Entrepreneurial Spirit....Willing Partners

60,000 cows on 151 farms

Likelihood of Increasing Herd Size in the Next Five Years by Current Herd Size

Less than 500 cows
- 26% Currently doing
- 2% Very likely
- 12% Likely
- 16% Neutral
- 16% Unlikely
- 28% Very unlikely

500 or more cows
- 27% Currently doing
- 18% Very likely
- 27% Likely
- 27% Neutral
- 0% Unlikely
- 0% Very unlikely

40% - 72%
Primed for Growth!

• Cow numbers are up 15% from 2014.
• Dairies have plans in various stages for 10,000+ cows.
• First 3 robotic dairies are operational. Several more in process.
• Dairy farmers looking to grow and willing to partner with processors.

• Nebraska has the feed, water, and open space to quickly grow the dairy herd.
• Distillers grains are readily available from 20 ethanol plants.
Abundant Resources

- Grain - 3rd in corn production and 5th in soybean production in nation
- 2nd in ethanol production
- Forage - 7th largest alfalfa producing state
- Water - Ogallala Aquifer - 5 Times the water in Lake Erie
- NE cattle industry can synergize with all facets of the dairy industry
Transportation Resources

- Interstate 80
- Central U.S. Location
  - 2 day trucking to both coasts and Gulf of Mexico
  - 2 major rail lines cross the state

LEGAL TRUCKING DISTANCE FROM Nebraska

SOURCE: Nebraska Department of Roads

Class I Railroads of the United States
State and Local Support

- 13 communities are actively seeking dairy processors.
- 6 communities with shovel ready sites.
- 7 communities with prime locations.
- Statewide commitment to supporting dairy growth.
First Mover Advantage

• 6 Shovel Ready Sites
  • Meets all utility/infrastructure needs for a dairy processor
  • Available labor force
  • Zoned – Industrial
First Mover Advantage

• First pick of vetted sites for strategic dairy farm growth, labor, infrastructure, and transportation
  • Strong food processing industry lends experienced labor force and suppliers
• Surplus milk supply exists today
  • Over 2 million pounds of milk leave the state every day
• Farmers interested in partnering to manage risk
  • Opportunity for Transparency with dedicated dairy farms
• Could receive milk that is flowing from western dairies to eastern processors
  • Western dairies ship east on I-80 past many premier sites
Nebraska Advantage – Economic Incentives

Nebraska Advantage is a multi-tiered program that rewards companies that invest in capital and create quality jobs in Nebraska.

- Receive 10% credit on investments at the project
- Refund of all sales tax on project capital expenditures
- Retain 3% to 6% of employee salary in wage credits
- Credits can be used to offset corporate income tax, sales tax and employee withholding

- **Example** – Processing Plant with $85 million in investment and 100 new jobs
  - Could see more than $20 million in tax credits, refunds, and exemptions over a 10 year period.

- **Additional Nebraska Incentives:**
  - Customized job training grants
  - Site and Building Development Fund grants
Local Incentives

• Local communities can also provide benefits
  • TIF financing
  • Community development block grant
  • Local option municipal economic development funds
  • Site development, land options
Competitive Electric Rates

- Nebraska’s retail electric utilities are 100% publicly owned
- Low electric rates:
  - 10th lowest average commercial electric rate
  - Commercial rate 81.3% of national average
  - Economic Development rates available dependent on load size
Expertise to Support Innovation

The University of Nebraska system has the expertise to support and build competencies from on-farm animal care to finished food product.
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Thank You!