



Growing Interest in North Dakota

SAN FRANCISCO EVENT FOR ND ALUMNI CALLED "PROGRESSIVE" BY ATTENDEES

On the evening of Nov. 3, more than 300 successful North Dakota alumni and North Dakota business executives in the San Francisco area joined Commerce Department staff for dinner and a movie. "Dinner" was a reception with ND Gov. John Hoeven and a banquet at the 75-year-old landmark Mark Hopkins Inter-Continental on Nob Hill. The "movie" was a private screening of "Wooly Boys," the first major motion picture ever filmed in North Dakota.

This was the final event of the 2001 California marketing campaign that began last spring. Commerce Department participants had two goals: to interest influential North Dakotans in moving, expanding, or relocating their businesses back to the state or investing in the state, and to encourage all North Dakotans to serve as ambassadors to the state regardless of where they live and work.

The evening received television coverage and was featured in popular San Francisco Chronicle writer Rob Morse's page-two column. Morse compared North Dakota's event with a concurrent California event—and North Dakota won. Here's part of what he said: "Today Gov. Gray Davis is sweet-talking CEOs to keep businesses in California, but tomorrow North Dakota's Gov. John Hoeven is taking 330 business executives out on a date to lure them to his state—which may import a lot of snow, but exports power and is sixth in the nation at producing it. Unlike most Davis events, dinner and a movie with Hoeven doesn't require a campaign contribution. In contrast to California's \$115.9 million economic development budget, North Dakota is spending \$185,000 on its advertising campaign—and the dinner and movie with the governor are just part of it."

The evening began at 5:30 with hors d'oeuvres and a reception with ND Gov. John Hoeven. The North Dakota-themed meal was planned by Stuart Tracy, executive chef at the Rivery, Rosenbluth Travel's rural North Dakota corporate getaway. Gov. Hoeven was

joined by guest speakers Darcy Volk, Bismarck, General Manager of Unisys, and Eric Van Horne, Minot, Vice President, Customer Service of MLT Vacations, a subsidiary of Northwest Airlines.

Others whose visionary hard work made the event possible include Russ Staiger, Bismarck-Mandan Development Assoc.; Sue Morton, Fargo-Cass County Economic Development Corp.; Mark Krauseneck, Grand Forks Region Economic Development Corp.; Glenn Giese, Hettinger County JDA; Mitch Monson, Minot Area Development Corp; and Tom Rolfstad, Williston Area Development Corp. Their participation meant that the entire state and a wide array of North Dakota's business interests were represented.

"Attending alumni and businesspeople told us they were proud of North Dakota's efforts and considered the event quite progressive," said ND Commerce Commissioner Lee Peterson. "We have received several business leads already. These leaders have wealth, and they want to invest it here." ■



Gov. John Hoeven (seated left) and Eric Van Horne, MLT Vacations, Minot, both spoke highly and well of the many advantages of doing business in North Dakota. Commissioner Lee Peterson addresses more than 300 guests at the North Dakota Governor's Dinner in San Francisco, Nov. 3.

TEAMWORK HELPS NAVTECH EXPAND IN FARGO

Navigation Technologies Corp. (NavTech), headquartered in Chicago, makes navigable map databases for Europe and North America. The company has 1,000 employees and 90 offices in 14 countries. Major business operations are located in Sunnyvale, Ca., the Netherlands, Japan—and Fargo.

And now, as the result of coordinated efforts by a large team of North Dakota and out-of-state entities, NavTech has expanded and moved to a new Goldmark property in Fargo.

NavTech's board of directors wanted an unbiased review of the expansion process and retained KPMG LLP, Chicago, to determine the best local and state incentive programs. KPMG, the Fargo-Cass County Economic Development Corp., and ED&F met to discuss the project. ED&F helped to bring in additional resources including the Bank of ND, ND Tax Department, and ND Job Service.

The Fargo-Cass County Economic Development Corp. assisted with this expansion through the PACE program. ED&F and the ND Tax Department worked with KPMG to leverage sales tax exemption dollars. The project became a case study in defining and interpreting the law as it applies to manufacturing production for software products.

As in the past, ND Job Service is a willing partner and may provide workforce training programs to NavTech. ■

EXTEND AMERICA PLANNING BISMARCK START

Three successful North Dakotans, with help from other prominent native sons, have formed a company to provide cutting-edge technology for rural America.

