

**LAKE COUNTY INTERNATIONAL EXPANDS
 TO MEET SERVICE NEEDS**

By Emmeline Elliott, Contributing Writer

Lake County International has had some major growth spurts since its days of the 12-foot door, and its facility continues to get larger. The agricultural dealer is currently adding 13,000 square feet to its building to meet increasing service demands, co-owner and manager Jeff Bloom said. More than half of the extra space is going toward the service department in order to serve their customers more efficiently, he said.

"The big driver in our expansion was the need for more service room," Bloom said. "We do a lot of business with family-owned businesses and understand the importance of good service and being able to take care of the people we do service."

Lake County International sells and services farm machinery and parts. The service end of the business is growing as the equipment is becoming too sophisticated for the owner to repair, Bloom said. Farmers often fixed the machinery themselves 40 to 50 years ago, he said, but now tractors have controllers, modules and solenoids, and farmers are much more likely to bring them to a trained professional.

The expansion also includes new office space, a larger showroom and a heated and enclosed wash bay.

The showroom roof will be raised to 12 feet, Bloom said. A second story is being built for the new parts department and to house a multi-media room – a brand new feature for the business – to educate customers and employees on equipment

operation. The showroom will expand into the existing office space and be large enough to display a tractor.

New heating techniques are part of Lake County International's expansion, as well. The company has utilized green methods for years by burning the shop's waste oil to heat the facility. Now they plan to incorporate a forced-air furnace and boiler to heat water that circulates under the floor.

"We've been using waste oil for more than 20 years, but we're only just now using the boiler for floor heat in the new part of the shop," Bloom said. "We're trying to be as environmentally friendly as possible."

Bloom anticipates the expansion to be completed early this spring and to cost more than \$1 million. The project's head contractor is Amert Construction of Madison, Bloom said. Other local contractors working on the expansion are Barger Electric, Jay Martin Plumbing and Reinicke Construction.

Lake County International's facility has developed significantly since the business was started in 1962 by Bloom's father, Frank Bloom, and his partner, Vern Spartz.

It began in a brick building on the west edge of Madison on SD-34, Bloom said. In 1976, the business moved across the highway, south of its original location, to build a larger shop. The motive behind the construction was the same as the reason for the most recent expansion: to accommodate larger machinery.

"In 1976, the equipment was starting

to get bigger, but in the last 35 years since then, the equipment has gotten bigger yet and thus the need for the expansion," Bloom said.

Today's equipment is "monstrous" compared to the machinery of the 1960s, he said. The business has gone from using 12-foot doors in the original shop that were suitable for IH 560 tractors, Bloom said, to 30-foot doors in the latest expansion that can fit 550 horsepower tractors with triple wheels. Bloom's father bought Lake County International from Spartz in 1984. Bloom ran the business after his father died in 1986 and became co-owner when he and his brother Tom bought the company from their mother Joan in 1994. "We've been a family-owned business going on almost 50 years," Bloom said. "We thank the community for being there for us, and we hope we're here to help the

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community for another generation."

More about Lake County



International can be found at www.lakecountyintl.com.



Above: New washing area.



Middle: Jeff Bloom stands by the new office area.



Right: Tom Bloom stands by the new storage area.

GEHL-MUSTANG RAMPING UP PRODUCTION, WORKFORCE

By Emmeline Elliott, Contributing Writer
As the demand for skid loaders increases, so does the need for a larger workforce at Gehl-Mustang. Plant manager Dustin Williams said current employees have been putting in 50-hour weeks for the past six months or more.

"We have several months' worth of orders on the books currently and the order rate continues to grow," Williams said. "I think we're going to grow consistently through the rest of this year and all of next year."

The Madison plant has some 280 employees and wants to add about 30 more positions in the next couple of months, Williams said. He anticipates hiring around six to 10 new employees every month for the rest of the year.

"When we see a big recession in this industry, things drop off dramatically and then they build up really fast," Williams said. "Now we're building out of it and need lots of skilled people."

In particular, Gehl is looking for welders and assemblers, Williams said. They are accepting applications for other positions as well, such as mechanics, fabrication, hydraulics and advanced electronics.

"There's openings pretty much across the board," Williams said. He noted that the Yankton Gehl plant also has a backlog of orders and is looking for employees.

Williams said orders are picking up because the economy is starting to come back, equipment needs to be replaced

and low store inventory needs to be restocked at a faster pace.

"People postponed the purchase decision because of the uncertainty. Now there's a little bit of optimism," Williams said.

