

Economic Development & Finance Division Newsletter

September 2001

Growing Interest in North Dakota

"PARTNERS IN MARKETING": ED&F UNVEILS 2001-2003 MARKETING PLAN

More than 25 legislators, business professionals, local developers, and staff members helped to design the new ED&F marketing plan.

ED&F will provide a total of \$175,000 to assist local development organizations in their marketing efforts. The goal of this program is to build trust and partnerships between ED&F and local developers through successful marketing efforts that nurture or secure out-of-state business expansion or relocation in North Dakota.

The division will continue marketing efforts in California and initiate marketing in Colorado. Activities will increase in Minnesota and the area comprised of eastern Wisconsin and western and northern Indiana and Illinois, where there are industries similar to North Dakota's. The plan also targets primary-sector business decision-makers who are graduates of North Dakota colleges and universities or otherwise have strong ties to the state.

Targeted industries include food processing, with a steady focus on resource-driven, value-added activities; IT businesses such as communications, software development, and various business services; electronics, plastics, and medical devices; energyrelated industries; and advanced manufacturing.

Here are some of the activities that ED&F plans in this biennium as it carries out its mission:

- Increase visibility and presence. Goal: at least double the number of business inquiries (phone calls, emails, trade show contacts, etc.), from 300 per biennium to at least 600.
- Increase out-of-state relocation and expansion to ND. Goal: help 10 out-of-state primary-sector businesses relocate or expand into North Dakota.
- **Increase in-state expansion.** Goal: help 40 primary-sector North Dakota businesses expand in-state.

- Increase generation of primary-sector jobs. Goal: generate 500 new primary-sector jobs by out-of-state relocation or expansion, and 2,000 new primary-sector jobs by in-state expansion.
- Increase capital investments. Goal: \$25 million invested through out-of-state primary-sector business expansion or relocation, and \$35 million through in-state primary-sector business expansion.

ED&F plans to achieve all this with major campaigns in the springs of 2002 and 2003, participation with North Dakota communities at 20 carefully selected trade shows across the nation, and four in-state specialty events.

"One of our goals is to increase the level of stakeholder satisfaction with ED&F's marketing activities," said Linda Butts, ED&F director. "If we accomplish the other goals we've set, the level of stakeholder satisfaction will increase substantially."

NDDF INVESTS MORE THAN \$3 MILLION IN ND BUSINESSES

Between Jan. 1 and June 30, the ND Development Fund (NDDF) invested \$3,089,333 in 19 businesses across the state. Investments included the following:

- BeAtHome, Fargo, \$140,000
- TSR Parts, Colgate, \$50,000
- Financial Business Systems, Fargo, \$291,000
- Minot Area Development Corporation, \$125,000
- Dakota Aero, Devils Lake, \$75,000
- United Spring Wheat, Fargo, \$300,000
- FarmNet Services, Harvey, \$75,000
- Convexity LLC, Fargo, \$150,000
- SpaceAge Synthetics, Fargo, \$400,000
- All-In-One Products, Watford City, \$125,000
- CADgraphics, Devils Lake, \$60,000
- WebSmart Interactive, Minot, \$300,000
- Botanical Silk Accents, Mandan, \$100,000
- Agri ImaGIS, Maddock, \$33,333
- Intellisol, Fargo, \$300,000

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- Terry Hoselton, Rolla, \$150,000
- Bullinger Enterprises LLP, Fargo, \$375,000
- Ultra Tec Products, Dickinson, \$20,000
- Steffes Corporation, Dickinson, \$20,000

In addition, NDDF recently invested \$50,000 in TSR Parts Co., Colgate. With private bank financing, the money will help the company expand its straw chopper business. TSR Parts custom-fabricates more than 50 different replacement parts for major agriculture equipment manufacturers. ■

PITCHING IN THE BIG LEAGUES: WIN-WIN TRADE SHOW PARTNERSHIPS

In the past, ED&F helped some local development corporations (LDCs) exhibit at trade shows, but the new Partners in Marketing plan is a true partnership.

Here's how it will work: ED&F has targeted 20 large, key trade shows during 2001 and 2002. ED&F pays the booth fees and other booth expenses for exhibiting at these trade shows, and uses ED&F booth displays. LDCs interested in partnering in a particular trade show exhibit send a marketing plan or strategy to ED&F. If the trade show fits into the LDC's strategy, the LDC pays the expenses (travel, lodging, meals) for the person it sends. ED&F and LDC partners work the booth together.

