

# GREAT NORTHERN NEWS

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GREAT NORTHERN  
DEVELOPMENT CORPORATION

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## Montana Department of Commerce Awards \$293,000 in Funding to the Town of Westby & New Century Ag

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The Montana Department of Commerce has awarded a combined total of \$293,000 to the Town of Westby and New Century Ag, to support infrastructure improvements and workforce training related to the expansion of the New Century Ag facility. Commerce has awarded the Town of Westby \$243,000 in funding from the Community Development Block Grant - Economic Development (CDBG-ED) program and \$25,000 from the Big Sky Trust Fund. The funding will be used to assist with the cost of road improvements and water and sewer extensions to New Century Ag as it completes construction on a new office space, and a new grain elevator.

The Department has also awarded New Century Ag \$25,000 in funding from the Workforce Innovation in Regional Development (WIRED) program. The award will be used for worker training associated with the facility's new grain elevator.

"Retention of the grain elevator in Westby is a crucial factor in maintaining businesses and local economies in eastern Montana," said Governor Brian Schweitzer. "I am committed to supporting projects that support industry in our eastern communities."

"New jobs and an improved facility will mean great things for New Century Ag and the people of Westby," said Anthony Preite, Director of the Montana Department of Commerce. "We're proud to help keep local economies moving."

The awards must be used to create a minimum of five new jobs for low to moderate income workers.

Great Northern Development will assist with the administration of the project.

The CDBG-ED program includes support from the Community Development Block Grant program funded by the U.S. Department of Housing and Urban Development, and the Economic Development Administration.

In January 2006, the U.S. Department of Labor approved Governor Schweitzer's application for the WIRED initiative. Montana's application was one of only 13 approved nationwide. Montana's WIRED proposal focused on the development of the bio-product industry in 32 counties and six Indian reservations of Central and Eastern Montana. The Montana Department of Commerce is managing a grant program under contract with the Montana Department of Labor and Industry to implement part of the WIRED proposal.



## GNDC Receives \$750,000 Loan from USDA Rural Development and \$250,000 from the Montana Board of Investments

Great Northern Development Corporation, an economic development agency for six counties in Eastern Montana, recently received \$750,000 from the US Department of Agriculture Rural Development agency for an intermediary relending program (IRP). In addition, GNDC received \$250,000 from the Montana Board of Investments.

The purpose of the IRP is to alleviate poverty and increase economic activity and employment in rural communities.

Assistance targets disadvantaged and remote communities, through financing smaller and emerging businesses, in partnership with other public and private resources.

"The fund will be used to provide gap financing for business," said Martin Dewitt, Loan Officer for GNDC.

USDA Rural Development lend monies to intermediaries such as GNDC at a low 1% annual interest rate. With these rural development funds, GNDC will expand

their revolving loan fund so that they may provide loans to business owners and community project directors at the lowest interest rate possible. Collections from loans made to ultimate recipients can be used for more loans to additional recipients. The maximum loan to a business is 75% of the project cost, or \$150,000, whichever is less.

To learn more, or to determine if your business may qualify for this loan program, please contact Martin DeWitt at 653-2590 or by email at [loan@gndc.org](mailto:loan@gndc.org).

## Town of Circle Receives CDBG Housing Grant from the Department of Commerce

In May, the Town of Circle was awarded a \$450,000 grant to be used for housing rehabilitation and demolition. These monies will be disbursed as grant/loan funds to be used by low income families in the town to address needed rehab and weatherization issues. Eligible expenses are plumbing, electric, insulation, windows, doors, and foundation issues, just to mention a few. Demolition funds will also be grant/loan to persons with severely deteriorated buildings within the city limits of Circle.



(l-r) Montana Department of Commerce Director, Anthony Preite; GNDC Executive Director, Linda Twitchell; Town of Circle Clerk/Treasurer, Carol Markuson; Mayor Njaji (Ned) Sikveland.

“The CDBG program is vital to helping hard-working families, seniors, and our most vulnerable citizens across Montana and I strongly support it,” said Governor Brian Schweitzer. “Projects like these make a real difference in people’s lives.”

