

Quarterly Business Report

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Dear Business Leader:

"If history repeats itself, what the data tells us is that the economy has turned." That's what economic analyst Jeremy Aguero of Applied Analysis told the Las Vegas Review Journal after studying several years of new entity filings data gathered by my office. And any historian will tell you that history does in fact repeat itself in Nevada.

I have an archive of national headlines from 30, 50, and even 80 years ago that ominously reported the Nevada economy had been dealt "a losing hand," rolled "snake eyes," and otherwise had flopped. But here we are, with one of the state's leading analysts pointing out that the number of new filings was up at the end of 2010 for the first time in six years, causing him to believe that the worst of the most recent recession in Nevada is behind us. Nevadans have proven their resiliency time after time throughout our state's history. And I am absolutely convinced that history will in fact repeat itself in 2011.

That's why I'm working with the Governor, Lieutenant Governor, and legislative leaders to overhaul the state's approach to creating and sustaining economic development in the state. As I've been telling business groups throughout the state, I believe we'll see results, not far out in the future, but within just a few years.

My priority in my second term as your Secretary of State is to make Nevada the premier state in which small and medium-sized businesses will want to form and expand. We will do that by launching and expanding the Nevada Business Portal, tracking and sharing economic indicators derived from data we collect, and being instrumental in redesigning our statewide approach to economic development. I look forward to sharing more information with you about these efforts in future reports.

Respectfully,



Secretary of State Ross Miller is traveling the state, meeting with a variety of business groups to share his message that Nevada's history of economic resilience will repeat itself.

Nevada Business Portal Update

Watch for a special announcement later this spring as Secretary Miller launches the Nevada Business Portal, a one-of-a-kind one-stop shop for business to government transactions.

One of Secretary Miller's stated goals is to use technology to facilitate innovation and remove outdated government barriers to entrepreneurial efforts. The Portal will give businesses from in and outside of the state yet another reason to expand or locate here.

The Portal team is gearing up to conduct User Acceptance Testing - one of the final steps before the launch. In the first phase, business customers will be able to conduct all transactions with the Secretary of State's office and obtain their state sales and use tax permit in one online visit.

Request for Information Issued to Improve Customer Service

Secretary Miller continues to look for every way he can to improve customer service given the state's very limited resources.

The office has issued a Request for Information (RFI) with the intention of conducting a thorough evaluation of current procedures, available technology, and training needs. The successful vendor will also be asked to present recommendations and a plan for implementing them. Qualified subscribers are encouraged to respond by the end of April. The document can be found at <http://purchasing.state.nv.us/odocs.htm>

The office's goal is to create a more efficient call center using the best available technology and maintaining a higher level of customer service through proper training.

News from the

Commercial Recordings Division

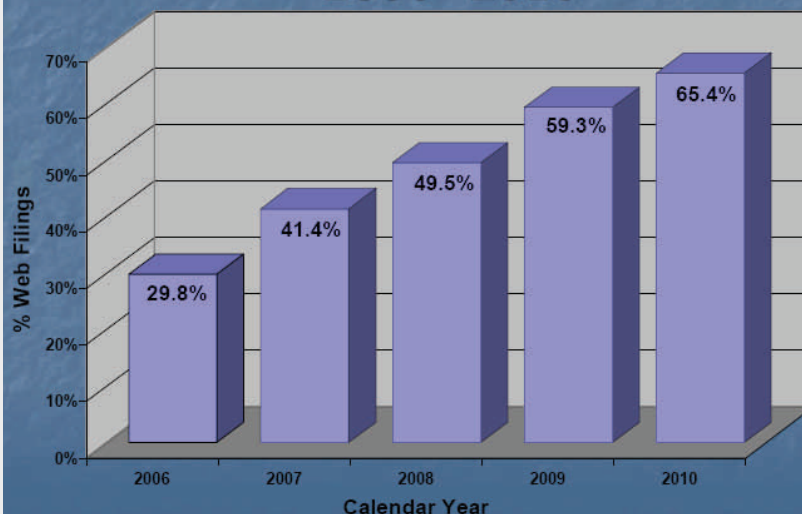
Immediate Results Seen with Online Articles Filings

Since its December 11, 2010 launch, the Secretary of State's online filing services for articles of incorporation and organization have experienced significant customer usage with web filings growing to nearly 58% for March. Of the 16,375 new corporations and limited liability companies formed in the quarter ending March 31, 8,838 or 54%, were filed online. Commercial Recordings Deputy Scott Anderson says he expected the adoption rate to be significant but not this rapid. These new online services have allowed turnaround times for paper filings submitted to the office to fall from 7 – 10 business days to 1 – 3 business days. They have also reduced the resources necessary to receipt and scan incoming documents as customers are submitting documents and payments electronically.

