

OUTLOOK

ECONOMIC DEVELOPMENT IN SOUTHERN IDAHO

DUTCHMEN MANUFACTURING TO OPEN NEW FACILITY

Dutchmen Manufacturing, a division of Thor Industries, announced in April the opening of a recreational vehicle manufacturing plant in the Southern Idaho community of Burley. Bringing in as many as 250 jobs in two years, Dutchmen will take over a former 80,000 square foot potato processing plant. Renovations of the facility and initial production is slated to begin by late 2006.

“Consumer demand for our products continues to grow. The Burley facility will help us expand the sales of our products to the western United States and Canada,” said Richard Florea, president of Dutchmen Manufacturing. “Although there were sev-



eral places in the western United States that fit our geographic needs, we felt that the community of Burley was a great choice for Dutchmen. We believe the people here share our work ethic and commitment to quality and we're looking forward to being a part of the community.”

Florea credited Governor Kempthorne, Idaho Commerce & Labor, Mini-Cassia Economic Development Commission, SIEDO, the city of Burley and Cassia County for the support and assistance that made the project possible.

“This is extremely significant to have a new industry which will further diversify our local economy” said Burley Mayor Jon

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CALIFORNIA MANUFACTURER – MULHOLLAND POSITIONING SYSTEMS, INC – WILL MOVE FACILITY TO BURLEY

Just six months after a visit from Southern Idaho Economic Development Organization (SIEDO) and a site visit to Burley in November 2005, Mulholland Positioning Systems, Inc. (MPS) owner Larry Mulholland announced in February that he will be moving his entire business operation to Burley later in spring 2006.

MPS provides postural support seating, standing and walking systems for children and adults with cerebral palsy, spina bifida and other types of motor development disorders.

Established in 1971 in California, MPS is a \$1.3 million company manufacturing state-of-the-art walking equipment for the disabled.

MPS will take over the vacant 45,000 square foot Valley Wholesale distribution warehouse owned by the City of Burley. MPS will lease back from Burley for 10 years. A tenant operating out of a small section of the building will stay.

MPS will bring a few key staffers from California and will hire 25-35 local residents within about two years.

California's high workman's comp

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WORKFORCE RECRUITMENT

In an effort to introduce residents in nearby states about the numerous job opportunities in Southern Idaho, we recently launched a workforce recruitment campaign that will run in newspapers in Washington, Utah and Oregon. Ads are targeted in those communities with high unemployment. Ads will also run in the local *Times News*.

With unemployment rates low and job growth expanding, there are many regional businesses seeking employees to meet their work force demands. The ads are designed to educate prospective workers about the opportunities here and draw them into our job market.

The initial ads ran this past November, December and will run again this spring. Several businesses participate listing their wide variety of job skills and openings at their business as part of this co-op recruitment ad.

We hope that as this campaign evolves with employment opportunities, qualified workers will look to Southern Idaho for jobs.

Jan Rogers
Executive Director

About Us

The Southern Idaho Economic Development Organization (SIEDO) was formed in June 2001 as a joint venture of public and private sectors to help diversify and strengthen the local economies of Twin Falls, Jerome and Mini-Cassia. SIEDO: Builds support within the community for economic development and marketing programs; promotes retention and expansion of existing firms; implements a focused, cost-effective marketing plan to attract new firms to the southern Idaho area; and stimulates new startups.

SIEDO positions the southern Idaho area as a highly desirable location for corporate executives and site consultants to consider. New businesses will also be attracted via various marketing efforts targeting appropriate industries. An easy-to-use web site incorporating this new identity — www.southernidaho.org — allows anyone interested in learning about southern Idaho to access valuable information quickly and easily.

Visit our web site at
www.southernidaho.org
208-324-7408
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(Dutchmen continued)

Anderson said. "It's something that the City of Burley and the Council have been working toward for a long time, but we certainly didn't do it ourselves. Everyone worked together and we appreciate the efforts of Idaho Commerce & Labor and the Mini-Cassia Economic Development Commission."

"The decision by the nation's leading RV manufacturer to expand to Idaho speaks to the effectiveness of being able to offer a high quality work force, an attractive business climate and a high quality of life," said Idaho Commerce & Labor Director Roger B. Madsen. "Dutchmen's move to Idaho further establishes the state as a preferred destination for RV and trailer manufacturers seeking to expand."

State and local leaders put together an incentive package to encourage

Dutchmen to expand in Idaho. The state is providing an \$800,000 Idaho Workforce Development Training Grant to offset training costs for new employees and the city of Burley is also applying for economic development grants from the state that will go toward purchasing a large water well at the plant site. The well will provide much needed water for the city and help reduce the total cost Dutchmen will need to pay for the property.

Dutchmen's parent company, Thor Industries, is regarded as the leader in the RV industry. Company sales for 2005 increased by more than 20 percent to \$2.56 billion. In the last four years the company doubled its market share and now controls 27 percent of the RV market.

(Mulholland continued)

rate, high power costs, high cost of residential housing for employees and growing overall business operation costs finally drove Mulholland to seek a more business-friendly/worker-friendly state to grow his business.

"The cost of operating a business and just living here is so high, that moving out of California and into Burley will not only be good for business, but good for our staff," said Mulholland. "Our business costs will decrease \$7,000 to \$8,000 a month, and we'll be able to hire a trained, skilled local workforce who don't have to contend with such high living costs. This will be a beneficial move for everyone."

With demand for MPS products exceeding current manufacturing capabilities, Burley's facility will allow MPS to expand its operations.

Burley's Technical Center was an important factor in assuring Mulholland he would be able to hire educated and trained local staff. "The Tech Center speaks volumes for the well-trained mindset of the local population," Mulholland said. "What goes on there in regards to workforce development training is a sig-

nificant asset to the City of Burley."

