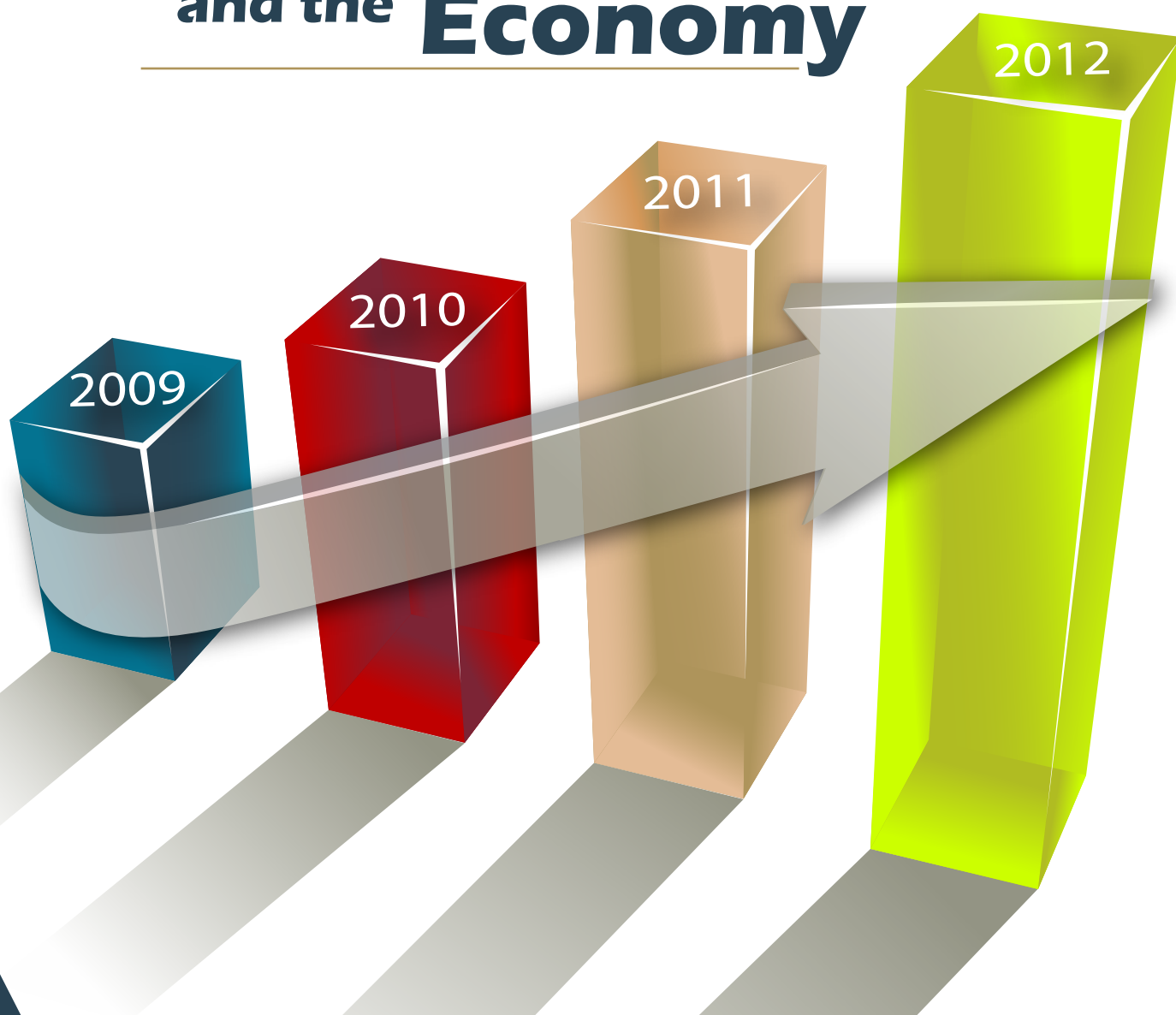


2013

Iowa's Workforce and the Economy



Iowa's Workforce and the Economy

2013

Labor Market and Workforce Information Division

1000 East Grand Avenue, Des Moines, IA 50319-0209

Phone: (515) 281-8182 ▪ Fax: (515) 281-8203

E-mail: iwd.lmi@iwd.iowa.gov

Website: <http://iwin.iowaworkforce.org>

For deaf and hard of hearing, use Relay 711
(800) 831-1399

Message from the Director



Teresa Wahlert
Director
Iowa Workforce Development

Welcome to the 2013 edition of *Iowa's Workforce and the Economy*. The current publication provides up-to-date analyses on the Iowa economy and feature articles on the state's job outlook, the Skilled Iowa Initiative and some of Iowa's major industry sectors. The information presented in this report should be of value to leaders in business, education and government as we move forward in our partnerships to build a skilled Iowa workforce.

The articles on Iowa's Technology Economy and Advanced Manufacturing sector underscore how innovation is changing the workplace in the biggest paradigm ever. Because of today's fast-paced, technology-driven economy, employers are looking for a sufficient supply of "job ready" candidates with the skills that it takes to do the job. This is the purpose for the National Career Readiness Certificate (NCRC) testing for potential job seekers. The NCRC provides assurances to employers that job applicants have the skills and abilities to fill job openings.

Finally, the last section of the publication includes a listing of major new businesses and major business expansions for each of the 15 IWD regions. These projects are proof of the tremendous capital investments that are being made by businesses who believe in Iowa's future and the superior quality of its workforce.

A handwritten signature in black ink that reads "Teresa Wahlert".

Table of Contents

Message from the Director	pg. 4
Executive Summary	pg. 6
2012 Overview of the Iowa Economy	pg. 8
State and Local Labor Force Trends	pg. 11
Iowa's Nonfarm Employment Trends.....	pg. 14
Iowa's Job Outlook 2010–2020.....	pg. 17
The Skilled Iowa Initiative.....	pg. 21
Iowa's Technology Economy	pg. 23
Iowa's Advanced Manufacturing Sector	pg. 27
Profile of Iowa's Finance Sector	pg. 30
Economic Development Initiatives (by IWD Region).....	pg. 34

EXECUTIVE SUMMARY

- The state's economy showed improvement in 2012, as employers added more jobs and unemployment fell substantially from the prior year. A strong agricultural economy and manufacturing industry continued to be the main drivers in the state's recovery. The state's nine metropolitan areas were the magnets for job growth, accounting for 72 percent of the gains in nonfarm employment last year. Iowa's housing market started to slowly rebound in 2012. According to the Iowa Association of Realtors, both annual sales and housing prices increased during the year.
- Iowa's annual average unemployment rate dropped to 5.2 percent in 2012 from an average of 5.9 percent in 2011. Iowa, along with Oklahoma, had the fifth-lowest unemployment rate in the nation in 2012. Unemployment rates in all nine of the state's metropolitan statistical areas (MSAs) and rural counties declined in 2012. About 34 percent of the total unemployed in 2012 received unemployment insurance (UI) under the regular program. This percentage is referred to as the "reciprocity rate."
- Iowa added 22,400 jobs in 2012, a gain of 1.5 percent. This was slightly less than the nation's growth rate of 1.7 percent for the same period. The state's annual job gains were primarily fueled by the private sector. Construction and durable goods manufacturing grew the fastest—3.5 percent for both sectors. Professional, scientific and technical services led all service industries with a gain of 3.2 percent. The turnaround in the housing market was encouraging news for the state since housing spurs activity in a wide range of industries; including finance, manufacturing and retail trade.
- Iowa's total occupational employment is expected to grow by 13 percent (1.3 percent annually) from 2010 to 2020, which will translate into 231,680 jobs. Growth in several major occupational groups is expected to surpass the state's annual growth rate: Computer and Mathematical; Healthcare Practitioner; Community and Social Services; Construction; Business and Financial; Arts/Entertainment/Media; Installation/Maintenance/Repair; Transportation and Material Moving; and Architecture and Engineering. Most occupational groups are projected to have more job openings due to replacement needs versus openings resulting from new businesses and expansions. In many cases, replacement needs are more than double the number of job openings resulting from actual growth.
- As Iowa's economy continues to gain momentum, the need for a skilled workforce has become particularly urgent. To address this need, Governor Terry Branstad introduced the Skilled Iowa Initiative on June 11, 2012. The initiative promotes ACT®'s National Career Readiness Certificate (NCRC) testing to potential job seekers. The NCRC is a portable, nationally recognized credential that is recommended for many career pathways. The NCRC is also used to provide assurances to employers that job applicants have the skills and abilities to fill job openings.

- During the past several years, Iowa has become home to a growing number of technology-related businesses. These companies thrive on the “intellectual capacity” of their employees, and many of them have located near the state’s universities to benefit from the research facilities and business support that these institutions offer. Workers in high-tech industries are highly compensated for the jobs they perform. In 2012, the average annual wage of a high-tech worker in Iowa was \$66,007 compared to \$39,352 for all private industry workers. States continue to pursue strategies that target growth in the high-tech industries because they have high growth potential, attract highly skilled workers and foster innovation.
- In Iowa’s advanced manufacturing industries, information technology not only speeds up overall productivity in the plant by increasing communication speed and efficiency, it also maintains quality by better controlling the processes. This new, technology-driven environment requires a highly skilled workforce that operates in a continuous improvement culture. Iowa remains one of the nation’s top states for manufacturing. In 2012, the industry accounted for 14.0 percent of total nonfarm employment. Individual industries in manufacturing that are considered advanced represent 78.7 percent of all manufacturing. Companies in advanced manufacturing pay their employees an annual average wage of \$52,983.
- The finance sector has been a bright spot for the Iowa economy for years, with Des Moines recognized as one of the country’s major financial hubs. This sector represents about one-eighth of Iowa’s Gross State Product, and pays wages that are almost double the statewide average for all industries. During the recession, Iowa avoided some of the pain that was experienced in the industry at the national level due to its strong and prosperous insurance subsector. Banking and insurance make up the largest employment component of the finance sector. The 2012 Laborshed Study shows that workers in finance are slightly better educated with 83.8 percent having some education beyond high school compared to 74.9 percent of workers across all industries.

2012 OVERVIEW OF THE IOWA ECONOMY

State's Indicators Mark Steady Improvement

A wide range of economic indicators provided evidence of a steadily improving Iowa economy in 2012. Although job growth was just slightly better than 2011, it was sufficient enough to make businesses feel more confident about their future prospects. A strong agricultural economy and manufacturing industry continued to be the main drivers in the state's recovery, while housing showed noticeable signs of a turnaround. Iowa added 22,400 nonfarm jobs in 2012, and two industry sectors—professional and business services and education and health services—achieved record levels of employment last year. As more companies ramped up hiring in 2012, the state's unemployment rate fell substantially from the prior year. Iowa's 2012 annual average unemployment rate dropped to 5.2 percent from 5.9 percent in 2011.

While the majority of Iowa's counties experienced job growth last year, about 72 percent of the gains in nonfarm employment occurred in eight of the state's nine metropolitan areas. The Des Moines-West Des Moines Metropolitan Statistical Area (MSA) added the most jobs (+6,900) of any labor area in the state, followed by the Waterloo-Cedar Falls MSA, which came in a distant second (+2,100). Three metro areas reflected growth rates that exceeded 2.0 percent: Dubuque (2.3 percent), Waterloo-Cedar Falls (2.3 percent) and Des Moines-West Des Moines (2.2 percent). Pottawattamie County, which is officially part of the Omaha-Council Bluffs MSA, lost 250 jobs in 2012.

Most of the state's economic indicators showed continued improvement in 2012 with the exception of total employment:

Five-Year Summary of Iowa Economic Indicators

	2008	2009	2010	2011	2012
Gross State Product (\$ billions)	135.0	136.0	141.0	149.0	N/A
Exports (\$ billions)	12.1	9.0	10.9	13.3	14.6
Personal Income (\$ billions)	115.6	112.1	115.5	126.0	129.5 ^P
Per Capita Income	\$38,314	\$36,977	\$37,882	\$41,156	\$42,126 ^P
Total Employment	1,609,200	1,573,700	1,566,200	1,562,100	1,553,100
Total Unemployment	67,800	104,600	105,300	97,200	85,700
Percent Unemployed	4.0%	6.2%	6.3%	5.9%	5.2%
Unemployment Insurance:					
Weeks Compensated	1,459,395	2,571,688	1,920,298	1,536,467	1,342,482
Average Duration	11.6	15.6	15.3	14.2	13.5
UI Regular Benefits Paid (\$ millions)	421.5	788.1	586.9	463.4	417.0

Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

^P = preliminary

- Iowa's exports of manufactured goods and value-added agricultural products increased by almost 10 percent last year. In 2012, the state exported \$14.6 billion compared to \$13.3 billion in 2011. Iowa's merchandise export sales in 2012 outpaced the prior year's numbers in several destinations: Brazil (+20 percent), Russia (+20 percent), China (+31 percent), Ukraine

(+49 percent) and South Africa (+88 percent). Canada remained Iowa's top trade partner, accounting for 30 percent of the state's exports.

- State personal income grew at a rate of 2.8 percent in 2012, slower than the 6.8 percent growth rate achieved in 2011. Last year's drought conditions had an adverse effect on farm income; however, nonfarm personal income growth was above average. Earnings by industry indicated that construction and durable goods manufacturing made the largest contributions to the state's personal income last year. Meanwhile, per capita income rose from \$41,156 in 2011 to \$42,126 in 2012, an increase of 2.4 percent.
- Housing started to slowly rebound in 2012. The first inflection point came in 2011 when prices for homes began to stabilize in the state. More improvement was evident in 2012, as housing prices started to climb. According to the Iowa Association of Realtors, both annual sales and housing prices were up in 2012. In fact, 2012 home sales were the highest since 2007. The average sale price increased, rising 5.6 percent or \$7,891 from \$139,773 in 2011 to \$147,664 in 2012.
- While Iowa's unemployment numbers improved substantially in 2012, total employment continued to trend downward. This measure includes Iowa residents who are working in all forms of employment — nonfarm sector, self-employment and agriculture. Job creation has been slow to revive since the official end to the recession in mid-2009, and this is largely due to the cause of the downturn. Research has shown that recessions following financial shocks tend to be deeper and longer than recessions caused by other factors. Likewise, recoveries after financial crises can be slow and protracted.

The Iowa Business Council's 2013Q1 Economic Outlook Survey shows that while business leaders have grown more positive about the state's economy, they remain reluctant to hire.

- Unemployment insurance (UI) benefits continued to drop in 2012, and the average duration of regular UI benefits also declined as economic conditions improved. The average duration reached a record high of 15.6 weeks in 2009, and fell to 13.5 weeks in 2012. Regular UI benefits paid dropped from a record \$788 million in 2009 to \$417 million in 2012.

Building a Skilled Workforce for Iowa's Future

As the recovery continues to strengthen, the need for a skilled workforce has become a pressing issue. Employers want workers with appropriate skills, and job seekers want rewarding work that applies their specific skill sets. Skill sets are dynamic, adapting to changes in technology and the re-structuring that has occurred in the economy. The need for such adaptations may have accelerated in the aftermath of the 2008-2009 recession.

As companies have started to hire again, there is growing evidence that the skills of the workforce are not aligning with their needs. To increase the success of job matching, the Governor of Iowa introduced the Skilled Iowa Initiative in June 2012. This initiative includes a credentialing system that lets individuals take standardized tests to demonstrate their skills to current and potential employers. In Iowa, the National Career Readiness Certificate (NCRC) testing is used to certify workers' skills, and to provide assurances to employers that job candidates have the necessary skills and abilities to do the job.

Partnerships between business and education are currently growing across the state. In April 2013, officials from all 15 community colleges gathered

at the headquarters of ACT in Iowa City to announce an opportunity to help improve the skills of the state's manufacturing workforce. The Iowa Advanced Manufacturing Consortium, or I-AM, will work collaboratively to develop non-credit and credit programs to help individuals earn industry-recognized credentials, diplomas and degrees for careers in Iowa's advanced manufacturing sector. I-AM is an Iowa community college initiative to elevate advanced manufacturing, funded through a \$13 million grant from the U.S. Department of Labor's Trade Adjustment Assistance Community College and Career Training Grant Program. I-AM is inviting Iowa advanced manufacturing employers to engage in the benchmarking of required occupational skills to strengthen the talent pipeline of current and future workers.

