



# The EDACENTER

at the University of Minnesota Crookston

The EDA Chronicle-March 2014

www.edacenter.org

Volume 4, Issue 3

## Events of Interest:

April 3

- Roundtable Discussion with the USTDAL Linking U.S. Businesses to Global Infrastructure Opportunities hosted by the Minnesota Trade Office and the U.S. Trade Development Agency from 10-11:30AM at the DEED Conference Center in St. Paul. Registration is \$15. To register please go to <https://www.regonline.com/Registrar/Checkin.aspx?EventID=1457098>.

April 10

- Export Process: An Introduction to Exporting hosted by the Minnesota Trade Office from 8:30AM-2PM at the DEED Conference Center in St. Paul. Registration is \$60 if you pre-register and \$80 if you register the day of the event. To register please go to <https://www.regonline.com/Registrar/Checkin.aspx?EventID=1438520>.

April 22-23

- EDA University Center Showcase hosted by The EDA Center at the University of Minnesota Crookston at the Best Western Plus Bloomington/Mall of America in Bloomington.

April 24

- IDEA Competition Banquet at the Sanford Event Center in Bemidji. The event will go from 5-8PM. Registration is \$25 per ticket. See page 5 for more information.

## Inside This Issue

Minnesota Cup	2
DEED Employment/Unemployment Statistics	3
Regional Round-up	4
DEED Job Creation Funds	4
IDEA Competition Banquet	5

## MMB Releases February Economic Forecast

The February Economic Forecast released by the Minnesota Management and Budget Office projects the general fund balance to reach \$1.233 billion for FY 2014-2015. The general fund balance is expected to total \$408 million more than the November 2013 Forecast.

Individual income tax receipts are projected to be \$19.56 billion, \$188 million more than expected in November 2013. General sales tax receipts are projected to be \$10.361 billion, \$167 million more than expected in November 2013. Corporate franchise tax receipts are projected to be \$2.714 billion, \$38 million more than expected in November 2013. Statewide property tax receipts are projected to be \$1.665 billion, \$4 million less than expected in November 2013. Other revenues are projected to be \$3.513 billion, \$27 million less than expected in November 2013.

Global Insight anticipates continued economic growth in the U.S. after the strong finish to 2013. In the November 2013 Economic Forecast Global Insight expected the U.S. to experience 2.5,

3.1, and 3.3 percent real GDP growth in 2014, 2015, and 2016, respectively. They improved this outlook in the February Economic Forecast and now expects the U.S. to experience 2.7, 3.3, and 3.4 percent real GDP growth in 2014, 2015, and 2016, respectively.

Due to increasing employment and state revenues, there is a positive balance of \$2.599 billion entering the 2014 session (unadjusted for inflation). However, economic and budgeting changes may affect revenue and expenditure projections for the next biennium.

*For the a summary of the February Economic Forecast please go to <http://www.mmb.state.mn.us/doc/fu/14/glance.pdf>.*

*For the full report including the FY 2014-2015 budget and February Economic Forecast please go to <http://www.mmb.state.mn.us/doc/fu/14/complete.pdf>.*

## Minnesota Exports Totaled \$5.4 Billion in Q4 of 2013

The Minnesota Department of Employment and Economic Development (DEED) reported a 6 percent increase in exports between the 4th quarter of 2012

and the 4th quarter of 2013, more than the 4 percent growth in the U.S. during the same time period. Total exports for the 4th quarter of 2013 reached \$5.4

billion. Seven of the top ten countries receiving exports from Minnesota grew in the 4th quarter. The top ten countries include: Canada (\$1.476 billion, -7%), China (\$743 million, 35%), Mexico (\$439 million, 32%), Japan (\$276 million, 2%), Germany (\$211 million, 21%), Belgium (\$192 million, 14%), South Korea (\$157 million, -7%), United Kingdom (\$134 million, 17%), Australia (\$119 mil-

lion, 6%), and Philippines (\$118 million, -8%). Exports to all other countries totaled \$1.567 billion and grew 2 percent.

