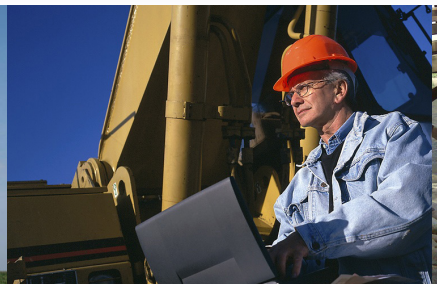
Why Southwest *Minnesota*

A GREAT PLACE TO LIVE, WORK AND DO BUSINESS

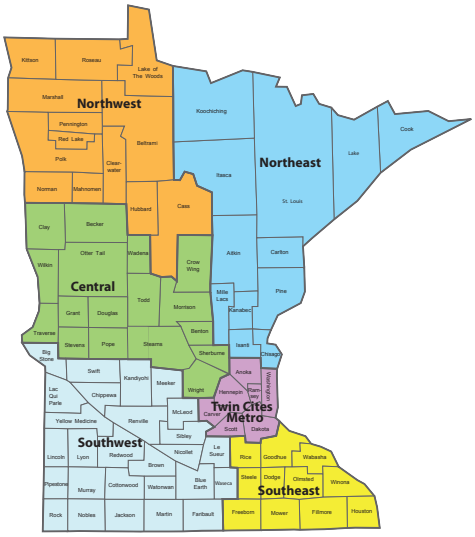


Why Southwest Minnesota?

Southwest Minnesota is a 27-county region with its own distinct economic advantages. It is a national leader in agricultural production, renewable energy, and is on the cusp of cutting-edge isobutanol chemical manufacturing. With the availability of a quality, low-cost workforce, access to numerous colleges and universities, strong transportation infrastructure, and quick access to Twin Cities markets, southwest Minnesota is a great place to locate your business!

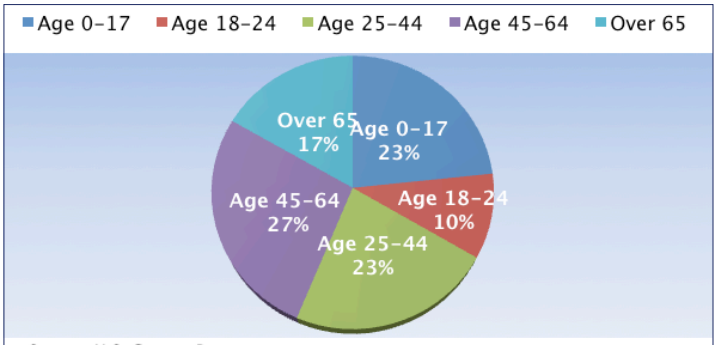
Southwest Minnesota Demographic Profile

- 2010 Population: 513,563
  (9.7 percent of Minnesota's total population)
- Per Capita Personal Income: $38,122 in 2010
  (compared to $42,798 statewide)
- 15,471 business establishments
- 35,132 non-employer establishments
- 2012 Unemployment Rate: 4.9 percent (well below the national average and state averages.



Minnesota Business Community Development Regions

Southwest Minnesota Population Distribution



Source: U.S. Census Bureau

Key Cities in Southwest Minnesota

City	Population	County
Mankato	39,309	Blue Earth
Willmar	19,610	Kandiyohi
Hutchinson	14,178	McLeod
Marshall	13,680	Lyon
New Ulm	13,522	Brown
North Mankato	13,394	Nicollet
Worthington	12,764	Nobles
St. Peter	11,196	Nicollet
Fairmont	10,666	Martin
Waseca	9,410	Waseca
Litchfield	6,726	Meeker

Source: 2010 U.S. Census

Diverse Employment Base and High Quality, Available Workforce

Key Employers in Region	
3M	AGCO
JBS Swift	Jennie-O-Turkey
Southern MN Beet Sugar Co-op	Taylor Corporation
Brown Printing	Minnesota State University-Mankato
Schwan Food Company	Seneca Foods
Carlson Craft	MRCI Industrial
Verizon Wireless	Mayo Health Systems
Case New Holland	Toro
CHS	Kraft Foods

