

Western Iowa Advantage is a collaborative group of economic development officials in Adair, Audubon, Carroll, Crawford, Greene, Guthrie, Ida, and Sac Counties.

Western Iowa Advantage Annual Banquet

March 26, 2019

The Carrollton Event Center
1730 Highway 71

5:30 pm
Social



6:00 pm
Dinner



6:30 pm
Program



Guest Speaker: Justin D. Erickson, *Principal Essex Capital, LLC*

Justin is founder and Principal of Essex Capital, a Midwest-based economic development consulting and site selection firm. Through Essex, Justin operates the Community Venture Network (CVN) program. CVN works on behalf of rural and 'out state' communities across the Midwest, helping to identify expansion and partnership projects with growing businesses and matching them with communities and their economic development agencies.

Prior to founding Essex Capital, Justin worked for the Star Tribune in sales management and finance capacities and started his career in sales for Honeywell.

Justin has a BA in Finance from the Carlson School of Management, University of Minnesota and previous investment banking experience with 7, 63, 79 and 24 licenses. A native of Albert Lea, Justin has spent his post high school life in the metro, save a year in Kansas City while working for Honeywell.

**Join others from throughout the WIAD region to hear about recent activities,
network with peers, and hear our featured speaker.**

\$20 per plate—Make checks payable to:
Region XII Council of Governments, P.O. Box 768 Carroll IA 51401
RSVP by March 15, 2019 by **CLICKING HERE**

or by contacting JoAnn Olberding at 712-792-9914 or jolberding@region12cog.org

WIAD Partners Tour American Athletic, Inc.



In November, 2018, Western Iowa Advantage Partners toured the American Athletic Inc. (AAI) facility in Jefferson. AAI was established in 1954 in Jefferson manufacturing recreational and competitive trampolines. In 2004, Russell Brands acquired AAI, and consolidated its Spalding equipment, namely basketball systems, volleyball systems, and gym equipment. Russell Brands is a Fruit of the Loom Company which is owned by Berkshire Hathaway. The AAI facility in Jefferson employs 95 office and manufacturing staff members.

Above: Rick Hunsaker, Region XII COG; Sarah Gomez, Midwest Partnership; Brandy Ripley, Sac Economic and Tourism Development; Evan Blakley, Chamber and Development of Crawford County; Deb Calvert, Mid-American Energy; Mark Reinig, Iowa State CIRAS; Shannon Landauer, Carroll Area Development; and Jim Gossett, Raccoon Valley Electric Cooperative.

Photo Source: Region XII COG

FEATURED BUILDING: AUREON BUILDING 123 MAIN STREET, MANNING

Built in 2000, this building has been a call center with a large open floor plan, conference rooms, some individual offices, 2075 sq. ft of storage space and a brick exterior. The building is located in downtown Manning, a vibrant community of 1500 people. The property has a complete fiber network allowing unlimited bandwidth. Building provides a instantaneous generator backup, with a city-owned electric utility providing community-wide backup within seven minutes.

Contact:
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Carroll Area Development Corporation
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FEATURED SITE: MARKS BUSINESS PARK NORTH OF INTERSTATE 80, STUART

This 16.47 acre property is located directly off Interstate-80 in Stuart, Iowa. Stuart is thirty-five miles west of the Des Moines Metro and 100 miles east of Omaha. Excellent Interstate visibility. Can be sub-divided into smaller lots. All utilities and infrastructure are in place and the lots are ready to build! Complete details about this site can be found [HERE](#).

Contact:
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Midwest Partnership EDC
sgomez@midwestpartnership.com



Western Iowa Business Access Low-Interest Loan Funds

Western Iowa Advantage (WIAD) businesses access low-interest loans from 26 different revolving loan funds (RLFs) to assist with business development projects in the region. These low-interest loans can fill the gap when a solid business plan points to need for funding in addition to conventional financing.

Councils of governments, economic development organizations, rural electric cooperatives, telephone companies, local governments, and foundations access funding through various private and government sources. There is also a local match with their own funds so businesses large and small can take advantage of opportunities for growth. Many RLFs have been in place for decades and have a solid track record of success.

Each fund is locally operated, with maximum loan limits and terms. For more information about access to revolving loan funds in your area, WIAD makes it easy! Contact the WIAD partner in your county today (see page 6 for a list of economic development partners).

