



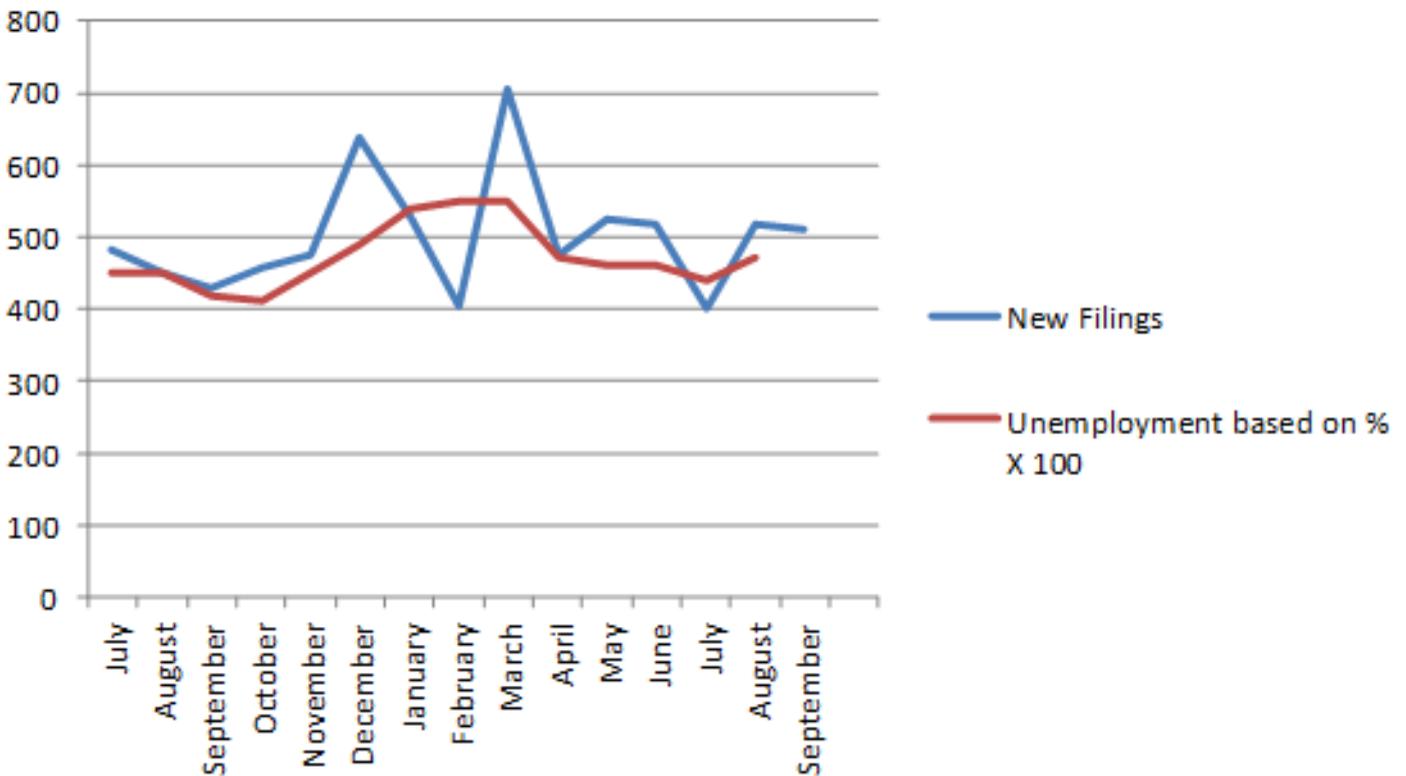
SOUTH DAKOTA SECRETARY OF STATE JASON M. GANT ECONOMIC REPORT



South Dakota Secretary of State Announces Increase in Corporate Filings in 3rd Quarter 2011

South Dakota Secretary of State Jason Gant announced today that the number of corporate filings submitted to his office has increased from last year. Gant stated, "We have had 3.25% more corporate filings so far this year, as compared to this time last year. I have been working to improve the efficiencies in technology related to corporate filings. My goal has been to cut the red tape for entrepreneurs and existing businesses. As many business owners may have noticed, in August I unveiled my new website and "South Dakota Open for Business" my new corporate launching pad for state corporations."

Gant continued, "Our new online system allows us to get real-time data that can be used



Unemployment Statistics provided by the South Dakota Department of Labor. Unemployment in the graph above is based on the unemployment rate multiplied by 100.

as an economic indicator for South Dakota. In the review of the new filing data, we found in the month of February 2011, my office received far fewer new corporate filings as compared to the months leading up to and after this date.”

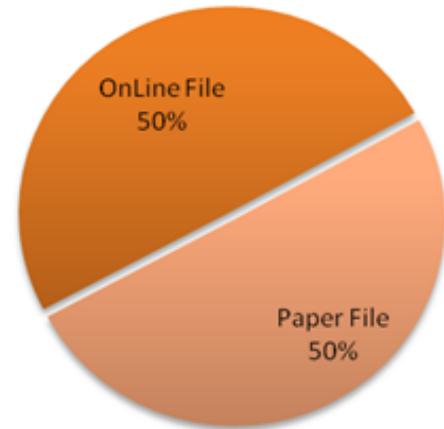
With further study of this data, the Secretary of State’s office found a direct correlation between the number of new business filings and the unemployment rate. As you can see in the graph above, February had the highest unemployment rate.

The South Dakota Secretary of State’s office has experienced a 5.14% increase in the number of corporations filing with the office for the 3rd quarter of this year compared to the 3rd quarter of last year. In September 2011, 511 new corporations filed in the office, an increase of 83 filings from September 2010.

Every year thousands of new businesses choose South Dakota as their corporate home due to our corporate laws, business-friendly state government, and service-orientated staff. This year has been no different. With the development of new technological advances, the Secretary of State has made life easier for corporations to file necessary paperwork. It’s a simple three-click process that will produce instant results. This new cost-saving advancement in filing corporate documents was long overdue. During the month of September 2011, the first full month of electronic filings, 4,300 corporations were required to file annual reports to remain in good standing. Of that number, roughly 2,140 used the electronic filing as their means of filing corporate documents, a conversion rate of 50% from paper filings. This reduced taxpayers expenses on paper, postage, and staff time by 50%.

While a number of businesses continue to struggle in the wake of South Dakota’s economic challenges, areas of prosperity appear to be emerging. We are encouraged by the continued annual gains in the number of new entity filings with my office. With the end of the year quickly approaching the South Dakota Retailers have forecasted a small increase in holiday sales and with Christmas just around the corner we hope for a strong finish to the holiday shopping season.

Annual Report Filings Online vs Paper



(September 2011 Figures)



The South Dakota Secretary of State Economic Report is provided as a courtesy of the Secretary of State’s office and is a compilation of business registration data from the Secretary of State’s office, and other applicable sources. For more information, contact South Dakota Secretary of State, Business Services, 500 East Capitol, Suite 204, Pierre, SD 57501, e-mail openforbiz@state.sd.us, or visit our website at www.sdopenforbusiness.com