Machinery (\$937 million) and Optics/Medical products (\$889 million) exhibited the largest export volume. Electrical Machinery (\$659 million), Vehicles (\$530 million), Plastic (\$265 million) Ores/Slag/Ash (\$200 million), Food By-products (\$163 million),

Aircraft/Spacecraft (\$113), Meat (\$91 million), and Beverages (\$80 million) rounded out the top ten product exports. Products exhibiting the largest growth included Ores/Slag/Ash (63%), Medical (21%), Beverages (21%), and Plastics (18%).

*For the entire report please go to <http://mn.gov/deed/images/Fourth%20Quarter%20Exports%202013.pdf>.*

## Minnesota Cup is now Accepting Applications

The Minnesota Cup is a competition open to entrepreneurs, inventors, new small business owners and small business owners from the state of Minnesota who generate less than \$1 million in annual revenue. The Minnesota Cup began accepting applications on March 24th. People interested in applying have until May 9th to submit their entries.

This is the 10th year of the Minnesota Cup and applicants will compete in one of 8 divisions for a total of \$300,000 in prize money.

The 8 divisions include:

- Energy, Clean Tech & Water
- General
- LifeScience & Health IT
- Student
- Food, Agriculture & Beverage
- High Tech
- Social
- International

A finalist and runner-up will be

selected for each division. Finalists in Energy/Clean Tech/Water, General, LifeScience/Health IT, Food/Agriculture/Beverage, High Tech, and International divisions will receive a \$30,000 cash prize while runner-ups will receive \$5,000. Finalists in the Student and Social divisions will receive a \$20,000 cash prize while runner-ups will receive \$5,000.

Winners of each division will also be considered for an additional \$50,000 in grand prize money. The Southern Minnesota Initiative Foundation will provide \$25,000 additional seed funding from their 20-county region's highest place finisher.

“Host sponsors of The 2014 Minnesota Cup competition include Wells Fargo and the University of Minnesota. Other lead sponsors include Carlson, Digital River, General Mills and UnitedHealth Group. Supporting sponsors include Agricultural Utilization Research Institute, Blandin Foundation, Blue Cross Blue Shield,

Cleantech Open, 301 Inc., The Collaborative, The Digging LLC, ecomagination, Eide Bailly, Fredrikson and Byron, Gopher Angels, Grain Millers, Gray Plant Mooty, Initiative Foundation, LifeScience Alley, Lurie Besikof Lapidus & Company, Magnet 360, Maslon Edelman Borman & Brand, Messerli & Kramer, Minnesota Department of Commerce, Division of Energy Resources, MN Department of Employment and Economic Development, Minnesota High Tech Association, Minnesota Venture Capital Association, MOJO MN, The Mosaic Company, Proto Labs, Inc., Southern Minnesota Initiative Foundation, Southwest Initiative Foundation, SixSpeed, Split Rock Partners, Spoken Impact, Stinson Leonard Street, Stoel Rives, StarTec Investments, TECHdotMN and West Central Initiative Foundation.”

*For more information and to apply please go to <http://breakthroughideas.org/>.*

## DEED Report: 2013-2014 Local Area Unemployment Statistics and Jobs Report

After seasonal adjustments, unemployment in February increased slightly to 6.7 percent in the U.S.. Minnesota unemployment also increased slightly to 4.8 percent. Minnesota unemployment claims in February decreased 7,271 to 19,244 when compared to January. Over the year unemployment claims increased 0.5 percent when compared to February 2013.

