

# County Perspectives

*The newsletter of economic development in Lincoln and Minnehaha Counties*

## Wilson Trailer expands manufacturing operations to Lennox

**W**ilson Trailer, one of the nation's premier manufacturers of quality livestock, grain, and flatbed trailers since 1890, is expanding its South Dakota manufacturing operation. The company announced that it will construct a 79,000 square foot facility in Lennox, bringing 75 to 100 new jobs to the Lincoln County community.

Wilson Trailer is headquartered in Sioux City, Iowa. The company has two manufacturing facilities there, with an additional production plant in Moberly, Missouri and another in Yankton, South Dakota. Both semi livestock trailers and gooseneck livestock trailers are currently built at the Yankton plant. The company is planning to relocate its gooseneck livestock trailer production to Lennox, allowing for an expansion of semi livestock trailer production in Yankton. The Wilson employment force in Yankton will not decrease as a result of this expansion.



*Wilson Trailer Co-CEO Bill Persinger addresses the crowd at the groundbreaking.*



*Lt. Governor Dennis Daugaard, left, joined Wilson Trailer's Co-CEOs and local officials for the groundbreaking of the company's manufacturing plant in the Lennox Industrial Park.*

"This is an established company showing their confidence and success in our state by expanding their South Dakota operations," said Governor Mike Rounds. "We congratulate Wilson Trailer on its new Lennox facility and look forward to its continued growth in South Dakota."

The expansion into the Sioux Falls area is being made to capitalize on the fast-growing workforce in this area, as well as the distribution benefits of the region.

"Wilson Trailer is a quality company responding to the advantages of our area by expanding to an outstanding location in the Lennox Industrial Park," said Jeff Eckhoff, executive director of the Lincoln County Economic Development Association. "The company has cited the availability of a build-ready site and a supply of motivated, productive employees in making their decision."

According to Wilson Trailer Co-CEO Bill Persinger, South Dakota

and the Lennox area offer the company an excellent opportunity to grow.

"By separating the production of two of our most successful trailer lines," he said, "we anticipate seeing increases in productivity and sales of both our semi-size livestock and gooseneck livestock trailer products. Our Lennox facility will be a significant part of the future growth of our company."

The Lennox Industrial Park was developed by the Lennox Area Development Corporation specifically to attract companies like Wilson Trailer, according to the group's president, Alan Rops.

"Lennox has always been willing to make an investment in the future," he said. "We are excited to see the park—and our community—continue to grow with the addition of Wilson Trailer."

Groundbreaking ceremonies for the new manufacturing plant were held on Tuesday, August 21 in Lennox.



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**Iowa metal fabricator chooses area**

**M**idwest Metal Works, Inc., a manufacturing job shop specializing in custom fabrication, has expanded from Rock Valley, Iowa to a Minnehaha County location just east of Sioux Falls. The company currently employs six AWS D1.1 certified welders and plans to increase employment to ten by the end of this year. Employment could reach twenty by the end of 2008.

According to company president Mark Kelderman, the move is in response to commercial growth in this area, access to an increased labor force, availability of buildings and the advantages of living and working here.

“We’ll be able to recruit employees better here than in our current location,” Kelderman said. “We’re adding new equipment, and the growth of business and industry in the Sioux Falls area gives us the opportunity to really grow our company.”

Midwest Metal Works supports a broad range of industries from construction and agriculture to technology and biofuel equipment. The firm also offers delivery and mobile services for installation and product support.

Plant manager Mark Schmeling said the company is able to work with customers at any stage of the fabrication process. From CAD-generated prints to finished product and assembly, Midwest Metal Works has the capacity to fabricate products that require precision custom welding, careful attention to detail and service excellence.



“Midwest Metal Works is an example of a specialized company that chose our area for very specific reasons,” said Jeff Eckhoff, MCEDA executive director. “They bring a critical service to our region, one that is in constant demand by other growing businesses.”



**MCEDA and LCEDA Annual Meeting  
scheduled for November 7**

**T**he Minnehaha and Lincoln County Economic Development Associations will hold a combined annual meeting on Wednesday, November 7, 2007 in the Starlite Room at the Holiday Inn City Centre in downtown Sioux Falls. On the agenda is a report on development achievements of the past year in both counties, with a combined annual report for 2007 to be distributed at the meeting.

The annual meeting will feature our keynote speaker’s address, along with a report from Jeff Eckhoff, executive director of both MCEDA and LCEDA. A social hour will begin at 6:00 p.m., with the program slated to commence at 7:00 p.m. The meeting is free and open to the public. Community and county officials are encouraged to attend, along with interested business people from both counties.

*Please save the date and be our guest!*

# Eaton Corporation acquires area high tech company

**E**aton Corporation, a \$14 billion a year international company, has purchased Pulizzi Engineering, located in Sioux Empire Development Park VII in Sioux Falls. The acquisition is Eaton's first in South Dakota, according to Michael Pulizzi, company president.

