

2023 Year-End Reflections

IADG began the year with three program priorities: marketing to attract business development projects, providing financial and technical expertise to support business growth, and delivering educational and capacity-building opportunities for our members and communities. While we're still collecting some year-end statistics, here is an overview of how IADG delivered on all three aspects.

submit the comprehensive application to USDA.

The **IADG Energy Bank RLF** continued to issue loans as funds became available. IADG also assisted with the marketing effort to launch Region XII's **\$15M Iowa Meat and Poultry Loan fund**. With food processing as a target industry, IADG's President, Bruce Nuzum, chairs the loan review committee for the fund, which has approved \$14M to date.



Despite a slowing economy and rising interest rates, IADG opened **133 new projects in 2023**. Of these, 89 or **67% of the projects were classified as business development**, and the rest were community-focused projects. From an industry perspective, 30% were related to manufacturing, 25% to agriculture and food processing, and 15% were classified as warehouse distribution. IADG was asked to assist as part of a new location project 62% of the time, which is a testament to IADG's marketing efforts and outreach.



IADG hosted its **Partners Forum** in October. This two-day event brought together **120 key partners** to hear from economic development experts and learn from each other. The IADG team received overwhelmingly positive feedback about the Forum.

IADG also partnered with Corn Belt Power Cooperative on a **Value-Added Agricultural Industry Roundtable** session focused specifically on food processing and fuels and grain processing. Business and association leaders offered invaluable insights into the present and future state of the industry to help pinpoint impacts and opportunities moving forward.

Impactful financial and technical assistance is demonstrated through another record-setting year for **USDA REDL&G awards, receiving over \$41M in 2023** (\$11.4 million more than 2022, which was also a record-setting year). As a result, almost **\$4.5M in awards and local matching funds were added to local utility-managed revolving loan funds**. IADG works with its sponsoring utility members and the business to compile the information and

As IADG begins the new year, we will maintain our focus on marketing and business development efforts with a full trade show schedule and the continuation of our prospecting efforts.

See page 4 for more on 2024 marketing initiatives.

Six Honored with Iowa Venture Award



It is the honor of IADG and its utility partners to annually recognize businesses, which in most cases, are quietly making big impacts on their communities, industries, and the state of Iowa. In early December 2023, **six companies were recognized with an Iowa Venture Award**. They are also recognized in the **Iowa Venture Award Hall of Fame**, spotlighting the **293 businesses** recognized during the past 35 years.

The 2023 Iowa Venture Award Recipients



"Outstanding Business of the Year"
Cold-Link Logistics - Sioux City
Nominated by Woodbury County REC



Centro, Incorporated, Hampton
Nominated by Franklin REC



HiPer Ceramics, Spirit Lake
Nominated by Iowa Lakes Electric Cooperative



Ihle Fabrications, LLC, Polk City
Nominated by Midland Power Cooperative



M3 Fabrication, LLC, Bloomfield
Nominated by Southern Iowa Electric Cooperative



Post Equipment Company, LLC, Rock Valley
Nominated by North West REC

Entrepreneurial leadership, capital investment, and job creation are key factors considered by the nominating IADG utility members. Every year, the audience is captivated by the compelling stories of the businesses and people honored. Special guest Iowa Secretary of Agriculture Mike Naig served as the award presenter. Thank you to the Iowa Association of Electric Cooperatives for allowing IADG to hold this event in conjunction with their Annual Meeting.

See page 2 for more on the 2023 Iowa Venture Award honorees.



Congratulations to the 2023 Iowa Venture Award Recipients!

Cold-Link Logistics “*Outstanding Business of the Year*,” established in 2016 by the Mandich brothers, has evolved into a family-driven, full-service logistics company with over 200 employees across five states. Their strategic expansion to Sioux City in 2021 resulted in a 189,000 sq. ft. cold storage facility, fostering partnerships with major clients, including Wells Blue Bunny and Purdue Premium Meats. A 155,000 sq. ft. expansion is planned to begin in 2024. The company prioritizes family values, innovative cold chain solutions, and a commitment to employee well-being.