2013 Economic Outlook

The Iowa economy is expected to gain traction by the second half of 2013, as the economy moves further away from the fiscal cliff and homebuilding gains momentum. Europe's economic problems will continue to have an adverse effect on global economic activity in 2013, but conditions are slowly improving in the Asia-Pacific region and Latin America's Southern Cone.

More of Iowa's industry sectors will increase hiring in 2013 due to a better housing market and increased construction activity. In fact, there is some concern that the state could experience a shortage of construction workers as several major projects get underway. Cedar Rapids and Iowa City face an

impending construction boom that could total \$2 billion over the next three years. The University of Iowa expects to bid \$900 million in construction over an 18-month period, and Cedar Rapids anticipates about \$580 million in construction spending, mostly on public projects. In addition, the Iowa Department of Transportation has budgeted a record \$600 million for highway construction and repairs for 2013, and there are several large industrial projects currently underway or planned for the year.

References:

Bureau of Economic Analysis, U.S. Department of Commerce. State Personal Income 2012.

http://www.bea.gov/newsreleases/regional/spi/sqpi_newsrelease.htm

TradeStats Express™ - State Export Data, International Trade Administration. U.S. Department of Commerce. <http://tse.export.gov/TSE/TSEHome.aspx>

Iowa Association of Realtors. "Home Prices up in December, Sales and Prices Up in 2012, posted on January 15, 2013.

<http://www.iowarealtors.com/news/press-releases>

Wells Fargo Securities, LLC Economics Group. "2013 Economic Outlook, Growth in an Era of Fiscal Constraint," December 13, 2012.

https://www.wellsfargo.com/downloads/pdf/com/insights/economics/monthly_outlook/2013_Economic_Outlook_12132012.pdf

Eller, Donnelle. "Will Construction Boom Find a Shortage of Workers?" Master Builders of Iowa, May 2, 2013.

<http://www.mbionline.com/news/will-constructionboom-find-shortage-workers>

State and Local Labor Force Trends

2012 Iowa Unemployment Rate Fifth-Lowest in the Nation

Iowa's unemployment conditions in 2012 continued to compare favorably with the nation and most other states. The statewide annual average unemployment rate fell to 5.2 percent in 2012 from 5.9 percent in 2011. Meanwhile, the U.S. rate for 2012 also showed improvement, dropping to 8.1 percent in 2012 from 8.9 percent for the prior year. Nationally, unemployment remained at a high level due to continuing weak demand and slow growth in the Gross Domestic Product (GDP). Based on the state rankings for 2012, Iowa and Oklahoma tied for the fifth-lowest unemployment rate in the nation, and North Dakota had the lowest jobless rate among the states for the fourth consecutive year at 3.1 percent. Nevada had the highest unemployment rate at 11.1 percent.

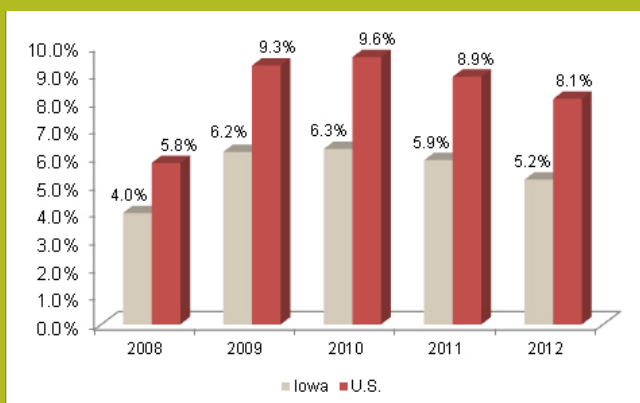
The number of unemployed persons in the state averaged 85,700 in 2012, down from the prior year's 97,200. Men accounted for 56 percent of the unemployed compared to 44 percent for women. Minorities and youth continued to experience the highest rates of unemployment: youth, 16 to 19 years (16.8 percent), Black or African American (15.8 percent) and Hispanic (9.1 percent). Characteristics on the unemployed also showed that long-term unemployment (27 weeks or longer) eased somewhat in 2012, representing 27.2 percent of the total. Research has shown that the longer

workers are unemployed, the more their skills and contacts to the labor market diminish. This makes these individuals less likely to find a job and more prone to drop out of the labor force. Generally, young workers (16 to 19 years) make up a larger share of the total unemployed, but comprise smaller shares of the long- and very-long-term unemployed. They tend to drop out of the labor force to obtain additional training and education, which keeps the duration of their period of unemployment relatively short. On the other hand, older workers (45 and over) are less likely to be unemployed, but compose a larger share of the long-term unemployed.

Unemployment Rates Drop in All Metropolitan Statistical Areas (MSAs) and Counties

Unemployment rates in all nine of the state's metropolitan statistical areas (MSAs) and rural counties declined in 2012 due to slightly stronger job growth across the state. On average, the jobless rates for the metropolitan areas decreased by six-

Figure 1. Iowa and U.S. Unemployment Rates, 2008-2012



Source: Labor Market and Workforce Information Division, Iowa Workforce Development, in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

tenths of a percentage point from 2011. The Ames and Iowa City MSAs reported unemployment rates of 3.9 percent, the lowest of the nine major labor areas. On the other hand, the Davenport-Moline-Rock Island MSA had the highest jobless rate at 7.1 percent. Jobless rates for all 99 counties ranged from a low of 2.7 percent in Lyon County to a high of 8.0 percent in Lee County.

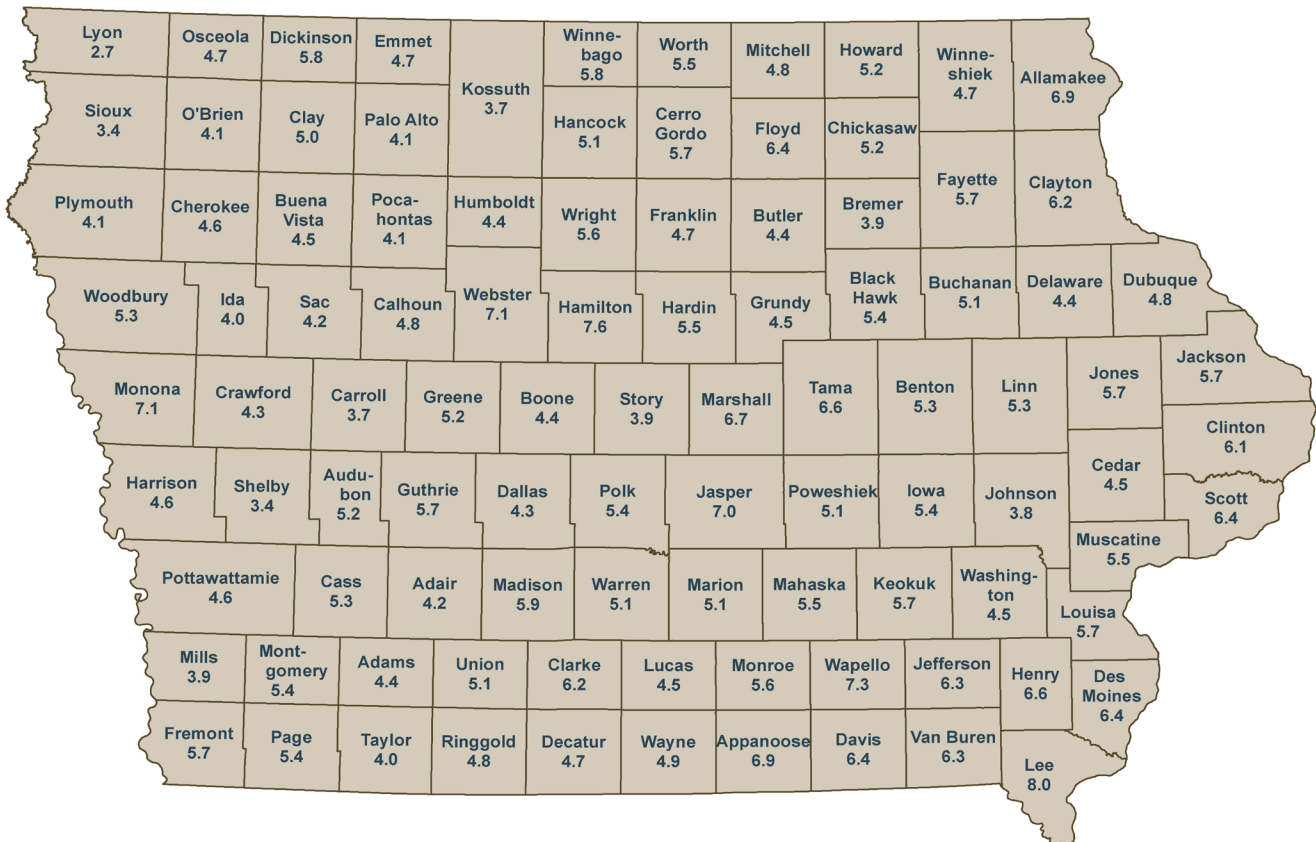
Figure 2. Metropolitan Statistical Area (MSA) Labor Force Summary 2012 Annual Averages

Metropolitan Statistical Area (MSA)	Labor Force	Employed	Unemployed	Unemployment Rate	
				2011	2012
Ames	48,100	46,200	1,900	4.5	3.9
Cedar Rapids	144,200	136,500	7,700	5.9	5.3
Davenport-Moline-Rock Island*	200,200	185,900	14,300	7.5	7.1
Scott County (Iowa portion)	87,600	82,000	5,600	6.8	6.4
Des Moines-West Des Moines	311,500	295,100	16,400	5.9	5.3
Dubuque	53,400	50,900	2,500	5.4	4.8
Iowa City	91,500	88,000	3,500	4.3	3.9
Omaha-Council Bluffs*	462,400	441,900	20,500	5.0	4.4
Harrison County (Iowa portion)	7,000	6,700	320	5.3	4.6
Mills County (Iowa portion)	7,500	7,200	300	4.5	3.9
Pottawattamie County (Iowa portion)	47,000	44,900	2,200	5.2	4.6
Sioux City*	76,400	72,400	4,100	5.9	5.3
Woodbury County (Iowa portion)	53,400	50,600	2,800	5.9	5.3
Waterloo-Cedar Falls	94,800	89,900	4,800	5.6	5.1

Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

*Metropolitan Statistical Area includes counties in a neighboring state.

Figure 3. 2012 Annual Average Unemployment Rates by County



Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

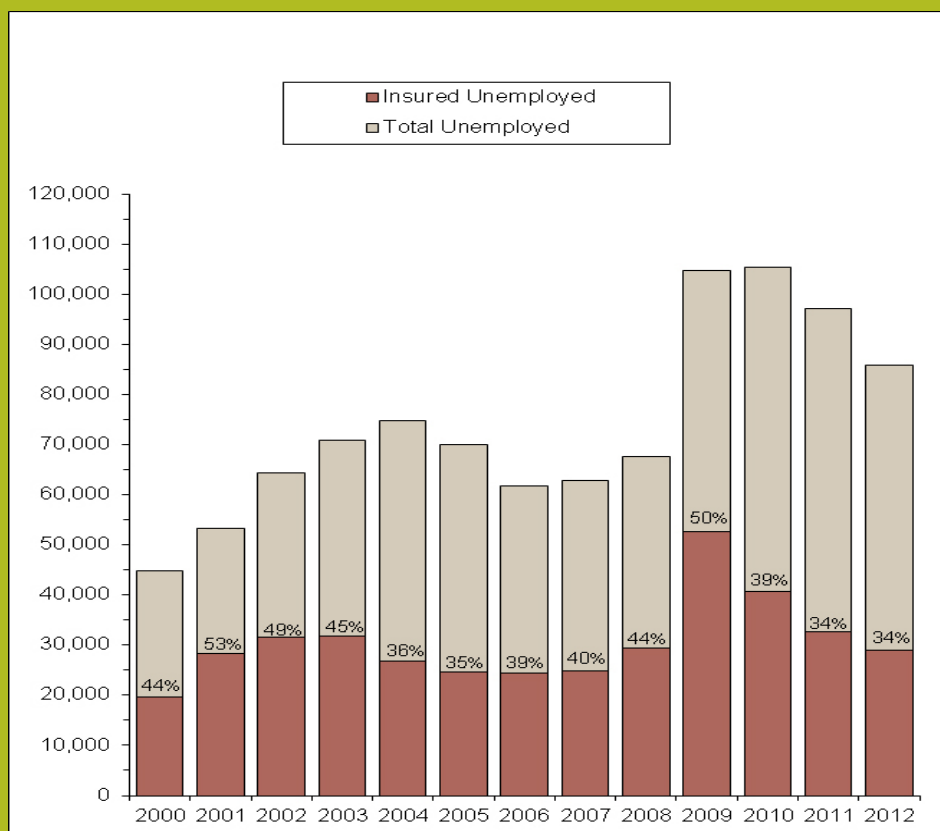
Relationship of Unemployment Insurance (UI) Recipients to Total Unemployment

One of the most common misperceptions of the unemployment rate is the belief that it is simply a representation of the number of people who are receiving state unemployment insurance benefits. In reality, individuals who receive unemployment benefits account for a percentage of total unemployment. This percentage is referred to as the “reciency rate,” and it typically varies from month to month depending on the economic and

seasonal factors that come into play.

There are two reciency rates. The first is the regular reciency rate, which measures the number of people receiving regular unemployment insurance. This program is available during all time periods and covers up to the first 26 weeks of unemployment insurance. The second reciency rate includes recipients of both the regular program and any extension programs. Figure 4 shows Iowa’s reciency rate for regular UI over the past thirteen years.

Figure 4. Unemployment Insurance Reciency Rate Regular UI (Excludes Extended Programs)



Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

References:

“Addressing Long-Term Unemployment After The Great Recession: The Crucial Role of Workforce Training.” A Report by the Joint Economic Committee Chairman’s Staff, Senator Bob Casey, Chairman. August 2011. <http://digitalcommons.ilr.cornell.edu/key_workplace/849/>

Iowa's Nonfarm Employment Trends

The Year at a Glance

This past year proved a prosperous one for Iowa total nonfarm employment. Jobs were added at an increasing pace following a moderate rebound in 2011. January 2010 marked Iowa's recent trough following the recession; however, since that time employment has steadily trended up at an increasing rate and is once again nearing an all-time high not recorded since 2008. The annual average for 2012 can be underselling the growth in nonfarm employment as the level steadily increased throughout the year ending with the December nonfarm employment resting at 1,515,700 jobs. This figure was just down 12,300 from the all-time high reached in 2008. Fears of another possible recession surfaced during the latter half of last year, but faded with the release of revised nonfarm employment numbers for 2011 and 2012 that showed job growth was actually stronger than originally estimated.

Nonfarm Employment Summary for 2012

In total, Iowa added 22,400 jobs annually from 2011 to 2012, a gain of 1.5 percent and closely matching the nation's 1.7 growth rate for that same time period.

