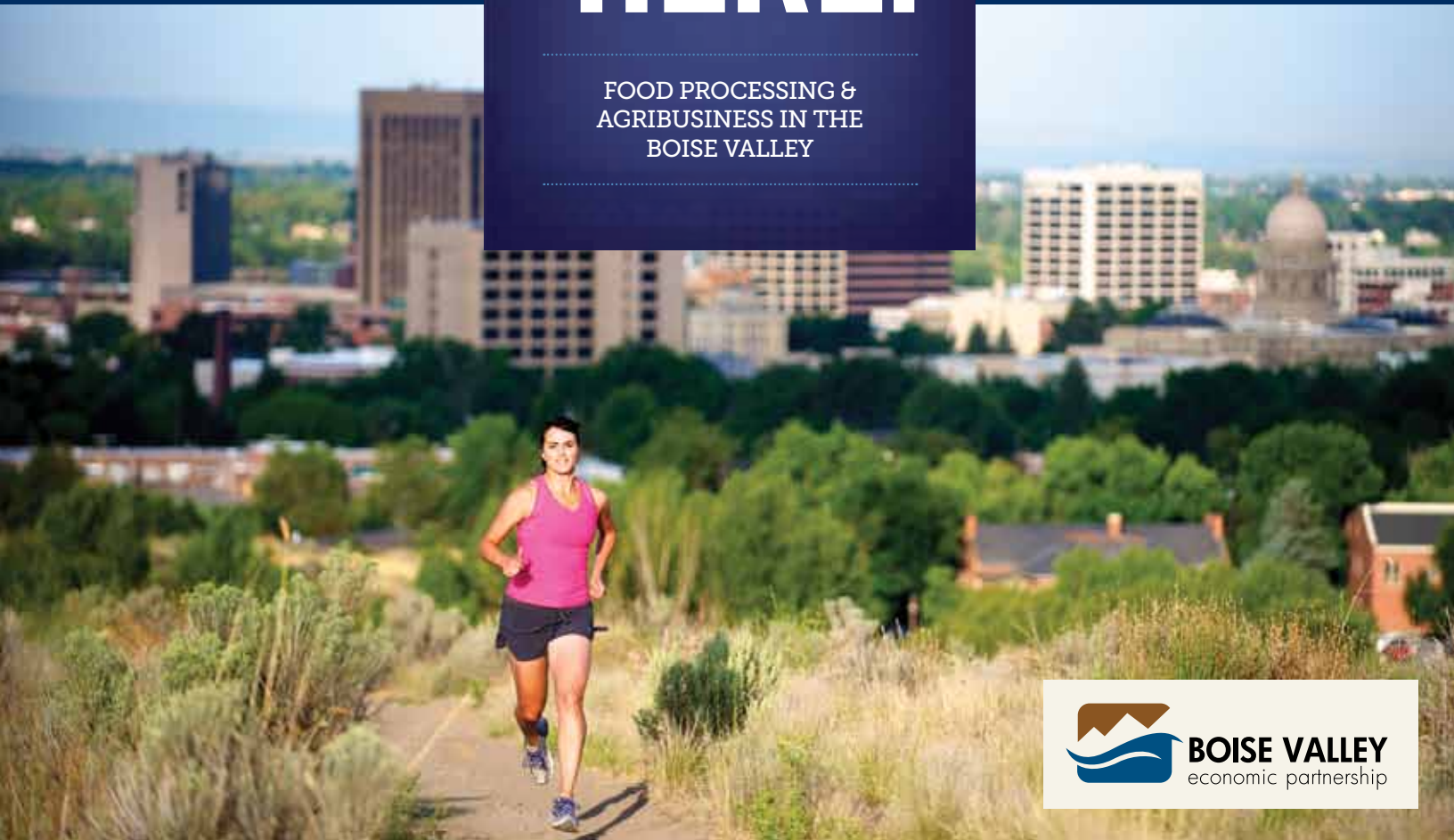


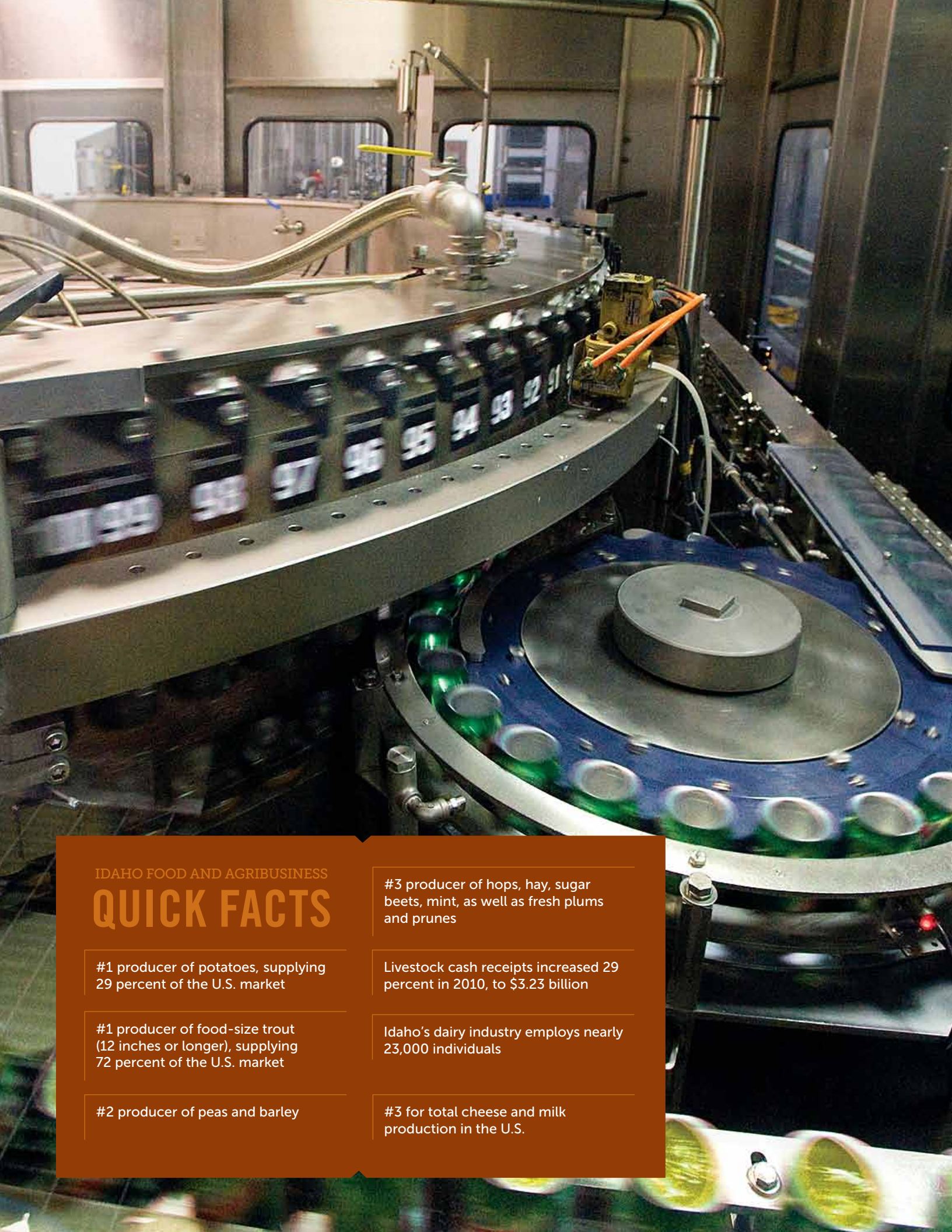


BIG IDEAS GROW HERE.

FOOD PROCESSING &
AGRIBUSINESS IN THE
BOISE VALLEY



BOISE VALLEY
economic partnership



IDAHO FOOD AND AGRIBUSINESS

QUICK FACTS

#1 producer of potatoes, supplying 29 percent of the U.S. market

#1 producer of food-size trout (12 inches or longer), supplying 72 percent of the U.S. market

#2 producer of peas and barley

#3 producer of hops, hay, sugar beets, mint, as well as fresh plums and prunes

Livestock cash receipts increased 29 percent in 2010, to \$3.23 billion

Idaho's dairy industry employs nearly 23,000 individuals

#3 for total cheese and milk production in the U.S.