Centro, Inc., a company based in North Liberty, had expanded its operations by acquiring a 30,000 sq. ft. building in the Hampton Air Industrial Park, making it their 11th location. The new facility houses two rotational molding machines and has employed 40 new associates, aiming to bolster production capacity across the Midwest to meet increasing demand. This expansion and a 2021 similar project in Cascade reflect Centro’s growth strategy and commitment to serving various industries, including agriculture, construction, and lawn & garden sectors.



HiPer Ceramics, launched in 2018 by Ann Kathryn Hoffmeister, specializes in high-performance ceramic materials for industrial components and hip implants. Operating from a 16,800 sq. ft. facility in Spirit Lake, the company prioritizes quality, automation, and cost-effectiveness, collaborating with German partners for precision and safety in medical and industrial applications. Hoffmeister’s roots in the Iowa Lakes area, reliable and affordable energy, and strong community outreach were key factors in this first U.S. location.



Ihle Fabrications, founded in 2002 by brothers Mike and Brian Ihle, began by fabricating liners to address their own combine issues, then those of their neighbors. The company



has since grown, relocating to a 45,000 sq. ft. facility with an 82,000 sq. ft. expansion underway. Their products, including wearable steel parts for agricultural machinery, are sold nationally and internationally. In 2022, Ihle Fabrications became a certified CNH Reman supplier, expanding its production significantly. Ihle Fabrications remains committed to solving future farming challenges.

M3 Fabrication, founded in 2014 by the McClure brothers, is a family-owned metal fabrication company in Bloomfield, Iowa. In May 2022, it expanded by acquiring a similar fabricator, added a 50,000 sq. ft. building, and made equipment and process upgrades. Specializing in stainless steel, aluminum, and mild steel fabrication, M3 emphasizes high-quality craftsmanship, personalized service, and on-time delivery. The company’s growth and commitment to excellence reflect its entrepreneurial heritage and community orientation.



Post Equipment Company, based near Rock Valley, has grown into a successful farm equipment supply company since relocating from the family farm in 2008. It offers a wide range of new and used farm equipment, replacement parts, and specialized livestock equipment. Additional companies co-located include Post Metal Recycling, offering industrial and on-site scrap metal recycling services, and Ironwood 53 specializing in designing and producing agricultural and industrial parts, manufacturing the “Herd-Boss Feeders” line of OEM cattle feeding equipment for export.







CONGRATULATIONS!

IOWA VENTURE AWARD HONOREES

View all 293 Iowa Venture Award Recipients at IADG.com/HallOfFame

IADG Energy Bank Supports Efficiency

The IADG Energy Bank continues to show great results. To date, the nearly \$2 million Revolving Loan Fund (RLF) has **supported 23 projects**, with additional awards being made as loans are repaid.



Kol-Gol, located in Waukon, is a manufacturer of specialty wire formed display equipment, including store displays, agriculture uses, gardening products, and custom designs. The company is a recent recipient of a loan from the IADG Energy Bank, accessing the program to purchase a new Bodor Fiberglass Laser System. This new laser cutter will replace several pieces of older equipment, streamline manufacturing, and reduce the outsourcing of processes to other companies, which will reduce transportation costs. In 2015, Kol-Gol, Inc. also utilized an IADG Energy Bank loan to procure and install an automated metal roller saw, which has since been fully repaid.

ENERGY BANK DETAILS:

Target Sector: Manufacturing, Private, Industrial, Commercial
Project types: Energy efficiency, renewable energy management systems, and energy feasibility studies

Rate: Below market rate

Term: 10 years or less

Loan Amount: \$50,000-\$300,000

Visit IADG.com/EnergyBank or contact IADG President/CEO **Bruce Nuzum** (bnuzum@iadg.com) if you have questions about a potential project.

Ripple Effect Fosters Change

IADG and Aureon partner on the impactful Ripple Effect program, which provides significant technical assistance and financial support for community planning grants and loan assistance to businesses. Learn more about the Ripple Effect program at RippleEffectIowa.com or contact **Ethan Pitt** at epitt@iadg.com. Below are recently funded initiatives.



