



# **2011 BUSINESS RETENTION & EXPANSION SURVEY**

## **Report to the Community**

Results of the annual survey compiled by the North Iowa Corridor Economic Development Corporation in an effort to gain a detailed understanding of the climate in which existing businesses operate in Mason City, Clear Lake and Cerro Gordo County, Iowa.

[NorthIowaCorridor.com](http://NorthIowaCorridor.com)

# Letter From The Director

If you don't take good care of your primary residence, building a vacation home doesn't make a lot of sense.

Such is the premise of the North Iowa Corridor Economic Development Corporation's existing business retention and expansion programming. If we don't address the challenges and opportunities existing within our current economy, anything we accomplish relative to new development rings awfully hollow.

In 2011, the Corridor has reaffirmed its commitment to ensure that growth opportunities and retraction threats by existing business in Mason City, Clear Lake and Cerro Gordo County are met with robust assistance by the area's economic development engine.

To that end, we are in the midst of the Corridor's Existing Business Retention and Expansion Program, an annual business outreach program designed to assess the condition of the area economy and business climate through a series of polling and executive interview procedures.

Today we release the Corridor's 2011 Existing Business Report to the Community. The report provides summary of data collected from 52 targeted major area employers who completed a comprehensive electronic survey seeking information on satisfaction level and concerns regarding local

service offerings; business outlooks locally to globally; supplier/vendor information; expansion/job creation plans and more.

While the results of the survey are summarized in aggregate in this report for community consumption, a large amount of detailed and more sensitive information is available to the Corridor staff internally and managed by specialty software to which we have access through a strategic regional relationship with the North Central Iowa Alliance. And the issuance of these survey results by no means represents the exhaustion of Corridor 2011 existing business efforts. We've only just begun.

Next comes the second phase of our program: on-site interviews with leaders of the targeted program companies in an effort to gather a more comprehensive understanding of the threats, opportunities and challenges North Iowa businesses are facing today. The third, final and most important phase will see the Corridor work to address opportunities and issues which surface during our interactions with local business. The information is only as good as what you do with it.

The findings of this year's Business Retention and Expansion program will be put to strenuous work: we will share and report on the

findings of the program with local and regional governments and utilities, businesses and other groups to educate on what we've learned and discuss solutions for identified challenges. Of course, the Corridor Board of Directors will rely in substantial part upon the findings presented here to inform its strategic planning and other processes.

Economic development is too often seen as a recruitment-only sort of business, and while not at the expense of attraction pursuits, our greatest return comes from our existing employers- finding the right ways and discovering the right tools to help them grow. Indeed, 75-80% of North Iowa's economic growth in the last ten years has come by way of existing business expansion. We would be fools not to direct our attention to the employers who already call North Iowa home in the manner in which we have through this process.

We encourage your review of this report and related feedback. Thank you for directing your attention to the condition of our regional economy.

Very sincerely,



Brent M. Willett  
Executive Director  
June 24, 2011



# Quick Facts

The North Iowa Corridor EDC received survey responses from 52 targeted companies in Mason City, Clear Lake and Cerro Gordo County from late April to mid-May. The survey asked a series of questions on topics including workforce, sales and business climate.

**GROWTH PLANS:** Of note, 25 respondent companies indicate an anticipation of some level of expansion over the next 12 months. Projected numbers include:

- ◆ 92 jobs to be created
- ◆ 182,000 square feet to be added
- ◆ \$35,550,000 total capital investment projected

**TEAMWORK:** The Corridor’s Business Retention & Expansion Program is a collaborative effort. Many thanks to the executives, managers, HR professionals and others from the respondent companies (listed below) for the time taken out of their busy schedules to share perspectives on the business climate in Mason City, Clear Lake and Cerro Gordo County.

“Please rate the (local) overall business climate”		
	2010	2011
Excellent	4%	2%
Good	63%	55%
Fair	29%	40%
Poor	4%	2%

“Please forecast the local business climate moving forward”		
	2010	2011
Will be better	31%	30%
No change	53%	62%
Will be worse	12%	6%
No opinion	4%	2%

Breakdown of respondents by business type		
	2010	2011
Finance and Insurance	14%	21%
Manufacturing	34%	20%
Construction	7%	12%
Information	9%	12%
Professional Services	9%	10%
Agriculture	5%	6%
Health Care	5%	6%
Transportation/Warehousing	4%	4%
Wholesale Trade	9%	4%
Educational Services	2%	4%
Utilities	2%	2%
Other	2%	2%

