

DEMOGRAPHICS

Population

North Dakota (2010 census) 672,591

MSAs

Fargo - Moorhead 149,778

Bismarck - Mandan 108,779

Grand Forks - East Grand Forks 66,861

Employment Profile (2012 Annual Avg.)

Mining/Logging..... 24,600

Utilities 3,500

Construction 29,600

Manufacturing 25,400

Wholesale Trade 25,300

Retail Trade 47,100

Transportation & Warehousing..... 21,000

Information..... 6,900

Finance & Insurance 17,200

Real Estate, Rental & Leasing..... 4,600

Professional & Technical Services..... 14,300

Management of Companies & Enterprises 4,700

Administrative & Support Services 13,700

Educational Services (private)..... 3,800

Health Care & Social Assistance 54,300

Arts, Entertainment, and Recreation 3,900

Accommodation and Food Services 34,400

Other Services, Ex. Public Admin 16,000

Total Nonfarm Private Employment 429,800



SUCCESS STORIES

Microsoft Business Solutions

www.microsoft.com

1,800+ employees and division HQ in Fargo with plans for expansion in 2014

Caterpillar

www.cat.com/cda/layout

450+ employees and 225,000 sq. ft. expansion in West Fargo

MDU Resources/Calumet Specialty Products

www.mdu.com | www.calumetspecialty.com

Building a diesel refinery in southwestern North Dakota that will process 20,000 barrels per day of Bakken crude oil

Bobcat

www.bobcat.com

Building a new Acceleration Center, a \$20 million renovation and expansion project in Bismarck

John Deere Electronic Solutions

www.phocintl.com/main

900+ employees and a new \$22 million, 90,000 sq. ft. building, bringing the total of Phoenix Manufacturing facilities in Fargo to six

Amazon

www.amazon.com

450+ employees at the recently expanded Internet Distribution Center in Grand Forks

Cargill

www.cargill.com

- Rebuilt and expanded its oilseed processing plant in West Fargo
- Increased productivity by 30 percent at malting plant in Spiritwood

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STRATEGIC INCENTIVE ADVANTAGES

Property Tax Exemptions

- Up to five-year property tax exemption
- Additional five years available for agricultural processors or a project located in property leased from a governmental entity
- In lieu of a property tax exemption, in full or part, a company may negotiate a fixed or graduated rate for a period not to exceed 20 years
- No personal property taxed, including equipment, materials in process, and accounts receivable

Corporate Tax Exemptions

- Five-year corporate income tax exemption for new or expanding primary sector business
- Salary and R&D tax credits available

Sales Tax Exemptions

- Sales and use tax exemptions on manufacturing computer/telecommunication equipment, water, electricity and interstate communications for technology-based business

Financial Incentives

- North Dakota Development Fund – gap financing loan and equity program
- PACE Program – interest buy down program at Bank of North Dakota
- MATCH Program – loans at U.S. Treasury yield rate + 0.25%-0.50% for “A” or “BBB” rated companies

Job Training Programs

- One-stop job training assistance – both state and federal programs available for businesses
- Workforce 2020 – state-funded program for training new technologies and processes
- New Jobs Training Program – “no cost” program utilizing employee withholding tax

Workers Compensation

- Lowest workers compensation premium rates in the nation (2012)

COMPETITIVE BUSINESS COST ADVANTAGES

Power

- Power offered at industrial rates below national average – avg. 6.56 cents/kh (YTD January 2013)
- State exports nearly 70% of electricity produced
- Supporting “green” business trend by developing renewable energy sources

Public Policy

- Constitutionally balanced budget with \$3.8 billion in reserves and no deficit
- Person-to-person access to public officials
- Only state-owned bank in the nation offers business expansion funds

Taxes

- In 2013, State Legislature lowered top corporate income tax rate from 5.15% to 4.53%

INFRASTRUCTURE ADVANTAGES

Voice/Data

- 100% fiber optic broadband communication network links all regions of the state
- Minimal investment needed to reach major fiber trunk
- Two OC-48 SONET Rings provide strong redundancy
- Connectivity ranging from T-1 to OC-12, ISDN, ATM, xDSL, frame relay, DWDM, SONET, satellite, cable and wireless service
- Ideal physical environment with minimal risk of natural disasters

Transportation

- Two major Interstates: I-94 East/West, I-29 North/South
- Foreign trade zone
- Two Canada-Mexico Trade Corridors
 - › Fourth largest port of entry for Canadian goods by truck and rail
 - › 24-hour ports of entry along the North Dakota-Canadian border

- › Extensive cargo rail by Burlington Northern Santa Fe and Canadian Pacific
 - BNSF – main line route including Seattle to Chicago
 - CP – main line route including Vancouver to Chicago
- › Five international airports – Bismarck, Fargo, Grand Forks, Minot and Williston
- › Three additional commercial airports – Devils Lake, Dickinson and Jamestown

EDUCATION, WORKFORCE & QUALITY OF LIFE ADVANTAGES

Primary/Secondary Education

- 11 to 1 student to teacher ratio (2013)
- #3 in high school graduation rates - North Dakota's high school graduation rate is 88.4% compared to the national average of 78.2% (2013)

Post Secondary Education

- North Dakota college participation rates amongst high school graduates is 67.6% compared to the national average of 63.3% (2011)
- Nineteen college and university campuses, including two major research universities

Workforce Proficiency

- North Dakota is a right-to-work state – Union membership is less than 6% of the workforce
- 7.03% annual average turnover rate for private manufacturers in North Dakota

Quality of Life

- North Dakota was ranked the 2nd happiest state in the nation by Gallup. The index included emotional health, life evaluation, work environment, physical health, healthy behaviors and basic access to necessities
- For the fifth time in the last six years, North Dakota has the strongest personal income growth in the nation
- North Dakotans enjoy a 16 minute average travel time to work compared to the national average of 25 minutes

