

North Dakota delivers growth & prosperity



“Almost immediately after it opened, our North Dakota plant became a leader in productivity. There’s no doubt it’s because of the high quality of the employees.”

Dennis Gladen
Manufacturing Director
Imation Corporation



North Dakota manufacturers come out on top

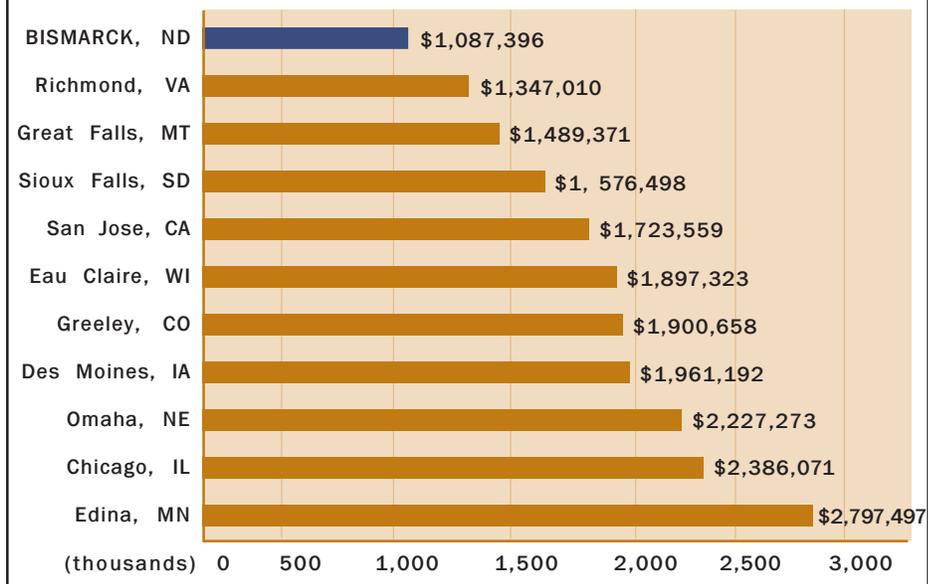
A recent independent analysis proved North Dakota has lower business taxes than 10 other states. Eide Bailly, an accounting and consulting firm with offices in eight states, conducted the analysis as if it were research for a new medical device company. The firm evaluated the 10-year tax costs for a new, 66,000 square foot manufacturing facility to include land and building costs, an expansion, equipment costs, as well as employment and sales growth.

Research was conducted for all applicable tax scenarios, including incentives, for five tax areas:

- Property taxes
- State and local sales tax
- Corporate income tax
- Workers compensation insurance
- Unemployment insurance

North Dakota has worked diligently to provide incentives that assist new and expanding businesses in the critical first five-to-ten years of operation so these companies become profitable sooner. The state’s strategy has paid off with tax advantages that surpass the other states reviewed in this analysis (see below).

North Dakota ranks #1 in 10-year tax study





Bobcat and Imation find success in North Dakota

Bobcat IR

- World headquarters located in West Fargo, North Dakota
- Boasts nearly 2,000 North Dakota employees
- Maintains a turnover less than three percent
- Manufactures skid-steer loaders in Gwinner, North Dakota
 - Holds over 40 percent of world market share
- Manufactures compact excavator in Bismarck, North Dakota
 - Holds over 30 percent of market share in U.S. and Europe

Imation Corporation

- Manufactures removable data storage media in Wahpeton, North Dakota
- Employs over 750 highly productive North Dakotans
- Maintains a turnover less than one percent
- Maintains an absenteeism less than two percent
- Recently completed \$10 million, 128,000 square foot expansion
- Named by *IndustryWeek* as one of "14 Best Manufacturing Plants in North America and Europe 2000"

North Dakota manufacturers represent products you use and companies you know

You will find a wealth of manufacturers that are growing and prospering in North Dakota. Indeed, manufacturing facilities located in North Dakota are some of the most productive in the nation.

