

**Economic Development & Finance Division Newsletter** 

October-November 2002

# Growing Interest in North Dakota

# DEPARTMENT OF COMMERCE RELEASES FIRST-YEAR PROGRESS REPORT

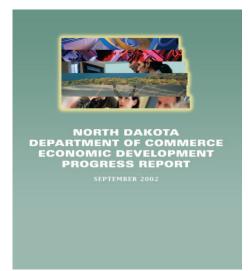
The first anniversary of the North Dakota Department of Commerce provides an appropriate time to recap the significant progress the department and its divisions have made in economic development. "In just a short time the department has touched hundreds of businesses and thousands of North Dakota people as we work to improve the quality of life for all of us who live here," said Lee Peterson, commissioner of the department. "We are getting the job done because we are doing things differently."

The report highlights business startups, expansions and relocations across the state in both rural and urban areas. The report also summarizes significant program achievements. For example, the North Dakota Development Fund funded 44 projects totaling \$2.5 million.

Between July 1, 2001, and Aug. 2, 2002, the Agricultural Products Utilization Commission (APUC) awarded \$1,153,566 in grants to 54 value-added ag projects. The North Dakota Manufacturing Extension Partnership helped 100 manufacturers and 1,500 employees learn Lean manufacturing principles to streamline production

techniques or receive training in industrial marketing services since October 2000.

"It's important to point out that many other successes are occurring every day at the local level – in both our largest cities



and our small towns. Those added achievements highlight the hard work of many people at the local level," Gov. John Hoeven said. "We recognize that it takes teamwork to make economic development happen, and we are committed to building solid relationships with local communities and local economic developers."

The Department of Commerce Progress Report is available upon request by calling 701-328-5300. Or, a summary of the report can be viewed online under Media Center at http://www.growingnd.com. ■

## EDND MEETING WILL HONOR ECONOMIC DEVELOPERS

A new addition to the Economic Development Association of North Dakota (EDND) fall meeting includes the Governor's Choice in Economic Development awards. Gov. John Hoeven will present the awards during a reception on Tuesday, Dec. 3, at the Seven Seas Inn & Conference Center, Mandan. Nomination forms for the awards will be sent in October.

The EDND fall meeting will be held Dec. 3-4 to coincide with the pre-session of the North Dakota Legislature. Department of Commerce Commissioner Lee Peterson and the division directors from Community Services, Economic Development & Finance, Tourism and Workforce Development will lead an interactive session on "Selling North Dakota from the Inside Out." Commerce staff will also lead roundtable lunch discussions on their respective program areas.

Tripp Frohlichstein, founder of MediaMasters in St. Louis, Mo., will provide valuable techniques for communicating a clear message to your stakeholders. Other activities include a special session on open records with the Attorney General's office and a tour of Cloverdale Foods.

Registration materials for the meeting will be mailed by Nov. 1. For more information contact Kevin Magstadt at 701-221-4328 or magstadk@mdu.mdures.com. ■

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# NORTH DAKOTA ECONOMIC DEVELOPMENT FOUNDATION UNVEILS STRATEGIC PLAN

The North Dakota Economic Development Foundation in October unveiled its strategic plan to accelerate the creation of good-quality jobs in North Dakota.

"This plan takes advantage of North Dakota's strengths," said Martin White, CEO of MDU Resources Group, Bismarck. White is chairman of the foundation's Strategic Planning Committee. "The goal is to create quality jobs that are challenging and rewarding financially and intellectually. These kinds of jobs will keep our young people here and attract many of our former citizens back to the state."

The plan outlines six strategic goals to strengthen the state's business climate and to accelerate job growth in the targeted industries of advanced manufacturing, value-added agriculture, information technology, energy and tourism.

The plan's six goals are:

- Develop a unified front for economic development based on collaboration, accountability and trust;
- Strengthen partnerships among the state's higher education system, economic development organizations and private businesses;
- Create quality jobs to retain North Dakota's current workforce and attract new high-skilled labor;
- Create a strong marketing image to build on the state's numerous strengths, including workforce, education and quality of place;
- Accelerate job growth in diversified industry targets to provide opportunities for the state's long-term economic future; and
- Strengthen North Dakota's business climate to increase global competitiveness.

White said, "For the first time all of the key economic development organizations have united in a common purpose. We have all agreed on the same direction for the state's economic development efforts. We are bringing all of the state's resources together in one united effort."

At the Oct. 3 news conference, Hoeven outlined what he described as "North Dakota Opportunities" –

proposed initiatives that will be used to develop an economic growth agenda for the 2003 North Dakota Legislature. They are:

- Make Higher Education Roundtable changes permanent;
- Develop University System Centers of Excellence;
- Establish seed capital (venture capital) fund with annual competition for entrepreneurs;
- Evaluate decoupling state corporate income tax from the federal tax;
- Create a business internship/scholarship program for critical workforce shortage areas;
- Elevate the North Dakota Career Resource Network to help students, teachers and counselors better understand opportunities available in North Dakota; and
- Partner with the New Economy Initiative to advance and market the Talent Pool Strategy to retain and recruit talented, innovative people.

A strategic economic development plan for the state of North Dakota was mandated and funded by the 2001 North Dakota Legislature at the same time legislators created the North Dakota Economic Development Foundation and the North Dakota Department of Commerce. The foundation consists of representatives of private industry. Its purpose is to be a catalyst in creating quality employment opportunities by advising and supporting the governor and Department of Commerce on economic development issues.