Webster-Calhoun Cooperative Telephone (WCCTA) and Aureon contributed \$5,000 each for pre-construction costs associated with a \$700,000 expansion and remodel project of "The Kid's Spot" child care center in Lake City. The Ripple Effect grant, other local funding, and a Future Ready Iowa Child Care grant have helped The Kids' Spot make room for 30 childcare spaces and 6 more full-time employees. The expansion consists of a 2-room addition, restrooms, washing stations, outdoor space, new playground equipment, and safety updates such as security enhancements, fire systems, and safe exits.



Titonka-Burt Communications (TBC) offered a \$1,500 contribution, matched by Aureon, to help the We Care Childcare Committee in Titonka pay for architectural drawings needed for remodeling an existing space into a childcare center. Once completed, it is anticipated that the center will offer daycare space for

40 children and before/after school space for 15 to 20 children. We Care Childcare will employ an estimated seven full-time staff members and nine part-time staff members.

"With the funding from Aureon (and) Titonka-Burt Communications, we are close to our goal of obtaining architectural drawings to share with our local community. When local companies give back to their communities, great things can be made possible."
- Laurie Lee, We Care Childcare



City leaders and Lone Rock Depot Volunteers received a combined total of \$10,000 in Ripple Effect funding from **Lone Rock Cooperative Telephone**. The community is in the process of making major improvements to the Lone Rock Depot site, and the funding will be allocated towards costs for site improvements. The depot, located next to the actual "lone rock" that originated the city's name, represents the heart and soul of how Lone Rock has come to be. In August of 2024, the city will be celebrating its 125th Anniversary, and the newly remodeled depot site will be the centerpiece of the celebration.

Making Connections to Grow Business

It is an IADG priority to actively market Iowa as a state to grow or expand business. This multifaceted marketing effort includes trade shows, business prospecting programs, electronic marketing of sites and buildings, and direct marketing and contact.

IADG has an aggressive **2024 trade show schedule**, with the industry targets of food processing/ manufacturing, poultry, dairy, and indoor agriculture/ Controlled Environmental Ag. (CEA). The IADG team coordinates the booth and logistics of the shows and is then joined by IADG members for the onsite promotion. Trade shows provide an excellent opportunity to meet prospective companies that may expand to Iowa and reconnect with Iowa's existing businesses to discuss their plans for the future and determine how the IADG members network can be of assistance.



IADG continues a **prospecting program** that started in 2021. Partnering with Research FDI, a new campaign will kick off in early Spring with the goal of identifying ten companies with an interest in doing business in Iowa and generating an additional pipeline of prospects for the future. Cold-Link Logistics, the new 189,000 sq. ft. cold storage facility in Sioux City and 2023 Iowa Venture Award "Outstanding Business of the Year," was identified through a similar campaign in 2021.

Electronic marketing of available sites and buildings remains an important part of the IADG marketing mix. IADG member's available properties are showcased on IADG.com, LocationOne.com, and LoopNet.com. Check out the available properties at www.IADG.com and contact the IADG team when we can be of assistance.

Steven Benne Accepts Additional Responsibilities



Congratulations to Steven Benne on his promotion to **Vice President, Development Finance**. Steven joined IADG in 2019 as Project Finance Analyst, earned his Economic Development Finance Professional (EDFP) certification in 2020, and was promoted to Development Finance Director in 2022.

One of Steven's priorities is to assist IADG members by writing applications for the USDA Rural Economic Development Loan & Grant (REDL&G) program. This program continues to return impressive results, with Iowa leading the nation in program awards and continuing to surpass past years' accomplishments. IADG partners ended 2023 securing a record amount of funding, totaling over \$41M from the USDA REDL&G program. This vastly outpacing record-setting 2022, which was \$28.6 million. In addition to his work with REDL&G, Steven actively works with other programs, including Revolving Loan Funds, housing finance programs, and more. Thank you, and congratulations to Steven!

The IADG Team



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