Once a hub for extraction industries, the Boise Valley has blossomed into a center for high tech, agribusiness, food processing, shared services, manufacturing, state government and other thriving industries. The Valley's rich history of business success—often a surprise to newcomers—includes giants like Micron Technology, Hewlett-Packard's LaserJet division, Albertsons grocery stores, Morrison Knudsen Company (now URS), and the J.R. Simplot Company, among others. You'll find that the same advantages that helped these companies excel still exist here today:

- Low cost of doing business and low cost of living
- Pro-business climate that welcomes and supports you
- An ample, highly trained workforce epitomized by a "can do" attitude
- Extraordinary quality of place for attracting and retaining talent
- An infrastructure of talent and expertise from a legacy of large corporate headquarters

While Idaho may be synonymous with potatoes, the Boise Valley's sunny climate, warm days and abundant irrigation have made it a center for the food and agriculture industries. Over the last 100 years, led by such pioneers as the legendary J.R. Simplot, Idaho's long tradition of farming has been transformed from a simple way of life into a major economic force in the Boise Valley.

The Boise Valley's location is fertile ground for food processing companies thanks in part to an abundant supply of agricultural products, packaging and warehouse facilities, and manufacturing support firms.

← Agribusiness and food processing is one of the largest contributors to Idaho's economic base, accounting for 20 percent of the gross state product. And far from its reputation for "famous potatoes", food and agribusiness in Idaho—and the Boise Valley in particular—is extremely diversified, producing numerous varieties of crops and seeds, dairy products, cattle and livestock, award winning wines, and a variety of food products from appetizers to canned beverages.

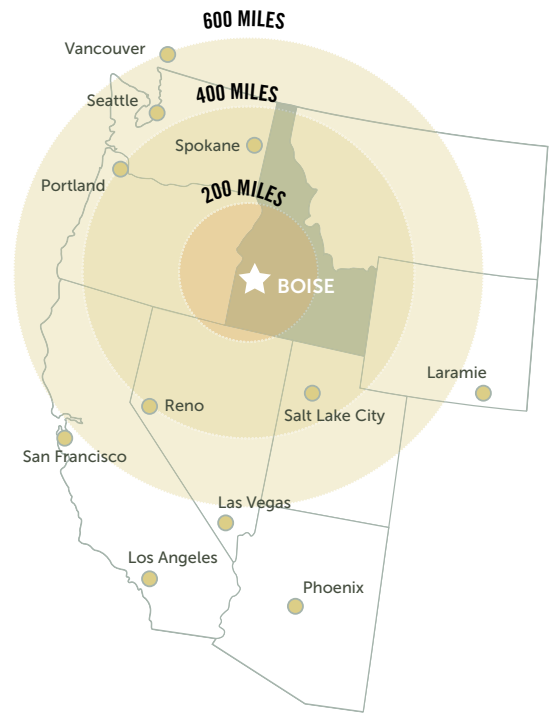


➔ WHERE'S BOISE VALLEY?

Twelve of the West's major metropolitan areas are within 800 miles of the Boise Valley, including Salt Lake City, UT (345 miles from Boise), Portland, OR (432 miles from Boise), Reno, NV (421 miles from Boise) and Spokane, WA (415 miles from Boise).

50 motor freight companies serve the Boise Valley, traveling five interstates, 20 U.S. and 30 state highways.

A rail system of more than 1,600 miles in the state benefits the Boise Valley through rail companies like Union Pacific and Burlington Northern Santa Fe. The state has a regional line and 6 short line railroads that feed into the major rail lines, providing connection points to Canada, Mexico and the US. Over 11 million tons of freight are transported annually on Idaho's rails, with agricultural and food products comprising one-third of the freight.



FROM BOISE TO:	DRIVING TIME	AIR TIME	RAIL TIME
Salt Lake City, UT	4 hrs 56 mins	1 hr 2 mins	1 day
Seattle, WA	7 hrs 52 mins	1 hr 20 mins	1.5 days
Vancouver, Canada	10 hrs 42 mins	4 hrs 5 mins	1.5 days
Chicago, IL	24 hrs 30 mins	3 hrs 19 mins	5 days
Los Angeles, CA	13 hrs 47 mins	2 hrs 10 mins	3 days
Denver, CO	11 hrs 46 mins	1 hr 45 mins	2 days
San Francisco, CA	10 hrs 29 mins	1 hr 43 mins	2 days
Portland, OR	6 hrs 54 mins	1 hr 10 mins	1 day



Energy costs are the 2nd lowest in the country according to the Small Business & Entrepreneur Council.