The annual increase has been primarily fueled by the private sector as government hiring has been hindered by cutbacks in public administration. Fortunately, most of the losses incurred at the

Figure 1. Iowa Annual Nonfarm Employment Growth (in thousands)

Industry Title	2008	2009	2010	2011	2012	2011-2012 percent change
Total Nonfarm	1524.3	1478.9	1469.4	1486.3	1508.7	1.5%
Total Private	1271.4	1224.1	1216.3	1233.2	1254.8	1.8%
Goods Producing	302.4	269.9	264.3	270.4	277.3	2.6%
Mining and Logging	2.2	2.2	2.1	2.2	2.2	0.0%
Construction	72.9	64.9	61.7	62.4	64.6	3.5%
Manufacturing	227.3	202.8	200.5	205.8	210.4	2.2%
Durable Goods	138.4	117.0	116.4	121.8	126.1	3.5%
Non-Durable Goods	88.9	85.8	84.1	84.0	84.3	0.4%
Service-Providing	1221.9	1209	1205.1	1215.9	1231.4	1.3%
Private Service-Providing	969.0	954.2	951.9	962.8	977.5	1.5%
Trade, Transportation, and Utilities	309.5	302.5	299.4	302.9	306.8	1.3%
Wholesale Trade	68.7	66.8	66.0	67.0	68.6	2.4%
Retail Trade	178.3	175.2	172.8	174.2	175.8	0.9%
Transportation, Warehousing, and Utilities	62.6	60.5	60.6	61.7	62.5	1.3%
Information	32.9	30.3	28.7	28.0	27.1	-3.2%
Financial Activities	102.7	102.0	101.2	100.7	101.6	0.9%
Finance and Insurance	89.4	89.0	88.3	87.6	88.5	1.0%
Professional and Business Services	123.1	117.5	121.7	125.6	129.5	3.1%
Professional, Scientific, and Technical Services	43.0	42.1	42.3	43.4	44.8	3.2%
Admin & Supprt/Waste Mgmt & Remediation	66.6	62.6	65.9	67.2	68.7	2.2%
Education and Health Services	207.5	211.9	214.1	217.2	220.6	1.6%
Educational Services	36.5	37.3	37.6	38.9	39.6	1.8%
Health Care and Social Assistance	171.0	174.6	176.4	178.4	181.0	1.5%
Leisure and Hospitality	135.5	132.6	129.9	131.7	134.2	1.9%
Accommodation and Food Services	114.7	112.4	110.2	111.5	114.5	2.7%
Other Services	57.9	57.5	56.9	56.8	57.7	1.6%
Government	252.9	254.7	253.1	253.1	254.0	0.4%
Federal Government	18.3	18.5	19.1	18.0	17.6	-2.2%
State Government	66.8	66.9	64.8	65.4	66.0	0.9%
Local Government	167.8	169.4	169.2	169.8	170.3	0.3%

Source:
Current
Employment
Statistics
(CES), Labor
Market and
Workforce
Information
Division, Iowa
Workforce
Development

administration level have been offset by growth at the state universities and hospitals. Construction, a leading economic indicator for the welfare of the Iowa economy, added 2,200 jobs, or 3.5 percent. By percentage, this gain tied with durable goods manufacturing for the highest of all sectors. Professional, scientific, and technical services led all service industries with a gain of 3.2 percent. Accommodations and food services added 3,000 jobs in 2012 as consumers increasingly frequented eating and drinking establishments along with hotels and motels. This year's increase puts leisure and hospitality down just 1,300 from the 2008 level. Even sectors that have been sluggish in hiring in the wake of the recession have shown improvement during the past few years, including retail trade (+1,600 jobs or 0.9 percent) and financial activities (+900 jobs or 0.9 percent). Information services posted the only drop compared to 2011, down 900 jobs (-3.2 percent). The loss is currently being felt throughout the U.S. as consumers rely on less labor-intensive media (such as books and newspapers) along with utilizing less wired communications (such as land line telephones and cable television). The drop marks the fifth consecutive loss for this industry, which is now down 32.9 percent from the high of 40,400 set in 2000.

The Recovery Trends

This past year marked a continuation from a prosperous 2011. Viewed together, the combined gain from 2010 through 2012 was 39,300 jobs. The goods-producing industries (construction and manufacturing) have contributed approximately one-third of all jobs added during the past few years, as the growth rate of these two industries is higher than most other industries in Iowa. Manufacturing added 9,900 jobs during the time period (+4.9 percent), while construction gained 2,900 jobs.

Compared to other states Iowa fared well in 2012. The increase of 1.5 percent matched neighboring states Nebraska and Minnesota, and was just a shade below the 1.7 percent growth rate of South Dakota and the nation.

Additionally, manufacturing continues to play a major role in the state's economy, accounting for 13.9 percent of all nonfarm employment—

Figure 2. Annual Nonfarm Growth Rates

Area	2009	2010	2011	2012
United States	-4.4%	-0.7%	1.2%	1.7%
Iowa	-3.0%	-0.6%	1.1%	1.5%

South Dakota	-1.9%	-0.1%	1.1%	1.7%
Minnesota	-3.9%	-0.5%	1.8%	1.5%
Nebraska	-2.1%	-0.5%	0.7%	1.5%
Wisconsin	-4.4%	-0.5%	1.1%	1.0%
Missouri	-3.8%	-1.2%	0.2%	0.5%

Source: Current Employment Statistics (CES), Bureau of Labor Statistics (BLS), US Department of Labor.

five percentage points higher than the national level. In fact, Iowa's manufacturing to total employment ratio is higher than all neighboring states excluding Wisconsin's 16.3 percent.

The Return of Dormant Industries and the Advancement of other Indicators

Professional and business services gained 7,800 jobs since 2010, illustrating our economy's increasing willingness to utilize services that were abandoned during the recession. Included in this category is consulting and technical services, which were especially slow. The temporary help services sector felt the effects of budget cutbacks,

The gains in new home construction are encouraging news given that new housing projects fuel the industry with job gains, but also generate business for other industries such

Figure 3. Selected Economic Indicators 2008-2012

Indicator	2009	2010	2011	2012	2011-2012 Percent change
Vehicle registrations	98,618	105,881	123,225	133,223	8.1%
New Housing Units Authorized	7,130	7,312	7,526	9,992	32.8%
Personal Income (Iowa, Statewide)	111,624	113,424	124,745	128,179	2.8%
New Orders in Manufacturing (US, value in billion dollars)	347.8	410.6	459.2	471.6	2.7%

Sources: Iowa Department of Transportation, Building Permits Survey, the United States Census Bureau, March 19th, 2013. GDP & Personal Income, the Bureau of Economic Analysis, March 19, 2013. Manufacturers' Shipments, Inventories & Orders, the United States Census Bureau, March 20, 2013.

as lumber yards, retail outlets related to home furnishings and big-ticket appliance items, financial activities related to mortgages, and manufacturing of building materials. All of these sectors have posted employment gains during the past few years and have a positive economic outlook for 2013. Other economic indicators that showed strong growth in Iowa included vehicle registrations, which again posted an annual increase (+8.1 percent in 2012) following an exceptionally strong gain in 2011 of 16.4 percent. New vehicle registrations provide a boon not only to the retail sales of new cars, but also the manufacturing of auto parts and the finance of new vehicles. These industries have experienced growth during the past few years and it is likely to continue into 2013.

Other indicators which advanced during the past few years included per capita personal income, up 2.4 percent in 2012 following a particularly strong recovery in 2011 of 8.6 percent. Income shed \$1,337 in 2009, dropping the total down to \$36,977. Yet healthy gains in each of the last three years mean that personal income has reached all-time highs in each of the last

two years. Along with those gains comes an increase in disposable income. These gains will fuel spending in recreation and entertainment industries along with retail trade before most other segments of the economy. Employment increases in durable goods factories has experienced a boost from the gain in new orders in the United States. During the past few years new orders have increased by 18.1 percent in 2010, followed by 11.8 and 2.7 percent in 2011 and 2012, respectively.

Total Nonfarm Employment Outlook

Taken cumulatively, the gain in new housing units authorized and new orders in manufacturing promote a healthy picture of Iowa's 2013 economy, especially considering that manufacturing alone accounts for slightly over 13 percent of the total nonfarm employment in the state. New vehicle registrations continue to trend upward, providing increasing evidence of consumer confidence and an increase in willingness to spend among consumers. Given the current trends, Iowa total nonfarm should once again reach an all-time high by the end of 2013, erasing the job losses that occurred during the 2008-2009 recession.

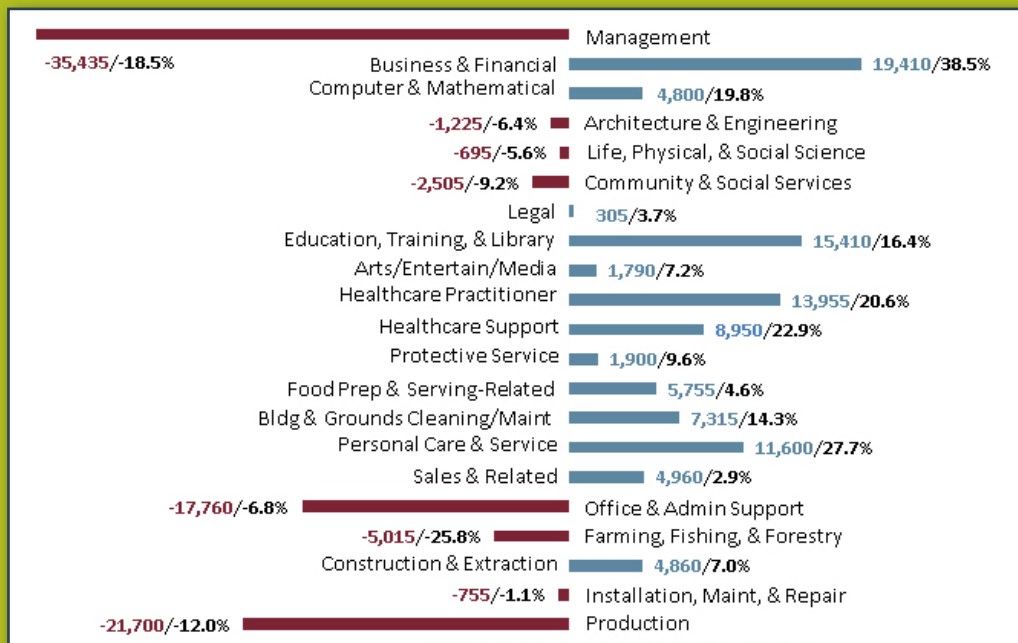
Iowa's Job Outlook 2010-2020

Iowa's Occupational Projections—Past, Present and Projected

Iowa's total occupational employment is expected to grow at 13 percent (1.3% annually) over the decade, resulting in 231,680 jobs between 2010 and 2020. This stands in contrast to the previous ten-year period (2000-2010) when two bookend recessions held Iowa's net employment increase to 49,365 jobs. The past, present, and projected employment levels for occupational groups are displayed in Figures 1 and 2.

Employment by occupational group for the 2000-2010 period shows the strongest growth for the Business and Financial group, which added 19,410 jobs (Figure 1.) This group also grew the fastest at 38.5 percent. The following groups added more than 10,000 jobs over the decade: Education, Training and Library (15,410), Healthcare Practitioner (13,955), and Personal Care and Services (11,600). Conversely, three occupational groups accounted for the larger job losses over the period: Management (-35,435), Production (-21,700), and Office and Administrative Support (-17,760). However, Farming, Fishing and Forestry reflected the largest percentage loss of any group at -25.8 percent, continuing a long-term downward trend. As the recovery picks up strength, moderate job and population growth, combined with a relatively low unemployment rate, could result in even greater competition for labor and skill shortages in

Figure 1: 2000-2010 Change in Occupational Group Employment by Number and Percent

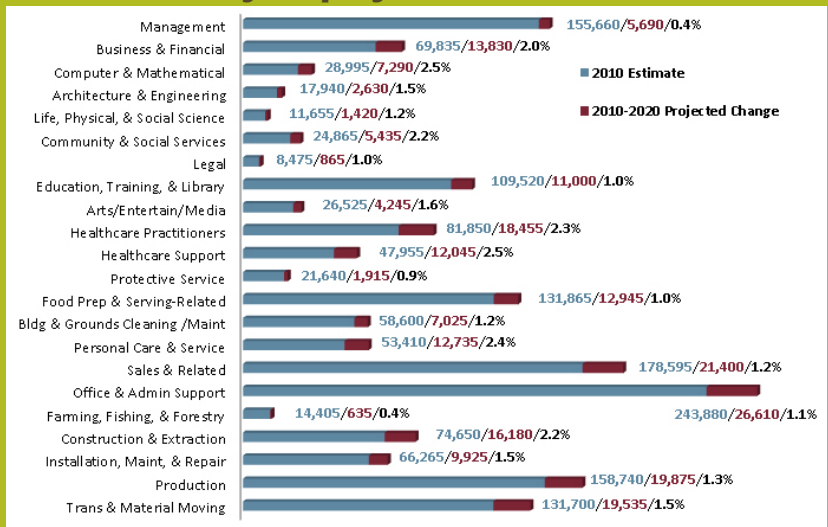


Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

certain industries. As illustrated in Figure 2, job growth for 2010 to 2020 is represented across all occupational groups but varies in degree. Service-providing jobs, for example, are generally expected to outperform those considered goods-producing. Major

occupational groups expected to grow faster than the state annual average of 1.3% for 2010-2020 are Computer and Mathematical; Healthcare Support; Personal Care; Healthcare Practitioner; Community and Social Services; Legal; Education, Training, & Library; Arts/Entertain/Media; Healthcare Practitioners; Healthcare Support; Protective Service; Food Prep & Serving-Related; Bldg & Grounds Cleaning /Maint; Personal Care & Service; Sales & Related; Office & Admin Support; Farming, Fishing, & Forestry; Construction & Extraction; Installation, Maint, & Repair; Production; and Trans & Material Moving.

Figure 2: 2010-2020 Occupational Group Projections by Employment Growth



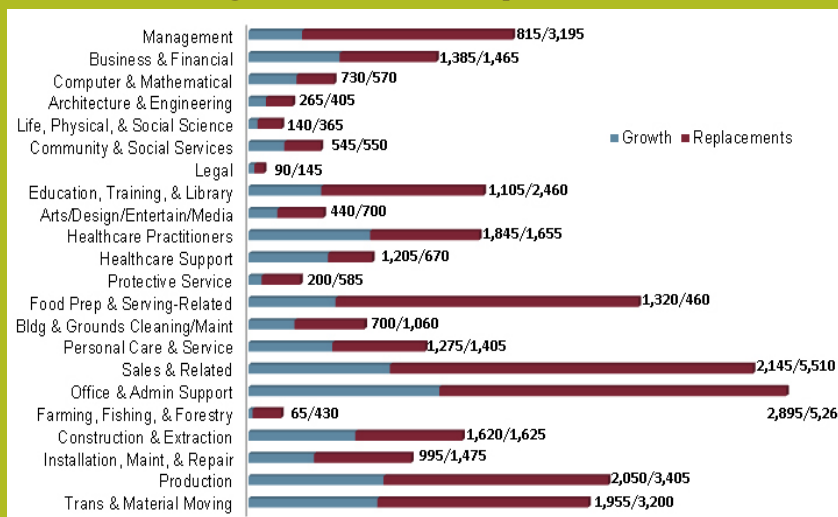
Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

New Jobs Versus Replacements

Another means to evaluate Iowa's 2010-2020 occupational projections include annual new jobs and replacements. This measure provides a breakdown and/or projection as to how an occupational group expects to grow, either by creating new jobs or replacing positions when an employee permanently leaves an occupation. As revealed in Figure 3, nearly all occupational

groups (save for the healthcare occupational groups) are projected to have greater replacement needs (which may stem from employee retirements, transfers, terminations, voluntary separations, etc.) than new jobs due to growth. In many cases, replacement needs are more than double the number of job openings resulting from actual growth.

Figure 3: 2010-2020 Occupational Group Projections by Growth and Replacements



Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

Hot Jobs

The projections also include detailed information on job growth and wages/salaries by individual occupational title. This information is of particular interest to counselors, career planners, economic developers, educators, employers, job seekers,

students and various government entities.