- Nearly one in every five jobs in southwest Minnesota is in manufacturing. The top five manufacturing industries account for over 70 percent of all manufacturing employment in the region.
- Southwest Minnesota's employment base encompasses a range of diverse industries: food manufacturing, executive and legislative government, machinery and print manufacturing, and nursing and residential care facilities.
- Key employers (above) create distinguishing industries (right) and contribute to southwest Minnesota's diverse employment base, particularly in manufacturing: food manufacturing (Schwan Food Company, Kraft Foods, Seneca Foods), machinery and print manufacturing (Brown Printing and Carlson Craft), animal slaughtering and processing (Jennie-O-Turkey), and other general purpose machinery manufacturing (Toro).

Top Manufacturing Employment Industries in the Region, 2012

Industry	Establishments	Employed	Wages per Employee
Food Manufacturing	99	10,196	$40,500
Machinery Manufacturing	59	3,605	$45,955
Printing and Related Support Activities	59	4,168	$38,773
Computer and Electronic Product Manufacturing	24	2,352	$44,767
Fabricated Metal Product Manufacturing	88	2,026	$42,277
Total All Manufacturing	**615**	**31,766**	**$42,215**
Total All Industries	**12,326**	**175,209**	**$33,302**

Source: Minnesota Department of Employment and Economic Development

Agriculture Industry Snapshot

- 25,670 of the 80,992 farms in Minnesota are in the 27-county region.
- Total market value of agricultural products sold from the region is over $6.5 billion.
- 49.5 percent of the total market value of agricultural products sold in the state is from the region.
- More than 693 million bushels of corn were produced in the region in 2011.
- Nearly 141 million bushels of soybeans were produced in southwest Minnesota in 2011.
- Over 10 million turkeys were raised in the region.
- Over 5.5 million hogs and pigs were raised in the region.

Source: United States Dept. of Agriculture

Top Distinguishing Industries

Industry	Regional Employment 2012	Location Quotient*
Hog and Pig Farming	1,996	52.32
Farm Product Raw Material Merchant Wholesalers	1,960	19.73
Agriculture, Construction, and Mining Machinery Manufacturing	2,458	7.82
Animal Slaughtering and Processing	5,081	8.25
Dairy Product Manufacturing	2,213	15.56
Other General Purpose Machinery Manufacturing	692	2.07

Source: Minnesota Department of Employment and Economic Development
*A location quotient in excess of 1.20 exceeds local needs and is a distinguishing industry

Unique Regional Facts

- Two of the largest soybean processing plants in the U.S. are located in Mankato -- ADM and CHS. Primary products produced are refined soybean oil for cooking oil, oils for shortening and margarine, frying oil, low trans-fat products, candle wax and soybean meal.
- This region contains some of the state's major producers and integrators in the swine industry, several major feed processors and equipment manufacturers and some of the largest veterinarian clinics in the upper Midwest.
- The city of Olivia has the highest concentration of seed research and processing companies in the world, earning it designation by the Minnesota Legislature as the state's "Corn Capital." Some of the prominent companies with facilities in Olivia include: ADM Edible Bean Specialties, BASF Plant Science, Corn Capital Innovations, Dow AgroSciences, DuPont Pioneer, Hefty Seed, Mertec LLC, Monsanto and its DeKalb corn research facility, Mycogen Seeds, Pannar Genetics, Precision Soya, Remington Seeds, Renk Seed, Thurston Genetics and Thurston Inc.

Your firm can tap into Minnesota's large pool of skilled workers and be assured of a growing supply of potential hires.