Bill Owens, Ed Schafer, and Bill Sorensen announced the formation of a new partnership called Extend America. The company will provide a digital broadband

wireless voice and data system capable of providing the best available technology to rural areas.

Owens, chairman of the board and a native of Bismarck, is the former vice chairman of the Joint Chiefs of Staff and current co-CEO of Teledesic, a global satellite communications company. Sorensen, vice-chairman of the board, is the mayor of Bismarck and owns Business Information Systems, Inc. Schafer was governor of North Dakota from 1992-2000.

Other board members and advisors, North Dakotans all, include Rich Karlgaard, publisher of Forbes magazine; Michael Larson, chief investment officer for Bill Gates; Harry Pearce, chairman of Hughes Electronics, a subsidiary of General Motors; and Greg Rohde, founder of e-Copernicus.com and former U.S. Assistant Secretary of Commerce.

Owens, Schafer, Sorensen, Karlgaard, and Rohde discussed the company's vision and their involvement with 300 attendees at a November 19th breakfast hosted by the Bismarck-Mandan Development Association.

The company will remain headquartered in Bismarck-Mandan, eventually expanding globally. ■

(Information from a Bismarck-Mandan Development Assoc. Update special report, 11/01)

PANTALEO COMES HOME TO ND, BRINGS CBF GROUP WITH HIM

Peter Pantaleo graduated from the University of North Dakota School of Law in 1976 and is currently the managing partner in Verner Liipfert, Bernhard, McPherson & Hand, an international law firm with headquarters in Washington, D.C.

Pantaleo also founded CBF Group, Inc., and brought it home to North Dakota. CBF Group, which provides law, consulting, and accounting firms with administrative and secretarial assistance 24 hours a day, seven days a week, is one of Fargo's most recent new primary-sector businesses.

(article continued on next page)

“North Dakota provided me with an exceptional legal education. Bringing jobs and investment to the state will be a very rewarding experience for me,” said Pantaleo. He named Fargo native Renay Rutter as CBF’s president and chief operating officer.

The company will initially employ about 40 people, but if projections are met, that number could increase to 400 by the fourth quarter of 2002.

“We are definitely on the fast track with this project,” said Fargo Mayor Bruce Furness. “CBF anticipates an initial rollout with two law firms in December, and hopes to go ‘live’ in January.” ■

- Why analyzing lost orders is important
- How to evaluate sales force efforts
- How to target the right customers
- How a marketing audit can help your business

“This seminar is a natural complement to the Lean Manufacturing workshops ND MEP has brought to the marketplace over the past year,” said Dan Halverson, ND MEP Consultant. “The Industrial Marketing seminars are an excellent way for manufacturers to become more productive, competitive, and profitable—at a very low cost.”

The seminar cost was \$75 per person and \$60 for additional registrants from the same company. For information about the next seminar, contact Halverson at 701-328-5315 or danh@ndmep.com. ■

INDUSTRIAL MARKETING TARGETS RIGHT CUSTOMERS

When sales are up, planned marketing efforts are usually down. When sales drop, structured marketing is often overlooked and replaced with high-cost advertising and promotion. Neither approach is effective.

Seminars in industrial marketing were offered Nov. 14 by the ND Manufacturing Extension Partnership (ND MEP). The three-hour “Effective Marketing for Managers” seminars were presented at the Fargo Skills and Technology Center.

Charles France, director of Georgia Tech’s Center for Industrial Marketing, presented the seminar. Mike Collins, author of “The Manufacturer’s Guide to Business Marketing,” also spoke. The seminars were based on Collins’ book, and all attendees received a copy.

Industrial marketing is the process of focusing on the customers who will produce the most profit. During in-depth interviews with manufacturers across the Dakotas, market planning was the number-one training need identified to help companies meet their growth plans. Seminar participants learned:

- Why “shotgun” marketing doesn’t work
- How marketing differs from sales
- Why advertising and promotion are not what you should do to increase sales
- How to use customer databases strategically
- Why firms should focus on profitability and not sales volume

ED&F SURVEYS PRIMARY-SECTOR BUSINESSES

To learn more about individual private-sector businesses in North Dakota, ED&F mailed 1,000 surveys to ND manufacturers, food processors, and IT companies in July. More than 550 companies have responded to the survey.

Some of the survey questions confirmed contact information: mailing address, email address, phone number, web site, product lines, etc. This information will be placed on ED&F’s web site at www.growingnd.com to help other companies find facilities that make a product or provide a service they need.

