

volume 6, issue 2

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commerce matters



North Dakota welcomes 134 to Chicago event

Gov. John Hoeven, the North Dakota Department of Commerce (DOC) and several local development partners hosted an outstanding business event in Chicago on March 5. "This evening, we welcomed business executives interested in doing business in North Dakota, site selectors with projects that might locate in North Dakota and influential alumni with a sincere desire to help tell a positive story of North Dakota's business climate," said Linda Butts, director of the DOC's Economic Development & Finance Division.

Sponsors of the event included Bismarck-Mandan Development Association, Fargo-Cass County EDC, Grand Forks Region EDC, Griggs-Steele Empowerment Zone, Jamestown Stutsman Development Corp., Minot Area Development Corp., Montana Dakota Utilities, Otter Tail Power and Stark Development Corp.

Herb Henkel, chairman, president and CEO of Ingersoll-Rand, testified to North Dakota's pro-business environment and the partnerships he and the Bobcat Company have formed at the local, state and federal level to position Bobcat as the global leader for skid steer loaders. In addition, University System Chancellor Robert Potts, NDSU President Joe Chapman, NDSCS President Sharon Hart, Sen. Tony Grindberg and Bruce Gjovig from the UND Center for Innovation also met with guests and discuss the strengths of doing business in North Dakota. ●

MEP delivers great services, great results

The Dakota Manufacturers Extension Partnership (TD MEP) has grown from an office of one location and one person to four offices with 17 professional staff and interns in North and South Dakota. A public-private partnership including the North

Dakota Department of Commerce, TD MEP has served 215 North Dakota manufacturers by providing technical assistance, assessment, training and education.

TD MEP is part of more than 60 MEP centers across the U.S. Every quarter, third-party client surveys are conducted to assess the impact the centers have on their clients' business operations. Since inception, TD MEP has received #1 rankings among all centers for bottom line client ratio, customer satisfaction and survey response rate. For more information on TD MEP and how its programs and services can help your company, contact Randy Schwartz at 701-328-5314 or randys@ndmep.com. ●

Audio manufacturer locates in Cooperstown

ProAudio Partners, Inc., a manufacturer of professional microphones and headphones, has relocated its operations to Cooperstown from Green Isle, MN. The small specialty com-



Gov. John Hoeven (right) presents Bobcat Company CEO Mike Ryan (left) and Ingersoll-Rand CEO Herb Henkel with an employee award for outstanding success in implementing Lean Manufacturing principles within the Bobcat organization. The governor presented the award on behalf of the Dakota Manufacturers Extension Partnership.

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pany expects to hire five employees in the first year. Its clientele includes SeaWorld, the White House, National Football League, United Nations and the U.S. Coast Guard. Project partners include ProAudio Partners, Cooperstown Community Development Authority and the Economic Development & Finance Division of the North Dakota Department of Commerce. ●

ED&F welcomes two new team members

Since the beginning of the year, two new professionals have joined North Dakota's economic development efforts. Amanda Butcher Mack works under contract as the Ambassador's Program Director. Eric Icard joins the business development team as a project manager.

Amanda moved back to North Dakota in 2001 after a 10-year hiatus. Her role as Ambassador Program Director is to mine deeper into the possibilities that emerge with each new ambassador interaction. She will develop ambassador publications and events, nurture the existing ambassador network and recruit new ambassadors. Eric comes to the Commerce Department from the Fargo-Cass County Economic Development Corporation. He returned to North Dakota in 2002 after garnering an admirable base of experience with local and state economic development organizations in the southern U.S. ●

PPM Energy plans 150MW wind farm

Gov. John Hoeven, Commerce Department officials and representatives of PPM Energy are discussing the scope and technical dimensions of a new 150 Megawatt wind energy facility proposed for Rugby. This is enough clean energy to power 44,000 average homes for one year. The company submitted a letter of intent to the North Dakota Public Service Commission to build a wind farm of about 100 towers and targets Dec. 31, 2005, for completion. PPM Energy, based in Portland, OR, has been working with our Commerce Department to ensure the project goes smoothly from start to finish. ●

Legislative Session update

We are in the final weeks of the 2005 Legislative Session, and I'm pleased to say our economic development efforts are holding their ground. We are hopeful our budget and the programs and services we provide will be maintained or strengthened in the coming biennium. Here are highlights:



Linda Butts, Director
Economic Development
& Finance

SB 2032 – This bill resulted from the Interim Economic Development Committee's work, better known as the Business Congress. In this bill, the Department of Commerce is asked to create a targeted industry identification and report; create an image program and a business hotline; offer local developer training and certification; create a Dakota manufacturing initiative; and conduct studies on intellectual property, economic development incentives and the business climate. The senate removed these initiatives from SB 2032 and placed them in SB 2018, but only funded a portion of them. We asked for one additional full-time equivalent and this was removed.