**Thank you to the companies who participated in this year’s survey:**

- |   |  |
|---|--|
| 1st Insurance                               | Heartland Asphalt  |
| Alliant Energy Emery<br>Generating Facility | Heiny, McManigal, Duffy,<br>Stambaugh & Anderson, P.L.C. |
| Andrews Prestressed Concrete                | Henkel Construction Company                              |
| Armour Eckrich Meats                        | Kaplan University  |
| Bank of America                             | Kingland Systems<br>Corporation                          |
| Bergland & Cram Architects                  | Kraft Foods  |
| Cargill Kitchen Solutions                   | Larry Elwood Construction                                |
| CL Vision/Clear Lake Telephone              | Lehigh Cement Company                                    |
| Clear Lake Bank & Trust                     | Manufacturers Bank & Trust                               |
| Crescent Park Corporation                   | Martin-Brower  |
| Curries                                     | Mason City Overhead Door                                 |
| Dean Snyder Construction                    | Mercy Medical Center-North Iowa                          |
| Directions Research                         | Metalcraft   |
| Eternity Wireless                           | Midwest Roofing  |
| Farmers State Bank                          | Minnesota Rubber   |
| First Citizens National Bank                | Moss Buster  |
| FRC Component Products                      | North Iowa Area<br>Community College                     |
| Globe Gazette                               | North Iowa Community<br>Credit Union                     |
| Golden Grain Energy                         | Northwoods State Bank (NSB)                              |
| Good Shepherd                               |  |
| Graham                                      |  |

- Opportunity Village
- Orange Tree Employment  
Screening
- Principal Financial Group
- TeamQuest Corporation
- Three Eagles Broadcasting
- United Sugars Corporation
- US Bank
- Varied Industries (Vi-Cor)
- Veenstra & Kimm
- Wells Fargo Bank
- WHKS & Co.
- Yaggy Colby Associates

# Workforce

"How many employees do you have in each of the following age ranges?"		
	2010	2011
18 and under	1%	1%
19 - 29	15%	14%
30 - 39	20%	19%
40 - 49	27%	27%
50 - 59	28%	28%
60 - 65	7%	8%
Over 65	3%	3%

"Do you have problems retaining employees?"		
	2010	2011
Yes	12%	17%
No	88%	83%

"Do you have problems recruiting employees?"		
	2010	2011
Yes	43%	49%
No	57%	51%

"If Yes, is this community or industry-related?"		
	2010	2011
Community	48%	30%
Industry	10%	13%
Both	43%	57%

"Is there a formal workforce training program in place?"		
	2010	2011
Yes	71%	75%
No	29%	25%

"If yes, status of company's investment in training:"		
	2010	2011
Increasing	24%	33%
Staying the same	73%	58%
Decreasing	3%	6%
Unknown	0%	3%

"What training topics would you most likely attend or send staff to?"		
	2010	2011
Employee Training	55%	53%
Safety/OSHA	59%	51%
Motivational	43%	49%
Lean Training	30%	38%
Employment Law Update	34%	30%
Workers Compensation Update	27%	13%
Other	20%	23%

"Percent of workforce who live in:"		
	2010	2011
This county	67%	72%
In our 9-county region	28%	22%
Elsewhere in state	2%	2%
Another state	2%	2%

# Facility/Equipment

"How much of this facility's space are you currently using?"		
	2010	2011
Less than 50%	8%	11%
51 - 75%	8%	19%
76 - 90%	30%	17%
More than 90%	54%	53%

"Describe the (shift) operations at this site:"		
	2010	2011
One shift	55%	55%
Two shifts	16%	13%
24 hours	29%	32%

"Historical investment trends over past 18 months in the facility:"		
	2010	2011
Increasing	22%	34%
Staying the same	66%	60%
Declining	12%	6%

"Historical investment trends over past 18 months in the equipment at this facility:"		
	2010	2011
Increasing	42%	46%
Staying the same	46%	52%
Declining	12%	2%

# Municipal Services Ratings

*"Please rate the following:"*

Utility (electric)		
	2010	2011
Excellent	12%	11%
Good	65%	45%
Fair	13%	23%
Poor	6%	17%
No opinion	2%	2%
Not applicable	2%	2%

Utility (gas)		
	2010	2011
Excellent	12%	15%
Good	63%	45%
Fair	13%	23%
Poor	6%	9%
No opinion	2%	4%
Not applicable	4%	4%