"Marketing partnerships offer communities with limited funds the chance to pitch in the 'big leagues,'" said Mike Strotheide, ED&F vice president for business development. "Booth fees and other booth expenses, paid by ED&F, can save an LDC thousands of dollars." For example, the estimated value of the booth fees and expenses at Plastics USA, to be held in Chicago Oct. 2-4, is \$5,000. For Power Gen International, Dec. 11-13 in Las Vegas, the amount is \$10,000.

"When a community partners with us, we're combining our expertise and knowledge. Their presence enhances the state's visibility, and the LDC has a chance to initiate valuable relationships with industries they might otherwise never be exposed to. Everybody wins," said Strotheide.

Interested in becoming a marketing partner with ED&F? Contact Mike Strotheide at 701-328-5322, mstrothe@state.nd.us.

Remaining Trade Shows for 2001:

Plastics USA, Oct. 2-4, Chicago

North America's largest plastics trade expo. More than 500 exhibits by suppliers of machinery, auxiliary equipment, components, raw material, tools and dies, software, and other related products and services. More than 15,000 attendees from the appliance, automotive, electronics, medical devices, housewares, packaging, and other industries. *Estimated value of ED&F marketing partnership to community: \$5,000.*

Wescon, Oct. 16-18, San Jose

One of the premier events in the electronics industry. More than 1,000 exhibits by suppliers of consumer, computer, medical, automotive, and other electronics industries. Attended by more than 20,000 key decision-makers from around the world. Estimated value of ED&F marketing partnership to community: \$3,250.

Chem Show, Nov. 23-25, New York

One of the largest events in the nation for chemicals, adhesives, cosmetics, petroleum, paints, and varnishes. More than 950 exhibitors representing the process equipment, instruments and controls, fluids, and powder-handling industries. More than 15,000 attendees. Estimated value of ED&F marketing partnership to community: \$2,375.

Power Gen International, Dec. 11-13, Las Vegas

Major trade show for the power generation industry. More than 900 exhibitors of controls and instrumentation products, pumps, turbines, generators, material handling systems, software developers, and other related products. More than 16,000 attendees representing nearly every aspect of the industry. Estimated value of ED&F marketing partnership to community: \$10,000.



NEW DEPARTMENT OF COMMERCE EMPLOYEE

Nancy Miller has been named administrative assistant to Lee Peterson, Department of Commerce commissioner. Originally from northern California, Nancy moved to Minot in 1990 and obtained a B.S. in criminal justice with a business administration minor from Minot State University. For the last six years she has been office manager of the Minot Area Development Corporation. ■

VALUE-ADDED AG GETS \$145,700 IN APUC GRANTS

The Agricultural Products Utilization Commission (APUC) will give \$145,700 in value-added grants to the following companies:

- Lakota Dairy Initiative, Lakota: \$20,700 to determine if a feed plant could provide feed for a dairy heifer-raising facility and a steer feedlot; the funds will also be used to establish several additional dairies.
- Western Star Dairy, Williston: \$48,000 to hire a business manager an equity drive. This is the second grant Western Star Dairy has received; the first was to establish a cooperative of

- investors and producers to develop a large dairy in northwest North Dakota.
- Dakota Ethanol Steering Committee, Fargo: \$35,000. The group, in cooperation with the ND Corn Growers and ND Corn Utilization Council, plans to build an ethanol plant (the state's third) in North Dakota.
- Commercial Vegetable Growers of ND, Fargo: \$12,000 to hire a consultant knowledgeable in the market for whole peeled onions, which could be processed in North Dakota.
- In the Potter's Hand, Wildrose: \$30,000 to market the firm's all-natural products, which use farm crops such as mint, safflower oil, and beeswax. Products include mosquito repellant, moisturizing lotion, lip balm and essential oils.

"Mid-America Aviation, Inc. (MAA) and Growing North Dakota have been equity partners since June of 1992. MAA would not be here today without the help of Growing North Dakota and the Department of Economic Development and Finance."

Tom Kenville, president and CEO, Mid-America Aviation, West Fargo

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