Karl Chevrolet Expands in Stuart

In February members of Western Iowa Advantage got a sneak peak of the newly expanded Karl Chevrolet in Stuart. Tony Mills, Marketing Director for Karl Chevrolet guided the tour of Karl's existing sales facility and newly constructed auto service and collision center in Stuart.



Rick Hunsaker, Region XII COG; and Evan Blakley, Chamber and Development of Crawford County view the new and state of the art quick lube auto service area at Karl Chevrolet in Stuart.



WIAD Partners Tour Remington Seeds in Schaller

In December 2018, Western Iowa Advantage partners toured the recently expanded Remington Seed soybean plant north of Schaller in Sac County. Kent Grieme, Plant Manager and Kelly Meusburger led the tour and provided information on the plant's history, operation, and future plans. Remington Seed's Schaller plant employs 13 full-time staff and produces 1.2 million units of soybean seed annually (one unit = 50 lbs bag).



Top left: Sam Wagner, Mid-American Energy; Mark Reinig, Iowa State CIRAS; Evan Blakley, Chamber and Development of Crawford County; Jim Gossett, Raccoon Valley Electric Cooperative; Ranell Drake, Sac County Supervisor; Sarah Gomez, Midwest Partnership; Candy Hartmann, SETD Board Schaller; Rick Hunsaker, Region XII COG; Brandy Ripley, Sac Economic and Tourism Development; and Chris Whitaker, Region XII COG.

Bottom Left: Ranell Drake, Sac County Supervisor; Sam Wagner, Mid-American Energy; Sarah Gomez, Midwest Partnership; Jim Gossett, Raccoon Valley Electric Cooperative; and Rick Hunsaker, Region XII COG hear about upgrades recently completed to the soybean loading and unloading operations at the Remington Seed plant.



ANNUAL REPORT OVERVIEW 2018

Based on the interviews completed with companies from across Iowa, the following issues were identified as critical for economic growth and development for Iowa moving forward:

- Iowa must elevate efforts to enhance and grow our workforce.
- Site, building and infrastructure development must be supported at the local and state level.
- Innovation by Iowa companies must continue to be encouraged and supported.
- A variety of public policy decisions are adversely affecting Iowa companies.

EXPANSION PLANS

PLANS TO EXPAND

356 Companies

NO ROOM FOR EXPANSION

148 Companies

COMMUNITIES NOT CONSIDERED

89 Companies

WORKFORCE

- Nearly half of the companies interviewed (49.3%) rated the availability of workforce in their area as low (a 3 or less out of 7).
- 73.1% of the companies stated they were experiencing workforce recruitment problems.
- The companies interviewed reported having 5,747 unfilled positions.
- More than half of the companies have plans to expand over the next three years and 25.6% of those companies stated their community in Iowa may not be considered due to workforce related issues.
- Workforce related issues were the most frequently identified barriers to growth for their communities.

529 Companies stated they had introduced a new product or service over the past five years.

496 Companies stated they anticipated introducing a new product or service in the next two years.

118 Companies stated they had not introduced a new product or service over the past five years and do not anticipate doing so in the next two years.

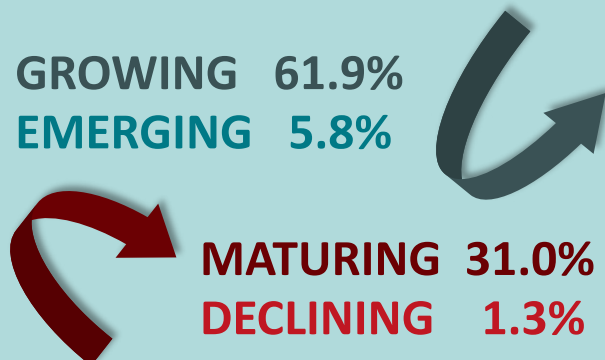
PRODUCT LIFE CYCLE

GROWING 61.9%

EMERGING 5.8%

MATURING 31.0%

DECLINING 1.3%



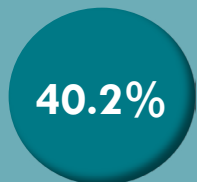
RESEARCH AND DEVELOPMENT

248
Companies
(46.1%) DO NOT invest in R&D

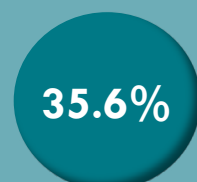
136
Companies
(46.9%) Spent 1-2% of sales on R&D

92
Companies
(31.7%) Spent 3-4% of sales on R&D

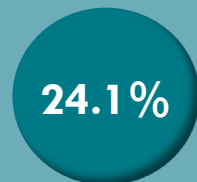
AVERAGE PERCENT SPENDING ON R&D BUDGET



NEW PRODUCT DEVELOPMENT



PRODUCT IMPROVEMENTS



PRODUCTION IMPROVEMENTS

MARKET



Nearly half (49.9%) of the companies interviewed stated their primary market was a national market. 30.7% stated regional, 11.9% international and 8.0% local.

