

RETURNING PRODUCTION TO POSTVILLE

Agri Star Meat & Poultry LLC is investing \$6.7 million to complete the upgrade and modernization of the kosher processing facility in Postville in 2010. Fryers and ovens are being installed to begin production of oven-baked beef and poultry as new lines of product at the plant.

To support the expansion and improvements, the Economic Development Board approved \$600,000 from the value-added agricultural component of the Grow Iowa Values Financial Assistance Program (GIVEAP). The project was also approved for Enterprise Zone tax benefits to create 168 jobs and retain 140 jobs in Postville.

The upgraded plant will be able to slaughter and process 500 cattle per day, a significant market for livestock producers.

“We look forward to making a meaningful contribution to the Iowa economy,” said Hershey Friedman, the head of Agri Star. “Our goal is to create a company culture and job opportunities where people are treated well and paid fairly. We anticipate becoming a leading supplier for quality kosher meat and poultry products.”

Agri Star Meat & Poultry LLC was formed in August 2009 to acquire and operate the closed meat processing plant in Postville formerly operated by Agriprocessors, Inc. At the time of closure, the plant was the largest kosher beef processing facility in the nation.

New products from Tyson plant

As part of a strategic effort to become one of the premier producers of pet treats, Tyson Foods is reopening and renovating the company's idle production plant in Independence, Iowa.

Tyson will spend approximately \$6.6 million to install equipment and make other improvements in the plant in order to begin pet treat production in early 2010. The new operation will initially employ more than 60 people, including production workers and management, and is expected to grow to more than 100 within the next couple of years.

The Economic Development Board awarded \$400,000 from the value-added agricultural component of the Grow Iowa Values Financial Assistance Program (GIVEAP) and tax benefits from the High Quality Job Program (HQJP) to return the plant to production.

“The \$3 billion pet treats market has experienced more than an eight percent compound annual sales growth over the past five years and does not appear to be adversely affected by the economic slow down,” said Dave Hogberg, general manager of Pet Products for Tyson. “We believe this is an area of great opportunity and this initiative is a natural extension of our strategy to value-up raw materials into higher margin categories.”

While Tyson has historically been involved in supplying raw materials for pet foods, this will be the first company facility involved in the production of finished, retail-ready pet products.

“We engaged in a very comprehensive selection process to identify a production facility that could meet our current and future business needs” added Gregg Uecker, vice president of operations for Tyson's Renewable Products Division. “The Independence plant not only provides us with the physical assets to build on, but is located in a community where we can have a strong partnership and exceptional labor force.”



“The selection process culminated with the Economic Development board awards, which combined with local financial support, made choosing Independence a sound business decision,” said Hogberg. “The commitment from the city, county and state has been exceptional and is very much appreciated. We believe we'll be able to build a successful business together, deliver significant economic benefit through job creation and also demonstrate our desire to be good stewards of this beautiful community.”

The Independence plant has been closed since early 2006, when Tyson consolidated some of its deli meat operations.





SSAB STARTS R&D CONSTRUCTION

Swedish steel maker SSAB broke ground for a 27,000 square foot Research and Development (R&D) Center adjacent to its steel mill in Muscatine County, Iowa. The new \$12 million facility (shown in the sketch above) replaces one in Canada and will develop and test new value-added steel products for North American operations. To recruit the project to Iowa, the Iowa Economic Development Board awarded tax benefits from the High Quality Job Creation (HQJC) Program for 13 jobs at the R&D center. SSAB Iowa currently operates the steel mini-mill formerly owned by IPSCO that makes steel plate from recycled scrap metal. The Iowa plant recycles 1.3 million tons of metal annually.

New biotechnology in Eddyville

Wacker Chemical Corporation plans to invest approximately \$83 million to build a fermentation plant at the Iowa bioprocessing complex in Eddyville, creating 38 jobs.

The plant will use Wacker's proprietary technology to convert corn starch into an amino acid (L-Cystine) used in the baking, dietary supplement and food flavoring industries.

The Economic Development Board awarded \$5 million from the infrastructure component of the Grow Iowa Values Financial Assistance Program (GIVFAP) and tax benefits from the High Quality Job Program (HQJP) to get the major investment in Iowa. Construction is scheduled to begin in October of 2010 and be completed by 2012.

The company's patented fermentation technology will enable them to process the products from corn starch instead of the human hair, feathers and pig bristles used in the current industry process. Total estimated capacity will be approximately 2,000 Metric Tons per year.



Debuts Best New Product

Prism Projection's founder Garrett Young accepts the award for Best Debuting Product for Lighting at the LDI 2009 Trade Show in Florida. Unveiled for the first time was the RevEAL line of fixtures manufactured in Sully, Iowa, where Prism has assembled a world-class collection of engineering talent.

"This is our first product for entertainment lighting and this our first time exhibiting at LDI. To have the industry welcome us with this award is truly a great honor," said Young, who is the company president. "This award really has me energized to get back to the team in the lab and finish up the products we have on our roadmap for the line."

