

## Groundbreaking for largest biodiesel plant

What will be Iowa's largest biodiesel plant so far is under construction in Algona with completion expected in about 12 months. Renewable Energy Group is partnering with East Fork Biodiesel, taking a minority interest and providing construction services for the \$70 million plant.

The Economic Development Board awarded \$400,000 from the Value-Added Agricultural Products and Processes Financial Assistance Program (VAAPFAP) to East Fork, which will eventually create 36 jobs, 30 of the jobs paying an average wage of \$17.68 per hour. Enterprise Zone tax benefits have also been extended to the project by the Iowa Department of Economic Development.

The commercial-scale plant will use soybean oil as its primary raw material but animal fats or other oils may also be used.

East Fork President Ken Clark said, "This groundbreaking signifies the beginning of a great partnership with Renewable Energy Group. In about a year, we will be producing a renewable fuel which will help reduce this nation's dependence on foreign oil, burn clean and offer exciting opportunities for Iowa investors and the development of our local, state and national economies."

Nile Ramsbottom, REG President and COO, shares Clark's enthusiasm.

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## Giant blade manufacturing coming to Iowa

Siemens AG of Germany is purchasing and expanding an existing 224,000 square-foot building complex in Fort Madison to begin U.S. production of giant, fiberglass blades for wind turbines. Manufacturing on the nearly 127 acre site in Lee County is expected to employ an estimated 250 people.

"This will be Siemens' first wind turbine production facility in the U.S. and will further expand the capacities of our worldwide manufacturing network," said Randy Zwirn, President and CEO of Siemens Power Generation, Inc.

"This is another important step in our strategy to build our global presence in the wind energy business, and serve growing markets," added Zwirn.

The Fort Madison facility will be upgraded and expanded in order to more suitably meet the needs of the company's wind turbine business. The first blades to be manufactured at in Iowa will incorporate the Siemens-patented Integral Blade technology.

With this technology, the blade is cast in one piece in a single step from glass-fiber-reinforced epoxy resin in a closed, environmentally compatible process. Series production of rotor blades for wind turbines is scheduled to start in Fort Madison in the first half of 2007.

Due the site's close proximity to water, rail and road transportation options, and its central location in the United States, it is ideal for wind turbine blade manufacturing where logistics are critically important due to the massive size of the blades.



Siemens AG of Germany will manufacture giant blades for wind turbines at Fort Madison, Iowa plant.

"Our state lies in the center of the largest wind generation region in the U.S., and therefore we're uniquely positioned to serve this promising market," said Governor Tom Vilsack. "As a leader in alternative energy production, Iowans understand the enormous opportunities this announcement represents, and we look forward to adding Siemens wind turbine technology to our sources of renewable, clean power."

The state of Iowa, Lee County and the city of Fort Madison pooled resources to provide an attractive incentive package to assist with the start-up effort. The Iowa Economic Development Board approved direct assistance from the Economic Development Set-Aside program and tax incentives from the High Quality Jobs Creation program as part of the agreement to locate the project in the state.



# PCT Engineered Systems expands

Construction is underway on a new 43,000 square-foot facility in the Eastern Iowa Industrial Center to support the continued growth of PCT Engineered Systems, LLC, and consolidate operations from three locations in Davenport, Iowa.

The Iowa Economic Development Board awarded \$300,000 from the Community Economic Betterment Account (CEBA) and tax benefits from the High Quality Jobs Creation (HQJC) program to the project. The \$8.8 million expansion creates and retains 146 jobs, 110 of the pledged jobs pay an average wage of \$25.31 per hour.

"PCT has called the Quad Cities home for our entire 20 year history," said Terry Thompson, president of PCT. "Our choice to continue our growth in Davenport was made in the best interests of our staff and in recognition of the ease of access to Interstate 80 for transportation of our products."

The company's growth has been fueled by the acquisition of the BroadBeam® line of electron beam processors. These machines were originally manufactured in California.