Pulizzi Engineering manufactures and sells power components for high tech and computer applications. Garretson resident Joe Skorjanec, Pulizzi sales manager, said the new link to Eaton will add Pulizzi products to the international corporation's sales channels.

"One thing Eaton has been very impressed with is our South Dakota customer service operation," Skorjanec said. "This area has a reputation for high quality call centers and customer service excellence, and Eaton recognizes that strength."

Michael Pulizzi, who makes his home near Hartford, said that

teams of Eaton executives have been very impressed by the local facility and the space available for expansion. The sales facility in Sioux Falls was built with a Phase II plan for a 27,000 square foot expansion and a Phase III, 36,000 foot expansion to accommodate manufacturing at the Sioux Falls location. Pulizzi is hopeful that Eaton will see good reasons to act on those expansion plans.

"Eaton acquired one of our competitors, a company in the United Kingdom, just before they bought us," Pulizzi said. "They have asked us if we're ready to expand and do tech support on European products. Eaton expects to double our business in three years."

In the meantime, it's business as usual for this growing high tech company with new international connections.



*Pulizzi Engineering company president Michael Pulizzi.*



## Success prompts growth of Technology Business Center

**T**hanks to a grant from the Economic Development Administration, a branch of the US Department of Commerce, the South Dakota Technology Business Center will be adding 7,000 square feet. That will bring the technology incubator to 45,000 square feet at its location adjacent to Southeast Technical Institute in Sioux Falls.

"The additional space will give us the opportunity to serve more companies," said Rich Naser, executive director of the facility. "We are 100% full, so having more space available will enable us to fulfill our mission and expand our services to entrepreneurs."

The Technology Business Center will be able to access \$1.2 million in federal grants with just \$100,000 in local funds. According to Naser, all three members of South Dakota's Congressional delegation to Washington, D.C. were active in acquiring this federal grant.

In addition to the additional 7,000 square feet of space, SDTBC will upgrade the center's communication system and add videoconferencing to the services offered to tenant companies. The additional communications redundancy will ensure constant links to the rest of the nation as well as permitting shared information and teleconferences with other business incubators around the state. The space and services should continue to attract start-up high tech firms, Naser said.

Construction on the SDTBC expansion should begin in the spring of 2008, with completion before the end of the year. The technology incubator has "graduated" a steady stream of growing businesses, but the space available continues to fill, as the center fulfills its mission to encourage the next wave of innovative companies.

"The success of this concept has really energized the community," Naser said. "From the mayor's office to our friends in D.C. to the local business community, everyone worked hard to make this expansion possible."



## Unemployment insurance comparison shows South Dakota costs are lowest

**T**he American Institute for Full Employment study of state unemployment insurance tax rates reveals a strong advantage for South Dakota. The comparison with surrounding states shows Minnesota at an average cost of \$438.22, Iowa at \$353.85 and North Dakota with an average cost of \$292.94. **South Dakota's average cost for unemployment insurance tax is \$67.97!** Other states in the survey include Nebraska, \$224.67; Wyoming, \$281.71; Wisconsin, \$301.75, and Michigan, \$410.24.

## *We've got exactly what companies are looking for—growth*

**Y**ou could call it the bandwagon effect—companies and families wanting to relocate to our area because so much growth and economic activity is happening here. There's really a lot more to it. Growth **does** fuel further growth, but for very specific demographic and economic reasons.

The recent decisions by Wilson Trailer Company and Midwest Metal Works to locate facilities in our two-county area spotlight those reasons. The companies both indicated that a growing population, creating an equally fast-growing labor force, was one big reason for coming here. Another was the availability of build-ready land and operational facilities to move into. Those factors are the effect of steady growth in our market.

Consistent growth—and our area has recorded a 3% annual population increase for the past ten years—encourages companies to relocate or expand in our two counties. But that growth also provides increased opportunities for our citizens, young and old, and more choices in our communities.

Employers appreciate the small town values our communities offer, especially when those values come with a growing supply of motivated, educated, productive workers. The jobs these companies offer mean more

opportunities for career advancement and economic stability for individuals, bringing new families seeking that opportunity to town. And more families mean that the pool of potential employees is constantly expanding, encouraging other new companies to build in our industrial parks and move into our existing buildings.

As our towns grow, with new companies **and** new employees, the services that keep communities strong increase as well. Retail and service industries follow rooftops and population, so as jobs increase and new houses are built, stores and services move in to serve them, creating more new jobs. And while this is all happening, our infrastructure is being improved to keep pace with the needs of citizens, schools are built and new parks and recreational activities enhance the quality of life in our towns.

It's a circle of prosperity—and it's happening here today!



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