Prism Projection received an Iowa Demonstration Fund award from the Innovation & Commercialization Division, Iowa Department of Economic Development. For more information on the Iowa Demonstration Fund, contact Doug Lewis at 515.725.3195.

Seeking a breakthrough in Coralville

Cellular Engineering Technologies (CET) seeks to develop a more efficient technology platform to manufacture adult stem cells for use in medical research, drug development and clinical therapy. The Economic Development Board awarded \$50,000 from the Iowa Demonstration Fund for the Coralville firm to seek proof of the concept. The award was recommended by the Technology and Commercialization Committee of IDED's Innovation & Commercialization Division. CET Inc. is Iowa's only regenerative medicine company and a leading supplier of commercial adult stem cells and tissue culture media.

IMPACT OF IOWA ENTREPRENEURS

Active entrepreneurs have launched 300 new businesses and created 700 jobs in Iowa during the past year, according to John Pappajohn, who said the businesses range from retail storefronts to sophisticated technology enterprises. One of the features of Pappajohn's opening remarks at the Annual Iowa Venture Capital and Entrepreneur Conference is his statistical report on entrepreneurs.

IMPACT OF THE JOHN PAPPAJOHN ENTREPRENEURIAL CENTERS

	Past year*	Past 10 years
New business starts	300+	3,400+
Entrepreneurs trained	17,000	86,000
Jobs created by entrepreneurs	700	6,000

**As of July 2009*

Pappajohn, a Des Moines businessman, donated millions to establish the educational units at University of Iowa, Iowa State University, University of Northern Iowa, Drake University and North Iowa Area Community College. This network of resources is unique in the nation.

HY-VEE OPENS NEW DISTRIBUTION



Assistant Vice President Todd Hockenson cut the ribbon to mark completion of the 230,000 square-foot expansion of Hy-Vee's distribution center in Cherokee. The larger operation provides grocery products to existing stores and new stores in Iowa, Nebraska, South Dakota and Minnesota. The \$18 million project was approved by the Iowa Department of Economic Development for tax benefits and creates 12 jobs in an Enterprise Zone.

MEDLINE GOES GREEN IN DUBUQUE

"We're thrilled to be committing ourselves even further to the greater Dubuque community," said Jim Abrams, chief operating officer of Medline Industries at the official opening of the new energy efficient customer service facility in Dubuque. Medline is seeking Leadership in Energy and Environmental Design (LEED) certification for the high performance green building.

"We've been fortunate over the last nine years to grow roots here and develop a staff that is really world class. And as great as this building is and as excited as we are about it, buildings are nothing without great people and we have a great staff here," Abrams said.

The new 66,000-square-foot facility—home to 275 employees—was assisted by the Iowa Department of Economic Development. Medline is the nation's largest privately held manufacturer and distributor of healthcare products.



CALENDAR

January	National Mentoring Month
January 20-23	ELE TRADE 2010 Japan
February 3-7	Expo Agro Sinaloa, Mexico
February 7 -12	Trade Mission to Mexico Guadalajara, Jalisco

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Major online expansion in Davenport

Von Maur, a department store chain headquartered in Davenport, and operating in nine Midwestern states, is planning to construct an \$8.6 million building in Davenport, Iowa, to handle rapid growth of Internet fashion retailing. The new office-warehouse-distribution facility is scheduled to open in the fall of 2010. The Economic Development Board approved the project for Enterprise Zone tax benefits to support the creation of two jobs and the retention of eight jobs. Online business will extend the Von Maur's reach to new customers outside of the Midwest and in rural areas.



VON MAUR

Rail improvements in Appanoose County

The Appanoose County Community Railroad (APNC) will rehabilitate a bridge and replace railroad ties as part of \$1 million of improvements to comply with structural requirements of the Federal Railway Administration. APNC is a 36 mile long, non-profit rail line in southern Iowa that connects the Centerville industrial park to Albia, Iowa. It links up with the Burlington Northern Santa Fe (BNSF) and Iowa, Chicago and Eastern (IC&E) rail lines.

The Economic Development Board awarded \$150,000 from the infrastructure component of the Grow Iowa Values Financial Assistance Program (GIVFAP) to maintain the viability of the line.

APNC provides freight service to Centerville Iron and Metals, Lee Container, and Curwood, Inc. in Centerville, and the Relco Locomotives rebuild shop in Albia. These businesses employed 428 persons as of June 2009, according to the Iowa Workforce Development.

OSCEOLA COUNTY'S NEW WIND ENERGY CENTER

A new 5,000 sq. ft. Operations & Maintenance building is under construction for the Endeavor Wind Energy Center in Ocheyedon, which is a community located in northern Osceola County.

Eleven jobs are pledged with the project. The Economic Development board approved \$50,000 from the Grow Iowa Values Financial Assistance Program (GIVFAP) for the plans of Osceola Windpower, LLC. Their existing building in Harris needs to be replaced.