

Land of Dairy Opportunity

NORTH DAKOTA
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Ready • Set • Grow

Greetings Friend . . .

Considering expansion or relocation? Want to be close to high-quality forages, a friendly environment, a place where dairy is valued by community and people? Well, you ought to come to North Dakota! We have everything you need!

"I never would have been president if it had not been for my experience in North Dakota," Theodore Roosevelt once remarked. Today, this rugged spirit lives on and we welcome you to be a part of our growing livestock industry.

This brochure is our invitation to you to come and see what North Dakota has to offer — *for cows and people* — from industry to lifestyle. Simply write or call me at the North Dakota State University Animal and Range Sciences Department, 171 Hultz Hall, Box 5053, Fargo, ND 58105, (701) 231-7663, or send e-mail to jschroed@ndsuent.nodak.edu, and I will introduce you to the North Dakota Dairy Coalition's one-stop shop.



J.W. Schroeder ■ North Dakota State University, Extension Dairy Specialist

NDSU

North Dakota State University, Fargo, North Dakota

SEPTEMBER 2004

NDSU is an equal opportunity institution

■ ADVANTAGES

North Dakota has opportunities for new dairies, relocation and heifer development!

Looking for exceptional employees? North Dakota is the **MOST AGRICULTURAL STATE** in the United States, with 23.4 percent of our people employed in farm and farm-related jobs. That's 33 percent higher than the national average of 15.6 percent. (USDA Economic Research Service, 2000).

North Dakota offers **many** other advantages for dairy producers, including:

- easy-to-obtain permits from the State Health Department
- affordable, locally-produced and readily available feedstuffs
- a climate conducive to dairy production
- a constant supply of low-cost byproducts for feed from local processing plants
- dairy processing facilities that need milk, including a new plant nearby in South Dakota that can process milk from 65,000 cows

■ FEEDSTUFFS

	Alfalfa Hay	
	Average Year Pricing	State Production
	(per ton)	(million tons)
2000	\$42.50	5.0
2001	\$45.50	5.1
2002	\$64.50	3.9
2003	\$52.50	4.6

Source: North Dakota Agricultural Statistics Service

Regional byproducts and alternative feedstuffs

- barley malt products
- canola meal
- bean splits
- corn gluten meal
- distillers grains
- beet pulp
- potato byproduct
- soybean hulls
- mill feed
- sunflower meal
- soybean meal
- linseed meal

■ GROWTH

Growing and expanding your business is easier in a state where land and buildings are affordable.

It costs less to do business here than almost anywhere else in the country. Labor, property, buildings and utilities are less expensive. This all adds up to lower operational costs and higher earnings potential.

- Labor costs are among the most competitive in the nation.
- Quality office space rents from \$7 to \$14/square foot/year, and manufacturing space rents from \$2 to \$5.50/square foot/year.
- Electric rates range from 3.5¢ to 6¢/kilowatt hour for commercial and industrial customers.
- Land prices average \$170/acre for pasture land and \$440/acre for crop land.
- Byproducts, grains and forage are easily accessible and very affordable.

■ BUSINESS

Rural fund

The Regional Rural Development Revolving Loan Fund (the "Rural Fund") was created in 1991 to spur new or expanding primary-sector business in rural North Dakota.

Businesses within five miles of the city limits of Williston, Minot, Dickinson, Jamestown, Fargo, West Fargo, Bismarck-Mandan, Wahpeton and Grand Forks do not qualify for Rural Fund investments.

The Rural Fund is allocated equally among the eight economic development regions in North Dakota. Repayments return to the region that funded the investment.

Agricultural Products Utilization Commission (APUC)

APUC distributes more than \$1 million for agriculture projects throughout the state each year. Grants are awarded quarterly on a competitive basis.

The mission of APUC is to create new wealth and jobs through the development of new and expanded uses of North Dakota agricultural products.