The community hopes the rehabilitation efforts will make Circle more attractive for residential and commercial investment, particularly if the Great Northern coal project moves forward.



## EPA Awards GNDC \$200,000 Hazardous Substance Assessment Grant



In May, the Environmental Protection Agency (EPA) awarded Great Northern Development Corporation a \$200,000 Hazardous Substance Assessment Grant for hazardous substance sites in northeastern Montana.

These monies will be used to conduct at least six Phase I and at least two Phase II environmental site assessments and can be used to assess all hazardous substances from lead to meth problems anywhere within the GNDC region. This region consists of Garfield, McCone, Valley, Roosevelt, Daniels, and Sheridan Counties.

Brownfields are sites where potentially harmful contaminants may be impeding revitalization. The EPA’s Brownfields Program empowers states, communities, and other stakeholders to work

together to prevent, assess, safely clean up, and sustainably reuse Brownfields.

The closing and downsizing of several large employers has resulted in a reduced tax base, fewer job opportunities, and a legacy of potentially contaminated Brownfields. There are 735 abandoned mine sites, and hundreds of leaking underground storage tanks within the six counties. Brownfields assessment will help remove the largest roadblock to redevelopment, which is unknown environmental contamination. Brownfields redevelopment will increase and diversify the tax base, provide jobs, and improve the economic stability of the region.

If you have questions about this hazardous waste grant please contact Audrey Pipal at GNDC, 653-2590.

## Mini Loan Program Now Available

Great Northern Development Corporation is now offering Mini-Loans; the funding is available through Great Northern Development Corporation’s Micro Business Finance Program with funds available to business owners and prospective entrepreneurs. The Mini-Loan program is for eligible micro businesses, which is for Montana based companies with fewer

than 10 full-time workers and gross revenues of less than \$500,000. Qualified applicants may borrow up to \$5,000. Approvals of applications are based on a business plan, repayment ability, management capacity, and credit history of the applicant. The term and conditions of the loan are considered on an individual basis and are contingent upon the useful life of

the collateral and the needs of the applicant. The purpose of the program is to expedite the approval process for potential applicants and to help meet the needs of potential clients within GNDC’s region. Call Martin DeWitt, loan officer, for more details on this loan program at 406-653-2590 or email [loan@gndc.org](mailto:loan@gndc.org).

## International Marketing Expands to Global Population

We need to remind ourselves that global business can be conquered by anyone with access to the Internet. Businesses can use the Internet to contract with national and international companies to expand their markets.

Home and storefront businesses are marketing their products over eBay or a business web site. Many eBay stores have become a well-known way to get the product to the potential customer and consumer. In Great Northern Development’s region, several

businesses are growing in spite of a declining population because they are “thinking outside the box” and marketing to a global population to sustain their business and are not just counting on local customers for revenue needed to maintain them.

The following page lists just a few examples of businesses in our region that are using the internet as a tool to expand their markets:

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## International Marketing Expands to Global Population

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**Air Design**, located in Daniels County, started doing business in 1984. They are a small manufacturing company that uses a water jet to cut parts and other items from metal. The company has done some exporting to John Deere Limited in Australia. About 3 years ago, Air Design developed a scraper for their application and conditions that proved to be very successful. They do export to John Deere Limited in Australia; however a small percent of the business is export. In 2007, they were awarded a contract from John Deere, USA, for corn planter scrapers that will keep them busy for 180 days. The scrapers are designed, manufactured, packaged, and shipped nationally from this successful and growing business. In the beginning stages, the company worked with a marketing consultant that helped them develop a strategic plan to grow sales and enter new markets. Mainly due to John Deere USA, there has employee expansion and additional shifts added in a small rural town. Local customers can have custom work done by contacting [design@nemont.net](mailto:design@nemont.net).

In McCone County, **Joanne's Boutique** has added an on-line store to the retail business. The business, started in 1998, offers choices in clothing, accessories, shoes, home decor and wellness products. The owner buys at wholesale market and sells retail locally and internationally through a website that was added and is updated with pictures and prices weekly. Sales through the internet create a revenue stream that allows the business to maintain a store front business in a small rural town. Website to purchase product is [www.montanaboutique.com](http://www.montanaboutique.com).