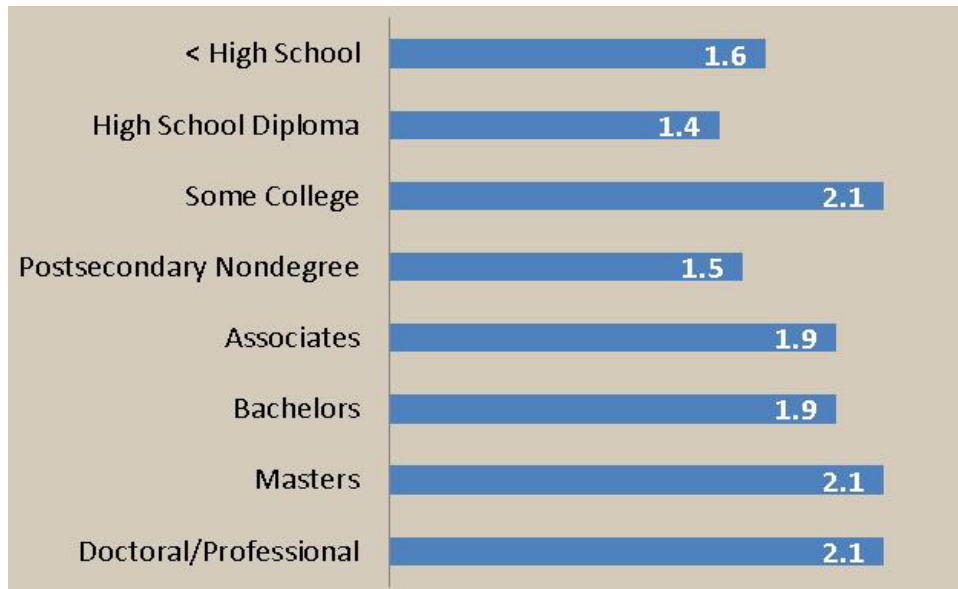
Individuals can analyze the occupational data to track trends in the job market, and to identify the occupations associated with high growth and high pay.

Figure 4: 2010-2020 Iowa's Hot 50 Jobs

Occupational Title	Employment			Mean (\$)	
	2010 Estimated	2020 Projected	Annual Growth Rate (%)	2012 Wage	2012 Salary
Family & General Practitioners	2,275	2,810	2.4	103.97	216,241
Dentists, General	1,545	1,925	2.4	98.69	205,279
Optometrists	530	700	3.2	53.51	111,300
Marketing Mgrs	1,605	1,925	2.0	51.91	107,972
Computer & Information Systems Mgrs	2,235	2,795	2.5	51.77	107,687
Pharmacists	3,080	3,720	2.1	50.11	104,232
Actuaries	535	755	4.1	48.80	101,495
Sales Mgrs	2,350	2,715	1.6	47.23	98,232
Human Resources Mgrs	545	640	1.7	44.18	91,887
Physician Assistants	725	890	2.3	41.83	86,996
Industrial Production Mgrs	2,210	2,655	2.0	41.44	86,185
Public Relations Mgrs	595	695	1.7	39.83	82,841
Computer Software Engineers, Systems Software	2,695	3,600	3.4	39.81	82,804
Physical Therapists	1,680	2,225	3.2	37.77	78,547
Medical & Health Services Mgrs	4,645	5,525	1.9	37.66	78,342
Construction Mgrs	3,450	4,240	2.3	37.63	78,281
Financial Examiners	465	600	2.9	37.13	77,219
Transportation, Storage, & Distribution Mgrs	1,050	1,220	1.6	37.04	77,045
Civil Engineers	1,665	1,980	1.9	36.54	75,997
Mechanical Engineers	2,370	2,755	1.6	36.52	75,953
Computer Software Engineers, Applications	3,660	4,485	2.3	36.40	75,706
Computer Systems Analysts	5,040	6,740	3.4	36.13	75,166
Veterinarians	1,500	1,875	2.5	35.50	73,839
Architects, Ex Landscape & Naval	990	1,285	3.0	35.45	73,727
Chiropractors	1,035	1,350	3.0	35.19	73,204
Securities, Commodities, & Financial Services Sales Age	3,235	3,800	1.8	35.07	72,953
Arbitrators, Mediators, & Conciliators	1,540	1,900	2.3	34.90	72,593
Financial Analysts	1,925	2,415	2.6	34.25	71,258
Commercial Pilots	280	355	2.9	34.14	71,002
Occupational Therapists	875	1,100	2.6	34.04	70,792
Database Administrators	705	880	2.5	33.85	70,401
Management Analysts	5,435	6,605	2.1	33.40	69,468
Industrial Engineers	2,265	2,685	1.9	33.36	69,391
Dental Hygienists	1,960	2,535	2.9	32.02	66,603
Clinical, Counseling, & School Psychologists	1,355	1,570	1.6	31.95	66,448
Computer Programmers	3,965	4,770	2.0	31.57	65,659
Personal Financial Advisors	1,595	2,190	3.7	31.07	64,623
Speech-Language Pathologists	1,065	1,295	2.2	30.98	64,441
Probation Officers & Correctional Treatment Specialists	560	660	1.8	30.19	62,781
Network & Computer Systems Administrators	3,170	4,065	2.8	30.08	62,554
Funeral Service Mgrs, Directors, Morticians, & Undertake	535	625	1.7	30.05	62,510
Accountants & Auditors	13,415	15,825	1.8	29.93	62,241
Credit Analysts	680	920	3.6	29.67	61,719
Loan Officers	5,310	6,615	2.4	29.66	61,700
Logisticians	465	605	3.0	29.59	61,559
Environmental Scientists & Specialists, Incl Health	800	1,095	3.7	29.09	60,514
Insurance Underwriters	1,765	2,100	1.9	28.53	59,353
Diagnostic Medical Sonographers	535	760	4.2	28.21	58,686
Compliance Officers, Ex Ag, Const, Health/Safety, & Trar	1,935	2,330	2.0	27.41	57,005
Health Educators	475	610	2.9	26.90	55,936

Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

Figure 5: 2010-2020 Occupational Growth Rates by Education Level



Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

Iowa's Hot 50 Jobs is a publication produced by the Labor Market and Workforce Information Division of Iowa Workforce Development. Listed in condensed form in Figure 4 are 50 occupations selected because their annual growth rate and mean annual salary exceed the statewide average for these measures. Several occupations found in the health, architecture and engineering, management, computer and mathematical, and business and financial occupational groups are well represented on the list.

Many of these occupations are STEM-based, meaning that these jobs require higher-level science, technology, engineering, and mathematics skills. In fact, substantial amounts of education and training are prerequisites for nearly all of these occupations. The importance

of education can be seen in the occupational growth rates. Figure 5 compares occupational growth rates by level of education. Not surprisingly, occupations associated with higher education levels also possess higher growth rates. The latest 2010-2020 occupational projections show that STEM jobs are expected to grow 2 percent annually, significantly higher than 1.3 percent for non-STEM occupations.

Reference List:

Iowa Workforce Development, Iowa Wage Survey, 2012.
Iowa Workforce Development, Occupational Projections, 2010-2020.



The Skilled Iowa Initiative

Education and Skilled Iowa

The Skilled Iowa initiative was introduced by Governor Terry Branstad on June 11, 2012. The goal of this public/private initiative is to bridge the skill gap within the state of Iowa. It is designed to provide assurances to employers and potential employers that local workforces have the skills and abilities to fill job openings.

Recent statistics show 56 percent of job openings across Iowa require middle skills, with 33 percent of workers qualified for these opportunities. Additionally, 12 percent of Iowa's job opportunities are considered low skilled, and 38 percent of our current workforce have only the skill set to fill this type of job.

"Skilled Iowa is a critical step in improving the quality of the workforce in Iowa," said Governor Branstad. "It is important that Iowa's government, private industry and our educational system work together to find innovative solutions."

National Career Readiness Certificate

The initiative promotes ACT®'s National Career Readiness Certificate (NCRC) testing to potential job seekers, encourages businesses to hire certified workers when applicable, and provides resources to those looking to improve their skills.

The NCRC is a portable, nationally recognized credential that is now recommended for many career pathways, and employers across the country are recommending the NCRC. It consists of assessing three core workplace employability skills: Applied Mathematics, Locating Information, and Reading for Information. Each measures skills employers have identified as being critical to on-the-job success. Employers are using the scores to help select the most qualified candidates for the job. Individuals may earn one of four levels — platinum, gold, silver or bronze — to show employers their qualifications for job opportunities and career advancements.

Skilled Iowa and NCRC in Iowa High Schools

Iowa high schools are integrating Skilled Iowa and NCRC with their career and college planning discussions with students. The NCRC is used to educate students on the type of employment opportunities in Iowa and the skill sets needed for those opportunities.

Many schools offer NCRC testing in conjunction with the mandatory Iowa Assessments. Students are benchmarked, and then re-tested a year or two later to determine growth, and identify curriculum needs.

Skilled Iowa Internship Program

The Skilled Iowa Internship program, sponsored by Iowa Workforce Development (IWD), is targeted at individuals who collect unemployment insurance benefits, but available to any Iowa resident. Individuals may elect to participate in an internship opportunity to build their skills while looking for permanent employment.

These unpaid opportunities link job seekers with businesses looking to hire and willing to provide job-skills training. Participants train at the participating company 24 hours a week for up to eight weeks. Individuals receiving unemployment insurance benefits continue to receive benefits during the internship.

The internship program is available to all Iowa businesses. IWD works closely with each business to define and develop training plans and to provide screened, eligible candidates. Skilled Iowa internships offer a lower training expense with lower risk to participating companies.

Job seekers acquire new skills and keep their work history current, and while not a guarantee, have the opportunity for a full-time job upon successful completion.

Skilled Iowa Communities

The Skilled Iowa Communities initiative will improve the job training and marketability of Iowa's workforce and drive future economic growth for the state. Similar initiatives throughout the country have changed the landscape of local economies through programs that incorporate the NCRC assessment system.

Communities earning the Skilled Iowa designation benefit by having a tool to attract new business to the area and by being able to demonstrate their community has a skilled workforce to fill current and future jobs.

To be designated a Skilled Iowa Community; a community must reach 80 percent of each of these four metrics:

- Current Labor Force* Certified: 5%
- Transitioning Labor Force** Certified: 20%
- Percent of Total Businesses Partnering***: 10%
- Percent of Total Employees Covered by the Businesses: 20%

* Current labor force – Employed

** Transitioning labor force – Unemployed, willing to accept employment

***Total businesses partnering – These are employers that recognize, prefer or recommend the NCRC as part of their hiring process

Attaining Skilled Iowa Goals

To attain the goals of Skilled Iowa:

- Improve the quality of Iowa's workforce, including the existing, transitioning and emerging (those individuals graduating from high school or community college) workforces
- Fill the jobs of current Iowa employers, as well as prospective Iowa employers
- Identify the skills needed to fill open Iowa jobs
- Ensure Iowa's workforce has the skill sets sought by employers, not only now but in the future

IWD is working to:

- Increase the number of employers that recognize and support the NCRC
- Increase the number of Iowa job seekers holding the NCRC--add it to their portfolios and résumés
- Make NCRC-related training available to all Iowans--beginning in the 9th grade
- Create a pathway for connecting unemployed Iowans with career opportunities

Iowans will be able to demonstrate they have the skills and abilities for which employers and potential employers are looking.

Iowa's Technology Economy

High-Tech Industries Share Common Characteristics

Innovation is key to the success of high-tech industries. The main asset to a high-tech company is the know-how, or "intellectual capacity" of the company's employees. Technology firms devote a high proportion of expenditures to research and development (R&D) and employ a large number of scientific, technical and engineering staff. One of the important ways that high-tech growth manifests itself is in migration patterns. Technology companies attract highly skilled knowledge workers who earn high wages. Studies show that workers in high-tech industries earn a substantial wage premium when compared to other industries.

The local multiplier effect is also huge for high-tech. The creation of one job in the high-tech sector is associated with the creation of 4.3 additional jobs in the communities where they are located. In comparison, this is more than three times the local multiplier for manufacturing, which is 1.4. The especially large local multiplier for high-tech reflects the fact that workers in these industries have higher levels of disposable income, which is spent on a wide range of products and services in the local area.

Employment and Wage Trends in Iowa's High-Tech Industries

While Iowa's high-tech industries are not completely recession-proof, they lost only 1,174 jobs from 2008 to 2012, faring much better than the overall state economy. Based on covered employment and wage data compiled by Iowa Workforce Development, Iowa's high-tech industries dropped from 48,093 employees in 2008 to 46,919 employees in 2012. These industries currently represent about 3.2 percent of the state's total covered employment. The largest high-tech category in the state is search, detection, navigation, guidance, aeronautical and nautical instruments (NAICS 334511), accounting for slightly over 10,000 workers. Data processing, hosting and related services (NAICS 518210) is a distant second with 5,651 employees in 2012. This industry also lost the most jobs from 2008 to 2012 at 1,835. The largest employment gains over the period occurred in engineering services and custom computer programming, up 884 and 746, respectively. (See Figure 1 on Employment in Iowa's High-Tech Industries, 2008-2012.)

Workers in high-tech industries are highly compensated for the jobs they perform. In 2012, the annual average wage of a high-tech worker in Iowa was \$66,007. Compared with the average wage of \$39,352 for all private industry workers, high-tech wages were about 68 percent higher. The highest annual average wages were paid in research and development in biotechnology (\$92,801) and in semiconductor and related device manufacturing (\$91,514).

Figure 1. Employment in Iowa's High-Tech Industries, 2008-2012

NAICS Code	Industry Description	Employment		Employment Change	Annual Average Wage	
		2008	2012	2008-2012	2012	
333295	Semiconductor Machinery Mfg	*D	0	*D	*D	
333314	Optical Instrument and Lens Mfg	41	21	-20	\$41,635	
333316	Photographic/Photocopying Equipment Mfg	0	*D	*D	*D	
334111	Electronic Computer Mfg	390	352	-38	\$87,450	
334112	Computer Storage Devices Mfg	*D	*D	*D	*D	
334118	Other Commercial/Service Industry Machinery Mfg	0	*D	*D	*D	
334220	Radio and TV Broadcasting/Wireless Comm Equip Mfg	469	466	-3	\$47,963	
334290	Other Communications Equip Mfg	26	*D	*D	*D	
334310	Audio and Video Equip Mfg	105	96	-9	\$57,336	
334412	Bare Printed Circuit Boards Mfg	92	*D	*D	*D	
334413	Semiconductor and Related Device Mfg	187	207	20	\$91,514	
334416	Capacitor, Resistor, Coil, Transformer and Other Inductor Mfg	174	215	41	\$31,853	
334417	Electronic Connector Mfg	*D	*D	*D	*D	
334418	Printed Circuit Assembly Mfg	462	358	-104	\$27,903	
334419	Other Electronic Components Mfg	339	212	-127	\$39,565	
334510	Electromedical and Electrotherapeutic Apparatus Mfg	288	316	28	\$37,942	
334511	Search, Detection, Navigation, Guidance, Aeronautical and Nautical Instruments	10,40	3	-10,397	\$86,628	
334512	Automatic Environmental Controls Mfg	*D	*D	*D	*D	
334513	Industrial Process Control Instrument Mfg	399	397	-2	\$72,832	
334514	Totalizing Fluid Meter and Counting Devices	*D	*D	*D	*D	
334515	Instruments for Electricity Measuring and Testing Equip	33	*D	*D	*D	
334516	Analytical Laboratory Instrument Mfg	4	3	-1	\$59,427	
334517	Irradiation Apparatus Mfg	*D	*D	*D	*D	
334519	Other Measuring and Controlling Instruments	146	97	-49	\$48,542	
335911	Storage Battery Mfg	628	633	5	\$45,474	
335921	Fiber Optic Cable Mfg	*D	*D	*D	*D	
335999	All Other Misc Electrical Equip/Component Mfg	215	133	-82	\$40,295	
339112	Surgical and Medical Instrument Mfg	236	225	-11	\$36,995	
511210	Software Publishers	813	805	-8	\$78,257	
515111	Radio Networks	470	367	-103	\$39,363	
515112	Radio Stations	1,208	1,103	-105	\$31,854	
515210	Television Broadcasting	1,191	1,127	-64	\$47,837	
515210	Cable and Other Subscription Programming	10	242	232	\$39,877	
517110	Wired Communications Carriers	6,562	5,172	-1,390	\$52,096	
517210	Wireless Telecommunications Carriers (Exc Satellite)	1,522	903	-619	\$49,586	
517410	Satellite Telecommunications	44	49	5	\$74,003	
517911	Telecommunications Resellers	1,346	1,116	-230	\$67,159	
517919	All Other Telecommunications	35	392	357	\$25,550	
518210	Data Processing, Hosting and Related Services	7,486	5,651	-1,835	\$56,350	
519130	Internet Publishing/Broadcasting/Web Search Portals	433	227	-206	\$75,748	
541330	Engineering Services	3,753	4,637	884	\$73,991	
541380	Test Laboratories	685	665	-20	\$43,950	
541511	Custom Computer Programming	3,414	4,160	746	\$74,245	
541512	Computer Systems Design	2,372	2,454	82	\$70,294	
541513	Computer Facilities Management	138	183	45	\$56,730	
541519	Other Computer Related Services	256	1,512	1,256	\$59,501	
541711	Research and Development in Biotechnology	327	319	-8	\$92,801	
541712	Research and Development in Physical, Engineering, Life Sciences	889	1,480	591	\$66,799	
611420	Computer Training	142	140	-2	\$58,270	
	Total of Nondisclosable Data	360	164	-196	\$35,482	
	TOTAL	48,09	3	46,919	-1,174	\$66,007

Source: Quarterly Census of Employment and Wages (QCEW), Labor Market and Workforce Information Division, Iowa Workforce Development.
*D represents nondisclosable data.