In the map on the next page, the major manufacturers in four specific categories are identified, along with research and development centers located in the state. The four categories include:

1. Plastics and Electronics
2. Medical Supplies and Testing
3. Industrial and Agricultural
4. Transportation Equipment

Plastics and Electronics Manufacturing

Terhorst Manufacturing Co., Inc.
Minot
Pemstar
Dunseith
Nordic Fiberglass
Devils Lake
Vansco Electronics
Valley City
LM Glasfiber
Grand Forks
GPK Products
Fargo
Phoenix International
Fargo
Imation Corp.
Wahpeton
Alien Technologies
Fargo

Medical Supplies and Testing Services

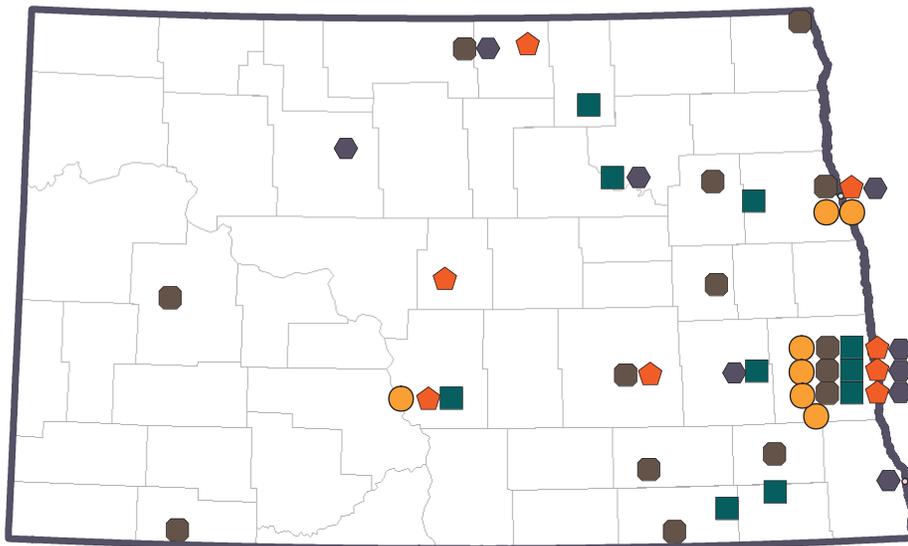
Healthcare Accessories
Jamestown, Fargo
Tri W-G Inc.
Valley City
Polar Ware Company
McClusky
Innovative Products, Inc.
Grand Forks
Aldevron LLC
Fargo
PRACS Institute LTD.
Fargo
Odyssey Research Services
Bismarck

Industrial and Agricultural Manufacturing

Bobcat IR
Gwinner, Bismarck, West Fargo
JLG Industries Inc.
Oakes
John Deere Seeding Group
Valley City
Integra Castings
Cando
Summers Manufacturing
Devils Lake
Posi Lock Puller Inc.
Cooperstown
Crary Company
West Fargo
Case New Holland NV
Fargo



North Dakota Manufacturers



Transportation Equipment Manufacturing



- Killdeer Mountain Manufacturing
Hettinger, Killdeer
- Turtle Mountain Manufacturing Corp.
Dunseith
- Goodrich Corporation
Jamestown
- Fargo Assembly Company
Ellendale, Michigan, Lisbon,
Edgeley, Fargo
- Motor Coach Industries
Pembina
- Cirrus Design Corp.
Grand Forks
- Gremada Industries
West Fargo, Fargo
- Global Electric Motorcars
Fargo

Research and Development Centers



- School of Medicine
University of North Dakota (UND)
Grand Forks
- College of Pharmacy
North Dakota State University
(NDSU) Fargo
- USDA/ARS Human Nutrition
Research Center, UND
Grand Forks
- Center for Nanoscale Science and
Engineering, NDSU
Fargo
- Department of Polymers and Coat-
ings, NDSU
Fargo
- ND Manufacturing Extension Partner-
ship
Fargo, Bismarck

ND MEP puts you on top with bottom-line results

The North Dakota Manufacturer's Extension Partnership (ND MEP) is a public-private partnership – part of a national network of 65 centers including 400 locations and 2,000 practitioners who provide technical and business assistance to America's small- and mid-sized manufacturers. These firms cover all industry sectors from food processors to machine shops to electronics.