In Garfield County, **John Graham's Fur Country Lures and Amberg Snares** sends out 25-30 packages a day to its customers. The owner is engaged to speak at seminars, shows the products at trade shows, has a product catalogue, and is in the process of having a web site built. Some products that he sells are produced or bought locally and some internationally; they are then offered to customers through a catalogue. The unique products are sold to selectively targeted clients and the customer base does repeat orders by phone or email. Furs are sold to Japan, China, and Hong Kong. This business is in its eleventh year and is continuing to grow because of international marketing. John can be reached at [furcountry@midrivers.com](mailto:furcountry@midrivers.com).

**Montana Gifts & Treasures** is an eBay business in Valley County that mails out 30-40 packages a day. The owners buy products at trade shows at wholesale cost, buy goods on closeout sales, and shop auction sales for antiques. The products are then listed on Amazon Marketplace where they are sold, packaged, labeled, and mailed to the customer. With the US dollar the position it is in the world market place, their international business has been increasing. Earlier this year, they shipped \$6,000.00 of product to a business in New Zealand for resale. The owner has been in business for eight years and usually works 10-12 hours a day, seven days a week. A growing income and a growing international business see the rewards of this dedication and hard work. The business web site is [www.montanagiftsandtreasures.com](http://www.montanagiftsandtreasures.com).

For several years, **Montola**, a value-added oilseed processing plant in Roosevelt County has been extracting, processing, packaging, and shipping its oil products to a national market. In addition, it ships its protein meal into regional cattle and dairy operations. The Montola brand vegetable oil is sold by the quart, gallon, 55 gallon drum, and by truck and rail cars to a wide variety of customers. Recently the facility started packaging in 35 pound units ideally suited for restaurants and institutional kitchens. Local individuals routinely purchase Montola oil directly at the processing plant and in a number of grocery stores in the region. However, the majority of the vegetable oil is sold to nationally known companies. In 2005, Sustainable Systems of Missoula purchased the facility and recently they have begun work on expanding the processing capabilities of the plant with an eye towards biodiesel fuel production. The facility currently employs 21 individuals and, based on projected growth, is planning to hire and train more. Contact [www.sustainablesystemsllc.com](http://www.sustainablesystemsllc.com) for product information.

A commercial seed plant facility was purchased by a start up company, **Prairie Hills Seed Company**, in Sheridan County two years ago. The company currently specializes in marketing flax and is pursuing other specialty crop markets. In addition, Prairie Hills Seed Company is marketing flax to dairies and feedlots; milled flax is sold in sacks to feed dealers to be distributed as feed for horses. In addition, a local transport company is using Prairie Hills as a back-load and is saving the company half the cost on shipping. At present, they are working on updating their website [www.phseed.com](http://www.phseed.com) and are planning to work with a local commercial kitchen to package smaller units of flax focusing on retail markets. Currently, they are selling flax to an international food processing plant in Iowa. In the future, they would like to expand their markets to spelt, barley, oats, lentils, and chickpeas. Prairie Hills Seed Company continues to expand their sales revenue and are persistent in looking for new markets locally and internationally.

These businesses show that location is not a factor to determine business opportunities for those businesses that are using technical advancement to market their locally produced products. As a result of technology and improved education, small rural businesses can seize business opportunities to increase economic development in the region. When businesses take advantage of networking openings that are available they can maximize the potential of the market, business growth, and wage growth in Northeast Montana. By focusing on an untapped source of technical resources, they can take advantage of business just waiting for the possibility of advancement.

This past year Great Northern Development and the Small Business Development Center have provided a Business Marketing Workshop in all six counties of the region. The goal was to offer marketing information and training to local businesses in the region. Lorene Hintz, SBDC Business Advisor contacted Marketing Consultant, Leesa Nopper, to be the instructor for the 8-hour workshops. Leesa is owner of Marketing Works and was contracted with the Department of Commerce to help small businesses develop marketing strategies. She presented group insights to marketing basics and addressed specific business marketing needs of each community. We were very pleased with the overall turn out and response to the workshops in each county.