Grants are administered through four categories: farm diversification grants (up to \$10,000 for new dairy development); marketing and utilization grants (includes funds for market research, business plans, feasibility studies and accounting/legal fees associated with start-up businesses); prototype development grants; and basic and applied-science grants.

For more information on APUC, please check their Web site at www.growingnd.com.

■ FINANCIAL

The only state-owned bank in the nation, the Bank of North Dakota (BND), was established in 1919 to encourage and promote agriculture, commerce and industry in North Dakota. BND acts as a funding resource in partnership with other financial institutions, economic development groups and guarantee agencies. BND administers a number of lending programs that promote agricultural and economic development.

Lending program areas include:

- Farm irrigation
- Livestock retention
- Nontraditional farm income diversification
- Farmer/rancher financing with bank participation
- Beginning and established farmer/rancher financing
- Small-business financing
- Guarantee program for start-up businesses
- Guarantee program for farm real estate
- Business financing with bank participation

- Community, rural and regional development
- Incentive financing for North Dakota economic development projects

Tax exemptions:

- Personal property tax
- Sales tax on agricultural equipment and supplies

■ MARKETS

North Dakota milk processing plants include . . .

Cass-Clay – This member-owned cooperative was started in 1934. With headquarters in Fargo, members are located in North Dakota, South Dakota, Minnesota and Montana. The plant offers its customers a complete dairy line, including milk, butter, ice cream, cultured products and cheese. Cass-Clay is the official dairy of the Minnesota Vikings.

Pride Dairy – The northern community of Bottineau is the home of Pride Dairy. This farmer-owned cooperative started business in 1930. More than 70,000 pounds of milk are purchased from local producers for ice cream and butter products.

Dean Foods – The nation’s leading processor and distributor of milk and other dairy products has a plant in the state. The Bismarck plant processes Grade A milk from North Dakota dairy producers, using both plastic and paper containers for their white milk, chocolate milk, whipping cream, half-and-half and buttermilk products.

Dakota Country Cheese – The facility started as a branch of Selfridge Cheese Co. in 1985. The Mandan plant is capable of processing 750,000 pounds of milk per day. Products from the plant include barrel cheese, dried whey, whey protein, lactose delactose and permeate.

Associated Milk Producers Inc. (AMPI) – This dairy cooperative is owned by 4,600 member dairy farms in Iowa, Minnesota, Missouri, Nebraska, North Dakota, South Dakota and Wisconsin. Based in New Ulm, Minn., the cooperative’s member farms produce 5.2 billion pounds of milk and have annual sales of \$1 billion.

Dairy Farmers of America – This cooperative is owned and operated by 22,924 dairy farm families. The company is a diversified U.S. manufacturer of dairy products, food components and ingredients.

Valley Queen – This family-owned processing plant was founded in 1929 and is in Milbank, S.D. The company produces three main products: cheese, lactose and delactosed whey.

Additional nearby resources – Adjacent states of Minnesota and South Dakota have more than 80 milk processing plants.

■ HEIFER DEVELOPMENT

Dairy producers are finding profit opportunities in North Dakota.

Feedlots are small, so cattle are not exposed to a great number of other animals. Some feedlots are interested in working exclusively with one supplier. Many operations have available grasslands; consequently, heifers do not spend their time on concrete. All feeding operations are family-owned and operated — your cattle will get the individual attention they need.

North Dakota’s record on heifer development is one of the best in the nation:

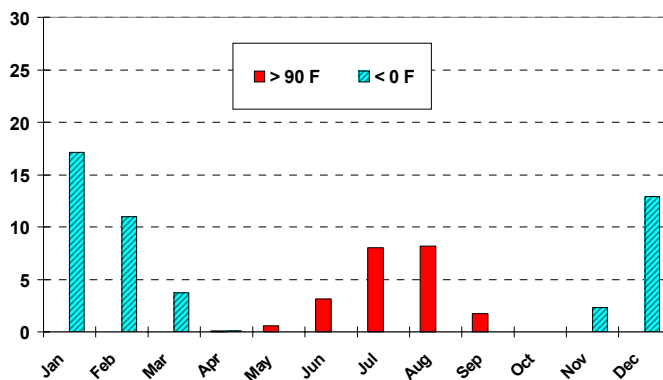
- Dairies report North Dakota-raised heifers remain in milking lines up to two years longer.
- Open spaces between operations provide added biosecurity.
- Animals return with little or no incidence of hairy heel wart.
- North Dakota is free from the following diseases:
 - Tuberculosis
 - Brucellosis
 - Scrapie
 - Blue-tongue
 - Pseudo-rabies