- Mankato was among the 100 Best Communities for Young People in 2010, according to America's Promise Alliance. The award recognizes communities making extraordinary efforts to reduce dropout rates and provide outstanding services and supports to their youths.
- Mankato was ranked 11th by the 2011 Forbes report Best Small Places for Career and Business. Rankings are based on cost of doing business, projected job growth, educational attainment and population size.
- Willmar ranked 48th among more than 570 micropolitan areas in the 2010 study "Economic Strength Rankings" by POLICOM corporation.
- Rosen's Diversified, headquartered in Fairmont, is the sixth largest private company in Minnesota, according to 2012 rankings by Forbes. The $2.5 billion company specializes in beef processing; agricultural chemicals; and fertilizer distribution; trucking; pet food and treats; and meat snacks.
- In 2007, Benson became home to the first 55 mega-watt U.S. power plant to convert poultry litter to electrical energy. This plant combusts more than 700,000 tons of poultry litter and biomass each year and generates enough renewable energy to provide about 40,000 homes with power.

Isobutanol and Ethanol Production

- In the beginning of December 2011, Butamax announced that Highwater Ethanol, would be its first entrant to the Butamax Early Adopters Group. Granite Falls Energy, LLC in Granite Falls was added to the Group in June of 2012. The Early Adopters Group is comprised of industry early adopters of Butamax biobutanol technology.
- Ethanol and isobutanol producers will find a higher supply of corn crop in southwest Minnesota than any other region in the state. 56.3 percent of all estimated harvested corn acreage in Minnesota is in southwest Minnesota.

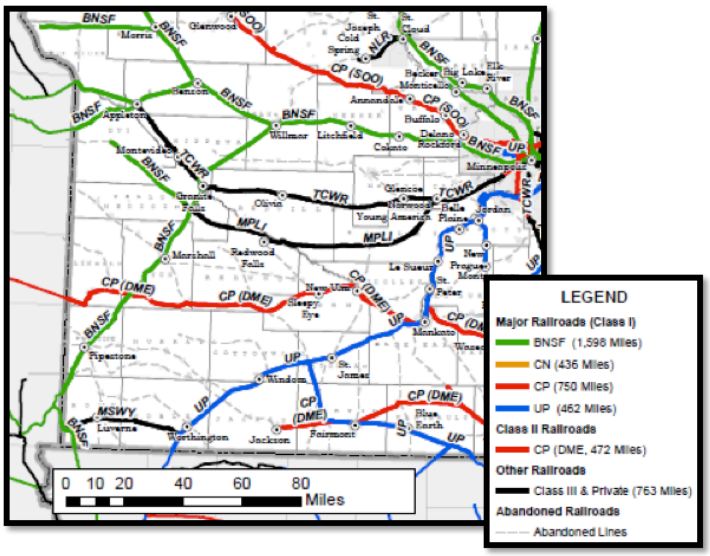
Higher Education

- With more than 38,000 students enrolled in 13 university campuses across the region, southwest Minnesota has an abundance of higher educational facilities for training the local workforce.

Colleges and Universities in Southwest Minnesota	Location	Highest Degree Granted	Fall 2011 Enrollment
Minnesota State University, Mankato	Mankato	Master's	15,709
Southwest Minnesota State University	Marshall	Master's	6,761
South Central College	North Mankato	Associate's	4,083
Minnesota West Community and Technical College	Canby	Associate's	3,364
	Granite Falls	Associate's	
	Jackson	Associate's	
	Pipestone	Associate's	
	Worthington	Associate's	
Gustavus Adolphus College	St. Peter	Baccalaureate	2,519
Martin Luther College	New Ulm	Baccalaureate	777
Rasmussen College	Mankato	Associate's	NA
Bethany Lutheran Colleges	Mankato	Baccalaureate	612
Ridgewater College	Willmar	Associate's	4,146
	Hutchinson	Associate's	

Source: U.S. Department of Education, National Center for Educational Statistics

Transportation Infrastructure



- Railway routes in southwest Minnesota provide easy access to ports in the Twin Cities and nationally, providing seamless transportation of freight and easy access to export markets.

The region's higher education sector and transportation infrastructure are perfect complements to any business.