Currently, the ND MEP is ranked number one among all MEP centers nationally for bottom-line client impact ratio and customer satisfaction, and number three among all centers for investment leverage ratio.

Since January 2001, the ND MEP has helped nearly 200 manufacturers in the state improve their productivity, profitability and competitiveness. These improvements translate into new economic benefits for the state. During its first three quarters of operation, ND MEP assistance to manufacturers (based on an independent survey of MEP clients) resulted in the following:

- increased or retained sales of \$17.5 million;
- cost savings of \$6.9 million; and
- new investments of \$5.2 million.

For more information on the ND MEP, contact Randy Schwartz at 701-328-5314 or rschwartz@ndmep.com.



Tax incentives designed for manufacturers

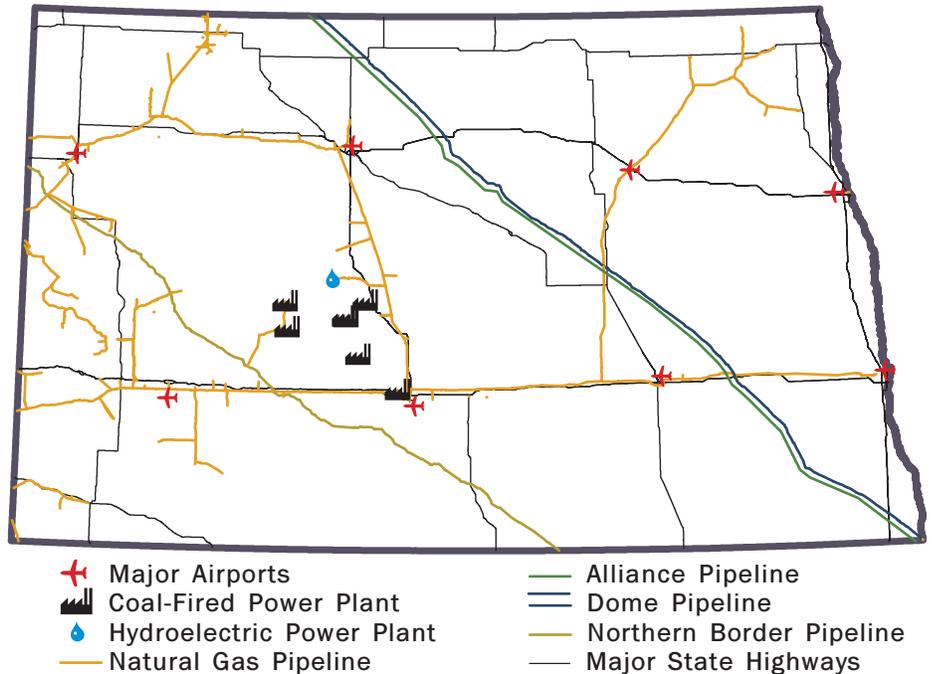
- Property tax exemption of up to five years for new or expanding businesses
- In lieu of a property tax exemption in full or part, negotiate a fixed or graduated property tax rate for up to 20 years
- Corporate income tax exemption of up to five years for new or expanding manufacturers
- Wage and salary corporate income tax credit for new businesses
- Income tax credit for research expenditures
- Sales and use tax exemption for manufacturing equipment, water and electricity
- No personal property tax – including equipment, inventory, materials in process and accounts receivable
- Lowest workers' compensation premium rates in the nation



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North Dakota delivers abundant transportation and utility infrastructures to meet your manufacturing needs



You will find a redundant telecommunications infrastructure in North Dakota