How to Attract and Sustain High-Tech Industries

By utilizing the strengths of existing business as well as

government and academia, cities have become successful in attracting a wide range of high-tech endeavors. A recent study commissioned by Engine

Advocacy, an industrial group that represents startups and existing high-tech companies, ranked the Quad-City area 18th on the list of top 25 metro areas for growth in the high-tech sector for 2010-2011. The study identified communities across the country that are experiencing substantial growth in tech.

States continue to pursue strategies that target growth in the high-tech industries because they have high growth potential, attract highly skilled workers and foster innovation. A technology hub is based on an intricate set of networks and social relationships. The following factors are the most important in promoting the growth of high-tech industries:

- An existing high-tech presence can create an impetus for new high-tech expansion.
- Research centers and institutions are important in incubating high-tech industries.
- These institutions provide access to well-educated employees, research facilities and technical and business support. This is evidenced by the number of high-tech clusters that are located near Iowa State University, the University of Iowa, and the University of Northern Iowa.
- Business incubators help launch new businesses by providing work space, support services, networking opportunities and training.
- Venture capital is a critical factor in incubating and sustaining an entrepreneurial-based, high-tech cluster.
- The proper technology infrastructure needs to be in place. This includes Web designers, broadband connectivity, the number of patents awarded, the number of scientific research grants received, and the availability of law firms, banks and business services that focus on high tech.
- Collaboration is needed among business, educational institutions and government.
- A favorable business climate is essential in terms of tax structure and costs of compensation, office space and capital.

The best way to get a high-tech startup off the

ground is to join a business incubator. Business incubators are collaborative programs (often public-private partnerships) designed to help startups find affordable office and lab space, administrative services, IT and telecom capabilities, networking opportunities, and mentors who can assist with business planning. Incubators also vary in size and purpose. Some strictly provide office space and the specific tools a company needs, while others only accept companies that fit a specific industry or market.

One of the newest incubators in Iowa is StartupCity Des Moines. In late 2011, The Iowa Economic Development Authority (IEDA), along with four other entities provided financial backing to the business incubator. Startup City will provide office space, mentorship and other resources to early-stage technology companies. In return, a startup will contribute three percent of its stock to StartupCity.

State Funding Programs for High-Tech Initiatives

The Iowa Economic Development Authority has several funding programs that are used to provide assistance to high-tech companies. In 2012, the High Quality Jobs Program and the Enterprise Zone Program funded nine projects that were specifically IT related. The projects represented about \$335.2 million in capital investment and created 329 jobs. The High Quality Jobs Program provides qualifying businesses with tax credits to offset the

Figure 2. Projects Funded by IEDA in 2012 High Quality Job Program/Enterprise Zone Program

Company	Location	The Demonstration Fund	The Iowa Innovation Acceleration Fund
Banno	Cedar Falls/Des Moines		\$1,000,000 (f)
GlobalVetLINK (GVLB)	Ames		\$500,000 (f)
Solight, LLC	Fairfield	\$14,700 (g)	\$85,300 (f)
BetrLife Corporation	Urbandale		\$250,000 (f)
Dibzees	Iowa City		\$500,000 (f)
Telepharm Technology	Iowa City	\$75,000 (g)	
Green Team Technologies	Coralville		\$250,000 (f)
Tutor Universe	Iowa City	\$150,000 (g)	

Source: Iowa Economic Development Authority (IEDA).

costs incurred to locate, expand, or modernize an Iowa facility. Meanwhile, the Enterprise Zone Program promotes new economic development in economically distressed areas by encouraging communities to target resources in ways that attract productive private investment.

Figure 3. Projects Funded by IEDA in 2012
The Demonstration Fund/
The Iowa Innovation Acceleration Fund

Company	Location	The Demonstration Fund	The Iowa Innovation Acceleration Fund
Banno	Cedar Falls/Des Moines		\$1,000,000 (l)
GlobalVetLINK (GVL®)	Ames		\$500,000 (l)
Solight, LLC	Fairfield	\$14,700 (g)	\$85,300 (l)
BetrLife Corporation	Urbandale		\$250,000 (l)
Dibzees	Iowa City		\$500,000 (r)
Telepharm Technology	Iowa City	\$75,000 (g)	
Green Team Technologies	Coralville		\$250,000 (l)
Tutor Universe	Iowa City	\$150,000 (g)	

Source: Iowa Economic Development Authority (IEDA)
 Received from funding program: g = grant, l = loan, r = royalty.

Several other projects in 2012 were funded by the Demonstration Fund and the Iowa Innovation Acceleration Fund. The Iowa Department of Economic Authority uses these programs in conjunction with the Iowa Innovation Corporation to provide funding for start-ups and small companies that focus on high-tech or innovative products. In 2012, seven of the 19 Demonstration Fund projects were IT-related. For the Innovation Acceleration Fund, eight of the 13 awards were IT-based.

Detailed information on the companies listed in Figures 2 and 3 can be found in the article, Economic Development Initiatives by IWD region.

References:

Strauss, Steve. "Business incubator can mean a faster start for your startup." USA TODAY. Updated May 9, 2011.

http://usatoday30.usatoday.com/money/smallbusiness/columnist/strauss/2011-05-08-business-incubator_n.htm

"TechAmerica's NAICS-based Definition of High Tech."

TechAmerica. <http://almost.techamerica.org/naics-definition>

"Technology Works: High-Tech Employment and Wages in the United States." A Bay Area Council Economic Institute Report commissioned by Engine Advocacy. December 2012. <<http://www.bayareaeconomy.org/media/files/pdf/TechReport.pdf>>

Information on high-tech initiatives provided by the Iowa Economic Development Authority (IEDA).

Employment in Iowa's high-tech industries compiled from the Quarterly Census of Employment and Wages (QCEW), Labor Market and Workforce Information Division, Iowa Workforce Development.

Iowa's Advanced Manufacturing Sector

What does “advanced manufacturing” really mean?

What sets companies that are identified as “advanced” apart from traditional manufacturing?

Continuous innovation is the key. It means having the ability to integrate technology into processes to create the highest level of quality and comply with industry-specific certification standards. Products made with advanced materials and components are produced by using information-technology based processes and technology-driven equipment. A crucial element of this new industry is a highly skilled workforce that operates in a continuous improvement culture.

Some have identified advanced manufacturing as using new methods to produce state-of-the-art or better products. Others think that it should be used for manufacturing products in new (not traditional) industries. A general principle that appears to be accepted is the rapid transfer of science and technology into the manufacturing process.

CAMPS-US (the Center for Advanced Manufacturing Puget Sound) has helped to identify and define the term by providing examples of tools and techniques used in the field:

- Conscious Raw Material Process – the raw material development should be carbon footprint friendly and brought to market in the most technologically advanced way to ensure conservative energy consumption through the entire process
- Design – Computer aided design (CAD), Reverse Engineering, Enhanced Prototyping and use of Simulations
- Planning and Control – Six Sigma, Lean, Computer Integrated Manufacturing (CIM)
- Technology – Computer Numerically Controlled (CNC) equipment, Robotics, Laser, Plasma, Waterjet and other automated equipment
- Workforce – Focused on highly skilled workers and supporting continuous training
- Customer Satisfaction – Focus on relationships and awareness of customer needs and expectations
- Renew, Recycle, Reuse – The produced product will have little, if any, waste due to the reuse or recyclable potential of the product

The use of information technology not only speeds up overall productivity in the factory by increasing communication speed and efficiency, it also maintains quality by better controlling the processes. Employing simulation and modeling during the product-development phase reduces the need for expensive prototyping. Innovative global supply-chain management also reduces the time needed to fulfill customer orders which increases efficiency. Increasingly powerful computers, readily accessible high-speed networks and even social media can provide nearly instantaneous information on product requirements, characteristics and performance from product concept to final production. Versatile lathes can now machine to such accuracy that many former finishing steps are eliminated.

Demographic information about Iowa's Manufacturing Workforce

Manufacturing in Iowa during 2012 represented 14.0 percent of the total workforce. This ratio has remained fairly constant since 2009. From 2005-2008, the percentage of this industry as compared to all industries was 15.8 percent to 15.2 percent respectively. However, manufacturing remains Iowa's largest industry, employing 208,858.

Individual industries in manufacturing that are considered advanced account for 78.7 percent of all manufacturing. The average annual wage for employees in those businesses is \$52,983. The top ten industries in advanced manufacturing, categorized by wage, employ a total of 16,473 with average wages from \$74,172 to a top of \$96,950. There are eight industries that provide over 150 percent of the industry average wage, and two that report over 175 percent of the average. This compares to an average wage of \$39,866 statewide for all industries.

Employee retention is an issue in some industries. In Iowa, as of March, 2012 the average turnover rate for all businesses was 8.4 percent, while the rate for manufacturing was only 5.4 percent. The only sectors with lower turnover rates were utilities (2.8%), government (4.0%) and finance and insurance (4.8%). Having a stable and reliable workforce is important, but in the case of advanced manufacturing, having a highly skilled workforce is paramount.

The National Association of Manufacturers (NAM) is working with U.S. Sen. Kay Hagan, Representatives Dean Heller and Joe Donnelly on passing the America Works Act. The bill was introduced on March 5, 2013 and will set out to establish a national industry-recognized credentialing system that ties the needs of American businesses to the curriculums of community colleges and job-training centers--matching the skills training with the needs

of the employers. The NAM's rationale behind this legislation is directly related to the workforce issues with advanced manufacturing:

- The U.S. needs a strong technical workforce. Employers rely on the right workers with the right skills at the right time to drive innovation and remain globally competitive. Workers need the right skills to access employment and advancement opportunities.
- A recent study identified that 600,000 manufacturing jobs are currently going unfilled because of a lack of skilled talent.
- The solution for workers and employers is nationally portable, industry-recognized skills credentials.
- Industry leaders across the manufacturing economy have endorsed a set of "stackable" credentials that identify the basic skills necessary for individuals to succeed in virtually all entry-level jobs in manufacturing. These certifications are grounded on the skills identified by manufacturers as necessary in the workplace.
- Directing resources to education and training that result in nationally portable credentials will be good for workers and good for the economy.
- The Act prioritizes the certifications within existing federal training systems, using existing funds.

The National Association of Manufacturers is very supportive of the Skilled Iowa initiative and its' focus on having job seekers complete the National Career Readiness Certificate (NCRC). The NCRC is the foundation for NAM's Skills Certification.

How does government fit into this model?

Private firms do not generally invest in breakthroughs that would support a systemic advance in the manufacturing process. Return on investment is required for companies and many mid to small size firms don't have the ability to make such a monetary commitment to the "public good." If the private sector does not or will not make the investment in the research portion, then

government must take the lead and fund the gap between the discovery and the commercialization.

There are three ways that government funding can assist the development of this segment of the manufacturing industry.

- Take a system-wide view of the advanced manufacturing initiative
- Nurture the specialized workforce that will be required
- Encourage creation of skilled workforce by achieving industry-recognized credentials
- Support legislation that creates a positive environment for businesses to be able to compete in a global market
- Benchmark the new system and disseminate best practices

Support for Iowa's businesses

Iowa has been very aggressive in assisting businesses in advancing manufacturing technologies and trends. The Iowa Economic Development Authority has provided expansion and start-up funds to 42 companies involved in advanced manufacturing firms during the calendar year 2012. Of those, one was a new start-up, four were companies that were new to Iowa and 37 were expansions of existing Iowa companies. These awards were to be used to create 1,492 new jobs and retain 364 jobs that could have been lost if not for the funding. They will also bring \$3.3 billion in capital investment to the state.

Where do we go from here?

As the U.S. economy becomes more and more competitive in this area, especially due to a globalized business environment of multinational firms, we must all work together to find innovative answers that will promote Iowa and the U.S. as

Advanced Manufacturing Projects that Received Direct Financing and/or Tax Benefits in 2012

Name of Company	Location	Manufacturing Industry	Direct Financing and/or Tax Benefit	Number of Jobs to be Created and/or Retained
Camoplast	Peosta	Designs, develops, and manufactures specialized components for original equipment manufacturers (OEMs) and rubber and plastic snowmobile garments	\$168,000/\$131,600	23 new and 32 retained
Winegard Company	Burlington	Manufacturer of TV reception products	\$1,417,171	71 new jobs
Digga North America LLC	Dyersville	Construction equipment attachments and gearboxes	\$240,000/\$151,500	30 new jobs
Sabre Communications	Sioux City	Communications tower, pole and components	\$960,000/\$1,940,000	186 new jobs, 214 retained
John Deere Dubuque Workers	Dubuque	Agricultural and forestry equipment	\$4,500,000	125 new jobs, 44 retained
Cozzini LLC	Algona	Meat processing equipment	\$350,000/\$267,027	20 new jobs, 35 retained
Quatro Composites	Orange City	Advanced composite products, medical and industrial industries	\$1,500,000/\$313,313	99 new jobs, 45 retained
Polaris Industries	Milford	Off-road vehicles and accessories	\$395,000/\$1,530,000	79 new jobs
Unverferth Manufacturing Co	Shell Rock	Farm equipment	\$200,000/\$400,000	75 new jobs

Source: Iowa Economic Development Authority, 2012.

the place to support new and emerging industries and new processes for existing manufacturers. We must include government, businesses, educational facilities and job seekers in the plan. Technology waits for no one and we must forge ahead with encouraging and accepting new innovations. A highly skilled workforce that has the opportunity to create ground-breaking new processes is essential to the future of manufacturing in our country. Iowa is proud to be on the cutting edge of this change and we embrace the future.

References:

Center for Advanced Manufacturing (CAMPS).

<<http://www.camps-us.com/>>

NAM supports America Works Act

<<http://www.reliableplant.com/Read/25268/NAM-America-Works.Act>>

"White Papers on Advanced Manufacturing Questions." Science and Technology Institute (STPI) – Draft Working Papers Version 040510, April 5, 2010.

<<http://www.whitehouse.gov/sites/default/files/microsites/ostp/advanced-manuf-papers.pdf>>

Profile of Iowa's Finance Sector

The Financial Sector in Iowa

Growth in Iowa's finance sector continued in 2012 despite significant pressures at the national level. Employment in finance and insurance increased by one percent to 88,707 and the increase in wages slightly exceeded inflation. The sector accounted for one-eighth of Iowa's Gross Domestic Product (GDP) in 2011, and paid wages almost double the average.

The rebound in the housing market has certainly brightened the outlook for the sector even as other hurdles point to flat or slightly positive growth over the next several years. Home prices have increased by 7.3 percent over the last year, and the strength of the final few months of 2012 helped to firm the housing recovery and set the stage for another positive year. Despite the support from housing, an extremely low interest rate environment and increased costs due to regulation are causing the sector to retrench on a national level. Stability in the insurance subsector has helped Iowa avoid most of the pain, but the future outlook for the sector is uncertain.

Few industries contribute as much to the economy in Iowa as that of financial services. The industry accounts for about 6.1 percent of the state's total employment and 12.6 percent of the economic activity within the state. The more than 88,000 loan officers, financial analysts, and accountants provide valuable services to clients across the globe; services that are a strong component of the state's total exports. By comparison, the retail trade industry employs almost double the number of people (174,170), but only contributes 5.9 percent to the state's GDP.

Banking and insurance make up the largest contributors to employment within the sector, while employment by monetary authorities and investment firms is relatively low. Figure 1 breaks down sector employment into five basic subsectors.

