

Online export training for Iowa food companies

Export Essentials Online is now available to assist Iowa food companies in understanding the complex steps of exporting and how to integrate all the elements of an export transaction.

Export Essentials Online is described as “a series of training modules designed specifically for value-added food companies in the United States. It combines the marketing activity of export with the operational procedures which are required in order to compete successfully in today’s global food market.”

Ten modules are offered that help companies determine their export readiness, research and target their top markets and even create an export marketing strategy, all at their own pace and time. There is a small charge for using the training modules.

The Iowa Department of Economic Development (IDED) is a member of the Mid-America International Agri-Trade Council (MIATCO), one of the creators of the online education center.

For more information, please contact Jennifer Porter at IDED, 515.242.4871, or jennifer.porter@iowalifechanging.com.



IOWA EXPORTS TOP RECORD

In celebration of International Trade Month, Mike Blouin, Director of the Iowa Department of Economic Development (IDED), joined Marshalltown community leaders and executives at Fakespace to announce new exporting figures. According to the U.S. Census Bureau, exports of Iowa manufactured and processed goods grew to a record high \$6.4 billion in 2004, a 22 percent increase over the previous year. Overall, U.S. exports were up 13 percent.

“Iowa companies are continuing to pursue exports by building the long-term relationships necessary to succeed in the global marketplace,” said Blouin. “Thriving Iowa exports ultimately results in company expansions, new jobs and wealth creation for Iowa’s economy.”

Fakespace, the site of today’s announcement, exports to Europe, Asia Pacific, South America, Mexico, Middle East, and Africa. Fakespace designs and manufactures advanced interactive visualization systems for automotive, aerospace, biotechnology and other applications.

Mike Hancock, Vice President at Fakespace, said, “Our exports have more than doubled since this time in 2003. With U.S. export business now providing 20 percent of our revenue, exports are directly responsible for increased staff needs in Iowa to deliver the business.”

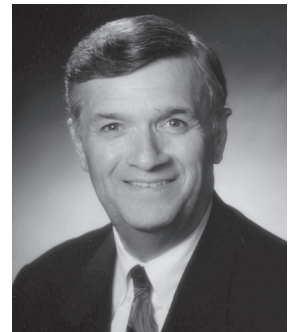
Blouin commented, “that Fakespace is a perfect example of how our efforts to assist companies with international trade combine with our efforts to assist Iowa companies in growing right here at home. Iowa is clearly a competitive location for global companies.”

Of the more than 180 countries importing Iowa products, the top ten trading partners all

saw increases – Canada, Mexico, Japan, United Kingdom, Australia, Germany, France, Brazil, China and the Netherlands.

Industrial machinery remains the biggest export category accounting for \$1.4 billion worth of exports during the year, up 22 percent from the same period a year ago. Vehicles, non railway; Meat; Electrical Machinery; Food Waste and Animal Feed complete the top five export categories.

IDED organizes participants for various overseas trade shows and missions throughout the year and assists Iowa companies through the export process. For more information about IDED’s international efforts, visit the business section of www.iowalifechanging.com or call 515.242.4743.

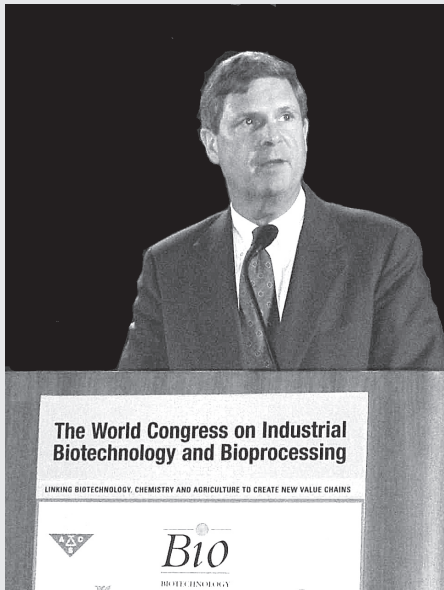


Mike Blouin, Director of the Iowa Department of Economic Development

Growing trend in Iowa exports

	Manufactured Goods & Value-Added Foods exported
2004	\$6.4
2003	\$5.2
2002	\$4.8
2001	\$4.7
2000	\$4.4
<i>Dollars in billions</i>	





Governor Tom Vilsack outlined "Iowa's Vision for Integrating Industrial Biotechnology and Agriculture for a More Sustainable Future" at the World Congress on Industrial Biotechnology and Bioprocessing in Florida. Under Governor Vilsack's leadership, Iowa is pursuing an economic growth strategy focused on renewable energy, life sciences, financial services, and advanced manufacturing.

