

North Dakota delivers growth & prosperity

food processing



“As a corn milling facility, we deal regularly with some 1,500 North Dakota growers and find them to be extremely progressive – always looking for the win-win scenario. That same attitude exists with the government and community leaders.”

Red Guerts
Wahpeton Plant Manager
Cargill



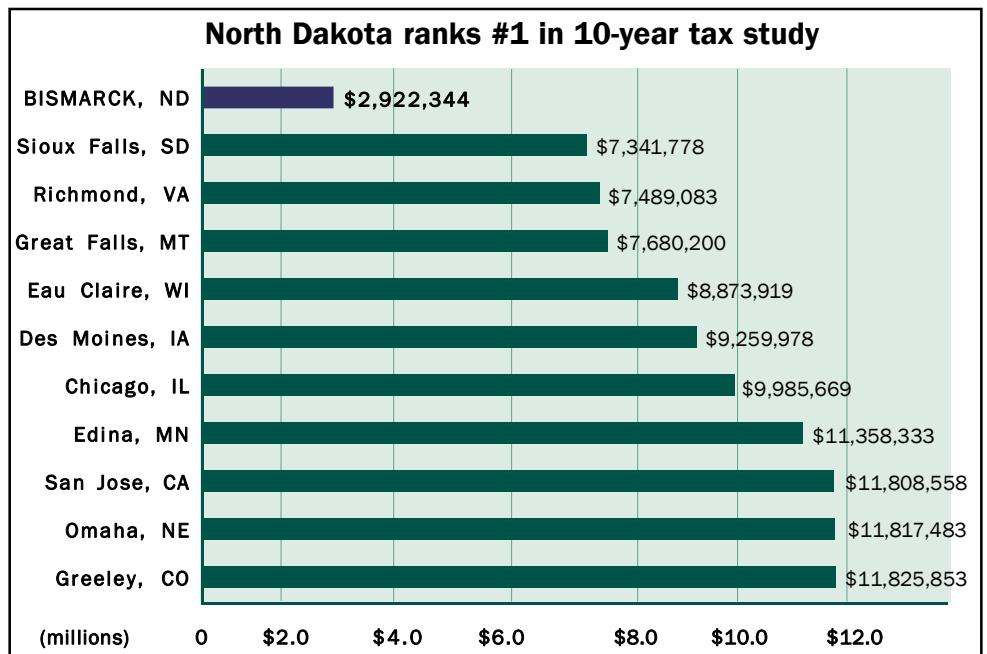
North Dakota food processors come out on top

An independent analysis proved North Dakota has lower business taxes than 10 other states. Eide Bailly, an accounting and consulting firm with offices in eight states, conducted the analysis as if it were research for a new agricultural processing facility. The firm evaluated the 10-year tax costs for a new 100,000 square foot milk products facility to include land and building costs, an expansion, equipment costs, and employment and sales growth.

Research was conducted in December of 2002 for all applicable tax scenarios, including incentives, for five tax areas:

- Property taxes
- State and local sales tax
- Corporate income tax
- Workers compensation insurance
- Unemployment insurance

North Dakota’s strategically developed tax incentives resulted in the lowest tax state ranking. More specifically, a 10-year property tax exemption, no sales and use tax on construction materials and equipment, as well as a five-year income tax exemption creates our competitive advantage. Our state has worked diligently to provide incentives to assist new and expanding businesses in the critical first five to ten years to get you to profitability faster (see chart below).





Food processors find success in North Dakota

(NOVEMBER 2004) -- Specialty Export Productions announced plans it will locate its second North Dakota facility in East Fairview, just west of Watford City, ND. The company is a major producer and exporter of certified organic and non-gmo grain and oilseeds.

OCTOBER 2004) – Philadelphia Macaroni Company celebrated Minot Milling Company's opening of its expanded milling plant in Minot, ND. Minot Milling added two new mills that will process 13,500 bushels of hard red spring wheat a day into 600,000 pounds of bakery flour.

2004 Crop Rankings

ND Rankings	% Nation's Production
#1 Flaxseed	95%
Canola	91%
Dry Edible Peas.....	61%
Durum Wheat.....	59%
Pinto Beans.....	46%
Spring Wheat	43%
Oil Sunflower	39%
All Sunflower	39%
Non-oil Sunflower	37%
Barley	33%
Lentils.....	31%
All Dry Edible Beans...	27%
Honey	17%
Oats.....	12%
#2 Navy Beans	30%
All Wheat	14%
Rye	9%
#3 Sugarbeets.....	16%
#4 Potatoes.....	6%

North Dakota food processors represent products you use and companies you know

You will find a wealth of food processors that are growing and prospering in North Dakota. Indeed, food processing facilities located in North Dakota are some of the most productive in the nation. In the map on the next page, the major food processing facilities in six broad categories include:

Potatoes

RDO Foods Company	Grand Forks	Dehydrated potatoes
Cavendish Farms	Jamestown	Frozen Potato Products
JR Simplot Co.	Grand Forks	Frozen Potato Products
Western Polymer	Grand Forks	Potato starch