2011 average hourly wages ranged from

\$ 10.12 to 22.81

12TH

Idaho offers the 12th lowest cost of doing business nationwide (Forbes). The cost of living index is also the 12th lowest in the nation.

Idaho offers the lowest health insurance costs in the U.S.



ONE-THIRD

Overall business costs in the Boise Valley are nearly a third lower than in California and Washington.



Corporate taxes are the 17th lowest in the nation.

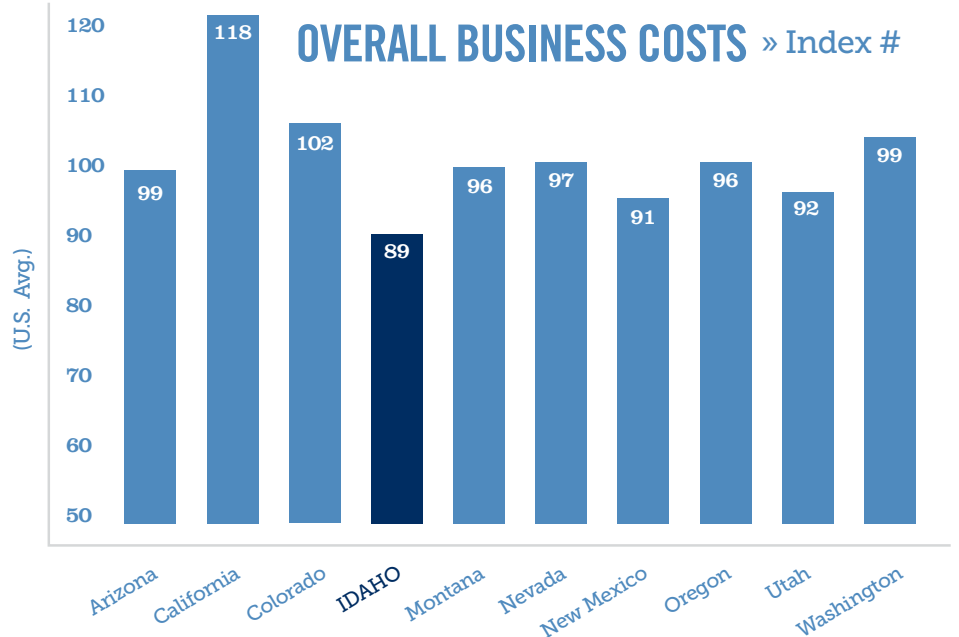
COST COMPARISON & WORKFORCE AVAILABILITY

As a gateway to the Pacific Northwest and Intermountain West, the Boise Valley operates from a lower cost of doing business – which means greater profitability for your company. Idaho ranks lower than other states in the region and 12th lowest in the U.S. according to Forbes. A key reason for Idaho’s low business costs is the abundance of hydropower, the major source for the state’s electricity. Idaho is part of Bonneville Power Administration’s power grid, and as a result, companies benefit from some of the lowest rates in the West and the U.S.

\$21 BILLION

The food and agriculture industry continues to be a staple of Idaho’s economy, generating \$21 billion in annual sales, for a total of 20 percent of the gross state product. Statewide, in 2009, the industry as a whole accounted for 157,000 jobs, or 17 percent of the state total. The figures presented below are applicable to the Boise-Nampa MSA (Boise Valley), and are representative of a variety of positions within the agricultural industry.

- 2011 jobs totaled 19,719, projected to reach 21,996 by 2018
- The number of job seekers with prior industry experience (unemployment claimants plus employed job seekers) totaled 8,841



"We live and we work and we make things happen, and that's what the Boise Valley is all about."