Figure 1. Employment and Wages, Iowa's Financial Services Subsector — 2012

NAICS	Description	Establishments	Employment	Average Annual Wage (\$)
52	Finance and Insurance	6,302	88,707	\$62,870
521	Monetary Authorities-Central Bank	3	53	\$93,053
522	Credit Intermediation and Related Activities	2,392	43,494	\$55,619
523	Securities, Commodity Contracts, Investments	894	4,497	\$85,070
524	Insurance Carriers and related activities	2,957	40,370	\$68,131
525	Funds, Trusts, and other financial vehicles	56	293	\$68,074

Source: Quarterly Census of Employment and Wages (QCEW), Labor Market and Workforce Information Division, Iowa Workforce Development.

The industry is dominated by a few large employers like Wells Fargo (13,792 employees), Principal Financial Group (7,366 employees), Nationwide Mutual (4,009 employees), and Transamerica Life Insurance (3,055 employees). In fact, the top ten employers of financial and insurance employees in the state make up 40 percent of total employment.

Strength in the insurance sector has kept employment and wages relatively strong over the last few years compared to developments in the industry on the national level. Nationally, approximately 400,000 jobs were lost in the finance and insurance sector since 2005, while Iowa managed to increase total employment by 5,000 over the same period. The average wage across all jobs in the sector is \$62,870, just under 70 percent of the national average.

Wages in the banking subsector match the cost-of-living comparison at about 84 percent of the national average, while those in the insurance subsector enjoy an average wage that is 92 percent of the national average. The higher relative wage paid to employees in the insurance subsector derives from the state's competitive advantage in the field, and its position as a hub for the industry. Even with the comparative disadvantage in wages for parts of the finance and insurance sector, the average wage of \$62,870 is still well above the 2012 median salary of \$31,532 across all jobs in Iowa.

Iowa managed to avoid many of the large-scale layoffs in the industry that were seen in other financial centers in 2012. Almost 400 ING employees were able to avoid layoffs when the Dutch insurance company sold the Des Moines annuity business to a New Jersey-based information technology firm under a seven-year contract. Sedgwick Claims Management Services announced plans to hire 60 people in

January 2013, and 150 more over two years for their new operation in Coralville. London-based Aviva Plc sold its U.S. insurance business last December to Apollo Global Management. The West Des Moines unit, to be renamed Athene USA, counts approximately 1,400 employees in the metro area. The new owners, a private equity fund, have said that central Iowa will be its headquarters for its insurance business, but has not released details of its plans.

Job Growth 2008-2012

By third quarter 2012, employment in the financial services sector in Iowa had increased by 6.1 percent to 88,707 from 83,620 before the financial crisis in 2005. As a percentage of total GDP in the state, the sector decreased from 14.4 percent of the total in 2005 to 12.6 percent in 2011.

Wages for workers in the sector increased at an annual rate of 2.3 percent since 2005, just keeping pace with inflation, which was also 2.3 percent annualized over the period. While workers in Iowa experienced no real wage growth over the seven years to 2012, they fared better than the sector's workers at the national level. Wage growth for those in the financial services sector nationwide saw their incomes increase just 0.97 percent a year, meaning that they were making less after the effect of inflation on the dollar.

Wages and employment in the sector have improved over the last year, and should continue to post solid gains relative to the industry on a national level. Wages for those working in the financial services sector increased by 2.5 percent in 2012 from the prior year, while employment increased by 1.1 percent over the year.

Figure 2 (on the next page) displays the top ten growth occupations in the industry along with the 2012 median wage for each.

The 2012 Laborshed Study shows that workers

Figure 2. Occupational Projections and Median Wage for Business and Financial Occupations 2010-2020

Iowa Occupational Projections by Occupational Title	2010 Employment	2020 Employment	Annual Job Growth	2012 Median Wage
Personal Financial Advisors	1,595	2,190	3.73%	\$27.98
Credit Analysts	680	920	3.60%	\$26.77
Financial Examiners	465	600	2.90%	\$33.81
Financial Analysts	1,925	2,415	2.57%	\$31.57
Loan Officers	5,310	6,615	2.45%	\$28.16
Compliance Officers	1,935	2,330	2.04%	\$25.86
Insurance Underwriters	1,765	2,100	1.93%	\$27.37
Loan Counselors	510	605	1.86%	\$17.16
Accountants & Auditors	13,415	15,825	1.80%	\$26.62
Claims Adjusters, Examiners, & Investigators	3,945	4,565	1.57%	\$23.73

Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

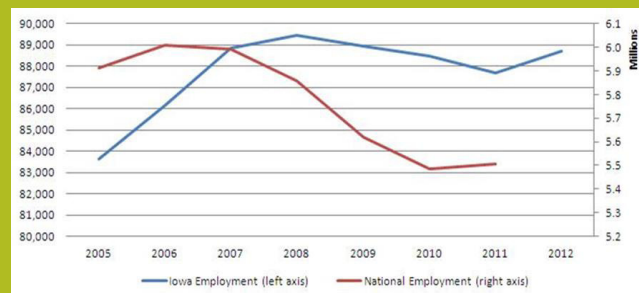
in the industry are slightly better educated with 83.8 percent having some education beyond high school, while 74.9 percent of workers across all industries have some education beyond high school. Just over one-fifth (21.4 percent) of those working in the industry report that they are willing to change employment compared to 24.4 percent of the employed across all industries.

A study of the skills required in the sector shows that the most important educational skills are customer service, language skills and mathematics, while the most important experiential skills are locating and processing information, interacting with computers, and communicating with people outside the organization.

According to the most recent Workforce Needs Assessment, there were an estimated 1,353 job vacancies within the finance, insurance, and real estate industry in 2011. This accounted for about 3.4 percent of all vacancies, and an increase of 1,159 vacancies from the previous year.

The industry reported a vacancy rate of just 1.4 percent, well below the statewide average of 2.8 percent, possibly pointing to weakness in hiring compared to other industries. Approximately 7.3 percent of the industry will be eligible for retirement in the next five years, below the percentage seen in manufacturing and health care, but still significant.

Figure 3. Statewide and National Employment Trend, Finance and Insurance 2005-2012



Source: Labor Market and Workforce Information Division, Iowa Workforce Development.

Trends

As of January 2013, Iowa home sales had increased in 18 of the last 19 months and the median sale price was up 7.3 percent from a year ago. The Iowa Association of Realtors reported that sales in January increased 14.7 percent to 1,898 homes from a year earlier with 28 of the 44 local Realtor boards reporting an increase. The rebound in the housing market is extremely important to the health of the financial sector as well as the general economy. Not only will the stronger housing market support the banking sector, but also companies in the insurance and investments subsectors.

The low interest rate environment has made it difficult for smaller banks, as the difference between interest received from loans and that paid to depositors shrinks. Combined with increased costs from Dodd-Frank legislation and Basel III implementation, many have been forecasting a coming wave of consolidation in the industry. While a pickup in the housing market could help some smaller banks remain independent, the industry could face slow or negative employment growth as companies merge or are sold.

Lower interest rates also make annuities, a core product for many Iowa insurance companies, less attractive to customers and could weaken the

outlook for the sector. The low rate environment has led to lower profit margins and a slowdown in wage growth over the past few years for many Iowa firms that sell these types of investments. Low interest rates also impact the accounting that businesses use to calculate their pension liabilities, and many companies have had to increase the amount they deposit in reserve funds, thus decreasing profitability and the demand for workers.

The legislation proposed in the aftermath of the financial crisis is the most sweeping and significant overhaul of the financial system since the Great Depression. As of December 2012, only one-third of the regulations under Dodd-Frank had been enacted, while another one-third are in the proposal phase and the remaining regulations await scrutiny. The industry has contested many of the provisions, filing five lawsuits over rules stemming from the legislation. The full implementation of the legislation promises to take several more years, and will mean uncertainty for the industry and a subdued environment for employment growth.

The United States announced in December 2011 that it would implement substantially all of the rules from the third Basel Accords, a global regulatory agreement on the banking industry. The new regulations increase the amount of reserve funds that banks must hold against sudden shocks to the market.

Job Outlook, 2010-2020

Employment within the industry should be able to continue its outperformance relative to that on the national level. Iowa boasts one of the most educated workforces and significantly lower labor costs compared to other financial hubs. As the overall statewide economy strengthens, workers can expect wage growth to keep pace with inflation and employment growth to be positive over the next several years. Based on Iowa's

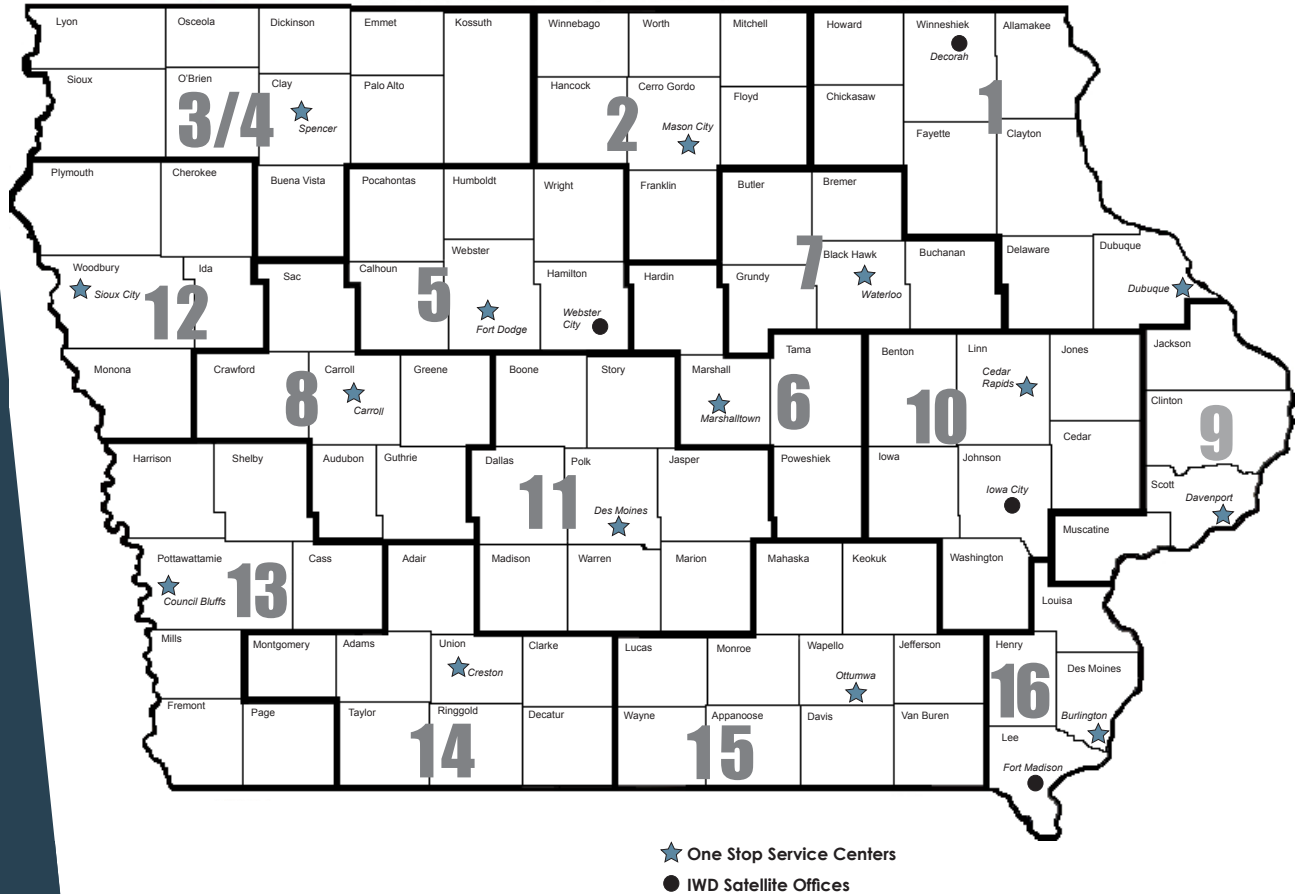
Industry Employment Projections for 2010-2020, the Financial Activities sector is expected to add 18,945 jobs over the projection period, translating into a growth rate of 18.7 percent.

References:

- "Quarterly Workforce Indicators." LEHD on the Map. March 3, 2013. http://lehd.ces.census.gov/applications/qwi_online
- "Iowa Gross Domestic Product." Iowa Trends. March 2, 2013. <http://www.iowaworkforce.org/trends/gsp.html>
- Company employment figures obtained from subscription to Hoover's. <http://www.hoovers.com>
- "Home Sales and Prices Still Climbing, Both Up in January." Iowa Association of Realtors. February 14, 2013. <http://www.iowarealtors.com/posts/iar-news/2013/02/14/home-sales-and-prices-still-climbing-both-up-in-january>
- "Sale of Aviva USA brings both concern, relief." USA Today. December 22, 2012. <http://www.usatoday.com/story/news/nation/2012/12/22/aviva-sale-apollo-insurance/1786209/>
- "Deconstructing Dodd-Frank." DealBook, New York Times. December 11, 2012. <http://dealbook.nytimes.com/2012/12/11/deconstructing-dodd-frank/>
- Iowa Workforce Development. (2012) Statewide Laborshed Survey. Iowa: Regional Research and Analysis Bureau.
- Iowa Workforce Development. (2011). Workforce Needs Assessment. Iowa: Regional Research and Analysis Bureau.
- "Iowa Occupational Projections 2010-2020". (2012). Iowa Workforce Development. <http://iwin.iwd.state.ia.us/iowa/ArticleReader?itemid=00003928>
- Bureau of Labor Statistics. Quarterly Census of Employment and Wages. (2012)

Economic Development Initiatives by IWD Region

Iowa Workforce Development Delivery System



REGION 1

DUBUQUE – Heartland Financial announced a major expansion in Dubuque's historic Roshek Building. The firm plans to invest \$17 million to construct new office space and will create 50 new jobs. Heartland expects to have over 500 employees in Dubuque over the next few years. The new positions are needed to support departments that provide service to Heartland's nine subsidiary banks, including its flagship bank, Dubuque Bank & Trust Company.

DUBUQUE – Novelty Iron Works will restore a large portion of Dubuque's historic Millwork District. The \$28 million project is expected to create construction work for 175 to 200 people.

DUBUQUE – Sedgwick Claims Management Services, Inc. plans to add at least 106 jobs to its Dubuque area facilities in 2013. The additional jobs will bring the company rolls

to 600 employees at its three area locations — Dubuque Technology Park, Westmark Corporate Campus and a Bellevue, Iowa office. The positions will include customer service representatives, absence management specialists, supervisors and management level positions.

DYERSVILLE – An Australian company has selected Dyersville for a \$2.2 million facility that will serve its North American customers and create 30 new jobs in the area. Digga North American, LLC, is proposing to build a new 30,000-square-foot facility in Dyersville's new industry park. Digga is one of Australia's largest manufacturing firms. The company specializes in manufacturing and exporting parts and equipment in the earth-moving industry. The new Dyersville branch will focus on manufacturing excavation products, screw anchors and auger drives.

MANCHESTER – Exide Technologies will expand its manufacturing operations in Manchester, adding 45 jobs and spending \$4 million in capital investment. The plant employs about 340 workers with complex operations consisting of many technologies, product lines and manufacturing processes.

OELWEIN – Ashley Industrial Molding, which is a relatively new company to the city, had increased its employment level to 127 employees at the end of 2012. The company manufactures custom molded and painted plastic products for agricultural, industrial and other markets. Ashley is a primary supplier to the Deere plants in Ottumwa and Waterloo.

OELWEIN – East Penn, a battery manufacturer with its headquarters in Pennsylvania, grew to over 80 employees in 2012. The company is located in the old Donaldson building and makes thousands of different sizes and types of lead-acid batteries and battery accessories.

PEOSTA – Canadian-based Camoplast Solideal celebrated its recent job growth and facility expansion project in February 2013. The company's latest expansion included a capital investment of almost \$3.4 million for 30,000-square-foot of additional space needed for machinery and equipment and space for new paint and welding lines. As part of the expansion, the company added 23 new jobs. Camoplast Solideal is a leader in the design, manufacturing, and distribution of off-road tires, wheels, rubber tracks and undercarriage systems to serve the material handling, construction, agricultural and power-sports industries.