SB 2018 – This is our funding bill. With the exception of the Centers of Excellence, the budget came through fairly intact. The amount for the Centers of Excellence initiative was reduced from \$50 million to \$2.5 million.

SB 2281 – This legislation modifies the tax credit for agriculture processing facilities. It has removed the language requiring 51 percent of the investors to grow the commodity, liberalized the definition of a qualified business and a taxpayer. This places a cap on the taxpayer by project and also has a taxpayer's lifetime cap.

We are also watching closely bills which provide accountability

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measures for economic development entities. We hope to end up with a measurement system which is more universal in scope. On behalf of the Department of Commerce, we thank you for your continued support of economic development in North Dakota. We believe that working together, we have launched an effort that is enhancing North Dakota's image as a great place to do business, while growing and diversifying our economy. ●

Northern Plains Commerce Centre in Bismarck

The Northern Plains Commerce Centre (NPCC) is a 220-acre industrial, distribution and technology park with immediate access to road, rail and air transport. The basic facility at the NPCC will be operational by the fall of 2005 and adjacent to the Bismarck Municipal Airport. The NPCC, encompassed in a foreign trade zone, will allow companies to improve their ability to efficiently distribute products within the Northern Plains region and globally. "Bismarck is ideally located in the geographic center of North America with an educated and skilled workforce, excellent quality of life and strong local leadership," said Russ Staiger, president of the Bismarck-Mandan Development Association. "We believe the NPCC will be another competitive advantage for businesses that need regional and global access to clients." ●

ND Development Fund has another good year

Since the inception of the North Dakota Development Fund in 1989, nearly \$50 million has been invested in 314 companies. Last year, eight of 10 start-ups funded by the Development Fund were located in rural communities. From July 1, 2003, through June 30, 2004, the Development Fund invested \$2.2 million in 22 primary sectors businesses. These dollars leveraged more than \$17.5 million from other financing institutions resulting in a \$7.18 to 1 ratio – for every Development Fund dollar invested, \$7.18 was invested from other sources. To receive a copy of the 2003-04 annual report,

contact Sheila Auch at 701-328-5310. If you would like to visit about financing for your project, contact Dean Reese at 701-328-5334 or dreese@state.nd.us. ●

Partners in Marketing grants are in high use

More than \$150,000 has been approved for 28 local economic development organizations to enhance their economic development marketing efforts. Grant recipients include: Bismarck-Mandan Development Association (collateral materials, in-state event, trade mission); Carrington (collateral materials); Cooperstown Community Development Authority (trade missions); Devils Lake Region Partnership (trade missions, advertising, regional event); Grand Forks Region EDC (collateral materials, advertising, trade missions); Southwest Region Developers (regional event); West Fargo (collateral materials); NW Developers (regional event); NW North Dakota Marketing Alliance (web site); Tioga EDC (collateral materials, web site); Southwest Region Developers (regional event); Fargo-Cass County EDC (collateral materials); and Williston Area Development Foundation (out-of-state event). ●

North Dakota in the News

- *US News & World Report*, Dec. 27, 2004, "50 Ways to Improve Your Life in 2005," (Bismarck listed as #8 on list) advertising equivalency: \$165,202
- *CNN MoneyOnline*, Dec. 23, 2004, "Free Land in the Heartland," result: 2,000+ inquiries via www.prairieopportunity.com (NW North Dakota Marketing Alliance)
- *Managing Automation*, "Flying Right," February 2005, advertising equivalency: \$35,145 (story on Cirrus Design in Grand Forks)

In 2004, our media relations efforts garnered \$582,110 of advertising impact – the amount we would have paid for ad space – in 31 national and global publications. That's more than the entire annual budget for ED&F marketing! ●