

Springs named No. 11 among best places to build data centers

By [WAYNE HEILMAN](#)

May 5, 2008 - 8:24PM

Colorado Springs ranks among the 14 best places in the nation to build a data center, according to a new study by a New Jersey corporate site selection firm.

Low power costs, an abundant supply of highly educated workers, the availability of government-approved training programs and a low risk of natural disaster helped the Springs rank 11th in a study released Monday by The Boyd Co. Inc.

Data centers are facilities that house large computer systems and related equipment, such as telecommunications and storage systems for customer information by companies in a variety of industries. The centers often include backup power generators and communications lines and raised floors to keep computer systems from overheating.

The 91-page study estimated the annual cost of running a 125,000-square-foot data center with 75 employees in the Springs at \$13.3 million, or \$2.1 million more than the top-ranked location, Sioux Falls, S.D., but less than half the cost of a center in New York.

"It's not just about cost, but the availability of low-cost power and land at a reasonable cost and a mid-continent location away from the threat of hurricanes, earthquakes and tornadoes make Colorado Springs a top choice," said Boyd Co. President John Boyd.

A Boyd study two years ago of operating costs and other factors ranked Colorado Springs seventh among 35 cities considered potential data-center sites. The latest study updates that information but also focuses on data centers for the financial services industry.

Ohio-based insurer Progressive Corp. opened a \$57 million data center in 2006 next to its customer-support center in northern Colorado Springs, and shipping giant FedEx Corp. is building an expanded data center to replace a smaller facility in the Rockrimmon area.

"This is a booming industry," Boyd said. "Financial institutions have become the leading sector for the industry because of identity theft concerns, but the health care industry also is fueling demand because of privacy requirements for medical records."

Boyd also expects that the growth of entertainment options such as music videos and movies downloaded from the Internet will fuel data-center growth.

For more information on the study, go to www.theboydcompany.com.

CONTACT THE WRITER: 636-0234 or wayneh@gazette.com

TOP SITES

A study released Monday by Princeton, N.J.-based site selection consultant The Boyd Co. Inc. ranked the top 14 cities for data center operations:

- Sioux Falls, S.D.
- Huntsville, Ala.
- Bloomington, Ind.
- Rolla, Mo.
- Council Bluffs, Iowa

- Tulsa, Okla.
- Ames, Iowa
- San Antonio
- Omaha, Neb.
- Albuquerque
- Colorado Springs
- Denton, Texas
- Champaign-Urbana, Ill.
- Denver