WAUKON – AVEKA Nutra Processing opened in Waukon and had its first production run in April 2012. The company specializes in custom particle processing, toll manufacturing, powder process research and development and consulting. The company's current employment is about 35.

REGION 2

CHARLES CITY – Cambrex Charles City Inc. has embarked on a \$17 million construction project that will increase manufacturing capacity and create 46 new jobs. These positions will be primarily for scientists and technical personnel. The expansion project will increase the plant's ability to manufacture active pharmaceutical ingredients (APIs) and advanced intermediates for the pharmaceutical industry. Cambrex has been located in Charles City since 1929 with a current staffing level of 200 employees in Iowa. The company has an annual payroll of 20 million.

FOREST CITY – Winnebago Industries Inc. is currently hiring production workers to help keep pace with demand. Winnebago had a \$7 million increase of net income from the second quarter of last year to the second quarter of this year. Revenues for the second quarter that ended

March 2, 2013 were \$177.2 million, an increase of 34.6 percent from the second quarter of the 2012 fiscal year. The company currently has 100 job openings, listing production assemblers and RV technicians as the primary hourly positions available. Starting pay for production assemblers is \$12.05 per hour with potential for pay increases.

MASON CITY – Assa Abloy Door Group announced the establishment of its first North American fire test research facility in Mason City. The \$750,000 project will result in up to ten new jobs, and will serve as a research and development center for two Assa Abloy companies in Mason City—Curries Manufacturing and Graham Wood Doors.

MASON CITY – Metalcraft, Inc. broke ground on a new facility in Mason City. The \$5 million, 40,000-square-foot investment in the Mason City Industrial Park will result in the retention of 86 employees and the creation of 20 new jobs. A leader in the identification products industry since 1950, Metalcraft manufactures a variety of customized asset tags including user identification tags, bar code and/or serialized tags for asset tracking and/or identification, and radio frequency identification (RFID) tags for RFID asset tracking. The investment will provide new production, warehouse and administrative space for the growing company.

MASON CITY – The Dimensional Group announced an expansion as a result of the acquisition of Nashville-based Academy Looseleaf, Inc. The \$2 million project will create 25 new jobs at the company's two Mason City facilities.

OSAGE – Construction is ahead of schedule at the \$146 million Valent BioSciences facility in Osage, which is expected to have 86 employees when it is completed in June 2014. Valent, an Illinois-based company, makes biological pesticides and plant growth regulators. As many as 300 construction workers will come and go

as the various stages of the project proceed. The Gilbane Building Company of Chicago is the construction management firm and general contractor for the project.

REGION 3-4

EMMETSBURG – The purchase of the former SkyJack building in Emmetsburg by Alumna Ltd. of Bancroft was announced in September 2012. Alumna has decided to expand to Emmetsburg to support the production requirements of its growing network of aluminum trailer dealers. The facility will provide space for warehousing, production and research and development of the enclosed trailer line. Alumna Ltd. builds more than 60 different models and types of aluminum utility trailers: ATV, utility, motorcycle, raft, watercraft, car hauler, snowmobile and enclosed trailers. It also builds picnic tables. The facility is expected to be operational by the spring of 2013, and will have the potential of creating 20 to 25 new jobs.

MILFORD – Polaris Industries is gearing up for another expansion in the Iowa Great Lakes region. The company manufactures motorcycles, all-terrain vehicles and electric cars. In Milford, Polaris plans to renovate a 360,000-square-foot building where Stylecraft furniture was once made. Polaris has not announced when the new plant will open, or how many jobs will be created. The company recently completed a \$25 million expansion to their plant in Spirit Lake, where Indian motorcycles and Ranger ATVs are assembled. This project was expected to add 79 new jobs.

ORANGE CITY – Quatro Composites, a leader in design and fabrication of advanced composite structures, broke ground in the fall of 2012 on an \$11.8 million expansion of its corporate and manufacturing facilities located in Orange City. The 40,000-square-foot addition will more than double the size of their current facility. An additional 99 new

jobs will be created within the next 36 months to bring their total workforce to 199. Since its startup in 2005, Quatro has become a fast-growing, advance company that has received numerous contracts from aerospace suppliers to produce carbon composite structures for the new 787 Dreamliner airplane. Quatro Composites President Steve Roesner said, "What's happening in aerospace is fundamentally we're changing the way we make airplanes. For the last 40 or 50 years, airplanes have been made with metallic. Right now, the new technology that's being applied in aircraft is advanced composites, or carbon fiber materials."

SIBLEY – Iowa Drying and Processing (IDP) is a start-up company that will be drying and processing ingredients for the food and feed industries. IDP will be serving a number of customers who produce and distribute food and animal feeds and the ingredients used to make them. In October 2012, the Iowa Economic Development Authority board awarded the company \$150,000 in direct financial assistance to lease and renovate a vacant facility and procure equipment. The \$1.3 million capital investment is expected to create 30 jobs.

SIBLEY – Timewell Drainage Products is expanding with the addition of a new manufacturing facility in Sibley. The expansion will allow Timewell's agricultural division to better serve northern Iowa, Minnesota, North Dakota, South Dakota, Nebraska and Kansas. The new facility will initially manufacture three feet through 15 feet single-wall drainage tile for the agricultural market. The new plant will open in the spring of 2013, and employ about 28 workers.

REGION 5

CLARION – Hagie Manufacturing Company, a family-owned manufacturer of innovative crop protection and application solutions, has announced plans to invest \$22 million to expand and upgrade its manufacturing plant. Hagie

will also escalate their current Research and Development, both in space and workforce. The project is expected to create 150 new jobs.

FORT DODGE – Cargill is currently renovating a plant in the North Central Ag Industrial Park that was purchased from Tate & Lyle. The company will be a corn wet milling facility that will primarily produce a form of sugar called dextrose. CJ BIO America, a South Korean company, is in the process of building its \$323 million plant near Cargill. The closeness is necessary because CJ BIO America will use by-products from Cargill to produce amino acids that will be used in livestock feed. Cargill is scheduled to open in early fall 2013 with about 135 employees. Seventy of the positions will be operations technicians, which will require a high school diploma and proficiency in math. Cargill will also employ 16 chemists, plus engineers, environmental health and safety specialists and administrative support.

FORT DODGE – CJ BIO America is currently under construction at the North Central Ag Industrial Park just west of Fort Dodge. By early 2014, CJ will launch the production of several products, including amino acids for use in livestock feed and fertilizer. The plant is expected to add 180 jobs to the local economy. The symbiotic relationship between CJ and Cargill, coupled with ethanol production at Valero Renewables, is viewed as the anchor of the industrial park.

FORT DODGE – A family entertainment center featuring an outdoor go-cart track, video games and indoor roller skating is currently under construction. The recently named "Fort Frenzy" will open at the end of 2013, and will serve Fort Dodge and the surrounding communities.

REGION 6

GRINNELL – Brownells is currently building a 200,000-square-foot distribution center and warehouse just north of I-80 near Grinnell. The

facility will also include a small retail outlet to serve customers, and build on a “sportsman’s corridor,” joining the Iowa Speedway at Newton and Bass Pro Shops at Altoona. The company expects to create between 150 and 200 jobs over the next three years. Brownells is one of the world’s largest suppliers of firearms accessories, ammunition and gunsmithing tools. The Iowa expansion has been planned for more than two years, driven by the demand for products like optics and ammunition.

MARSHALLTOWN – Alliant Energy’s Iowa subsidiary, Interstate Power, plans to seek regulatory approval to build a new natural gas-powered electricity plant in Marshalltown. The plant is expected to cost between \$650 million and \$750 million, and employ 20 to 30 people. Construction will not begin until regulatory approval is granted, which is expected in late 2014. The plant will not become operational until mid-2017. Despite being smaller than the canceled coal plant, the natural gas plant will be the largest single investment in the history of Marshall County. Alliant Energy provides electricity and natural gas to more than 1.4 million customers in Iowa, Minnesota and Wisconsin.

MARSHALLTOWN – Caleris, a West Des Moines-based technical support center company, is expanding to Marshalltown. Caleris provides call support for 80 companies from rural Iowa locations in Newton, Manning, Jefferson and now Marshalltown. Caleris provides telephone, email and chat customer support for clients in a variety of industries. The company plans to hire up to 100 workers over the next few months, and is looking for bilingual people who speak English and Spanish. The average salary for jobs at the center will be about \$14.15 an hour.

TAMA – Iowa Premium Beef, which is trying to restart and expand the shuttered Iowa Quality Beef processing plant in Tama, will receive \$20

million from Iowa Community Development. This is a private community development organization that was established largely by Iowa bankers seeking to facilitate economic growth by helping rural communities compete for federal tax credits. The proposed Iowa Premium Beef project is still wrapping up financing and moving forward on the construction phase. The first phase of the project would allow for an 800 head per day kill and employ 650 people.

REGION 7

CEDAR FALLS – Blackhawk Engineering Inc. recently broke ground on the company’s expansion — a 40,000-square-foot production facility. By October 2013, the company plans to hire 16 workers with a starting wage of \$11 to \$17, depending on the skill level. The company also hopes to hire another 40 workers by 2014. Blackhawk Engineering is one of the Midwest’s leading contract machining facilities for tight tolerance, multiple-sided parts weighing up 3,000+ lbs.

INDEPENDENCE – Geater Machining and Manufacturing Co. specializes in precision machining and sheet metal fabrication for customers in the aerospace, electronic and high-tech sectors. The company’s largest customer is Rockwell Collins; however, its customer base also includes General Dynamics, John Deere and Fisher Controls. Prototyping, along with machining and fabrication, gives the company a variety of ways to help its customers. Greater Machining and Manufacturing sees growth in the near future. The company hopes to grow 85 percent over the next five years, with a goal of reaching \$30 million in revenue by 2016.

SHELL ROCK – Eden Prairie, Minnesota-based Zinpro Corporation will be the first occupant of the new Butler Logistics Park in Shell Rock. The company, which manufactures organic trace

minerals for livestock and poultry feed, is buying a 30,000-square-foot spec building now under construction in the business park, and will add another 30,000-square-feet of space on 17 acres in the industrial park. Zimpro is expected to begin operations as early as the end of 2013. The company plans to hire 39 employees for jobs that will pay at least \$19 an hour. Most of the jobs will be for production workers, with some administrative and clerical positions available.

TRAER – Traer's Clear Line Industries, which currently has 30 employees' plans to add 90 more to its workforce. This announcement was made by Tama County Economic Development in June 2013. The company chromes industrial food blades. Clear Line also recently signed to chrome plate motorcycle parts for a major U.S. manufacturer and exhaust stacks for semi-trailer trucks for a Chicago manufacturer.

WAVERLY – Peoples Insurance Agency is spending \$500,000 to double its Waverly headquarters and add an additional 45 jobs by the fall of 2013. The family-owned company currently employs 40 workers in a 4,000-square-foot workspace. Peoples, which was founded in 1982, does business in 44 states.

REGION 8

LAKE VIEW – EVAPCO, a worldwide producer of industrial refrigeration equipment, completed its \$2.5 million expansion in October 2012, and has added 30 new employees to its workforce. The company is Lake View's largest employer, and has been hiring workers to fill positions as electricians, welders, general assemblers and production workers. The recent expansion was driven by higher market demand.

REGION 9

CLINTON – Data Dimensions will construct a

26,000-square-foot operations center in the Lyons Business and Technology Park. The operations center is a capital investment of \$6.2 million and will bring 130 full-time jobs to Clinton, doubling the company's current workforce. The jobs will pay between \$10 and \$20 an hour. Wisconsin-based Data Dimensions first located a processing facility in Clinton in 1988. It doubled the size of its facility in 1999 and has since continued to bring jobs to the area.

CLINTON – Nevada Railroad Materials Inc. announced plans for a Clinton plant in March 2013 that will bring 30 jobs. Based in Utah, Nevada Railroad Materials Inc. will work in conjunction with RAIL.ONE, supplying railroad cars to the company and recycling old, wooden railroad ties. In business for 20 years, the company is headquartered in Ogden, Utah, with additional locations in Arizona, Oregon and Nebraska.

CLINTON – RAIL.ONE, a German rail track supplier will build a new manufacturing facility for the production of concrete rail ties in the Lincolnway Industrial Rail and Air Park. The new factory will be RAIL.ONE's first plant in North America. The total economic impact of the project is estimated at \$20 million, with 62 direct jobs. The factory will produce up to 600,000 concrete ties annually, which will be sold to the major railroad companies in North America. This market entry signifies an important success for concrete tie technology in North America.

DAVENPORT – Cobham Mission Systems Division, an aerospace defense firm, will add about 100 jobs by the end of 2013. Cobham is an international firm with a current workforce of 550 employees that develops, delivers and supports advanced aerospace and defense systems. The U.S. business is owned by a British corporation headquartered in Wimborne, England.

MUSCATINE – HNI Corporation is the second-largest office furniture manufacturer in the world, and the nation's leading manufacturer and marketer of gas- and wood-burning fireplaces. The stronger economic recovery is allowing the company to hire more people on a full-time basis. The company will add about 175 staff in 2013.

REGION 10

CEDAR RAPIDS – Geonetric has announced construction of a new \$5-\$6.5 million corporate office in the NewBo neighborhood that will add 19 jobs over the next three years. Geonetric helps hospitals and health systems throughout the United States develop and implement innovative web strategies to engage their patients and communities online through customer-built software. Geonetric also provides a comprehensive suite of online services. These include strategy and design, search engine marketing, social media management and ongoing support and hosting—all designed to engage site visitors and deliver measurable results. Geonetric has won a number of awards, with one of the most recent being the 2012 Top Work Places by the Des Moines Register and Work Place Dynamics.

CEDAR RAPIDS – Raining Rose Inc. constructed a \$7.8 million, 122,000-square-foot new corporate headquarters, production and warehouse facility at a former manufacturing site in the heart of Cedar Rapids. The company manufactures natural and organic lip balm and body care products, and is certified to manufacture USDA organic products. Raining Rose was recently inducted into the ICIC 100 Hall of Fame after being honored for its outstanding growth as an inner-city company for six consecutive years, and recognized locally as one of Corridor Business Journal's 15 Fastest-Growing Companies.

CEDAR RAPIDS – RuffaloCODY, a key employer in the Creative Corridor, will expand in the area. The company will build a new 60,000-square-foot

facility in southwest Cedar Rapids, and add 111 jobs. Total investment for this project is \$15 million. RuffaloCODY is one of the fastest-growing private companies in the nation with more than 4,700 employees in 140 locations. The company provides fundraising and enrollment management services for colleges, universities and nonprofit organizations.

CORALVILLE – GEICO's Coralville office has announced plans to hire more than 100 new associates by July 2013. The new associates will fill an array of positions in sales and customer service. The auto and home insurer opened an office in 1997 with plans to employ about 200 associates. As GEICO's policyholder base grew, that number doubled to almost 400 associates. GEICO is owned by Omaha-based Berkshire Hathaway Inc.

CORALVILLE – MediRevv, formerly Precision Revenue Strategies, has built a new \$2.4 million, 18,000-square-foot facility in Coralville. The new facility has the capacity for 200 employees as part of the company's growth strategy. MediRevv, a health care revenue cycle company takes the outstanding bills that patients have not been paying their doctors or hospitals, and works with the patients to get those bills paid.

CORALVILLE – Sedgwick Claims Management Services, a growing claims management business, plans to build a new service location in Coralville that will create 212 jobs. Sedgwick planned to hire 60 people before the office became operational in January 2013, and fill another 150 positions over the next 18 months. Sedgwick administers a wide variety of claims, including workers' compensation, disability automobile and professional liability, warranty claims, credit card claims and Medicare compliance.

CORALVILLE – Zero Energy Systems, a developer of proprietary building systems for commercial and residential concrete construction, broke

ground on a new \$7.5 million, 45,000-square-foot facility in September 2012. The company planned to complete the construction project by the end of 2012, with automated equipment installation and testing beginning in January 2013. Hiring was expected to begin in early March for a total of 25 employees. The company's primary focus will be on custom residential, light commercial and institutional projects that specify energy, longevity and disaster resistance standards.