Minnesota employers eliminated 100 jobs in February. Educational/Health

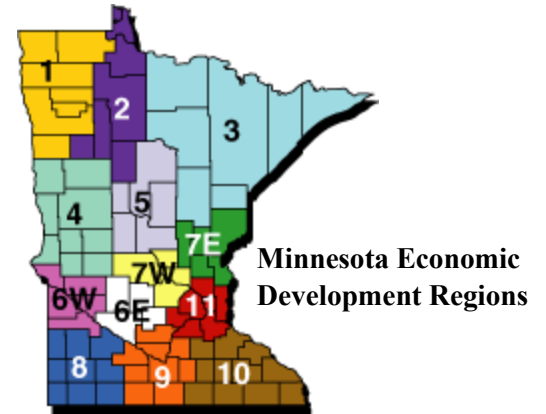
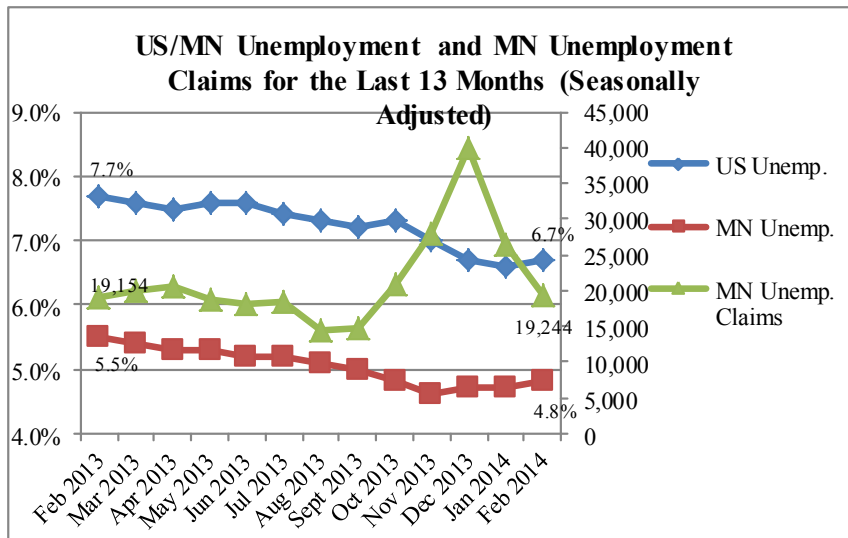
Services (1,300), Professional/Business Services (1,300), Leisure/Hospitality (900), Manufacturing (300), Construction (300), and Mining/Logging (100) adding jobs in February. Information (-1,000), Government (-1,000) Trade/Trans./Utilities (-1,000), Financial Activities (-800), and Other Services (-500) posted job losses in February.

Minnesota is at 1.6 growth from 1 year ago with 44,714 additional jobs over the past year. This growth is

above the U.S. growth rate of 1.5 percent for the last 12 months.

February unemployment numbers for the EDRs will not be released until April 1<sup>st</sup>. All EDRs saw an increase in unemployment when compared to December 2013. However, when compared to January 2013 unemployment levels are down in all EDRs.

Go to the DEED website; [www.positivelyminnesota.com](http://www.positivelyminnesota.com) to view more employment and wage statistics.