— **Bill Whitacre,**
President and CEO, J.R. Simplot Company



Success Profile: Bill Whitacre, J.R. Simplot Company

Bill Whitacre came to the Boise Valley from the Midwest over a decade ago, attracted by its history of agricultural innovation, as well as its world-class outdoor recreation (Whitacre recently completed a 1,500-mile backcountry motorcycle trek from the Boise Valley to the Canadian border).

But ultimately, it was the opportunity to work with a world-class agribusiness company that brought him to the valley. The J.R. Simplot Company started in 1923 when a 14-year-old boy named Jack Simplot quit school and went into business for himself, sorting potatoes in Declo, Idaho. He never looked back. By the early years of World War II, the J.R. Simplot Company had become the largest shipper of fresh potatoes in the country, and by the early 1950's, it had invented the first commercially viable frozen french fries in the world.

Headquartered in Boise, today the J.R. Simplot Company is a vertically integrated, global agribusiness powerhouse, and one of the largest privately held companies in America, employing more than 10,000 people worldwide. Nearly a third of those employees reside in the Boise Valley.

Whitacre has never regretted his decision to relocate to the Boise Valley. "I didn't really fully appreciate what agriculture was about until I got into this high value, irrigated land and production practices in the West. When I got here I thought I'd found Nirvana because of the opportunities that we have are unique to most places in the world."



Simplot

When the J.R. Simplot Company needed to make a tough decision in closing three of their older processing plants in Idaho, they chose to keep their consolidation project in the Boise Valley. Building a state-of-the-art 380,000 sq. ft. plant on the site of their original processing plant, the new location will employ 250 people from the region. Mark McKellar, Simplot Food Group President explained "The new plant will produce the same output as the three older plants, and will allow us to remain competitive in the marketplace." As a locally grown company, the J.R. Simplot Company is one of the state's largest employers and most stable supporters.

National Production Ranking of Idaho Products

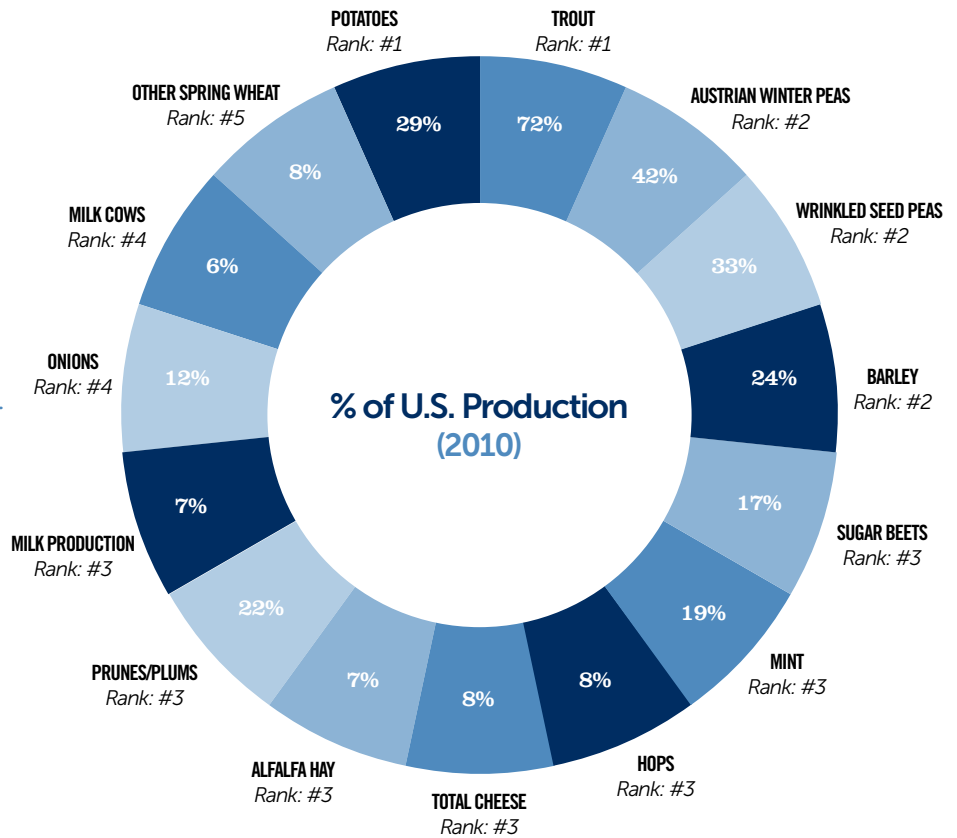
Idaho, and the Boise Valley in particular, is serious about agricultural products and food processing. Over 185 different commodities are grown or produced in Idaho, and the state ranks in the top 10 in the U.S. for 26 crops and livestock categories due to growing conditions, weather, and state of the art technology and expertise.