Nearly all of the companies stated their company's market share was either increasing (50.9%) or stable (48.2%).

- Among the companies with a growing market share, 73.6% said their primary product/service was growing in its life cycle.
- The vast majority of the companies with a growing market share stated they had introduced a new product/service in the last five years (82.4%) and anticipated introducing a new product/service in the next two years (79.9%).
- 40.8% of companies who stated their market share was stable said their primary product/service was maturing in its life cycle.

PUBLIC POLICY

47.6% of companies surveyed anticipate federal, state or local legislative and regulatory changes that will adversely affect business in the next five years.

- Top legislative and regulatory concerns related to trade tariffs, labor and workplace rules, EPA and environmental regulation, tax reform and Healthcare.
- Over half of respondents in the following industry clusters anticipate being adversely affected by legislative or regulatory changes: Primary Metals, Health Services, Heavy Machinery, Avionics and Communications and Renewable Energy.

DEMOGRAPHIC OVERVIEW



726

Companies

66

Counties

163

Communities

Iowa's Unemployment Rate Drops to 2.4% in December

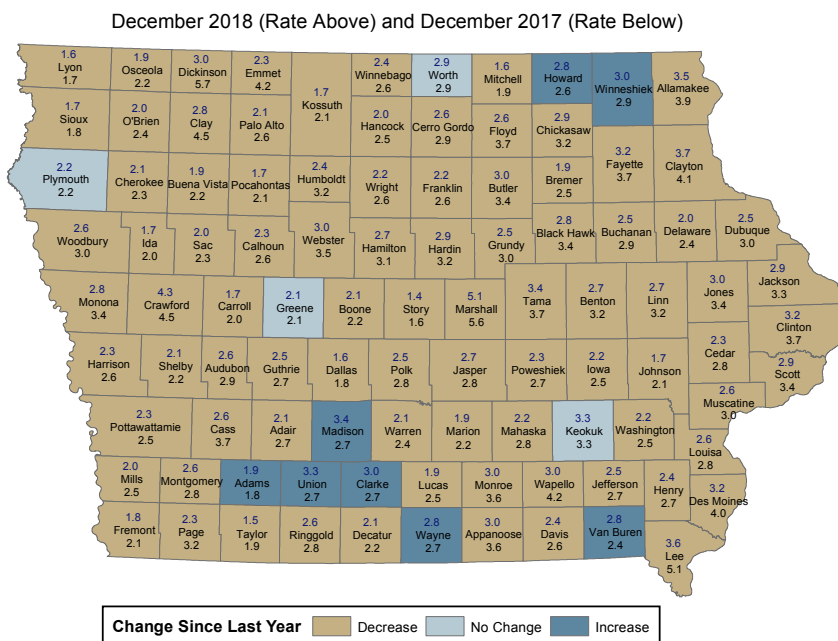
The Western Iowa Advantage Region's monthly unemployment rate decreased to 2.3 percent in December 2018 from 2.5 percent in December 2017, according to figures released from Iowa Workforce Development. Iowa's unemployment rate was 2.4 percent in December 2018 from 2.9 percent in December 2017. The U.S. unemployment rate was 3.9 percent in December 2018. Total employment in the region increased to 45,740 in December 2018 from 45,500 in December 2017.

Western Iowa Advantage tracks various economic indicators in Adair, Audubon, Carroll, Crawford, Guthrie, Greene and Sac Counties in Iowa, including employment trends.

County unemployment rates in the region for December 2018:

- Adair 2.1%
- Audubon 2.6%
- Carroll 1.7%
- Crawford 4.3%
- Greene 2.1%
- Guthrie 2.5%
- Ida 1.7%
- Sac 2.0%

Unemployment Rates for Iowa Counties in November



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