Pasta

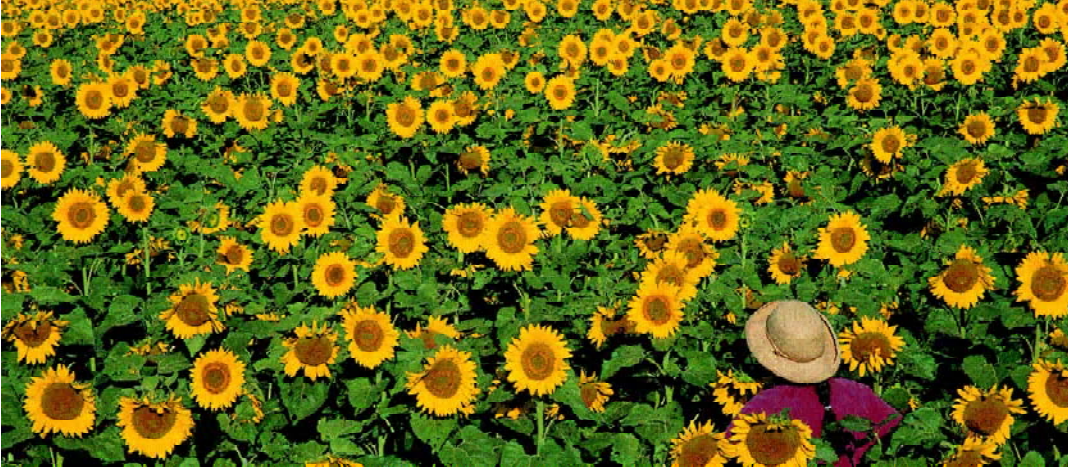
Golden Plains Frozen Foods	Leeds	Frozen filled pasta
Noodles By Leonardo Inc.	Devils Lake	Dry pasta
Noodles By Leonardo Inc.	Cando	Dry pasta
Dakota Growers Pasta Co.	Carrington	Macaroni and spaghetti
La Rinascente	Hope	Dry pasta
Philadelphia Macaroni Co.	Grand Forks	Short and long-cut dry pasta

Baking, Milling and Malt

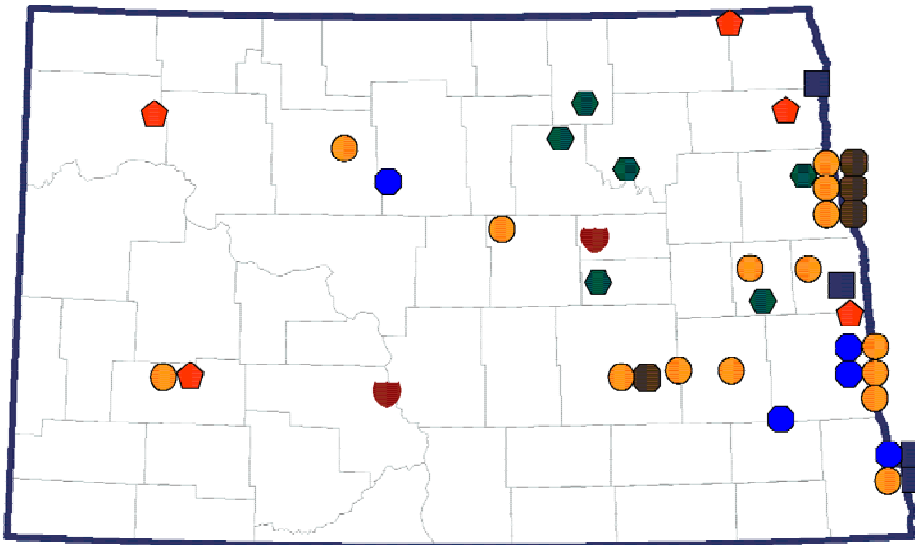
ND Mill & Elevator	Grand Forks	Bread mixes
Minn-Dak Yeast Co. Inc	Wahpeton	Yeast
Cargill Malt	Spiritwood	Malt
Minot Milling	Minot	Semolina, patent and clear flour
Roman Meal Milling Co. Inc.	Fargo	Grain-based mixes
Baltimore Spice	Grand Forks	Mustard flour, ground mustard
Minn-Dak Growers Ltd.	Grand Forks	Buckwheat and mustard flour
Heart Of The Valley LLC	Mayville	Instant bean powder
Dakota Brands Int'l. Inc.	Jamestown	Frozen bagels, dinner roll dough
Pizza Corner Frozen Pizza	Valley City	Oven ready frozen pizzas
Baker Boy Supply	Dickinson	Frozen cookies
Earth Harvest Mills	Harvey	Organic wheat flour
Pan-O-Gold Baking Co	Fargo	Country Hearth bread and buns
Top Taste Inc.	Finley	Frozen bread, cinnamon rolls
Drayton Enterprises LLC	Fargo	Frozen dough