Agricultural diversity—including crops, seeds, dairy products, cattle and livestock—make up 20% of the state’s gross domestic product and account for over 13% of international exports.

The Workforce

Agriculture in Idaho is a technology-oriented and based industry. Companies will find able training partners in the educational institutions in Idaho. Boise campuses of Idaho State University and the University of Idaho offer programs in engineering, food science and technology. Machine shops and other secondary supply companies like Idaho Sheet Metal manufacture specialty machine parts needed in the automated and technical plants to support the abundance of food-processing activity in the region.

The Boise Valley has an experienced and skilled workforce readily available to fit your food processing needs.



SIC Code	Occupation Title	Boise MSA			Idaho	National
		Job Seekers*	2010 Jobs	2011 Avg. Hourly Wage	Job Seekers* Q3	2011 Avg. Hourly Wage
45-2041	Graders and sorters, agricultural products	398	319	\$10.12	1,890	\$10.25
49-9042	Maintenance and repair workers, general	414	2,382	\$14.25	1,038	\$17.04
51-1011	First-line supervisors/managers of production and operating workers	750	1,094	\$22.81	1,442	\$26.37
51-3092	Food batchmakers	197	422	\$15.56	527	\$13.02
51-9111	Packaging and filling machine operators and tenders	261	698	\$11.60	536	\$13.16
53-7062	Laborers and freight, stock, and material movers, hand	2,830	4,148	\$10.58	6,433	\$12.27
53-7064	Packers and packagers, hand	553	914	\$10.68	1,113	\$10.50

*Job Seekers: Includes unemployment registrants with the Department of Labor and currently employed individuals looking for work. Source: Idaho Department of Labor - EMSI Complete Employment - 2011.3



Dairy Industry in the Boise Valley

- ➔ **Lactalis American Group** in Nampa employs more than 600 and produces cheese and whey products with milk sourced 100% from local dairies.
- ➔ **Land O'Lakes** operates production, packaging, and research facilities in Nampa.
- ➔ **Meadow Gold Dairy** operates full-service milk production facility in Boise.
- ➔ **Marathon Cheese** cuts and packages cheese from their facility in Mountain Home.

Other Food Processing Companies

- ➔ **Great American Appetizers** in Nampa manufacturers frozen custom-made products for national restaurant chains.
- ➔ **Nestle PowerBar** operates a state-of-the-art manufacturing plant, as well as a distribution facility for PowerBar products in Boise.
- ➔ **Bigelow Tea Company** has a production facility in Boise that produces many of the company's signature specialty teas.



The Boise Valley Economic Partnership (BVEP) is the regional economic development organization for the Boise Valley, representing the southwestern Idaho counties of Ada, Boise, Canyon, Gem and Owyhee, including the capital city of Boise. BVEP offers free, customized, confidential services and site location assistance to businesses and entrepreneurs interested in relocating, starting up, or expanding in the Boise Valley.

➔ HOW CAN WE HELP YOU?

If you are thinking about relocating or expanding your business, let us help you put together the information you need. What we can do:

- Evaluate the available workforce and connect you to resources that will make hiring, interviewing, screening and training your new workforce easier
- Initiate real estate searches
- Coordinate site-selection trips and customized visits to the valley
- Personalize briefings and orientations

- Assist in evaluating and applying for incentives
- Connect you with business leaders, state leadership, and services in the Boise Valley
- Facilitate the permitting process
- Organize strategic meetings to make your visit a one-stop collaborative effort (with key business leaders, government and community officials)

- Promote your organization/business through media and public relations
- Provide data on key business factors
- Create a personalized overview of the region and assist in any other way needed

Contact Jana Jones at (208) 472-5246, and we will create a customized package of information.