### 2013 Minnesota Unemployment by Economic Development Region (Not Seasonally Adjusted)

Date	EDR1	EDR2	EDR3	EDR4	EDR5	EDR6E	EDR6W	EDR7E	EDR7W	EDR8	EDR9	EDR10	EDR11
Jan 2013	8.1%	10.1%	8.4%	6.7%	10.2%	7.9%	7.4%	10%	7.6%	5.8%	6.7%	6.2%	5.8%
Feb 2013	7.1%	9.2%	7.7%	6.1%	9.3%	7.3%	6.5%	9%	6.9%	5.4%	6.1%	5.8%	5.3%
Mar 2013	7.1%	9.2%	7.5%	6%	9%	7.1%	6.4%	9%	6.6%	5.2%	5.9%	5.5%	5.1%
Apr 2013	6.5%	8.7%	7.1%	5.3%	7.9%	6.1%	5.7%	8.1%	6%	4.7%	5.4%	5%	4.8%
May 2013	4.6%	7.1%	6.7%	4.1%	6.3%	5.1%	4.9%	6.4%	4.9%	4%	4.7%	4.6%	4.7%
Jun 2013	4.9%	7%	6.7%	4.3%	6.2%	5.3%	4.8%	6.3%	5.2%	4.2%	5%	4.9%	5.1%
Jul 2013	4.9%	6.8%	6.5%	4.1%	6%	5.1%	4.8%	6%	5%	4.7%	4.9%	4.8%	5%
Aug 2013	4.4%	6.2%	6%	3.7%	5.6%	4.6%	4.5%	5.5%	4.6%	3.8%	4.4%	4.5%	4.7%
Sept 2013	3.9%	5.8%	5.7%	3.6%	5.4%	4.4%	4.1%	5.3%	4.3%	3.6%	4.1%	4.2%	4.6%
Oct 2013	3.4%	5.4%	5.3%	3.2%	5.1%	4%	3.5%	4.8%	3.9%	3.8%	3.7%	3.8%	4.1%
Nov 2013	4%	6.3%	5.8%	3.6%	6.3%	4.3%	3.7%	5.4%	4.2%	3.2%	3.8%	3.7%	4%
Dec 2013	5%	7.4%	6.3%	4.6%	7.5%	5.3%	4.7%	6.9%	5.1%	3.9%	4.5%	4.3%	4.2%
Jan 2014	7%	9.1%	7.5%	5.8%	9%	6.6%	6.8%	8.7%	6.5%	5.2%	5.8%	5.4%	4.9%

## The EDA Center's "Regional Round-up"

*Each month The EDA Center will collect information from the different regions in Greater Minnesota in an effort to highlight notable projects and events across the state. If you have any projects or events you would like highlighted in future newsletters, please submit them to [walke810@umn.edu](mailto:walke810@umn.edu) prior to the 15th of every month.*

### Arrowhead Regional Development Commission (ARDC)

*Submitted by Elissa Hansen and Pat Henderson*

NORTHFORCE is a collaborative initiative of APEX, The Northspan Group, IRRRB, the City of Duluth, Minnesota, and the City of Superior, Wisconsin. APEX and Northspan are the primary program administrators. APEX manages the attraction, retention and community outreach strategy, while Northspan manages the database and employer-employee connectivity functions. A Facebook page ([Facebook.com/NORTHFORCE](https://www.facebook.com/NORTHFORCE)), Twitter account ([Twitter.com/NORTHFORCEMNWI](https://twitter.com/NORTHFORCEMNWI)) and targeted advertising will help spread the word.

NORTHFORCE is leading the way by attracting, managing, placing, enriching and retaining the talent community for northeast Minnesota and northwest Wisconsin. NORTHFORCE is united around 5 core talent strategy objectives including:

1. Attracting Talent: We educate prospective talent about the real reasons to come or stay.
2. Managing Talent: We foster and maintain a line of communication between communities, employers, and prospective talent that is dynamic and constructive.
3. Placing Talent: We help talent find employers, and employers find talent.
4. Enriching Talent: We provide opportunities for talent to grow, advance and change the face of the region.
5. Retaining Talent: We create an environment in which talent thrives and whose contributions are reciprocated in every way possible.

"We developed NORTHFORCE in response to needs expressed by the business community," said Brian Hanson, APEX President and CEO. "We are excited about its

potential to transform the talent pool in northeast Minnesota and northwest Wisconsin."

NORTHFORCE.org is the linchpin of the initiative. The website includes:

- Employer-employee matchmaking function
- Searchable business directory
- Area events, attractions and resources
- Microsites focused on Duluth ([duluth.northforce.org](http://duluth.northforce.org)), Superior ([superior.northforce.org](http://superior.northforce.org)) and the Iron Range ([ironrange.northforce.org](http://ironrange.northforce.org))

"What sets NORTHFORCE apart is its holistic approach to filling the talent pool," said Randy Lasky, Northspan President and CEO. "This regional public-private partnership will aggressively market our quality of place and world class business opportunities while engaging and building ongoing relationships to attract, place and retain quality talent...a unique foundation."