Meat Processing

Cloverdale Foods	Mandan	Pork and beef processed meats
North American Bison Coop	New Rockford	Bison meat processing and by-products



North Dakota Food Processors



Sugar

Cargill Inc.	Wahpeton	High fructose corn syrup
American Crystal Sugar	Drayton	Beet sugar
American Crystal Sugar	Hillsboro	Beet sugar
Minn-Dak Farmers Co-op	Wahpeton	Beet sugar



Fuel and Feed

Northwest Alfalfa Products	Tioga	Compressed alfalfa hay cubes and bales
Alchem Ltd LLLP	Grafton	Ethanol
ADM Corn Processing	Walhalla	Ethanol
Harvest States Sunflower	Grandin	Hulled millet
Minn Dak Growers Ltd.	Dickinson	Safflower, buckwheat and mustard seed



Vegetable Oil and Oilseed

Archer Daniels Midland Co.	Enderlin	Vegetable oil
Cargill Inc.	West Fargo	Vegetable oils: sunflower, linseed
Archer Daniels Midland Co.	Velva	Edible fats and oils
SunGold Foods Inc.	Fargo	Inshell, confectionary sunflowers
Sonne Labs	Wahpeton	Salted and roasted seeds

Tax Incentives, Exemptions

- Property tax exemption of up to 5 years for new or expanding businesses.
Two Extensions are available:
 - Agricultural processors may be granted a partial or full exemption for up to 5 additional years.
 - A project located in property leased from a governmental entity qualifies for an exemption for up to 5 more years upon annual application by the project operator.
- In lieu of a property tax exemption, in full or part, a company may negotiate a fixed or graduated property tax rate for a period not to exceed 20 years.
- Corporate income tax exemption of up to 5 years for new or expanding food processors.
- Sales and use tax exemption for manufacturing equipment, water and electricity.
- Sales and use tax exemption for construction materials used to construct the agricultural processing facility.
- Wage and salary corporate income tax credit for new businesses.
- Income tax credit for research expenditures.
- No personal property tax, including equipment, inventory, materials in process and accounts receivable.
- Lowest workers' compensation premium rates in the nation.



North Dakota

TD MEP helps build business

The Dakota Manufacturer's Extension Partnership (TD MEP) provides assistance to help companies become more competitive, productive and profitable.

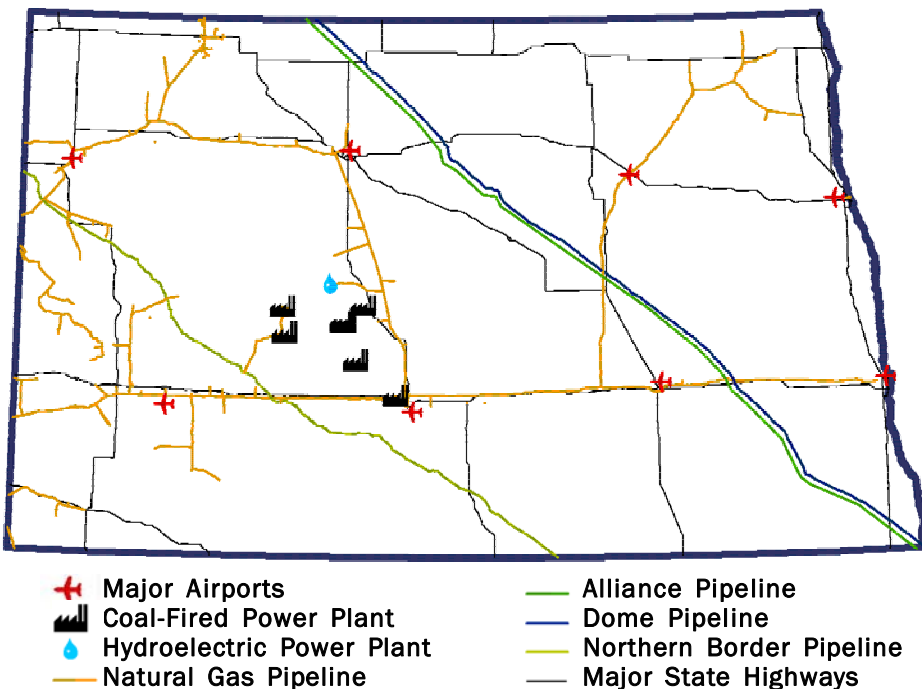
MEP is an objective service provider that measures its success by the success of its clients. In its last survey (from fiscal year 2003) of NIST MEP clients companies around the country reported that, as a result of NIST MEP services, they created or retained 50,315 jobs; increased sales \$1.483 billion; retained sales of \$3.628 billion; realized \$686 million in cost savings; and invested \$192 million in modernization, including plant & equipment, information systems and workforce development.

For more information on TD MEP, call 1-866-297-8250.



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North Dakota delivers abundant transportation and utility infrastructures to meet your food processing needs



North Dakota will meet your needs for water