Copies of the entire strategic plan are available upon request. Please call 701-328-5300. ■

## NORTH DAKOTA ALUMNI GATHERING PLANNED NOV. 8 IN THE TWIN CITIES

Anyone involved with economic development in North Dakota will tell you Minneapolis-St. Paul is a good market. To capitalize on the number of business people with connections to the state and well positioned North Dakota alumni there, the Department of Commerce, local economic developers, the university system, alumni associations and private businesses will host a North Dakota Alumni Gathering at the St. Paul Hotel on Friday, Nov. 8.

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A letter of invitation from Gov. John Hoeven was mailed to more than 1,700 individuals. This list includes about 800 targeted alumni and about 900 targeted business contacts. The event is being planned for 300 guests. Gov. John Hoeven and two prominent North Dakota business executives will address the audience.

A strong Lewis and Clark presence will welcome guests, including re-enactors portraying Sakakawea and members of the expedition, a hands-on Lewis and Clark exhibit and a Lewis and Clark gift store. The Tourism Division is coordinating this effort.

The focus of the event is to establish a positive business image for North Dakota and educate people on the advantages of doing business in the state.

For more information about the North Dakota Alumni Gathering in St. Paul, contact Tracy Metzger at 701-328-5352 or tmetzger@state.nd.us. ■

# TOURISM DIVISION ANNOUNCES COOPERATIVE MARKETING PLAN

Looking for a way to get the word out about your tourism-related attraction? If so, join forces with the Tourism Division in its cooperative marketing partnership, which is part of the division's 2003 media plan.

Cooperative advertising allows the state to reinforce its brand message, increase the frequency and reach of the messages, extend the budget and highlight specific attractions across the state.

It will allow convention and visitors bureaus and attractions to be included in publications that they may not have otherwise had the budget to have a presence. The presence of each partner is strengthened by the placement of ads together.

"We're excited," said Tourism Division Deputy Director Joanne Olson. "This is the first time we have offered a cooperative marketing program."

Publications chosen for advertising are *Home and Away, American Heritage, Reader's Digest Midwest Vacation* 

Directory, USA Weekend Travel Service, American Profile Travel Program, Friendly Exchange Magazine, Good Housekeeping and Midwest Living.

In those where the Tourism Division has taken full-page ads, there will be room to add two partners, with Tourism picking up 60 percent of the cost and the partners 20 percent each. In half-page ads, there is room for one partner with Tourism picking up 70 percent of the cost and the partner 30 percent.

The advertisements will appear in the spring when travelers are busy making summer travel arrangements.

Contact Olson for more information at 701-328-3505. ■

## NORTH DAKOTA, EXPORT-IMPORT BANK OF U.S. JOIN FORCES TO EXPAND EXPORT OPPORTUNITIES

Gov. John Hoeven and Dan Renberg, a member of the board of directors of the Export-Import Bank of the United States (Ex-Im Bank), signed a new export finance partnership agreement between the bank and the state during the Governor's International Trade Conference in September.

"Working together we can help North Dakota businesses develop markets across the globe," Hoeven said. "This partnership is one of the ways our administration is working to help North Dakota businesses tap into the global market and to help create more and better-paying jobs here at home."

Under the agreement, the North Dakota Department of Commerce will market Ex-Im Bank's export financing products to North Dakota businesses and commercial lenders. Ex-Im Bank and the Department of Commerce will also hold exporter and lender seminars throughout the state to inform companies about the financing products available through Ex-Im Bank.

Renberg said the partnership could also lead to a number of North Dakota banks signing up with Ex-Im Bank to become "delegated authority lenders." Under the delegated authority program, lenders can make working capital loans directly to small- and mediumsized businesses without Ex-Im Bank's prior approval.

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"It's a great way to put the local lending decisions in the hands of local lenders," Renberg said.

North Dakota experienced a 107 percent increase in its export sales of merchandise between 1993 and 2000. North Dakota was one of only 11 states that more than doubled sales overseas during that time period. According to Small Business Exporters Association and the U.S. Department of Commerce, 70 percent of U.S. exporters have fewer than 20 employees.

For more information call the Department of Commerce at 701-328-5300. ■

# ROUNDTABLE ON HIGHER EDUCATION NAMED INNOVATIONS AWARD WINNER

The North Dakota Roundtable on Higher Education was selected as one of two regional winners of the prestigious Council of State Governments (CSG) Innovations Award at CSG's Midwestern Legislative Conference in Fargo in August.

The Roundtable on Higher Education is a legislative, state government, private sector and North Dakota University System (NDUS) partnership formed to create a university system for the 21st century. The Roundtable Report identified the NDUS as a key force in the state's future economic development and demographic growth.

"Receiving an Innovations Award tells us the Roundtable on Higher Education is recognized by legislators throughout the nation as a leading-edge initiative," said Gov. John Hoeven. "The 'three legs' of the roundtable's strength are its unparalleled private sector commitment, strong state government leadership and our exemplary higher education system."

In accepting the award, Sen. David Nething, chairman of the Higher Education Committee and the Roundtable on Higher Education, said the roundtable is successful because it is based on public and private sector relationships built upon common goals and mutual trust. He credited his colleagues in the legislature for being solidly behind the work of the roundtable.

"The work of the Roundtable on Higher Education has significantly influenced the State Board of Higher Education and the strategic direction of the University System," said Chuck Stroup, president of the board. "Receiving an Innovations Award affirms that we are moving in the right direction for the future of our state."

#### WHAT THEY'RE SAYING

"Our company has experienced significant advantages due to North Dakota's friendly regulatory environment and favorable costs for construction and real estate."

– Greg Schmalz, Vice President, Human Resources, Bobcat

#### **ED&F PROGRAM CONTACTS**

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Cornelius Grant, Rural Development Council Director	
Tara Holt, Women's Business Program Director	

Tracy Metzger, Marketing Vice President	328.5352
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