Airport		
	2010	2011
Excellent	6%	11%
Good	55%	45%
Fair	29%	28%
Poor	6%	4%
No opinion	2%	11%
Not applicable	2%	2%

## Sales

<i>"Please identify the source of your suppliers by percentage:"</i>		
	2010	2011
Local (9-county area)	37%	44%
Regional (Chicago - Omaha - KC)	34%	27%
National	26%	25%
International	3%	5%

<i>"Please identify the source of your sales by percentage:"</i>		
	2010	2011
Local (9-county area)	36%	53%
Regional (Chicago - Omaha - KC)	22%	12%
National	39%	31%
International	4%	4%

<i>"International trade status" - Companies that export</i> <i>"List major export markets/countries:"</i>		
	2010	2011
Export	26%	21%
To: Austria, Belgium, Canada, China, EU, Germany, India, Jordan, Malaysia, Mexico, SE Asia, Singapore, UK		

<i>"What is the projected sales growth in the next year at this facility?"</i>		
	2010	2011
Greater than or equal to 100%	5%	0%
50 - 99%	0%	2%
25 - 49%	5%	12%
10 - 24%	10%	17%
1 - 9%	53%	46%
0%	13%	20%
Declining	15%	2%

<i>"Historical export sales trend:"</i>		
	2010	2011
Increasing	22%	21%
Staying the same	15%	10%
Declining	2%	0%
Not applicable	61%	69%



# Business Climate Ratings

*"Please rate the following:"*

"Workforce quality"		
	2010	2011
Excellent	21%	17%
Good	54%	57%
Fair	17%	21%
Poor	6%	2%
No opinion	2%	2%

"Workforce availability"		
	2010	2011
Excellent	8%	2%
Good	58%	47%
Fair	25%	36%
Poor	8%	15%
No opinion	2%	0%

"Workforce stability"		
	2010	2011
Excellent	19%	19%
Good	58%	45%
Fair	17%	26%
Poor	4%	9%
No opinion	2%	2%

"Recreational/cultural amenities"		
	2010	2011
Excellent	14%	9%
Good	47%	51%
Fair	35%	32%
Poor	2%	6%
No opinion	2%	2%

"Housing"		
	2010	2011
Excellent	8%	2%
Good	67%	60%
Fair	19%	32%
Poor	4%	4%
No opinion	2%	2%

"Colleges/universities"		
	2010	2011
Excellent	21%	23%
Good	56%	49%
Fair	12%	19%
Poor	8%	4%
No opinion	4%	4%

"State tax structure"		
	2010	2011
Excellent	0%	0%
Good	29%	17%
Fair	47%	60%
Poor	20%	13%
No opinion	4%	11%

"Workers compensation"		
	2010	2011
Excellent	4%	4%
Good	45%	38%
Fair	37%	34%
Poor	12%	21%
No opinion	2%	2%

"Quality of life"		
	Percent	Percent
Excellent	21%	23%
Good	60%	53%
Fair	13%	17%
Poor	2%	4%
No opinion	4%	2%

"Healthcare services"		
	2010	2011
Excellent	37%	28%
Good	44%	51%
Fair	10%	15%
Poor	6%	4%
No opinion	4%	2%

"K-12 education"		
	2010	2011
Excellent	27%	26%
Good	56%	53%
Fair	10%	11%
Poor	2%	6%
No opinion	6%	4%

"Technical training"		
	2010	2011
Excellent	15%	21%
Good	58%	45%
Fair	19%	26%
Poor	2%	6%
No opinion	6%	2%



# About the North Iowa Corridor EDC

The North Iowa Corridor Economic Development Corporation serves as the economic development organization for the cities of Mason City and Clear Lake and Cerro Gordo County, Iowa. The Corridor is the primary area-wide contact for business retention and expansion projects and services in the region and provides attraction and location services for businesses considering to locating in the region. The Corridor is funded through public and private investment by the cities and county as well as over 200 local business partners.

## What We Do

- Facilitate retention and expansion of existing business and industry
- Attract new business and industry to the area
- Lead initiatives such as:
  - ⇒ Working to enhance “Quality of Place” amenities
  - ⇒ North Iowa Connect, a group created to assist area businesses in retention and attraction of a young professional and technical workforce and families
  - ⇒ Facilitating the “Developing Common Ground” joint efforts of Clear Lake, Mason City and Cerro Gordo County officials, to improve and develop our common territory

<b>North Iowa Corridor EDC Board of Directors</b>	
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