A strong and established regional economic development team played a vital role in securing MPS' move to Burley. Led by Jan Rogers, executive director of Southern Idaho Economic Development Organization (SIEDO), SIEDO was able to find three locations in the region that best met the company's criteria. With a regional economic team already in place, response time was immediate, thorough and focused to address MPS' specific needs. Bob Shepard, executive director of Mini-Cassia Economic Development Organization, and Mark Mitton, Burley City Manager, quickly coordinated a team in Burley that addressed MPS' business needs.

"The regional approach we have established in bringing businesses to southern Idaho was put into action in recruiting MPS," said Jan Rogers. "Bob Shepard, Mark Mitton, the City of Burley and Idaho Commerce and Labor pitched in to make sure this new business would remain in southern Idaho. It was a successful effort by all."

WORLD'S FINEST CHEESES MADE IN TWIN FALLS

Glanbia Foods' Twin Falls cheese processing plant earned an impressive three gold and one silver medal in the prestigious 2006 World Championship Cheese Contest held in March in Wisconsin. This is the largest international cheese competition in the world. Glanbia is the largest cheese manufacturer in the Northwest.



Out of 1,795 entries representing 18 countries, Glanbia was awarded gold medals for Monterey Jack, Mild Cheddar and Pepper Flavored Cheeses. In addition, Glanbia received both a silver and bronze medal in the Marbled Cheese Class.

"This is where the most technically perfect cheeses from around the world are selected," said Jeff Williams, president and chief executive officer of Glanbia Foods. "The fact that our plant in Twin Falls is making this high quality cheese worthy of such prestigious recognition is an enormous compliment to our employees and our 200+ dairy suppliers. This is a tremendous honor for Glanbia Foods and the Twin Falls community," he said.

The World Cheese Championship Contest, the crème de la crème of universal cheese competition, was held in Madison, Wisconsin in March and attracted a record amount of entries. Cheese entries were judged by invited judges from all over the world.

Glanbia's Twin Falls plant won against competition from the world's top producing cheese nations including Australia, New Zealand, UK, US, Canada, Ireland, Denmark, The Netherlands, and France.

The Twin Falls plant produces over 100M lbs. of cheese each year (50,000 tons), primarily Cheddar, Monterey Jack, Colby-Jack and Pepper Jack. The Twin Falls plant employs 80 people including, lab, maintenance, milk intake, office etc. and operates 24 hours per day 365 days per year.

Glanbia Foods is one of the fastest growing and most successful dairy companies in the United States and is the largest cheese manufacturer in the Northwest. Glanbia

processes more than 9.5 millions pounds of milk everyday into cheese and whey products from two world-class cheese manufacturing and two whey processing facilities in southern Idaho. It's cheese products include cheddar, Monterey jack, pepper jack, Colby, Colby jack, mozzarella, low-fat cheddar, low-fat Monterey jack, queso quesadilla for retail and food service sectors, and cheddar and barrel cheddar for processed cheese customers. Glanbia employs over 500 people in the Magic Valley.

Other area cheese and dairy processors have successful operations in Southern Idaho including Jerome Cheese, Kraft, Gossner Foods and WestFarm Foods. All of these cheese plants enjoy the advantages of the quality milk supply and strong workforce this region offers.

Did You Know?

In 2005, Business Plus III investors were polled and it was determined that there was a strong desire for BPIII to become Business Plus, Inc., moving out of the Twin Falls Chamber of Commerce umbrella and becoming a self sustaining entity.

Since its inception, Business Plus has been operating under the Twin Falls Chamber of Commerce. This was the most cost effective and convenient way at the time. But as the organization has changed and grown to incorporate businesses in surrounding communities, the question of whether Business Plus should remain under the local Chamber or become its own entity was put out to investors. The feedback was overwhelmingly supportive of moving away from the Chamber and into its own organization. The Twin Falls Chamber was equally supportive of this change.

In January 2006, Business Plus, Inc. was formed. The change will allow Business Plus greater control over its operations and ability to grow regionally in its efforts.

As before, Business Plus will continue to serve as a privately-funded regional economic development group that provides monies to new and existing businesses for plant and equipment investment-- as well as employee training -- based on additions to the local workforce.

Those interested in learning more about Business Plus may log on to:

www.business-plus.org

For more information or a funding application, call 208-324-7408.

NEW INDUSTRIAL DEVELOPMENT SUPPORTS AG BUSINESSES

After five years of planning, Scott Jackson Trucking, investors, and The Scoular Company, created an \$11 million state-of-the-art commodities facility located in the Southeast Industrial Park in Jerome, Idaho. This much needed 210-acre industrial park with rail service has all infrastructure improvements being provided by the developers, the Jerome Urban Renewal Agency and a grant from the State of Idaho. The commodities facility located in the park will sort, store and distribute dried distilled grain which serves as cattle feed for local dairies.

Working with Eastern Idaho Railroad, the Industrial Park has secured a rail spur on the property to accommodate 100 train cars at a time, delivering grains from the Eastern U.S. Once delivered, the grains will be separated into massive storage bins, warehoused, and mixed when ready for distribution via trucks to the local dairies.

As Jerome and surrounding areas are rated fourth in the nation for dairy, this project will be an asset to local dairy farmers. They will now be able to get the grain/feed they need within hours rather than days. And with the facilities' ability to mix grains on site, farmers will not have to do this at their facility, so waste and costs will be significantly reduced.

With this facility as an anchor business, other planned facilities on the site may include cotton seed storage and distribution, a corn chafing facility and molasses production. This facility and the Southeast Industrial Park brings value added agriculture to our area and provides growth opportunities for the local agriculture industry .

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