

North Dakota delivers growth & prosperity

manufacturing



“Almost immediately after it opened, our North Dakota plant became a leader in productivity. There’s no doubt it’s because of the high quality of the employees.”

Dennis Gladen
Manufacturing Director
Imation Corporation



North Dakota manufacturers come out on top

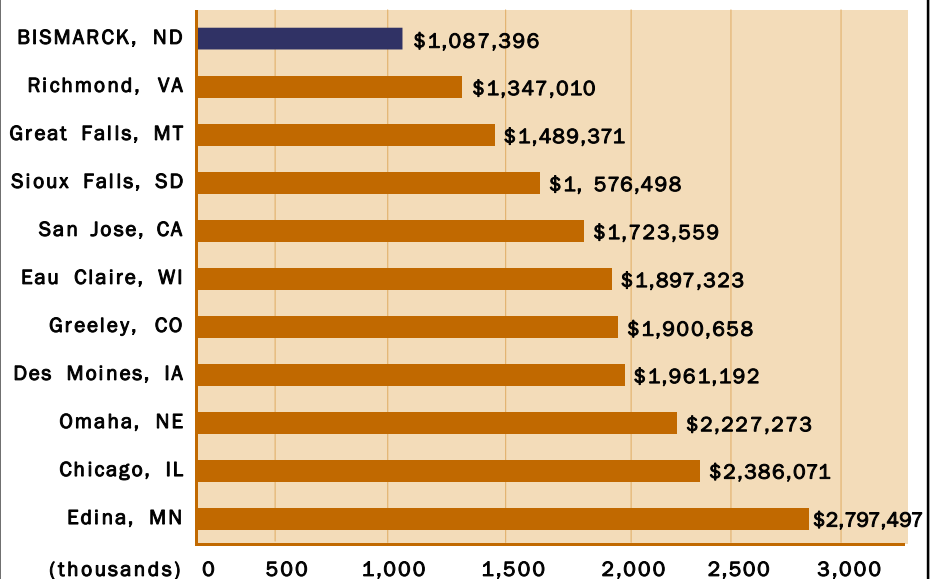
An independent analysis proved North Dakota has lower business taxes than 10 other states. Eide Bailly, an accounting and consulting firm with offices in eight states, conducted the analysis as if it were research for a new medical device company. The firm evaluated the 10-year tax costs for a new, 66,000 square foot manufacturing facility to include land and building costs, an expansion, equipment costs, as well as 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 has worked diligently to provide incentives that assist new and expanding businesses in the critical first five-to-ten years of operation so these companies become profitable sooner. The state’s strategy has paid off with tax advantages that surpass the other states reviewed in this analysis (see below).

North Dakota ranks #1 in 10-year tax study





Companies find success in North Dakota

Bobcat IR

- World headquarters located in West Fargo, North Dakota
- Boasts nearly 2,700 North Dakota employees
- Maintains a turnover less than three percent
- Manufactures skid-steer loaders in Gwinner, North Dakota
 - Holds over 40 percent of world market share
- Manufactures compact excavator in Bismarck, North Dakota
 - Holds over 30 percent of market share in U.S. and Europe

Imation Corporation

- Manufactures removable data storage media in Wahpeton, North Dakota
- Employs over 555 highly productive North Dakotans
- Maintains a turnover less than one percent
- Maintains an absenteeism less than two percent
- Recently completed \$10 million, 128,000 square foot expansion
- Named by *IndustryWeek* as one of "14 Best Manufacturing Plants in North America and Europe 2000"

Goodrich Corporation

- Employs 550 at its facility in Jamestown, ND
- Recognized as the world's largest air cargo system manufacturer
- Holds contracts to produce air cargo systems for the Boeing 7E7 (now 787), the Airbus A380 and now Air China

North Dakota manufacturers represent products you use and companies you know

You will find a wealth of manufacturers that are growing and prospering in North Dakota. Indeed, manufacturing facilities located in North Dakota are some of the most productive in the nation.

In the map on the next page, the major manufacturers in four specific categories are identified, along with research and development centers located in the state. The four categories include:

1. Plastics and Electronics
2. Medical Supplies and Testing
3. Industrial and Agricultural
4. Transportation Equipment

Plastics and Electronics Manufacturing

Terhorst Manufacturing Co., Inc.

Minot

Turtle Mountain Manufacturing Corp

- a Pemstar company

Dunseith

Nordic Fiberglass

Devils Lake

Vansco Electronics

Valley City

LM Glasfiber

Grand Forks

GPK Products

Fargo

Phoenix International

Fargo

Imation Corp.

Wahpeton

Alien Technologies

Fargo

Windows and Wood Product Manufacturing

TMI System Design Corp.

Dickinson

Thermal Line Windows Inc.

Mandan

Marvin Windows and Doors

Grafton

Integrity Windows by Marvin

Fargo

Cardinal ING

Fargo

Tecton Products

Fargo

Ritescreen

Fargo

Primewood

Wahpeton

Industrial and Agricultural Manufacturing

Bobcat IR

Gwinner, Bismarck, West Fargo

JLG Industries Inc.

Oakes

John Deere Seeding Group

Valley City

Integra Castings

Cando

Summers Manufacturing

Devils Lake

Posi Lock Puller Inc.