Domestic Corporations and LLCs may file organizational documents online at www.nvsos.gov. Wizard technology guides customers through the process, resulting in fewer rejections, thus increasing efficiency. Filing is immediate, without additional expedite fees.

The Secretary of State also offers online services for initial, amended or annual lists, name reservations, certificates of good standing, UCC filings and searches and the free business entity search.

Growth in Online Filings 2006- 2010



Nevada Commission on Economic Development

Nevada Businesses,

I am happy to introduce you to the services of the Nevada Commission on Economic Development, one of the most progressive state economic

development agencies you will find. As a team of dedicated professionals, we would like to make sure you are getting the right information in a timely manner. We may not directly manage or operate all business support services, but we do know who does. If it is not one of our programs that can best benefit you and your situation, then we will connect you to the right person at the right agency or company. We'd like to thank the Secretary of State for the opportunity to communicate with you through this newsletter.

There has been a lot of discussion lately about economic development in Nevada. The Nevada Commission on Economic Development is excited about the uptick in enthusiasm about the topic and we've been asked many times about strategies to bolster the efforts and how the citizens can assist in the effort. Our professional staff is working hard to get the word out about Nevada's operating environment and we need your help. We are asking that each one of you reach out to at least one out-of-state (or international) vendor or customer



in your industry and ask them to consider expanding to Nevada.

Don't know what to say? Need talking points? No problem. We've developed a great presentation that we call "Why Nevada." Check it out here:

http://www.diversifynevada.com/images/uploads/why_nevada_new_addition_1.pdf

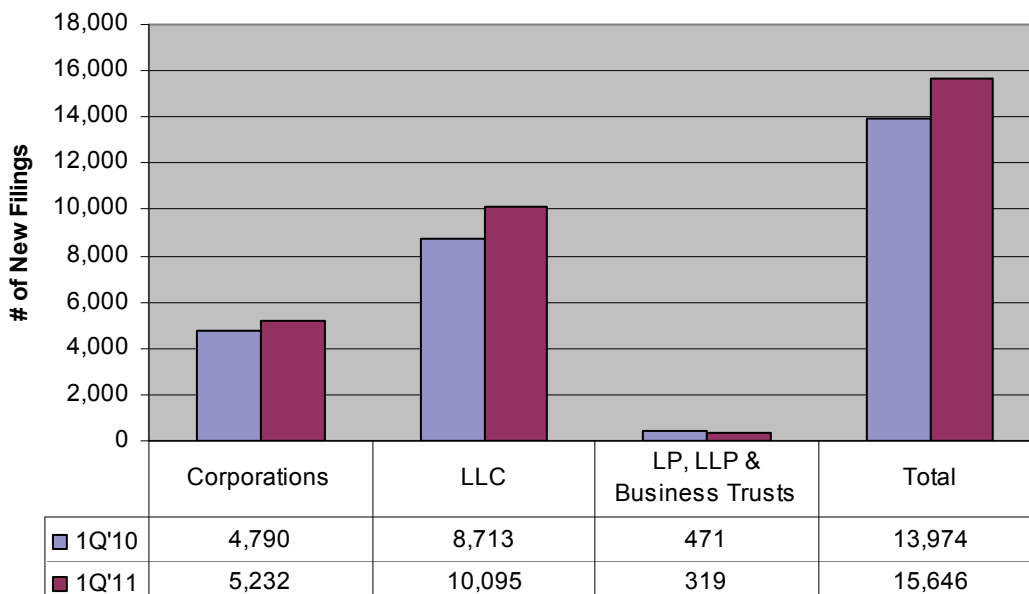
It touches on many of the benefits of Nevada including tax structure and incentives, workforce, geographic location, regulatory environment, infrastructure and lifestyle.

In the end, we would like to share with companies our complete understanding of the business basics that really matter: proximity to suppliers and strong linkages, proximity to customers, an adequate supply of skilled labor, adoption of technological innovation, and well-maintained and efficient infrastructure.

Nevada can deliver on these basics and provides a very effective and efficient operating environment for companies to improve profitability and growth.

Michael E. Skaggs
Executive Director

New Filings - 1Q'10 vs 1Q'11



The number of new entity filings in the 1st quarter of 2011 was up by more than 1600 compared to the same period in 2010, another positive indicator of economic expansion in the state. The 11.6% increase will be analyzed in the next Quarterly Economic and Business Activity Report to be issued by the Secretary of State in partnership with Applied Analysis in the coming weeks.