Mankato-North Mankato Metropolitan Statistical Area Snapshot:

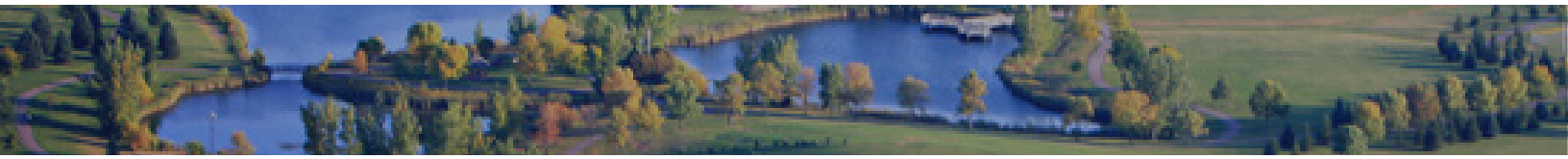
With a population of nearly 97,000, the Mankato-North Mankato MSA is the region's premiere location for shopping, employment and quality of life. The region's GDP has increased 47 percent from 2001 to 2010, led by steady increases in government, manufacturing, wholesale trade, and real estate rental and leasing sectors.

Recently, Mankato ranked:

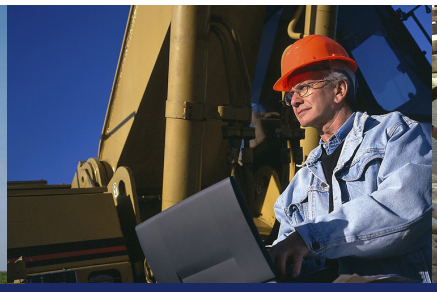
- 15th in the nation on the Forbes list of best places to raise a family (2010).
- 11th in the nation on Forbes 2012 list of Best Small Places for Business and Careers among metropolitan areas with populations fewer than 250,000.
- Among the top 50 college towns in the country by Rolling Stone Magazine for its diverse music scene (2005).
- 2010 Population: 96,740

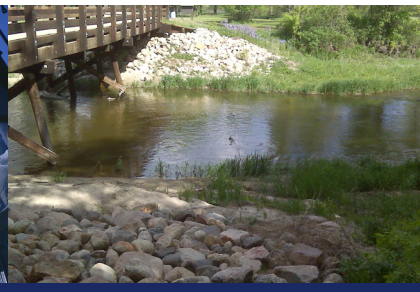
Businesses Grow Here: Key Business Expansion Projects in the Past Year

- **Agristrand Mankato, LLC:** Acquired a Mankato production facility for $3.75 million for manufacturing and marketing composite particle board and door core products made from renewable soy straw. This 180,000 sq. ft. expansion project will create 50 new jobs within the region.
- **AGCO Corporation:** 75,000 sq. ft. expansion estimated to cost $14 million and create an estimated 150 new jobs
- **Buhler Industries:** Buying Willmar Fabrication facility. Fifty-four to 60 local manufacturing jobs will be retained.
- **Cambria:** A 350,000-square foot expansion, which will create around 220 new jobs, is underway at Cambria's production facility in Le Sueur. The designer countertop manufacturer's newest expansion will more than double the existing 321,000-square foot facility and add two more production lines. The expansion is scheduled to be completed in April 2013.
- **First District Association:** 50,000 sq. ft. headquarters expansion expected to cost $32 million and create 100 new jobs.
- **Juhl Wind Inc.:** Purchased a $20 million wind farm in Murray County.
- **Monogram Meat Snacks:** Announced a $1.13 million expansion of its Murray County facility that is expected to create 35 new jobs.
- **Michael Foods:** $1.5 million investment to expand operations in Sibley County.
- **Birds Eye Foods Inc.:** Announced an $8.9 million expansion of its Waseca County facility that is expected to create 15 new jobs.



SOUTHWEST MINNESOTA: A GREAT PLACE TO LIVE, WORK AND DO BUSINESS





For site location assistance and information on the benefits of doing business in Minnesota, contact the Office of Business Development:

651-259-7432

Economic.development@state.mn.us

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