

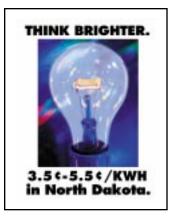
ND Department of Economic Development & Finance Newsletter

March 2001

Growing Interest in North Dakota

CALIFORNIA DREAMIN' IS BECOMING A REALITY

California companies, fed up with high energy prices that don't guarantee they'll be supplied with adequate energy, will be courted to move to North Dakota, where life could be a whole lot easier for them.



ED&F and a team of ND local developers and utilities met in mid-February to explore a marketing campaign that would target companies in northern California, where energy problems have been the most critical. ED&F will lead the statewide effort as the team looks at which of North Dakota's benefits might attract California companies.

The team will explore the cost and effectiveness of print advertising such as full-page ads in daily newspapers and trade journals in major cities, as well as other marketing activities, such as direct mailings, targeted phone calls, radio ads, or a reception in California.

"We have relatively inexpensive energy, lots of water, and an awesome workforce," said ED&F Director Lee Peterson. "We think that will be a big incentive to California companies looking for a better place to grow their business." ■

DID WE MENTION THAT WE HAVE AN AWESOME WORKFORCE?

Bismarck-Mandan

Bismarck-Mandan has a large pool of underemployed workers who would be willing to retrain into better jobs, according to preliminary results from a 10-county workforce-availability survey.

The Bismarck-Mandan Development Association hired market research firms Wadley-Donovan Group and Younger Associates to survey randomly selected employers and working-age residents within a 50-mile radius of Bismarck-Mandan. Among the employees surveyed, 15 percent said they were currently underemployed, 40 percent said they were interested in training to obtain a better job, and 40 percent reported annual average salaries of less than \$25,000 per year, which promotes a desire to move to jobs offering higher wages and benefits.

Verifying those employee responses were the employer surveys, in which nearly half of the companies responding said it was "common" for them to receive applications from people whose educational levels exceed the position's requirements. The employer survey also indicated very high satisfaction with Bismarck-Mandan area employees' work ethic and productivity. Employers reported low annual employee turnover of 6 to 9 percent, and daily absenteeism rates of less than 5 percent.

> From an article by Joe Gardyasz Bismarck Tribune

Grand Forks

Low unemployment statistics in the Grand Forks region belie widespread underemployment, according to a recent labor study that found 37,625 workers looking for better jobs nearby, and 13,742 further away who would move to Grand Forks if they could get better jobs.

ED&F, the Grand Forks Region Economic Development Corp., and Job Service North Dakota funded the study, which also found that many workers in the region are young, skilled, and educated.

> From an article by Tu-Uyen Tran Grand Forks Herald

LEGISLATIVE UPDATE

Senate Bill 2019 is the ED&F appropriations bill. It passed in the Senate 46-2 on Feb. 21 with an emergency clause, and had its first House committee hearing on March 2.

Senate Bill 2032 relates to the creation of a Department of Commerce that would merge ED&F, the Division of Community Services, the Tourism Department, and Workforce Development. The bill passed in the Senate 47-1 on Feb. 21 and went to the House. ■

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JIM HIRSCH NAMED ED&F WORKFORCE DEVELOPMENT DIRECTOR

ED&F recently named Jim Hirsch the new director of workforce development. He replaces Fraine Zeitler, who served as director for five years.

Hirsch, a North Dakota native, has 32 years of experience at Job Service North Dakota (JSND). Since 1987 he has served as a JSND division director. In 1997, as director for centralized services, he became responsible for the State Unemployment Insurance, Workforce 2000, and North Dakota New Jobs Training programs.

"We chose Jim based on his years of experience in workforce development," said Lee Peterson, ED&F director. "He will be the main contact for businesses, site selectors, and economic development professionals needing information about the state's workforce development."

F-M SECOND-BEST SMALL METRO AREA IN NATION FOR GROWING STARTUPS

Inc. magazine's website (inc.com), recently named Fargo-Moorhead the second-best small metro area in the nation (out of 50) in which to start and grow a company. The article says, "Because of low crime rates, a strong commitment to education, and the availability of labor (as the agricultural sector has declined), this area provides a solid base for companies like Great Plains Software." Sioux Falls came in third; Las Vegas and Reno came in first and fourth, respectively. For the entire report, go to http://www.inc.com/ articles/details/0,3532,1_CID21162_REG14,00.html. ■

ND DEVELOPMENT FUND HELPS BUSINESSES IN FARGO, MINOT, AND WATFORD CITY

Fargo

FBS Data Systems received \$291,000 from the North Dakota Development Fund for expansion. Other assistance came from Alerus Financial, Fargo, the lead bank for the project.

Paul Wurzer, president, started the company in 1978. FBS provides custom computer programming solutions to the real estate industry. In late 1999, FBS introduced new software called the *flexmls* system, used primarily to allow realtors to list properties which can then be accessed on the Internet.

Minot

Websmart Interactive Inc. received \$300,000 as part of a \$1.395-million financing package for building a new service center. Other assistance came from the Minot-based Souris Basin Planning Council, Community Development Loan Fund, the Magic Fund, the city of Minot, and a local community bank.