Examples of products made with electron beam technology include shrink wrap film, adhesive tape, orange juice cartons, ice cream containers and laminate furniture. Electron beam processing provides important environmental benefits to manufacturers. The process is very energy efficient and the special 100 percent solids inks and coatings used contain no solvents, therefore no volatile organic compounds are produced.



PCT has also seen growth in the demand for the engineering and systems integration services and custom machine fabrication services they provide to manufacturers. These services include control system integration, drive system applications, custom machine fabrication, combustion systems and Plant Floor IT applications.

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"Renewable Energy Group, Inc., is proud to partner with East Fork Biodiesel to build Iowa's largest biodiesel plant. The construction of a commercial-scale, state-of-the-art, and highly efficient plant will help move this state and this nation toward their goals of energy independence," said Ramsbottom.

Renewable Energy Group, Inc., was formed through the combination of West Central Coop's biodiesel business and Renewable Energy Group's biodiesel plant construction business.



East Fork President Ken Clark presides at the Algona groundbreaking for a 60-million gallon biodiesel plant.

## Ames expansion for Sauer-Danfoss

After an incentives package was assembled by Ames and the Iowa Department of Economic Development, Sauer-Danfoss announced it is proceeding with an \$8 million expansion of manufacturing operations. The company reviewed several other locations for the proposed expansion before deciding on Iowa.

"With the support of Ames and the state of Iowa, this new expansion of 200 additional positions will create a Sauer-Danfoss Ames employee base of over 1,000 along with an annual payroll of nearly \$50 million," said Matt Bendler, Sauer-Danfoss human resources director.

"We have a high level of confidence in our current work force here in Ames and feel like we can attract the people we need, with the skills we desire, to make this expansion successful at the Ames plant location," Bendler said.



The Economic Development Board awarded \$750,000 in Community Economic Betterment Account funds and High Quality Jobs Creation program tax benefits to help Ames secure the expansion.

Sauer-Danfoss manufactures fluid power and mobile hydraulics for a variety of agriculture, construction, material handling and other vehicles.

Significant improvements will be necessary to expand parking, redevelop office areas, move and redesign machinery, and expand employee public areas at the Ames plant.

# BLOUIN RETURNS AS IDED DIRECTOR

Governor Tom Vilsack and Lt. Governor Sally Pederson have announced the appointment of Mike Blouin as Director of the Iowa Department of Economic Development (IDED). Blouin replaces current Director Mary Lawyer who accepted a position with the Des Moines Downtown Community Alliance.

“Mike Blouin has proven himself a leader in transforming our state’s economy and creating new opportunities,” said Governor Vilsack. “He has earned the trust and respect of local and national leaders and has the skills and expertise to continue the unprecedented job growth we have seen in recent years.”



During his previous tenure as IDED Director from December 2002 to July 2005, Blouin was one of the key architects of the Iowa Values Fund, which to date, has created or retained more than 25,000 jobs in communities of all sizes throughout the state.

Blouin said, “The Vilsack-Pederson Administration has strengthened this state’s economy and provided opportunities for so many Iowans across the state. I’m proud to once again be part of this effort.”

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## *Cooperation grows manufacturing*

Construction has begun on a new manufacturing plant in the western Iowa community of Shelby that, when completed, will create 300 new jobs at an average hourly wage of \$11.50.

As earthmovers criss-cross the site that will eventually feature three buildings with a total of 735,000 square feet of manufacturing and distribution space, community leaders credit a public-private partnership in the successful recruitment of the plant.

The project was leveraged by several Iowa Department of Economic Development programs — Enterprise Zone tax benefits as well as \$1 million from the Economic Development Set-Aside program and \$254,000 from the Public Facilities Set-Aside program.

After an extensive search of Midwestern sites, Midwest Manufacturing, a subsidiary of the home improvement chain Menards, is building the facility to make Mastercraft residential interior and exterior doors that will be sold at Menards home-improvement stores across the U.S.

In addition to manufacturing residential pre-hung doors, the facility’s distribution center will supply more than 100 Menards stores.