HIAWATHA – Safelite Group, the parent company of Alliance Claims Solutions, will expand its operation in the Cedar Rapids area, locating in Hiawatha. This expansion will allow Alliance Claims Solutions™ to add up to 200 new full-time and part-time jobs to the community on top of Alliance's existing 75 associates. Alliance Claims Solutions™ is a wholly owned subsidiary of Safelite® Solutions.

REGION 11

ALTOONA – Facebook is behind a one billion dollar data center that will be built on a 200-acre site in Altoona. The project will be completed primarily in two \$500 million phases. Data centers serve as storage space for digital information and data, including emails, videos or, in Facebook's case, status updates and photos. The company is expected to have about 38 employees.

AMES – 3M plans to expand its operation in Ames. The expansion is valued at \$28 million and is expected to create 75 jobs. The Ames plant makes sandpaper products.

AMES – Boehringer Ingelheim Vetmedica, Inc. (BIVI) completed expansion of their office and laboratories in the Iowa State University Research Park from 10,000 square feet to 25,000 square feet. BIVI will retain its current 41 jobs in Ames as well as add an additional 20 jobs. In addition, the company will lease space at the Iowa State University Research Park.

AMES – Solum, a Silicon Valley-based start-up, has built a laboratory in Ames, and staffed it with local talent. The company develops advance systems for soil measurement and research. This project initially provided 25 high-paying full-time jobs with the possibility of up to 40 additional part-time or seasonal jobs. Total investment in the project was expected to exceed \$16.1 million dollars.

AMES – The North Grand Mall recently completed major renovations and an expansion to accommodate a 55,000 square-foot addition for Kohl's Department Store, a 24,000 square-foot addition for TJ Maxx and an 11,300 square-foot addition for Shoe Carnival. These companies brought 177 new jobs to Ames.

AMES – United Suppliers, Inc. has relocated their headquarters to Ames and built a facility that will employ nearly 100 people. Fifteen people will be moved to Ames from other facilities, and 35 new positions will be created to make Ames the new corporate headquarters. Total investment in the project will top \$1.9 million.

ANKENY – The Toro Company has built a 450,000 square-foot distribution center in Ankeny in partnership with Ryan Companies. Since construction was completed in late 2012, Toro has been leasing the facility from Ryan. Toro has transitioned distribution operations from facilities in Lakeville, Minnesota and Beatrice, Nebraska to the new Ankeny facility. About 20 people are currently employed at the center, which distributes Toro and Exmark-branded residential and landscape contractor turf maintenance equipment to distributors, dealers and Home Depot® in the U.S. and Canada.

DES MOINES – Banno (T8 Webware) recently opened a new office in Des Moines. The company provides custom-branded mobile applications, websites and personalized payment card

services to more than 300 financial institutions. The company has experienced significant growth in the past few years, expanding its Cedar Falls staff by 29 percent and its Cedar Falls lease space by more than 65 percent. The Des Moines office adds another 2,300 square-feet for the existing six employees based there. The company anticipates adding more than 20 employees at the Des Moines location over the next three years. This year, national industry magazine American Banker placed Banno on a list of the top 10 financial technology companies to watch in 2013.

DES MOINES – Bridgestone Americas Tire Operations has announced plans for an additional \$74 million investment through 2013 to further expand capacity at its primary agricultural tire manufacturing facility in Des Moines. Combined with the ongoing \$77 million investment project announced in March 2010, Bridgestone Americas will invest a total of \$151 million in the Second Avenue plant, which opened in 1945. The company makes tires for the agricultural, forestry and construction equipment markets, and has added about 250 workers in the past two years, bringing the total to nearly 1,700 people.

DES MOINES – CDS Global, which has eight locations in Iowa, has announced plans to fill 135 positions, consisting of 50 at its Des Moines headquarters on Bell Avenue and 85 in Boone. The company will expand its call center in Boone from 3,000 square feet to 13,810 square feet to accommodate the new hires. The company provides mailing and other services for businesses in several industries. CDS recently acquired a new client in publishing, opening the door to a new round of hiring.

DES MOINES – A Salt Lake City-based compliance firm is ramping up the staffing level at its new facility in downtown Des Moines to meet the mortgage industry's growing demand for "repurchase

defense." Mortgage Compliance Advisors, LLC plans to expand its staff in Des Moines to 200 people within the next two to three years. The company works with organizations that originate, service, invest in, or securitize residential mortgage loans to help them comply with government regulations, manage risk and improve loan quality. Compliance has become a larger issue for the mortgage industry in recent years due to the tighter regulations enacted after the collapse of the housing market.

JOHNSTON – DuPont Pioneer is expanding once again in Johnston. The \$50 million expansion will create an additional 100 jobs. The company plans to construct an additional 180,000 square-foot greenhouse facility. Construction of the new building will begin in the second quarter of 2013, and new employees would be added during a four-year period. The project will be the third expansion in Johnston by Pioneer in the past several years. In January 2012, the company completed its new \$40 million Beaver Creek facility on its campus, which includes space for approximately 400 research research positions.

NEWTON – Pace Manufacturing began production at their Newton facility on November 5, 2012. The company is a well known distributor and manufacturer of hydraulic components including hose assemblies and hydraulic fittings. Their corporate office is located in Brandon, South Dakota. Initially, Pace Manufacturing was expected to provide up to 35 new jobs.

WEST DES MOINES – In May 2012, Submittal Exchange announced plans for a \$1.4 million expansion project and the addition of 30 new jobs over the year. The company, founded in 2003, provides web-based collaboration software for the commercial construction industry. Their software is currently used by over 50,000 architects, contractors and facility owners. In

late 2011, Submittal Exchange was acquired by and became a division of Textura Corporation, a Chicago-based construction software company.

WEST DES MOINES – Wells Fargo recently began construction on a \$100 million addition to its existing Jordan Creek Campus. The new office building will have enough room to accommodate 1,800 workers, which the bank will use to both consolidate existing operations and for future workforce expansion. The bank has added 4,000 workers since it started work on the Jordan Creek campus in 2003. Wells Fargo is the largest private employer in the Des Moines area, with 13,500 workers on its payroll.

REGION 12

DAKOTA CITY, NEBRASKA (PART OF THE SIOUX CITY, IOWA MSA) – As part of an ongoing plan to maximize operational efficiencies, Tyson Fresh Meats, Inc., a subsidiary of Tyson Foods, Inc., is making major improvements to its Dakota City beef plant. These changes may lead to the closure of the company's small beef plant in Denison, Iowa. The Dakota City project is scheduled to be completed in mid-2013. It includes construction of a new beef slaughter floor that will incorporate the latest sanitation and production systems. The plant will add approximately 200 production jobs, and will increase the number of cattle it harvests for processing. However, this change is not expected to affect Tyson's overall beef slaughter capacity. Dakota City is Tyson's largest beef processing complex. The facility employs approximately 4,000 people, generating an annual payroll of more than \$140 million.

SERGEANT BLUFF – In August 2012, Stream Global Services launched a recruiting effort to fill 350 positions at its service center in Sergeant Bluff. The company, headquartered in Bloomington, Minnesota, operates about 50 call centers around the world, and has over 31,000 employees. The

new positions in Sergeant Bluff will provide sales and customer support for a variety of clients.

SIOUX CITY – Sabre Industries, one of the leading tower, pole and shelter manufacturers in the United States, will expand its Iowa operations in Sioux City. After considering several locations across the country, the long-time Sioux City manufacturing company has selected a 150-acre site in the Southbridge Business Park for a multi-phased expansion. The initial phase will include 400 jobs and an \$18 million capital investment. Additional phases anticipate a total investment of \$28 million and 532 jobs.

WOODBURY COUNTY (PORT NEAL PROJECT) – CF Industries, Inc. announced plans for an expansion of its existing fertilizer manufacturing operation in Woodbury County. The Port Neal Project will add new state-of-the-art ammonia and granular urea production units to meet customer demand. The project will supplement existing production of ammonia and urea ammonia nitrate (UAN). The added Port Neal production will replace higher-priced fertilizer imported from other countries, helping farmers in Iowa and other Midwest states to save millions of dollars annually. The total capital investment of \$1.7 billion has been cited as the largest single capital investment in Iowa history. CF Industries will create 100 new jobs. Hiring is expected to begin in early 2013, allowing the new workers to complete their training before the new facility comes on line in 2016.

REGION 13

ATLANTIC – The Plastic Professionals in Atlantic recently expanded their product line, which increased the plant's workforce by approximately 50. The company specializes in rotational molding services, and is a one-stop shop for product design, prototyping, tooling and full-scale manufacturing needs. The Plastic Professionals is a subsidiary of

Owner Revolution Inc.

COUNCIL BLUFFS – Plumrose USA opened its new \$70 million cold-cut slicing facility in October 2012. The company, which is owned by the Denmark-based packaged meats company, Danish Crown, has seen strong demand for their products. As many as 100 jobs could be created at the new plant.

COUNCIL BLUFFS – FedEx plans to open a new facility in South Point Business Park in June 2013. The new 60,000 square-foot facility will consolidate FedEx's two metro operations. FedEx Ground, the company's business-to-business delivery service, has been leasing a building in Omaha, and FedEx Home, business-to-home delivery service, has been located in a leased-facility in Carter Lake.

COUNCIL BLUFFS – In April 2013, Google announced plans to invest another \$400 million in its Council Bluffs Southlands facility, pushing the investment in its Iowa facilities to more than \$1.5 billion. Google spent \$600 million to build the initial phase of capacity in Council Bluffs, followed by phased expansion investments of \$300 million, \$200 million and now an additional \$400 million. The data center houses some of the infrastructure behind Google search, Gmail, Google Maps and the Google+ social network.

SHELBY – Menards completed its 225,000 square-foot-automated warehouse expansion in 2012. The structure totals close to one million square feet of covered property. The expansion was expected to add another 48 jobs to the company's workforce of 500. The warehouse originally opened in 2007 as a 735,000 square-foot facility to manufacture pre-hung doors and serve as a distribution center of retail items for Menards stores.

SOUTHWEST IOWA TRANSPORTATION CORRIDOR PROJECT – The U.S. 34 Missouri River Connector

is a new transportation corridor currently under construction that will extend Highway 34 west in southwest Iowa to a new Missouri River Bridge that will connect with Sarpy County, Nebraska. By late 2014, all related work should be completed, creating a high-speed, high-capacity corridor, opening up the untapped potential of southwest Iowa. The entire project is estimated at close to \$198 million, funded by federal dollars, the Iowa Department of Transportation and the Nebraska Department of Roads.

REGION 14

CRESTON – CHS has acquired Creston Bean Processing, LLC, which operates a soybean processing plant in Creston. CHS Inc. is the nation's leading cooperative, owned by farmers, ranchers and co-ops across the United States. CHS supplies baking and snack and other food ingredient markets and industrial customers with soybean oil, soy flour, textured vegetable proteins and soy-based analogs. The acquisition is part of the company's ongoing growth and expansion plans. The CHS flour mill that is being constructed in Creston is expected to be fully operational by March 2014. When completed, the plant will add another 8-15 employees to its current workforce of 42. The Creston plant will operate under the CHS Oilseed Processing division.

REGION 15

ALBIA – RELCO Locomotives, Inc. was founded in 1961 by George Bachman to lease quality locomotives to railroads and industrial companies throughout the Midwest. Today, RELCO has expanded, offering total motive solutions to railroads, industrial companies and government agencies not only across the Midwest, but throughout North America. Their fleet of leased locomotives is now one of the largest privately owned fleets in the United

States. With their state-of-the art facilities, expert staff and commitment to both maintaining the highest standards and providing only the most reliable locomotives and service in the industry, RELCO is a premiere provider of total motive power solutions. RELCO is anticipating hiring 30 additional employees in their Albia location.

CENTERVILLE – Shark Fin Professional Shear Company was founded in 2001, and is a major manufacturer of professional beauty and grooming shears. Their product lines afford the professional stylist and professional groomer a wide range of options for all stages of their career. Shark Fin Professional Shear Company is anticipating hiring 15 employees initially in their Centerville location.

CHARITON – Gary Chipp, founder of Fat Baggers Inc. (FBI), and his family have been in the motorcycle industry since 1973, and a franchise Harley Davidson dealer since 1984. FBI evolved from customer requests as they were looking for a way to get more rubber under their baggers. Gary fabricated the parts needed to install a wide tire on a friend's bagger. As soon as the bike hit the road, the requests started pouring in. It soon became evident that there was a market for a new business, and FBI was born. FBI now has a full manufacturing facility marketing many customized parts and accessories for FLH Harley Davidsons. Fat Baggers, Inc. is anticipating hiring an additional 10 employees at their Chariton location.

EDDYVILLE – HF Chlor Alkali plans to build a \$135 million plant in Eddyville to make caustic soda and hydrochloric acid to sell to Cargill. The project is expected to create 18 jobs.

FAIRFIELD – Cambridge Investment Research, Inc. is recognized as the industry pioneer that developed the fee-based advisory model. They are a privately-owned broker/dealer that supports traditional commission business, as well as the

ever-growing demand from representatives/ advisors and their clients for fee-based solutions. Cambridge is committed to its strong culture of service and offers the best succession solution in the industry. Cambridge Investment Research, Inc. anticipates hiring an additional 84 employees at their Fairfield location.

REGION 16

BURLINGTON – For decades, the Case New Holland plant in Burlington was known largely as the birthplace of the backhoe. But in 2011, the company began manufacturing two lines of combine grain heads and thus diversifying its product line. As a result, employment has risen at the plant, and more space is being utilized by the new production lines. The company had projected in 2011 that as many as 250 jobs could be added as a result of the plant's new business potential.

BURLINGTON – Winegard has embarked on a \$25 million expansion project in the Fairway Center complex. The new light manufacturing facility will add jobs and will include shipping and receiving areas, along with an eventual building set aside for engineers. Winegard is a manufacturer of home and mobile television reception and medical telemetry products. The facility with the former Montgomery Ward building as the nucleus, is expected to create about 70 jobs.

KEOKUK – The call center company, Thomas L. Cardella and Associates in Keokuk, was looking to add as many as 150 full-time employees in January 2013. The positions included benefits and guaranteed raises every six months. The company offers a unique combination of experience and expertise in the ability to manage a variety of inbound, outbound, email and web chat programs. In just over four years, the company has grown to four locations in

the state: Cedar Rapids, Coralville, Keokuk and Marshalltown, and one location in El Paso, Texas.

WEVER – The Iowa Fertilizer Company, a subsidiary of Orascom Construction Industries, broke ground in November 2012 for construction on a state-of-the-art fertilizer plant in Lee County. The \$1.4 billion project will create 165 full-time jobs paying approximately \$26 per hour plus benefits. Orascom will be the first world-scale natural-gas-based fertilizer plant built in the country in nearly 25 years.

The plant is expected to produce over a million tons of ammonia, urea and UAN annually, and is scheduled to open in 2015.

NOTE: The Economic Development Initiatives include major new businesses and business expansions by Iowa Workforce Development region. The information for this section was obtained from Iowa Workforce Development management staff, local economic developers and the news media.

Contact Information

Article	Author
Executive Summary 2012 Overview of the Iowa Economy Iowa's Technology Economy Economic Development Initiatives by IWD Region State and Local Labor Force Trends	Ann Wagner – (515) 281-8182
Iowa's Nonfarm Employment Trends	James Morris – (515) 281-8515
Iowa's Job Outlook 2010-2020	Brent Paulson – (515) 281-3439
The Skilled Iowa Initiative	Denise Schippers – (515) 281-7538
Advanced Manufacturing	Deb Ostrem – (515) 281-6165
Profile of Iowa's Finance Sector	Joe Hogue – (515) 281-7547

ACKNOWLEDGEMENTS

Edited by: Donna Burkett, Kerry Koonce and Ann Wagner

Design and Layout: Kathryn Hommer

Mapping by: Wendy Gerrish

Funding for publication provided by:

Employment and Training Administration

U.S. Department of Labor

