

Growing the Midwest's Green Economy

THE BOOM IN CLEAN ENERGY DEVELOPMENT, ESPECIALLY WIND POWER, presents a tremendous opportunity for economic growth in the Midwest. This boom would create additional construction jobs, long-term operations and maintenance positions, and a positive indirect economic impact due to payroll spending, property tax revenue and land leases. Some of the best long-term economic opportunities will come directly from the manufacturing of wind turbine components.



As the wind industry continues to grow in the U.S., more wind turbine suppliers are creating jobs here. There are positive economic benefits to the region, and manufacturers also benefit through simplified construction logistics.

Modern wind turbines are enormous high-technology machines with towers close to 300 feet high, blades more than 200 feet long and rotors weighing as much as 100 tons. Manufacturing turbines in proximity to wind farms will be an important consideration because their size makes shipping them very expensive. With the help of more stable and supportive state and federal policies, more wind turbine suppliers are creating jobs in the places where wind energy development is taking place, especially the Midwest. This not only lowers costs but taps into the Midwest's tremendous manufacturing capabilities and skilled labor pool.

More importantly, existing Midwestern manufacturers that have supplied the automotive, machinery and electrical industries are generating new revenue and creating or retaining thousands more jobs by supplying the wind industry. Below is a sampling of companies across the Midwest that are participating in the wind industry supply chain:

Gears:

- Brad Foote Gear Works, Cicero, Illinois, 400 employees
- Winergy, Elgin, Illinois, 350 employees
- Merit Gear Corporation, Antigo, Wisconsin, 150 employees

Bearings:

- Timken, Cleveland, Ohio, 25,000 employees

Structural Towers:

- Tower Tech, Manitowoc, Wisconsin, 250 employees
- Trinity Industries, Clinton, Illinois, 150 employees
- DMI Industries, West Fargo, North Dakota

Turbine Assembly:

- Acciona, West Branch, Iowa, 140 employees
- Clipper Windpower, Cedar Rapids, Iowa, 100 employees

Blade Production:

- LM Glasfiber, Grand Forks, North Dakota, 800 employees
- Suzlon, Pipestone, Minnesota
- Siemens, Fort Madison, Iowa, 250 employees
- TPI Composites, Newton, Iowa, 500 employees
- MFS Composites, Aberdeen, South Dakota, 750 employees (anticipated by 2009)





Bringing More Wind Jobs to the Midwest

The United States' rapidly growing wind industry is poised for an even greater expansion in coming years. Renewable energy standards in more than 20 states ensure that utilities will purchase wind power for their customers. Wind turbines will continue to become bigger and more complex, making manufacturing in the Midwest even more important.

Attracting these manufacturers to states in the Midwest will take more than the right tax and economic development incentives. It will also take a political and business culture that is supportive of renewable energy development within the region, one that demonstrates that growing the green economy is a priority. Finally, Midwest states need to play a matchmaking role to link wind turbine suppliers with local businesses that can supply them.

How Can The Midwest Grow Its Wind Energy Supply Chain Activity?

Economic development organizations in several Midwest states (Michigan, Ohio, Iowa) have worked hard to both attract manufacturers and to bring turbine assembly companies and component suppliers together. The opportunities will only continue to grow.

While many companies are building their own relationships, state chambers of commerce and business organizations can play more active roles in opening doors to turbine manufacturers and educating component suppliers on opportunities in the wind energy industry.