EXPANSION PROCEEDS AT NESTLE FORT DODGE

Nestle Purina PetCare Company is proceeding with an \$11.2 million investment to upgrade the Fort Dodge plant with patented technology to produce Friskies Grilled, a canned cat food that is one of the company's top sellers.

To assist Fort Dodge in competing with other company locations for the expansion, the Iowa Department of Economic Development awarded \$300,000 to the project, which creates three jobs at an average wage of \$15.53 per hour. Half of the state funds are coming from the modernization component of the Community Economic Betterment Account and half from the Physical Infrastructure Assistance Program.

Plant manager David Lighthiser said the "dedication of plant employees to quality, efficiency and safety has helped solidify the long term existence of the plant."

Burke Corporation makes largest Iowa reinvestment

Ingredients processor Burke Corporation has completed a two-year expansion project in Nevada, Iowa, to increase capacity, improve operational efficiency and further advance food safety programs.

This 20th expansion in Burke's 19 years is highlighted by its ability to produce an additional 60 million pounds of fully cooked meat annually. Customer demand for Burke's products has resulted in double-digit growth rates over the years the company has been in business. The Iowa Department of Economic Development (IDED) awarded \$200,000 to the expansion, which will add 16 jobs to the workforce.



New headquarters of Burke Corporation, which has completed an IDED assisted expansion in Nevada, Iowa.

"Our long term outlook and the commitment we have to grow with our customers, both old and new, has resulted in the largest reinvestment in our central Iowa facility in Burke Corporation's 31-year history," said Bill Burke Jr. "The improvement process is never complete and future improvements are on the drawing board."

The \$16 million improvements bring Burke's total building spaces to 239,000 square feet. The expansion features a new corporate headquarters and wastewater treatment facility, expanded freezer space, and an addition to the processing plant. Policy and procedure improvements include enhanced product flow; tracking and packaging methods; additional food safety screening processes; and advanced product formulation techniques to produce more consistent yields.

"Burke Corporation takes great pride in our employees and their dedication to continuous improvement, a prominent key result area in Burke's performance program," said Bill Burke Jr. "Burke is committed to effective change management and will continue to raise the bar to beat industry standards when it comes to operational efficiency and food safety programs."

If your company would like assistance with an expansion, contact an IDED project manager for a confidential consultation at 800.245.IOWA (4692) or visit www.iowalifechanging.com.

Speeding business growth with accelerators

New business accelerators are taking shape across Iowa to speed the progress of high growth companies by providing a supportive environment, technical assistance and resources.

The Iowa Department of Economic Development (IDED) has awarded \$175,000 each to seven accelerators serving entrepreneurs in regions surrounding their locations.

“Entrepreneurship is essential to growing Iowa’s economy,” said IDED Director Mike Blouin. “These accelerators we are putting in place will give early stage businesses the kind of mentoring and hands-on expertise they need to grow a successful business in Iowa.”

Successful applicants for accelerator awards are the Northeast Iowa Business Accelerator in Dubuque; the Southeast Iowa Accelerator serving Des Moines, Henry, Lee and Louisa counties; the Grow Iowa Foundation Inc., which is creating a business accelerator to serve 22 southwestern Iowa counties; the North Iowa Accelerator in Mason City; the Cedar Valley TechWorks accelerator in Waterloo; the Entrepreneurial Development Center in Cedar Rapids; and the NewVentures Center in Davenport.

Accelerators will take business referrals from the IDED as well as encourage local startups of high growth companies.

RELCO completes IDED-assisted facility

RELCO Locomotives, Inc. has announced completion of its new locomotive rebuild and service facility located in southeastern Iowa. The Albion facility, which has been under construction since last year, will dramatically increase RELCO’s manufacturing capacity and will complement RELCO’s smaller Minooka, Illinois, location.

The 95-acre Iowa site contains a main locomotive shop, a self-contained blast and paint shop, office space, and over 10,000 feet of track. The 90,000-sq. ft. main locomotive shop houses five tracks, six overhead cranes with a capacity of up to 50 tons, two raised rail pits, a drop-table, state-of-the-art fabrication and component rebuild areas, and nearly 30 miles of track available for locomotive run-in and testing.

“This new facility positions RELCO as one of the largest locomotive rebuilders in North America,” said Don Bachman, RELCO’s Chairman and CEO. The project is receiving tax benefits for investing in an Iowa Enterprise Zone and was awarded a \$300,000 investment from the Iowa Department of Economic Development for job creation.

The facility has direct interchange with the BNSF, and IC&E railroads and close interchange with the Union Pacific. Corporate operations will remain in Minooka, Illinois.

