

5. A transportation/distribution model was developed

To estimate transportation and distribution costs, we analyzed transportation costs for six industries based on standard distribution patterns for each industry:

	Autoparts	Environmental, Medical, Pharmaceutical	Software, Telecommunications
Atlanta	13%	26%	
Chicago	11%	23%	
Cleveland	10%		
Detroit	30%		
Los Angeles	18%	15%	40%
New York City	11%	23%	40%
Seattle	4%	7%	
Toronto	3%	6%	20%
	100%	100%	100%

Because markets for processed food products are likely to be regional, we estimated these costs based on a standard distribution distance of the greater of (1) a 250 mile radius, and (2) the radius required to give access to a population base of 5 million consumers. This distribution calculation resulted in the following distances for the frozen food industry:

	<u>Distance in miles</u>		<u>Distance in miles</u>
Calgary, AB	600	Austin, TX	250
Halifax, NS	775	Bellingham, WA	250
Langley, BC	250	Columbus, OH	250
Laval, QC	250	Manchester, NH	250
London, ON	250	Minneapolis, MN	380
Moncton, NB	650	Raleigh, NC	250
Ottawa, ON	250	Sacramento, CA	250
Winnipeg, MB	475		

6. Other model notes

The analysis is focused on the treatment of the facility as a stand-alone operation. The scope of this analysis does not include an assessment of the impact of withholding taxes, or taxation of individuals.