For more information, check out [www.NORTHFORCE.org](http://www.NORTHFORCE.org) or contact Elissa Hansen at 218-740-3667 or [elissa@apexgetsbusiness.com](mailto:elissa@apexgetsbusiness.com).

## DEED Awards First Job Creation Funds

As part of a new \$24 million dollar program aimed at economic development, the Minnesota Department of Employment and Economic Development (DEED) announced the first recipients of funding from the Job Creation Fund. The first recipi-

ents received a total of \$2.27 million and will assist the companies receiving funds to create 240 additional jobs in Minnesota. Axis Clinicals, LLC, Bluegrass Proteins, Harmony Enterprises, Heraeus Medical Components, LLC, and

Valmont Industries received these initial funds.

"The program is available to businesses engaged in manufacturing, warehousing, distribution, technology and other eligible activities.

Companies must work with the local government (city, county or township) where a project is located to apply to DEED to receive

designation as a Job Creation Fund business.” <http://mn.gov/deed/business/financing-business/deed-programs/job-creation-fund.jsp>.

For more information please go to

## IDEA Competition Awards Banquet in Bemidji on April 24<sup>th</sup>

Last November, aspiring entrepreneurs began a long road to receiving assistance for their innovative ideas. The hard work of all the participants will culminate in the awards banquet to be held on April 24<sup>th</sup> at the Sanford Event Center in Bemidji. Social hour will begin at 5:00 PM with the banquet starting at 6:00 PM.

This is the sixth year of the event with this year’s finalists competing for three \$10,000 cash rewards. The finalists are:

- Addy-Olly, LLC—Cynthia J.

Krankkala, Thief River Falls

- Berd’s Innovations, LLC—Coreen Berdahl, Red Lake Falls
- CR Data Solutions—Robert Cloose, Bagley
- Gifts of the Grove, LLC—Tim Slukynsky, Warroad
- Skyrocker Telescope—Donald Miller, Roseau
- Szurpicli Lawn Services LLC—John Szurpicki, Bemidji

The keynote speaker will be Edie Ramstad, owner and founder of

Weave Got Maille. In addition to announcing the winners, Don Ricke, founder of TEAM Industries will be inducted into the IDEA Hall of Fame.

Tickets for the banquet are \$25 each. Registration closes on April 18<sup>th</sup>. The Sanford Event Center is located at 1111 Event Center Drive in Bemidji with the event going from 5-8 PM.

For more information and to register please go to <http://ideacompetition.org/awardsbanquet.html>.



117 Dowell Hall  
2900 University Ave  
Crookston, MN 56716  
Phone 218.281.8251  
Email: [editor@edacenter.org](mailto:editor@edacenter.org)  
Website: [www.edacenter.org](http://www.edacenter.org)

*The EDA Center at the University of Minnesota Crookston is one of more than 40 university centers nationwide, supported by the Economic Development Administration, U.S. Department of Commerce.*

*We conduct applied research, provide direct technical assistance and deliver educational programs development agencies that support the economy of economically-distressed rural communities throughout Minnesota.*

EDA Center Staff:

*Brent Hales-EDA Center Director*

*Kevin Cooper-EDA Center Associate Director*

*Eddie Walker-Research Analyst/Editor*



This document was prepared by the University of Minnesota Crookston under award number 06-66-05709 from the Economic Development Administration, U.S. Department of Commerce. The statements, findings, conclusions, and recommendations are those of the author(s) and do not necessarily reflect the views of the Economic Development Administration or the U.S. Department of Commerce.

The University of Minnesota is an equal opportunity educator and employer.