Other questions concerned issues such as sales, markets, facility size, and company needs. ED&F will keep that information confidential and use it to identify companies that may be ready for expansion assistance or other kinds of help.

The surveys also verified the contact information of an additional 155 companies.

Primary-sector businesses add value to raw materials or products and sell most of the value-added product outside the state. Rather than redistributing wealth, primary-sector businesses bring new wealth into the state. ■



KEITH OLSON TO DIRECT NEW CROSBY PASTA CO-OP

Keith Olson, former director of the Northwest Jobs Development Authority in Crosby, has resigned as of the end of the year to become the CEO of Bushel 42, a new pasta co-op.

As economic development director, Olson helped get Bushel 42 off the ground, writing a successful application for a number of grants, including \$500,000 USDA value-added cooperative grant. He also planned and executed the coop's successful equity drive.

Bushel 42 president Les Knudson said Olson was the top candidate and the only one from North Dakota. He sees Olson's ability to create strong relationships with grower members as one of his greatest strengths. ■

(Information from article by Cecile Wehrman in The Journal, Crosby, ND, 11/21/01)

COMMERCE FOUNDATION UPDATE

The ND Commerce Department Foundation met twice in the past few months. The group has been learning the roles, responsibilities, and progress made in strategic planning of each Commerce Division (Community Services, Economic Development and Finance, Tourism, and Workforce Development).

STAFF LISTING

Lee Peterson, Commissioner	328.5300
Linda Butts, Director	328.5342
Sheila Auch, Administrative Assistant	328.5310
Celeste Engelhard, Account/Budget Specialist	328.5306
Chuck Fine, Senior Project Manager	328.5331
Cory Finneman, Research Vice President	328.5328
Cornelius Grant, Rural Development Council Director	328.5313
Bob Gruman, ND Development Fund Consultant	328.5308
Jim Hirsch, Workforce Development Director	328.5345
Tara Holt, Women's Business Program Director	328.5885
Leigh Ann Huether, Research Analyst	328.5336
Renee Loh, Associate Project Manager	328.5335
Tracy Metzger, Marketing Vice President	328.5352

Two more Foundation members have been appointed: **Bob Mau**, Kenmare, Eagle Operating, Inc., and **Steve Scheel**, Fargo, Scheels All Sports. Foundation executive committee members are **Bob Lamont**, Minot, Lamont & Skowronek Law Firm: chair; **Elaine Fremling**, Fargo, Northwestern: vice chair; **Duaine Espegard**, Grand Forks, secretary; **Ron Harper**, Bismarck, Basin Electric Power Cooperative; **Marlowe Johnson**, Jamestown, Ottertail Power Company; **Shirley Montgomery**, Fargo, F-M Area Foundation; and **Mike Swenson**, Fargo, Xcel Energy. Other Foundation members are **Jack Hoeven**, Minot, First Western Bank & Trust; **Chuck Hoge**, West Fargo, Bobcat; **Frank Keogh**, Williston, American State Bank; **Guy Moos**, Dickinson, Baker Boy; **Harold Newman**, Jamestown, Newman Signs; **Bruce Thom**, Fargo, Varistar Corp.; and **Martin White**, Bismarck, MDU Resources Group. ■

RENEE LOH JOINS ED&F STAFF

Renee Loh, new ED&F associate project manager, has a B.S. in business management from the University of Mary in Bismarck and is a former business owner, operations manager of a computer company, and membership coordinator for the State Historical Society of North Dakota Foundation. She is also a board member and grant writer for The Society for the Preservation of the Former Governors' Mansion, and a member of an investment club. ■

Nancy Miller, Administrative Assistant	328.5312
Sandy Opp, Project Manager	328.5338
Kelly Potts, Credit Officer, Development Fund	328.5349
Jeff Quast, Research Analyst	328.5323
Dean Reese, ND Development Fund/Rural Fund CEO	328.5334
Brad Rosenfeldt, Computer Network Specialist	328.5362
Inez Ryberg, APUC Administrative Assistant	328.5318
John Schneider, Executive Director of APUC	328.5350
Randy Schwartz, MEP Director	328.5314
LaVonne Stair, Office Manager	328.5317
Mike Strotheide, Business Development Vice President	328.5322
Laura Willard, Project Manager	328.5337