

THE EXECUTIVE

THE STATE CHAMBER 
Nebraska Chamber of Commerce & Industry
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Reverse Trade Mission Set For September 10-13

Nebraska's first reverse trade mission will be held Sept. 10-13, 2008. The event will provide international business contacts the chance to see firsthand the benefits of doing business in the Cornhusker State. The reverse trade mission is being sponsored by the Nebraska Diplomats and the Nebraska Departments of Economic Development and Agriculture. The State Chamber is a partner in this important effort and will sponsor the Sept. 12 luncheon at The Cornhusker Marriott Hotel in Lincoln.

State Chamber President Barry L. Kennedy noted that international trade is vital to the Nebraska economy and sustains more than 56,000 jobs in the state, according to estimates.

Representatives from Japan, China, Brazil and Germany are among those participating in the reverse trade mission. International business executives will have the opportunity to meet with potential customers and explore opportunities to partner with sourcing companies or joint venture partners. The event will also showcase emerg-

ing technologies in a variety of industries.

"The reverse trade mission is an exciting opportunity for our state," said Kennedy. "The State Chamber is pleased to be a sponsor of this chance to showcase some of Nebraska's top businesses."

Although all sectors of Nebraska's economy stand to benefit from the reverse trade mission, targeted industries include biotechnology/research, agriculture, insurance, alternative energy, distribution and logistics, and information technology.

More than 140 international visitors are expected to attend the event, according to Department of Economic Development officials.

Some of the highlights of the trade mission include a leadership forum focused on the logistics needs of Brazil; a presentation specifically for the delegation from China; a "job creation workshop" for government leaders; and roundtables for attendees to discuss agriculture, technology and alternative investments.

The trade mission coincides with the State Chamber's fall board meeting and Passport Weekend, the signature event of the Nebraska Diplomats.

For a complete schedule of the reverse trade mission, please go to www.neded.org/rtm. For specific inquiries or more information, contact Joe Chapuran with the Department of Economic Development at (402) 595-1416 or joe.chapuran@nebraska.gov. ■

FORBES Magazine: Nebraska Is A Top 10 State For Business

FORBES magazine has ranked Nebraska as one of its best states for business. When compared to the 49 other states and the District of Columbia, Nebraska improved its position from No. 17 in 2007 to No. 10 this year.

FORBES editors concluded that Nebraska offers a better quality of life, better regulatory environment and lower business costs than most states. The magazine ranked Nebraska No. 9 in its quality-of-life index, which considers cost of living, quality of schools, crime rates, health care, and poverty rates.

Nebraska was ranked twelfth for its regulatory environment, which includes the level of state regulation, transportation, bond rankings, and incentives for businesses – such as the Nebraska Advantage. Nebraska was thirteenth in the magazine's business costs ranking, which includes labor expenses, energy costs and taxes.

Virginia was named the best state for doing business. The only surrounding state in FORBES' Top 10 is Colorado at No. 6. Kansas, Iowa and South Dakota are ranked No. 21, 22 and 23, respectively. ■

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State Chamber Views...
Editorial by Barry L. Kennedy
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"Just As In 1938, Nebraska Is Still Good For Business"

Seventy years ago, the Associated Industries of Nebraska – the precursor of the State Chamber – ran a series of advertisements in *TIME* Magazine to promote Nebraska's advantages to business leaders throughout the nation.

The ads proclaimed that Nebraska was "America's white spot" thanks to its unique and positive qualities. According to the 1938 advertisements, the Cornhusker State prided itself on its tax rates, manufacturing base, labor force and balanced state budget.

Seven decades ago, Nebraska had no corporate income tax; no personal income tax; no luxury tax; and no "sin" tax. From 1928-1937, the state's general property taxes had been reduced by more than 30 percent.

Obviously, some things have changed over the last 70 years. Nebraska in 2008 is considered a high tax state.

Those of you who attend the State Chamber's Legislative Forums this fall will see that our state has the ninth highest individual tax burden, according to the non-partisan Tax Foundation. We are No. 18 for highest corporate tax rate and No. 13 for the highest individual income tax rate. That's the bad news.

The good news is some of Nebraska's most positive attributes have remained rock solid from those days of the "white spot" ads. And in many areas, our state has made significant gains.

A new study by *FORBES* magazine says Nebraska is one of the ten best states for business. Our state offers a better quality of life, better regulatory environment and lower business costs than most others,

according to the magazine's editors. *FORBES* ranked Nebraska No. 12 overall for its regulatory environment. Nebraska was No. 13 in the magazine's business cost ranking, which includes the cost of labor and energy.