Funded in part through a cooperative agreement with the U.S. Small Business Administration. All opinions, conclusions or recommendations expressed are those of the author(s) and do not necessarily reflect the views of the SBA.

Reasonable arrangements for persons with disabilities will be made if requested at least two weeks in advance. Contact Lorene Hintz at 233 Cascade Street, Wolf Point, MT 59201, (406) 653-2590.



## Great Northern Development Corporation

233 Cascade St.  
Wolf Point, MT 59201

Phone: 406-653-2590

Fax: 406-653-1840

E-mail: [info@gndc.org](mailto:info@gndc.org)

### GNDC STAFF

EXECUTIVE DIRECTOR: Linda Twitchell

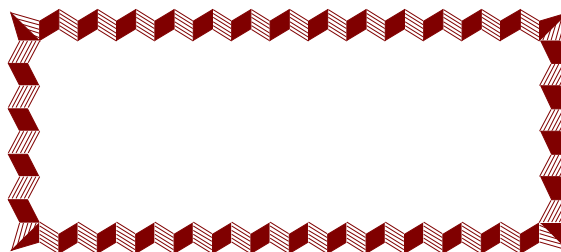
GRANT ADMINISTRATOR/HOUSING SPECIALIST: Audrey Pipal

ADMINISTRATIVE ASSISTANT: Toni Pedersen

SBDC DIRECTOR: Lorene Hintz

LOAN OFFICER: Martin DeWitt

BIO-PRODUCTS CONSULTANT: Jeanna Adkins



### Bio-Fuels Workshop a Success

On May 10, GNDC and the WIRED program hosted a bio-diesel workshop. Jim Haider, an engineer with the Montana Manufacturing Extension Center came to Wolf Point to give a very informational presentation on manufacturing and production of bio-diesel. He covered the benefits and challenges of the bio-diesel industry. In addition, he discussed the implications of this product in rural Montana.

During this presentation, Jim had equipment in the room to show the process of making bio-diesel. Bio-diesel is actually a very easy fuel to make and could easily be incorporated into an on-farm situation. Biodiesel.org is a worthwhile website to check out if you are interested in more bio-diesel facts and information.

GNDC plans to hold another workshop on bio-diesel late this year so check with Jeanna at 653-2590 for further information.



### Upcoming Ag Events

The 10<sup>th</sup> annual **Mondak Ag Open** tour will be held August 7 - 9, 2007. On August 7<sup>th</sup>, several speakers will be in Williston, ND, with information on value-added agricultural topics.

Wednesday, August 8, is going to be a day packed with several tours of the Mondak area. Anyone wishing to tour the area could choose one of five tours highlighting production and value added agriculture products. These tours begin at Williston, ND and branch out in numerous directions. The tour coming to Montana will have information and stops covering potato production, irrigation principles, oilseed & pulse crops, wind energy, and the Dry Prairie water project. Montola, the oilseed crushing facility in Culbertson will also be featured this year. Lunch is scheduled to be at the research station north of Culbertson. At this stop, participants will be able to look at new and established crops being produced in the Mondak area.

On Thursday, participants are invited to enjoy a round of golf or go fishing for the day. For more information and updates on this very informational tour of the Mondak area, please visit the website: [www.ag-open.com](http://www.ag-open.com).

The date has been set for this year's **Northeast Montana Ag Conference**. It will be held on Monday, October 15, 2007, at The Cottonwood Inn in Glasgow, Montana.

Plans are still in the works so specific speakers have not been identified yet, but topics covered will be similar to past years. Examples include pulse marketing, oilseed production, field-to-table food production, bio-diesel, and wind energy. In addition, booth space will also be available to market Montana products for a small fee of \$15.00.

Future newsletters will have a more in-depth look at these upcoming events. For more information on either event or if you have any ideas for the Ag Conference, please call Jeanna at 653-2590 or email [bpic@gndc.org](mailto:bpic@gndc.org).