captured through the subtopics: Taxes, Regulations & Licensing.

RANKING



Colorado

INDEX SCORE

100.00

- 21
- 36
- 18
- 25



Washington

98.10

- 19
- 44
- 16
- 19



Utah

96.67

- 20
- 42
- 19
- 15



Maryland

91.90

- 17
- 41
- 19
- 15



Massachusetts

90.48

- 19
- 41
- 19
- 12



Delaware

90.00

- 19
- 37
- 19
- 15



New Jersey

89.52

- 17
- 42
- 21
- 10



Connecticut

89.52

- 18
- 41
- 19
- 12



District of Columbia

88.57

- 19
- 40
- 16
- 14



California

87.62

- 15
- 37
- 23
- 12

REFERENCES AND OTHER INFORMATION

The information presented here is from "Ease Of Doing Internet Business" published by Internet Association (www.internetassociation.org). Research and references can be found in that source document and online.