



**MICHAEL
TRAMONTINA**

Governor Chet Culver and Lt. Governor Patty Judge have announced that Michael Tramontina, formerly the Director of the Department of Management, will serve as acting director of the Iowa Department of Economic Development, replacing Michael Blouin.

Pharmaceutical expansion assisted by IDED

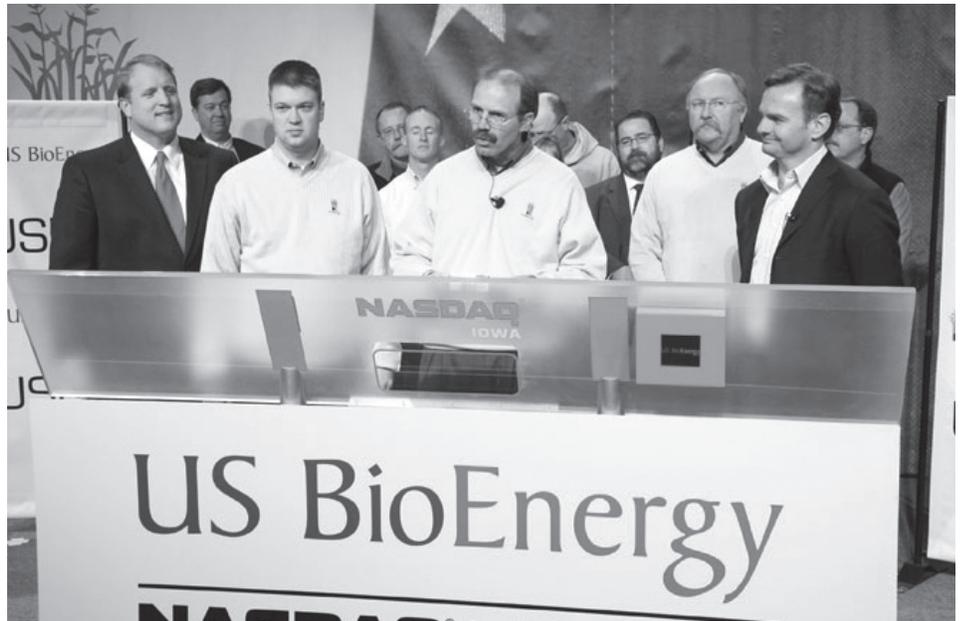
Cambrex is adding state-of-the-art laboratories to its Charles City building to strengthen the company's competitive position in pharmaceutical manufacturing and enhance its leadership in supplying high potency Active Pharmaceutical Ingredients. Completion of the 11,500 square foot, \$3.1 million addition is expected in 2008.



Photo: Charles City Press

Continued on page 2

Ringling the bell for energy independence



Governor Chet Culver (left) participates in the remote Closing Bell Ceremony of the NASDAQ exchange, celebrating US BioEnergy's recent public offering and the Grand Opening of the ethanol plant in Albert City. "US BioEnergy is helping us do what I believe we must do as a state, and that is take control of our energy future," said Governor Culver.

"I have called Iowans to explore the next generation energy frontier, and plants like this one are on that cutting edge. It's time for Iowa to win the race to become the energy capital of the world and break free from our dependence on foreign oil," said the Governor.

US BioEnergy employs more than 45 people at the Albert City plant. The Iowa Department of Economic Development previously awarded the project \$400,000 from the Value-Added Agricultural Products and Processes Financial Assistance Program.

Albert City is expected to produce 100 million gallons of ethanol and 320,000 tons of dried distillers' grain per year.

For confidential assistance with a company expansion, phone the Iowa Department of Economic Development: 515.242.4896 or 800.245.4692. E-mail: business@iowalifechanging.com.



Training more wind energy technicians

Training wind energy technicians is so successful that Iowa Lakes Community College is expanding an existing building to meet the growing needs of the wind energy industry. When the expansions are complete, Iowa Lakes will be able to accommodate up to 200 students at the Wind Energy Technology Training Center

shown in the architect's sketch below.

Dr. Harold Prior, Iowa Lakes Community College President, said the 28,000 square foot, \$2.5 million expansion will progress in three phases as wind energy partners invest in the building. The wind technician program at Iowa Lakes is a leading edge program originally started to com-

plement the college's construction of a wind turbine to lower campus utility bills. The state of Iowa has climbed to 3rd place in wind energy generation as wind farms have proliferated across the countryside. Only California and Texas generate more electricity from wind.



