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Contacts: Laura Smith, Office of the Governor, 608-261-2162

Kate Venne, WHEDA, 608-334-4609

Governor Doyle Announces \$45 Million for Expansion, Upgrades at Foremost Farms USA

Projects Will Create or Retain 270 Jobs

MADISON – Governor Jim Doyle today announced that Foremost Farms USA will receive \$45 million in New Markets Tax Credits from the Wisconsin Housing and Economic Development Authority (WHEDA) to expand, upgrade production capacity at its facilities in Richland Center and Appleton, and spur investment. WHEDA Executive Director Antonio Riley made the announcement on behalf of the Governor during a visit to the company's Richland Center facility.

"My number one priority this year is helping our businesses create jobs and giving our workers the opportunities to get those jobs," Governor Doyle said. "I'm pleased that we could provide this assistance to Foremost Farms USA to provide good family-supporting jobs in Appleton and Richland Center."

The New Markets Tax Credits (NMTC) announced today will help Foremost Farms USA finance dairy production upgrades, retain and create jobs, invest in future projects to increase profitability, and return equities to members while retaining the proper equity base. The Wisconsin Community Development Legacy Fund, a Community Development Entity comprised of WHEDA, Impact Seven and Legacy Bancorp, is providing a \$25 million NMTC allocation, while CEI Capital Management LLC, a for-profit subsidiary of the Maine-based Coastal Enterprises Inc., is providing a \$20 million allocation.

"The New Markets Tax Credit investment will have a great multiplier effect in Richland Center, as the local Foremost Farms facility supports an estimated 1,500 indirect and induced full-time jobs annually throughout Wisconsin, generating an estimated \$32 million in total income in Wisconsin," said Executive Director Riley. "Dairy farming is one of the staples of Wisconsin's economy, and this deal will go a long way toward supporting the livelihood of our farmers across rural Wisconsin."

"Foremost Farms USA has a proud tradition of reinvesting in its dairy processing plants in order to provide diversified and financially stable markets for our farmer-members," said Foremost Farms USA Vice President-Finance/CFO Michael Doyle. "The New Markets Tax Credits will help Foremost Farms capitalize the cooperative for the future, revolve equities held by former members, invest in profitable, strategic projects that enhance returns to members, and build a capital structure that places a majority of our equity in the hands of active members."

Headquartered in Baraboo, Foremost Farms USA is a milk marketing cooperative owned by 2,200 dairy farmers from Wisconsin, Minnesota, Iowa, Illinois, Indiana, Michigan and Ohio who market five billion pounds of milk annually. The cooperative's 1,000 employees process and market a variety of cheeses, whey

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Monday, June 28, 2010

Page 2 of 2

ingredients and butter for commercial customers located around the world. Foremost Farms also markets bulk milk to fluid milk packagers. These projects will create or retain 270 jobs.

These projects build on Governor Doyle's efforts to position Wisconsin for future growth. Since taking office in 2003, Governor Doyle has worked aggressively to create and retain jobs in Wisconsin. Governor Doyle's budget last year created some of the strongest economic development tools in the nation to help businesses create jobs and get people back to work. Wisconsin now has powerful new tax credits to help manufacturers create and retain jobs, new tools to help investors create start-ups, and new incentives to spur research and development. Governor Doyle's efforts have helped Wisconsin companies expand and create thousands of new jobs in communities throughout the state.

Last month, Governor Doyle signed the CORE Jobs Act to build on the Governor's Accelerate Wisconsin plan by creating and expanding a number of tax credit programs for angel and venture capital investments. The bill also strengthens successful programs for manufacturing, research and development, and worker training. In addition, the Governor signed two bills to expand the successful Enterprise Zone program to help create and retain jobs.

The Governor has also worked to improve Wisconsin's tax ranking and business climate. Today, Wisconsin ranks 30th in business taxes – well below the national average.