The construction industry forecast is still soft, he said, but the agriculture economy has done well the last couple of years and those orders have continued at a good rate.

Gehl operates with two shifts during the week plus a weekend shift. On top of having stable indoor work, Gehl employees have the chance to move around the shop to other positions, Williams said.

"There's a lot of opportunity here to try different things," he said, indicating that

the company, she said.

Williams and Henriksen both said that an interesting part of the plant is how a sheet of steel is dropped off at one end of the building and turned into a movable piece of machinery.

"It's neat seeing the sheets of metal and then what the final product is," Henriksen said.

"It's an entertaining product to build," Williams said. "These things are always evolving and changing."

Half of Gehl sales are domestic and half are international, Henriksen said. Much of those international orders can be attributed to Gehl's merger with Manitou Group in 2008.

"For that reason, it's opened up a stronger distribution base," Henriksen said.



People from dealerships around the world tour the plant, Williams said, and the skid loaders ship worldwide to some 70 countries in Europe,

the Middle East and Central Asia. One area of the Gehl plant is set aside for manufacturing smaller skid loaders designed to fit through narrow European doors.

Headquartered in France, the Manitou brand is very popular in Europe, Williams said. It will be interesting to see the outcome of the larger company and the resources they can share, he said.

"It's going to be exciting to watch the growth of the Manitou Group now that we're beginning to combine efforts," Williams said.

could include welding, painting or running a million-dollar laser machine. "There's all kinds of skills you could learn here," Williams said. "There's so many things going on that you don't have to leave to try something different."

Human resources manager Michele Henriksen said Gehl has a good record with employee longevity. In 2009, 19 people reached 35 years of service with

Lake County Unemployment Percentage

2010	Labor Force	Employment	Unemployment	Rate
JAN	6,445	6,055	390	6.0%
FEB	6,560	6,185	375	5.7%
MAR	6,630	6,250	380	5.7%
APR	6,680	6,370	310	4.6%
MAY	6,740	6,425	315	4.7%
JUN	6,475	6,160	315	4.9%
JUL	6,510	6,185	325	5.0%
AUG	6,515	6,190	325	5.0%
SEP	6,480	6,200	280	4.3%
OCT	6,610	6,305	305	4.6%
NOV	6,540	6,215	325	5.0%
DEC	6,520	6,170	350	5.4%

2011	Labor Force	Employment	Unemployment	Rate
JAN	6,375	6,005	370	5.8%
FEB	6,485	6,130	355	5.5%

Source: Department of Labor website <http://dol.sd.gov/>

Statewide Unemployment Numbers

2010	Labor Force	Employment	Unemployment	Rate
JAN	435,375	411,745	23,630	5.4%
FEB	436,625	413,530	23,095	5.3%
MAR	440,030	416,635	23,395	5.3%
APR	443,800	423,965	19,835	4.5%
MAY	445,760	426,010	19,750	4.4%
JUN	451,925	432,735	19,190	4.2%
JUL	453,685	434,330	19,355	4.3%
AUG	450,585	431,055	19,530	4.3%
SEP	442,610	425,080	17,530	4.0%
OCT	443,745	425,860	17,885	4.0%
NOV	442,200	422,930	19,270	4.4%
DEC	440,495	419,030	21,465	4.9%

2011	Labor Force	Employment	Unemployment	Rate
JAN	437,660	414,095	23,565	5.4%
FEB	441,570	417,580	23,990	5.4%

Source: SD Dept. of Labor at <http://dol.sd.gov/>

South Dakota Taxable Sales

Year	Madison	Lake County
2006	\$118,599,046.72	\$143,640,842.55
2007	\$125,750,734.98	\$144,080,056.05
2008	\$148,626,228.84	\$159,181,770.17
2009	\$138,138,456.35	\$147,741,384.89
2010	\$124,721,812.69	\$134,951,297.59

2011	Madison	Lake County
JAN	\$13,534,417.79	\$14,456,776.87
FEB	\$11,335,469.18	\$11,986,789.88
MAR	\$10,799,012.83	\$11,364,563.19

City of Madison Building Permits

Month	Total cost
2010	
JAN	\$251,800
FEB	\$71,351
MAR	\$1,311,982
APR	\$1,754,278
MAY	\$4,786,700
JUN	\$473,754
JUL	\$309,470
AUG	\$212,050
SEP	\$215,038
OCT	\$1,642,436
NOV	\$75,961
DEC	\$51,800