Call the North Dakota livestock development coordinator at (701) 328-4159 for a list of heifer growers in the state or check out North Dakota feedlots at www.agdepartment.com/Programs/Livestock/feedlots.html.

■ CLIMATE

North Dakota cows lose less milk from heat and make more milk during the winter.

Normal Days over 90 or below 0 °F



Source: J.W. Schroeder, NDSU Extension Dairy Specialist and NDAWN.

■ ENVIRONMENT

Producer testimonial

“The regulators in North Dakota understand agriculture and most of them have agriculture backgrounds. They understand the industry and understand how crucial agriculture is to the economy.

The regulatory agencies in our state are always willing to work with producers to be proactive in protecting the environment. And together we find solutions.”

Bill Price
Missouri River Feeders
Feeds 10,000 dairy replacement heifers

Dairy Pollution Prevention Program (DP3)

The North Dakota Department of Agriculture offers this program to help dairy producers deal with manure disposal. This cost-share program will pay up to 60 percent of approved expenses, with the producer responsible for the remainder.

Benefits of DP3 include:

- controlling or preventing erosion
- preventing feedlot waste from entering streams, lakes and rivers
- using wetlands as a living filter
- preventing or slowing runoff rates during major rainfall
- helping participants develop a system for applying manure as fertilizer in field applications

This program is voluntary and nonregulatory. It was started in 2000.

■ A RICH AGRICULTURAL HISTORY

European explorers first reached what is now North Dakota in 1738, and the first settler arrived in 1801. The fur trade was responsible for most of the early settlement.

Following the organization of Dakota Territory in 1861, settlement began in earnest. The Homestead Act and the progress of the railroads attracted tens of thousands of newcomers, most of them interested in creating farms and ranches in the new land. In the rich farmland of the Red River Valley in the east, huge bonanza farms were established, covering thousands of acres and employing hundreds of workers. Likewise in the west, large ranching operations, such as Theodore Roosevelt’s Elkhorn and Maltese Cross ranches, were established in the drier, rockier terrain.

North Dakota became a state in 1889. By then, the bonanza farms were giving way to smaller, family-owned operations. The state has become famous for its high-quality spring grains and beef cattle, while in the 1930s dairy cattle dominated the landscape.

Agriculture still is North Dakota’s No. 1 industry. The state’s 30,000 family farmers lead the nation in the production of 11 different commodities, including spring wheat, durum, barley, canola and sunflowers, and is 17th in cattle and calf production.

■ LIFESTYLE

Education in North Dakota

Primary School

- 13.7-to-1 is the average student-to-teacher ratio
- Fourth-graders ranked No. 3 nationally in science and No. 10 nationally in math (2000 census)
- Eighth-graders ranked No. 2 nationally in science and No. 5 nationally in math (2000 census)

Secondary School

- No. 1 for highest public school graduation rate (2000)
- No. 1 in SAT scores (2002)

Post Secondary Education

- No. 1 in college continuation rate for high school graduates (2000)
- No. 1 in college participation rates for 19-year-olds (2000)
- 19 college and university campuses, including two major research universities

Population

North Dakota 642,2000

Largest Metropolitan Areas

Fargo-Moorhead-West Fargo 174,367
Grand Forks-East Grand Forks 97,478
Bismarck-Mandan 94,719
Minot 35,424
Dickinson 15,683
Jamestown 15,158
Williston 12,224
Wahpeton 8,443