Closing the loop for New Hampton

Progress Casting, Inc. will begin construction of an 81,312 sq. ft. plant in New Hampton now that the Iowa Department of Economic Development Board has approved a \$500,000 award from the Community Economic Betterment Account program and \$200,000 from the Physical Infrastructure Assistance Program. Tax benefits were also extended to the nearly \$13 million project from the New Capital Investment

Program. (NCIP).

Progress Casting will train employees to operate high-end aluminum casting machinery to make parts meeting international standards.

The company will hire 150 people, 148 of them at an average wage of \$12.77 per hour. Prominent customers include Deere, Polaris and Iowa Mold.

NEW HIGH MARKS FOR IOWA ENTREPRENEURS

A new review published in the May issue of Inc. magazine counts six Iowa metros among “The Best Places for Doing Business in America 2005.” Honored by the magazine, which is directed at privately owned, entrepreneurial companies, are Des Moines, Waterloo-Cedar Falls, Dubuque, Sioux City, Iowa City, and Cedar Rapids.

Among the 274 U.S. cities in the survey, Des Moines moved up to 9th Best Medium Size City from 27th in 2004. On the Best Places-Small cities list, Waterloo-Cedar Rapids ranked 19th; Dubuque, 24th; Sioux City, 82nd; Iowa City, 99th; and Cedar Rapids, 114th. Sioux City ranked 48th for the most balanced economy and growth.

Using job creation and other data, the authors studied 274 population centers and found that “thanks to lower housing and labor costs, more favorable regulatory environments, and in some cases, lower taxes, smaller cities are proving to be ideal places for doing business.”

The state of Iowa receives its best entrepreneurial marks in surveys of U.S. cities for overall entrepreneurial climate. Most Iowa communities are using these rankings to market their communities to prospective businesses.

Carrying on in Missouri Valley

Carry-on Trailer in Missouri Valley is proceeding with a \$2.5 million expansion that will double production of utility trailers in Missouri Valley, constructing a new 65,000 sq. ft. facility and utilizing the old premises for product warehousing and distribution to western states.

The Iowa Department of Economic Development has awarded the project tax benefits as an Enterprise Zone project and \$300,000 from the Economic Development Set-Aside program. The expansion creates 100 new jobs at an average wage of \$13.78 per hour and adds production of a new enclosed cargo trailer.

CALENDAR

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INSIDE DEVELOPMENTS

Iowa Exports Top Record	1
Online export training for Iowa food companies	1
Expansion proceeds at Nestle Fort Dodge	2
Burke Corporation makes largest Iowa reinvestment	2
Speeding business growth with accelerators	3
RELCO completes IDED-assisted facility	3
Closing the loop for New Hampton.....	3
New high marks for Iowa entrepreneurs	3
Carrying on in Missouri Valley.....	3
Golden Ridge Co-op Turns Blue.....	4
University of Iowa partnership with Caterpillar.....	4

Golden Ridge Co-op Turns Blue

Drive onto the grounds of the Golden Ridge Cooperative cheese factory and the juxtaposition of 19th and 21st century cultures can be startling.

Outside the Cresco-based facility you'll find horse-drawn buggies, the everyday transportation for the Old Order Amish dairy farmers who own and supply the cooperative. Inside the 12,500-square-foot facility, a \$3.1-million, state-of-the-art cheese making operation is turning out three varieties of cheeses, including an award-winning blue cheese.

Golden Ridge got its start in 1999 when it was formed by 44 Amish dairy farmers from northeast Iowa and southwest Minnesota. The farmers were determined to find a more certain market for their milk as well as add value to it.

Members of the cooperative invested approximately \$1 million of their own capital to get the project off the ground and it also received a \$35,000 investment from the Iowa Department of Economic Development.

The cooperative makes three cheeses including its Schwarz und Weiss blue cheese, which means

"black and white" in German. Schwarz und Weiss tied for first place in the blue cheese category at the 2004 American Cheese Society's annual contest held in Milwaukee.

With its American Cheese Society award, Golden Ridge is finding new markets for its products and production is growing at the 10-employee plant. "We are bringing in 15,000 pounds of milk per day," says Dan Gingerich, Chairman of Golden Ridge. "The plant was built to handle 90,000 pounds daily, so we have the ability to grow even more."



University of Iowa partnership with Caterpillar

The University of Iowa College of Engineering's Virtual Soldier Research (VSR) program has entered into a \$1.75 million partnership with Caterpillar Inc. to create new technologies in human modeling and simulation that will improve its realistic, computerized human model called "Santos."

Located within the college's Center for Computer-Aided Design, the VSR program and Santos are designed to save time and money by reducing the need to build physical prototypes in the testing and evaluation of products, equipment, vehicles and armaments prior to manufacture.