Prior to WWII, Nebraska boasted 1,200 manufacturing facilities in 47 branches of industry, according to the "white spot" advertisements. Today, our state is home to more than 3,000 manufacturers, employing more than 125,000. Meanwhile, Nebraska today has the nation's fourth-lowest energy costs for both commercial and residential residents.

The 1938 advertisements hailed Nebraska's workforce as "intelligent, alert and interested." Also mentioned was our state's low cost of living and high quality of life.

Obviously, Nebraska still offers one of the most dependable workforces in the country. But one key change from 1938 is that nowadays, Nebraskans are not the only ones who recognize the quality of life our state offers. In July, *Business Facilities* magazine ranked Nebraska No. 4 for its quality of life. The rating was based on public schools, crime rates, job security, recreation opportunities, bankruptcy rates, health care, climate, and cost of living.

Despite the positive news and recognition that Nebraska has recently received, there are still obstacles that pose long-term problems for Nebraska's future growth. Some of these hurdles include a shortage of skilled workers; high tax rates; and employee health care expenses.

There remains plenty of heavy lifting to be done to improve Nebraska's business environment, and

the State Chamber will keep working to improve conditions for the general business community. However, we would be remiss if we did not take a moment to note Nebraska's positive attributes.

Just as in 1938, Nebraska remains a great state for doing business, and it is nice to see others around the nation taking notice.

With hard work and constant attention, Nebraska will be even better in the coming years. ■



McGown Graduates From Institute

Megan E. McGown, Executive Director of the Sidney/Cheyenne County Chamber of Commerce, recently graduated from the U.S. Chamber's Institute for Organization Management (IOM). The graduation ceremony was held at Loyola Marymount University in Los Angeles during July 2008.

IOM is a four-year program that allows chamber managers and non-profit leaders to enhance their organizational management skills and bring new ideas to their organizations. Graduates of Institute receive the IOM recognition, signifying completion of 96 hours of course instruction in association, chamber, and non-profit management.

"IOM graduates are recognized across the country as leaders in their communities" said Raymond P. Towle, Vice President at IOM. ■

State Chamber Annual Meeting Set For February 5

A reminder for our members: The State Chamber's Annual Meeting and Legislative Caucus will be Thursday, Feb. 5, 2009, at The Cornhusker Marriott in Lincoln. Please make note of this important date.

Those attending the Annual Meeting and Legislative Caucus will have an opportunity to meet with state lawmakers and policy leaders, while also taking part in briefings on several important legislative issues of concern to the business community. The evening's banquet will feature the traditional passing of the gavel to the new State Chamber chairman and a tribute to Nebraska's newest Business Hall of Fame inductees.

For more information on the 2009 State Chamber Annual Meeting, please call (402) 474-4422. ■

Legislative Forums Now Underway

State Chamber staff members have begun their tour of more than 30 communities across Nebraska, as the Chamber's annual Legislative Forums are already underway. The forums – held in conjunction with local chambers – will continue through Oct. 14.

This year's program will focus on the Legislature's recent session, including developments in the areas of taxes, labor law, workers' compensation and economic development. The forums will also provide a snapshot of how Nebraska compares to other states in key competitiveness rankings.

These forums provide business leaders and employees a great opportunity to visit with their state senator and meet legislative candidates. For more information, contact the State Chamber office at (402) 474-4422. ■



Leadership Nebraska Conducts Ag Tour

Members of the State Chamber's Leadership Nebraska class recently participated in a three-day agriculture tour of central and western Nebraska. Tour stops included sites in or near Aurora, Grand Island, Gibbon, Kearney, Lexington, Lake McConaughy, Ogallala, and Scottsbluff. KNOP-TV of North Platte reported that members of the Leadership program used the session as a hands-on approach to learn about the state's agriculture industry.

Class member Lori Warner, President of the Beatrice Area Chamber of Commerce, said: "We are always looking and working with people who are relocating to the area. So [the program] gives me an opportunity to not only talk about my community, but Nebraska as a whole and why it's such a great state to live in." The agriculture session – arranged with the

help of the Nebraska Farm Bureau – included a look at different methods of irrigation used in Nebraska; a visit to a cattle feed yard and turkey feeding facility; and a firsthand look at the sugar beet and dry edible bean industry in Scotts Bluff County.

Also featured on the tour were ethanol production and hydro-power generation.