Environmental Workshops

Workshops for the construction and demolition industry have been announced for locations across the state by the Iowa Department of Economic Development, Iowa Waste Reduction Center, Iowa Department of Natural Resources and the Small Business Compliance Alliance. The March and April sessions are aimed at educating the construction industry and other related industries about requirements for asbestos, brown fields, lead, radon, floodplains, open burning, contractor registration and safety and health.

Commercial and residential contractors, demolition contractors, real estate agents, appraisers, property managers, building maintenance providers, local building and zoning officials and inspectors are urged to attend. In addition, Real estate agents and appraisers will receive a certificate for eight continuing education units (CEU).

A \$35 nonrefundable fee will be charged for registration and meal expense.

Workshops will be held from 8:45 - 4:30 on the following dates and at these locations:

March 20	Comfort Suites Hotel & Conference Center	Burlington
March 22	Best Western Hotel	Ankeny
March 27	Holiday Inn at Ameristar	Council Bluffs
March 29	Hanford Hotel	Mason City
April 10	Clay County Regional Event Center	Spencer

If you have questions, please contact Iowa Small Business Environmental at enviroassist@iowalifechanging.com or phone 800.351.4668.

Pharmaceutical expansion assisted by IDED

Continued from page 1

Cambrex was awarded \$165,000 from the Community Economic Betterment Account (CEBA) and Enterprise Zone tax benefits from the Iowa Department of Economic Development. In return the Charles City site will add 22 jobs and retain 11 jobs. Joe Nettleton, vice president of operations, said "we need additional research and manufacturing capabilities to meet customer needs in the high potency market."

For confidential assistance with a company expansion, phone the Iowa Department of Economic Development: 515.242.4896 or 800.245.4692. E-mail: business@iowalifechanging.com.

Corn based plastics plant under construction

Construction is underway in Clinton on the joint venture facility of Archer Daniels Midland (ADM) and Metabolix Inc. to make biodegradable plastic from corn. When the \$272 million facility is in full production, it will make 110 million pounds of natural plastics annually.

The plant was awarded tax benefits by the Iowa Department of Economic Development to create jobs and invest in a Clinton Enterprise Zone. The advanced manufacturing project will create 114 jobs paying an average wage of \$21.60 per hour.

Using the patented technology of Metabolix, the plant will produce a new generation of high performance natural plastics that are eco-friendly and based on sustainable, renewable resources.

“Initiating construction of this first commercial manufacturing facility for natural plastics in Iowa marks a major milestone for Metabolix and our strategic alliance with ADM,” said Jim Barber, President and CEO of Metabolix.

“We believe that natural Plastic is a breakthrough technology that has the potential to provide environmentally-conscious companies and consumers with a renewable and sustain-

able alternative to petrochemical-based plastics, and to positively impact climate change, pollution and energy security.”

Metabolix natural plastics can be used as an alternative to petrochemical plastics in a wide variety of applications, including coated paper, film or bags, and thermoformed and molded goods. They are produced using a patented, biological fermentation process that converts agricultural raw materials such as corn sugar into a versatile range of plastics with excellent durability in use but that also biodegrade benignly in a wide range of environments, including marine and wetlands.

The site is adjacent to ADM’s corn wet mill in Clinton. The plant will utilize starch from the mill as raw material for natural plastic production.

ADM and Metabolix are working together in a strategic alliance to commercialize Metabolix’s patented and proprietary technology. Commercial production of natural plastic is expected to begin in 2008.

Metabolix and ADM are currently operating a pilot manufacturing facility to produce pre-commercial quantities of material and developing applications with selected customers.

ON THE FRONTLINE OF BIOMASS ENERGY

Ethanol, the clean-burning, high octane fuel distilled from Iowa corn fields, has the potential to free the U.S. from foreign oil dependence. However, transforming corn into ethanol takes energy, usually in the form of natural gas or coal.

Ames-based Frontline BioEnergy is developing biomass-to-energy conversion methods that reduce an ethanol plant’s consumption of fossil fuels, making ethanol an even greener product. As Iowa’s ethanol industry continues to grow, developing energy from biomass could result in huge savings for the state’s production facilities.

“Using biomass to fuel an ethanol plant can reduce costs in making ethanol. It also hedges against volatility in the natural gas market and doubles the renewable energy ratio of the ethanol product,” says Jerrod Smeenck, Frontline engineering and production manager.