The manufacturing and distribution complex is being built on the southeast corner of the Interstate 80 interchange at Shelby, a town of about 700 residents, 30 miles northeast of Council Bluffs.

According to Shelby Mayor Ron Kroll, the landing of the \$33 million project was the result of a team effort.

“We are extremely pleased to land manufacturing jobs for our community. Menards and Midwest Manufacturing will be tremendous corporate citizens in Shelby,” says Kroll.

“And it couldn’t have happened without a lot of partners coming to the table to make the deal work.”

Kroll says he was first contacted in April 2005 about possible sites for a manufacturing operation.

“We had an option on farmland adjacent to and south of Interstate 80. This was a great site for Midwest Manufacturing but it was

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## *Chooses Iowa for U.S. headquarters*

The SACMI Group, an Italian industrial group established in 1919, is growing its United States operation from an Urbandale location.

According to Luca Berrone, SACMI USA general manager, the \$1.5 billion international conglomerate manufactures custom-designed equipment for customers in the ceramic, plastics, packaging and food processing industries.

SACMI USA was established in 1994, as a subsidiary of the SACMI Group, to provide support and service to North American customers. The location began as a 1,500 square-foot office that housed only Berrone.

As business in North America expanded, the group realized that a strong U.S. headquarters would be vital to ensuring efficient service and support. Several expansions later, the company now employs 35 Iowans at its 85,000 square-foot USA headquarters in Urbandale, Iowa.

It includes more than 50,000 square-feet of manufacturing space and stocks more than \$5 million in spare parts.

“Our Urbandale location is home to after-sales service operations; spare parts for ceramics, plastics, food processing and beverage packaging machinery; a full-fledged machine shop ready to serve the ceramic industry’s requirements for molds and dies; back-office support for all administrative logistics for SACMI’s regional offices; and corporate leadership,” says Berrone.

With six locations in North America, SACMI could have put its USA headquarters anywhere.

“In choosing a site for our headquarters, we looked at accessibility and work force quality,” says Berrone. “A strategic location was

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# CALENDAR

- October 10 Super Venture Network of Iowa  
IDED offices & statewide sites
- October 11 Venture Capital Conference  
Polk County Convention Center
- October 15-22 Mexico Trade Mission



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agricultural land with no utilities or infrastructure,” explains Kroll.

“Nishnabotna REC out of Harlan is providing electricity while MidAmerican Energy will supply natural gas service,” says Kroll. “The city of Shelby will provide water and sewer service.”

While the city of Shelby is located in Shelby County the site of the manufacturing plant is located in Pottawattamie County.

“In order to extend Shelby County’s Enterprise Zone to the manufacturing site, we needed the Boards of Supervisors to approve the request, which both did,” says Kroll.

“The boards realized the benefits of a 300-employee manufacturing facility extend throughout western Iowa and were committed to helping land it in Shelby.”

Lori Holste, executive director of Western Iowa Development Association, agrees. “To be successful, cities and counties in a region are working together rather than competing for expansion projects,” she says. “A project of this size will pull workers from a 50-mile radius, strengthening the economic health of many western Iowa towns.”

### *Chooses Iowa for U.S. headquarters*

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important for the company to directly serve the needs of the ceramic and packaging industries across North America.

“Our Urbandale location is, literally, at the crossroads of America. We are only a few blocks away from Interstates 35 and 80, America’s most-traveled thoroughfares. Additionally, we wanted employees with a strong work ethic, ingenuity, loyalty, honesty and an ability to work well with others,” he continues. “Central Iowa provides SACMI with an abundance of highly skilled workers.”

Originally from Torino, Italy, Berrone attended Des Moines’ Hoover High School as a foreign exchange student in the 1970s. He later met his wife as a student at Iowa State University.

And while he thought his stay in Iowa would be a short one, Berrone has raised a family and is growing a business in his adoptive state.

“Iowa has been good to me both personally and professionally,” he says.