Cooperstown

Crary Company

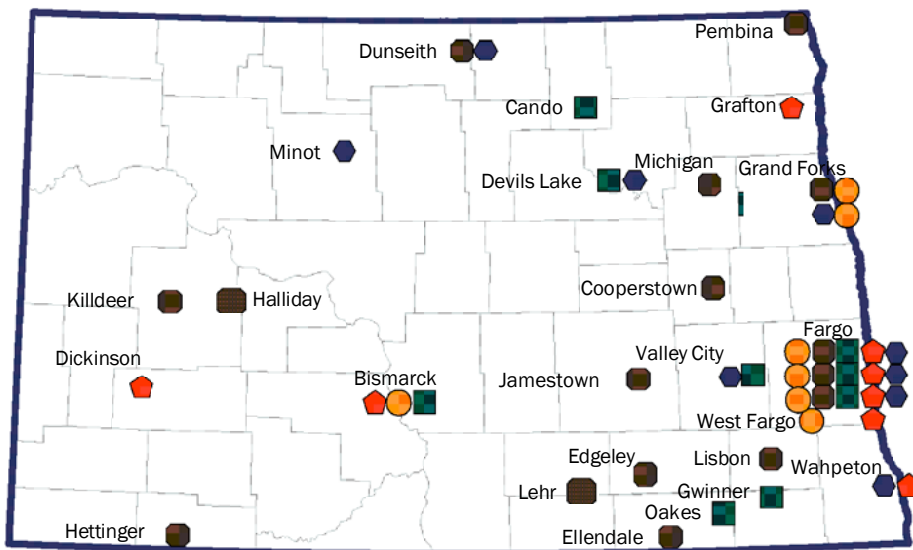
West Fargo

Case New Holland NV

Fargo



North Dakota Manufacturers



Transportation Equipment Manufacturing



Killdeer Mountain Manufacturing
Hettinger, Killdeer

Turtle Mountain Manufacturing
Corp. - a Pemstar company
Dunseith

Goodrich Corporation
Jamestown

Fargo Assembly Company
Ellendale, Michigan, Lisbon,
Edgeley, Fargo, Lehr

Motor Coach Industries
Pembina

Cirrus Design Corp.
Grand Forks

Gremada Industries
West Fargo, Fargo

Global Electric Motorcars
Fargo

Research and Development Centers



School of Medicine
University of North Dakota (UND)
Grand Forks

College of Pharmacy
North Dakota State University
(NDSU) Fargo

USDA/ARS Human Nutrition
Research Center, UND
Grand Forks

Center for Nanoscale Science and
Engineering, NDSU
Fargo

Department of Polymers and Coat-
ings, NDSU
Fargo

Dakota Manufacturing Extension
Partnership
Fargo, Bismarck

ND MEP puts you on top with bottom-line results

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

It is a public-private partnership – part of a national network of 65 centers including 350 locations and 2,000 practitioners who provide technical and business assistance to American manufacturing. These firms cover all industries from food processors to machine shops to electronics. See www.mep.nist.gov.

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.

MEP clients experience productivity gains more than four times greater than comparable firms not receiving MEP assistance.

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



Tax incentives designed for manufacturers

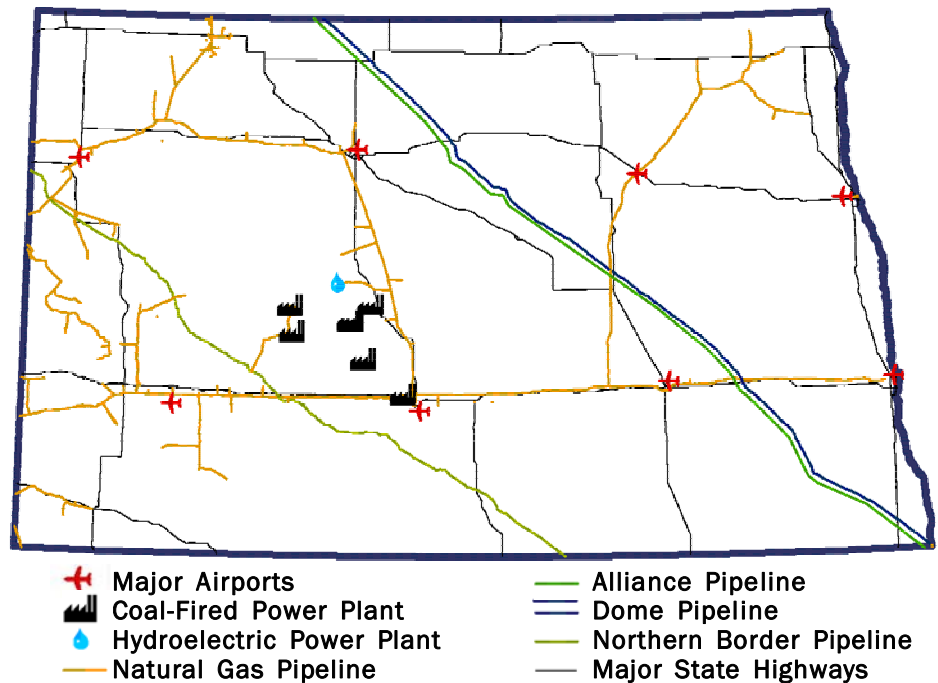
- Property tax exemption of up to five years for new or expanding businesses
- In lieu of a property tax exemption in full or part, negotiate a fixed or graduated property tax rate for up to 20 years
- Corporate income tax exemption of up to five years for new or expanding manufacturers
- Wage and salary corporate income tax credit for new businesses
- Income tax credit for research expenditures
- Sales and use tax exemption for manufacturing equipment, water and electricity
- No personal property tax — including equipment, inventory, materials in process and accounts receivable
- Lowest workers' compensation premium rates in the nation



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



You will find a redundant telecommunications infrastructure in North Dakota