Leadership Nebraska is now in its second year of developing a cross-section of leaders who will use their talents and abilities to foster a new spirit of energy, enthusiasm and vitality throughout the state. Applications for the 2009 Leadership class are being accepted until mid-October. For more information, call (402) 474-4422 or e-mail dmihovk@nechamber.com. To download the application form, go to www.nebraskaleadership.nechamber.com. ■

State Chamber's Annual Meeting Brings Sponsorship Opportunities

It's never too early to start planning for one of the state's top business events of the year. The State Chamber is now offering sponsorship opportunities to get your business recognized before a large target audience at the Chamber's Annual Meeting on Feb. 5, 2009. Businesses or organizations interested in sponsoring this important meeting of business and community leaders should contact the State Chamber as soon as possible. For details or to reserve your sponsorship, contact James Berringer at (402) 474-4422 or jberringer@nechamber.com. ■

Nebraska Advantage Receives National Exposure In Business Magazine

The August issue of *Business Facilities* magazine features a lengthy profile of the Nebraska Advantage, the state's primary economic development. Since the program took effect in January 2006, more than 150 companies building new facilities or expanding in the state have applied for tax credits and exemptions, resulting in the investment of nearly \$5 billion and creation of 13,700 jobs.

The Advantage program includes tiers of performance-based tax breaks, job training programs and research grants for companies seeking to build in Nebraska; it also facilitates international investment. About 60 of the new applications have come from businesses hiring or investing in locations outside the Omaha and Lincoln metro areas.

Business Facilities reports: "The [Nebraska Advantage] program stands at the center of Governor Dave Heineman's efforts to grow the state's economy, built largely around agriculture, insurance and biotechnology. Heineman says the state's economic development program complements Nebraska's quality of life and a dedicated workforce. The governor has made it a priority to get his message out to CEOs."

The magazine notes that "PayPal, Kawasaki and Verizon were among the early entrants into the program. More recent examples are Assurity Life Insurance Co., which is planning to build a \$32-million headquarters in Lincoln and Novozymes, which will build a \$100-million enzyme production facility in Blair."

The State Chamber was a leading advocate for the Nebraska Advantage program during the legislative debate in 2005. ■

Report Shows Mixed Bag For Nebraska's Industrial Employment Growth

According to a new report, industrial manufacturing employment dropped about one percent in Nebraska from June 2007 through June of this year. However, some Nebraska communities were manufacturing bright spots. Lincoln's industrial employment rose 4.4 percent, according to the 2009 Nebraska Manufacturers Register, a compilation published annually by Manufacturers' News Inc. In Columbus, industrial employment grew by 1.4 percent.

The register reports Nebraska lost around 1,200 industrial jobs from June 2007 to June 2008, the first loss the publisher has reported for the state in recent years, according to MNI. Omaha's industrial employment dropped less than 1%, while Grand Island dropped 1.6%; Hastings dropped by 3.9%. According to Richard Baier, director of Nebraska's Department of Economic Development, the state lost 0.7 percent in manufacturing employment compared to a national loss of 2.6 percent.

Among the state's top performing industrial sectors, transportation equipment manufacturing gained 711 jobs or 8 percent since June 2007, partially due to Kawasaki's expansion of its Lincoln rail car plant. Of the sectors that experienced workforce declines, textile/apparel, furniture/fixtures, and printing/publishing all saw job losses greater than 5 percent.

Wendy Birdsall, president of the Lincoln Chamber of Commerce, told local media it is important to note that manufacturing is becoming a highly skilled and specialized career choice and the availability of skilled workers will become more important.

Manufacturers' News reported Nebraska is home to 3,063 manufacturers employing 128,562 workers. ■

State Chamber Welcomes New Investors

Membership in the Nebraska Chamber of Commerce & Industry is an investment in Nebraska's economic well-being. This month, the State Chamber welcomes the following new members and encourages members to consider doing business with fellow Chamber members.

AINSWORTH

Ainsworth Area Chamber
of Commerce

Linda O'Hare

Sponsor: Dennis
Swanson, Sandhill
Equipment, Inc.

ELKHORN

Western Douglas County
Chamber of Commerce

Jim Tomanek

HENDERSON

Henderson Chamber of
Commerce

Kelsey Bergen

LINCOLN

Environmental & Occupa-
tional Safety Resources

Mark Shepherd

TenDot Corporate Travel,
Inc.

Jeff Eells

Sponsor: Anna Castner
Wightman, First National
Bank

Max I. Walker

Rob Walker

White Electric Supply Co.
Bryce Nielson

OMAHA

International Nutrition

Steven J. Silver

MarketSphere Consulting,
LLC

Lonnie Janecek

WAHOO

KLW & Associates, L.L.C.

Ken Weaver