Smeenck says natural gas accounts for one third of the cost of producing ethanol, the second-largest expense after corn. Frontline’s technology involves partial combustion of biomass—waste wood, corn stalks, grasses and other biological material—to produce flammable gasses.

“This flammable gas can replace natural gas in an ethanol plant, lowering its operating costs and keeping energy dollars in the local economy,” says Smeenck.

The nine-employee Frontline moved to Ames from Colorado in early 2006 to be closer to producer customers for its new biomass technologies. Assisting the move was a \$60,000 award from the Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP), administered by the Iowa Department of Economic Development.

The company is also working closely with Iowa State University to design commercial-scale gasifiers that could process more than 300 tons of biomass per day.

Smeenck says, “Every step we take in developing energy from biomass is another step away from our dependence on foreign and fossil energy sources.”

Bigger tax credit for new jobs

For expanding businesses hiring new workers, Iowa’s corporate income tax can be reduced or eliminated by the New Jobs Tax Credit. To qualify, a business must enter into an agreement under the Iowa New Jobs Training Program and increase its Iowa workforce by at least 10 percent. For 2007 the tax credit is \$1,320 per job.

YEAR	CREDIT	TAXABLE WAGE BASE
2007	\$1,320	\$22,000
2006	\$1,278	\$21,300
2005	\$1,224	\$20,400

The tax credit for each new job equals six percent of the taxable wage base for the year as set by Iowa Workforce Development.

CALENDAR

MARCH/APRIL	ENVIRONMENTAL WORKSHOPS SEE PAGE 2 FOR DATES AND LOCATIONS
MAY 3	SMART ECONOMIC DEVELOPMENT CONFERENCE POLK COUNTY CONVENTION COMPLEX
MAY 24	VENTURE NETWORK OF IOWA FORUM STATEWIDE ICN LOCATIONS

IOWA
life | changing[®]

Iowa Department of
Economic Development
200 East Grand
Des Moines, IA 50309

PRSR STD
POSTAGE
PAID
Des Moines, IA
Permit No. 1195

INSIDE DEVELOPMENTS

RINGING THE BELL FOR ENERGY INDEPENDENCE	1
MICHAEL TRAMONTINA	1
PHARMACEUTICAL EXPANSION ASSISTED BY IDED	1
TRAINING MORE WIND ENERGY TECHNICIANS	2
ENVIRONMENTAL WORKSHOPS	2
CORN BASED PLASTICS PLANT UNDER CONSTRUCTION	3
BIGGER TAX CREDIT FOR NEW JOBS	3
ON THE FRONTLINE OF BIOMASS ENERGY	3

Impact of insurance soars

Iowa's insurance industry has experienced greater expansion than the national sector during the past 15 years, according to a study by David Swenson, Iowa State University economist.

"Iowa's insurance industry is strong, vibrant and competitive. It's a statewide economic powerhouse," Swenson told Iowa Statehouse media reporters when the study was released.

Key Findings of the study show:

- Iowa's competitive position nationally in the insurance industry has improved strongly over the past decade
- Insurance has become an increasingly important contributor to the Iowa economy. Its current 2.6 percent share is double its 1990 share.

- Iowa insurance workers are more productive than the national norm. Iowa has 1.8 percent of the nation's insurance jobs, yet it generates 2.2 percent of the nation's domestic product from insurance activities.
- Approximately 88,336 Iowans are employed directly or indirectly by the insurance industry, and are paid a total salary of more than \$3.9 billion.
- Insurance jobs pay 68 percent more in wages and salary than the average non-farm job in Iowa.
- The average educational level of insurance employees is notably above the state average for all jobs.

Insurance is an industry targeted for growth by the Iowa Department of Economic Development. Jobs creation was

actively stimulated during the period of the study through marketing, expansion incentives, and improvements in the business climate.

Since the start of this year, Aviva USA has announced it is moving 250 jobs to Des Moines. Transamerica Occidental Life Insurance Co., a unit of AEGON, shifted 500 positions from Kansas City to Cedar Rapids. In addition, Nationwide Mutual Insurance Company is in the process of filling over 1,500 new positions in central Iowa.

The new study was commissioned by the Federation of Iowa Insurers, the Iowa Insurance Institute and the Independent Insurance Agents of Iowa and can be accessed on the Web at http://www.econ.iastate.edu/research/webpapers/paper_12714.pdf.