Websmart was started in March 2000 by Minot attorneys John Skowronek and Robert Lamont. Websmart provides third-party verification for private utilities and long-distance telephone companies when they make a sale. The Federal Communications Commission (FCC) requires verification to prevent unauthorized changes in customers' long-distance services. The FCC allows companies to use recorded thirdparty verification, but many are beginning to use live thirdparty verification, and the trend is expected to continue.

Watford City

All-In-One Products Company received \$187,500 to finance expansion of the market for recreational products. Other assistance came from First International Bank & Trust, Watford City, the lead bank for the project.

Mark Dettling, president of All-In-One, acquired the company from his father, Matt Dettling. Several years ago, Dettling senior designed a portable, preassembled dock and lift system to help boaters deal with fluctuating lake levels. All-In-One will manufacture its products during the winter and have inventory ready in the spring. The company is selling the dock in eight variations and is working on products for ice fishing. Sales are expected to reach more than \$700,000 this year.

THE PERFECT ST. PATRICK'S DAY GIFT

Don't know what to get that special someone? Wow your sweetie with a copy of the ND Development Fund's Annual Report. Like a diamond, it's rare (only 500 printed), it's beautiful, and the more you look at it, the more you see. Unlike a diamond, it's free. Contact Dean Reese: 701/328-5310, dreese@state.nd.us. ■

APUC GRANTS \$237,600 TO SIX RURAL PROJECTS

The Agricultural Products Utilization Commission (APUC) will give a total of \$237,600 in value-added grants to six projects.



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- Halal Processing Company, Harvey: grants for two projects. Dakota Halal Canning Company: \$68,500 to help establish a meat, soup, and vegetable canning operation in the former NuGrain building in Harvey. Halal Poultry: \$20,000 to renovate the poultry plant in Tolna. "Halal" signifies food processed in a special way acceptable to Muslims. There are eight million Muslims in the US and Canada and the population is expected to double in the next ten years.
- ProBeef Producer Partners, Mandan: \$33,000 for a project seeking to add greater value per head to 30,000-40,000 cattle. The company is working to create producer-owned backgrounding pools that will use genetic screening, detailed recordkeeping, and computerized sorting to increase the uniformity and quality of cattle. ProBeef has been designated a master supplier for Future-Beef Operations, a new company created to process beef for Safeway Foods.
- North Dakota Dairy Strategic Planning Task Force: \$80,000 for continuation and expansion of the Dairy Diagnostic Program. The NDSU Extension Servicebased project will help farmers form management teams to analyze their dairy enterprise and optimize milk production.
- Commercial Vegetable Growers Task Force: \$30,000 to hire an executive marketer for the ND vegetable industry. The marketer will work with farmers, producers, economic development professionals, the Irrigation Caucus, and the collective agriculture industry.
- The North Dakota Cowboy Hall of Fame: \$6,100 to help test-market a new all-beef hot dog that will bear the group's endorsement.

APUC is a division of ED&F and administers five grant programs for researching and developing new and expanded uses for ND agricultural products: basic and applied research, marketing and utilization, cooperative marketing, farm diversification, and agricultural prototype. The grants are competitively awarded based on merit and likelihood of success. APUC funds are derived from farmers' off-road gasoline tax, state funds, and USDA grants.

ED&F WEBSITE NETS AN ADFED "ADDY"

The ED&F website (growingnd.com) walked away with an "Addy" award from the Bismarck-Mandan Advertising Federation in February. The site, designed and developed by iNet Technologies, Inc., Bismarck, received a Citation of Excellence for its looks and usability. ■

IT DOESN'T SURPRISE US

The Milken Institute recently published a list of the top 50 U.S. cities in terms of high-tech growth in the 1990s. Out of 315 cities considered, Grand Forks ranked 37th and Bismarck ranked 43rd. The Milken Institute is a not-for-profit, nonpartisan, nonideological, independent economic think tank founded in 1991 and based in Santa Monica, Ca. ■

From iNews, monthly email newsletter from iNet Technologies, Inc. The Milken list was mentioned in Computerworld.com

"The state and local tribal communities helped me develop my market niche by defining and providing a unique market strategy. With this street-wise business savvy, I was able to start and manage my own business."

> Sherry King, owner, Symbiotic Laboratories New Town

STAFF LISTING

| Lee Peterson, Director | 328.5300 |
|---|----------|
| Linda Butts, Deputy Director | |
| Sheila Auch, Administrative Assistant | |
| Nancy D'Ambrosio, International Business Development | 328.5325 |
| Celeste Engelhard, Account/budget Specialist | 328.5306 |
| Chuck Fine, Senior Project Manager | 328.5331 |
| Cory Finneman, Research and Intelligence Coordinator | 328.5328 |
| Lance Gaebe, Agricultural Products Utilization Commission | 328.5350 |
| Loreta Gilbert, Research Technician | 328.5323 |
| Cornelius Grant, Rural Development Council Director | 328.5313 |
| Bob Gruman, ND Development Fund Consultant | 328.5308 |
| Jim Hirsch, Workforce Development Director | 328.5345 |

North Dakota Department of Economic Development & Finance • 1833 E. Bismarck Expy., Bismarck, ND 58504 • 701.328.5300 • www.growingnd.com