2011	Total cost
JAN	\$25,025
FEB	\$5,300
MAR	\$73,170

Source: City of Madison

Lake County Building Permits

Month	Total cost
2010	
JAN	\$40,000
FEB	\$527,760
MAR	\$1,266,600
APR	\$844,322
MAY	\$1,753,503
JUN	\$1,010,100
JUL	\$1,761,501
AUG	\$501,218
SEP	\$711,451
OCT	\$962,740
NOV	\$530,500
DEC	\$388,365

2011	Total cost
JAN	\$130,000
FEB	\$156,518
MAR	\$2,528,911.17

Source: Lake County Drainage and Zoning Department

Top 10 Unemployment Rates for States

March 2011

Rank	State	Rate
1	NORTH DAKOTA	3.6
2	NEBRASKA	4.2
3	SOUTH DAKOTA	4.9
4	NEW HAMPSHIRE	5.2
5	VERMONT	5.4
6	IOWA	6.1
6	OKLAHOMA	6.1
8	WYOMING	6.2
9	HAWAII	6.3
9	VIRGINIA	6.3

Source: Bureau of Labor Statistics <http://www.bls.gov>

Discover the Unexpected

To find out more about Madison, visit these links:

- www.MadisonWorks.com
- www.MadisonSD.com
- www.CityofMadisonSD.com
- LakeCountySD.com



HOUSING MARKET'S PACE IS SLOW AND STEADY

By Emmeline Elliott, Contributing Writer

The children's tale of the tortoise and the hare comes to mind when comparing the housing market of 2010 and 2011.

Real Estate Retrievers broker and owner Matt Larson said there was a rush to buy property in 2010 for first-time homebuyers to meet the tax incentive deadline. The result was a big surge in the market and then a big dropoff.

A busy spring isn't expected in 2011, Larson said, but sales will probably be level throughout the year. "This year will be more steady," Larson said. "I think it'll be a slight uptick than what it was last year."

The real estate market looks to be at or near bottom and is seeing a slow turnaround, he said. "The economy doesn't seem to be falling off any more," Larson said.

Home sales and prices began to drop about four years ago up to last summer, he said. "[It] kept dropping

until people thought it was a deal," Larson said.

While this area hasn't experienced the steep price decline as has happened in other locations around the country, the biggest drop in price locally was seen with lake homes, Larson said. Sales on lake homes have slowed much more in the last year and a half, he said. More foreclosures are predicted this year for the national stage, Larson said. There won't be a lot of housing starts or easy lending, either.

For a robust economy, the current number of people going back to work needs to increase about four times. He said employers are seeing a fair profit now, but it's hard to hire additional people when there's still a great deal of economic uncertainty.

"That's what it all comes down to," Larson said. "Jobs for people buying houses." And each home purchase does matter to a community. The local impact of a home purchase is "fairly similar to a job being created," Larson said.

According to the National Association of Realtors, "each purchase generates as much as \$60,000 in economic activity over time." Larson said this comes from items such as remodeling, insurance and maintenance. NAR's data says one job is created for every two houses sold in the U.S.

Larson said people who own their homes vs. renting typically stay in a community longer, spend more on upkeep, have a higher income level, are more engaged with the community and have children who do better in school. "Their whole financial picture and involvement in the community is better, I think, if they own a home," Larson said.

NAR has started a Home Ownership Matters campaign to educate the public on the effects of homeownership on a community, he said.

Larson and other brokers for Real Estate Retrievers can be contacted through their website at www.realestateretrievers.com. ■

UPDATE ON THE EMPLOYER MORTGAGE ASSISTANCE PROGRAM

The EMAP program continues to have success. Three first-time homebuyers have successfully qualified and taken advantage of the program to help them with the down payment and closing costs. We are looking for more applicants to take advantage of this program! We may be able to assist you!!

- If you are a resident of Lake County, looking to purchase your first home in Lake County and need assistance for a down payment and closing costs, contact your local lender and let them know you want to apply for an EMAP loan.
- An EMAP loan assists with the down payment and closing costs for first-time homebuyers. The LAIC is offering the program through a partnership with South Dakota Housing Development Authority.
- The loan has a 2 percent interest rate over a 5-year term. Loan payments are included in the monthly payments of the first mortgage to the servicing lender. Once the EMAP loan is repaid, the monthly payment is reduced.
- EMAP loan candidates need to qualify for SDHDA and contribute \$500 of their own funds toward the purchase.

For further information about the program, visit the LAIC's website at: www.MadisonWorks.com.