



opportunityreturns

Creating more jobs for today and tomorrow

OFFICE OF THE GOVERNOR
Rod R. Blagojevich – Governor

news

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GOVERNOR BLAGOJEVICH ANNOUNCES MORE THAN \$1.2 MILLION IN FUNDING TO HELP FORTUNE 500 COMPANY GROW IN ROCHELLE

Expanded Facility Will Create More Than 100 New Jobs in Northern Stateline Region

SPRINGFIELD - Governor Rod Blagojevich today announced the awarding of more than **\$1.2 million** in *Opportunity Returns* funding that will help a major food products manufacturer expand its production in the Northern Stateline region and create more than **100 new jobs**. Hormel Foods Corporation, a Fortune 500 multinational manufacturer and marketer of consumer-branded food and meat products, will expand its current facility in Rochelle by 18,700 square feet. The planned expansion, scheduled to open in early 2005, will significantly increase the company's bacon production capacity. Though the company has facilities worldwide, the timely incentive package provided through *Opportunity Returns* ensures that Hormel Foods will expand its operation right here in Illinois.

"We're thrilled that another prestigious Fortune 500 company has decided to grow its business in our state. By keeping our ears to the ground and always being ready to offer the critical capital and human resources businesses need to reach new levels of success, we're building an attractive business climate that is enticing to both small and large companies. Hormel Foods' expansion is a perfect example of how we are continuing to do everything we can to make Illinois the top state for business," Governor Blagojevich said.

The assistance package of grants and financing will come from the Illinois Department of Commerce and Economic Opportunity (DCEO) as a part of the Governor's *Opportunity Returns* plan, the regional economic development strategy designed to spur growth and create jobs for the Rock River Valley region.

"At Hormel Foods Corporation, we value partnerships. Our work with the State of Illinois Department of Commerce and Economic Opportunity to expand our Rochelle, Ill. facility is a great example of the effectiveness of state and private partnerships in accomplishing goals and growing business," said Joel Johnson, CEO and Chairman of the Board of Hormel Foods Corporation.

DCEO will provide nearly **\$690,000** in Economic Development for a Growing Economy (EDGE) corporate income tax credits over the next ten years based on job creation estimates over the initial two years of the project; a **\$500,000** Large Business Development Grant (LBDG), and a **\$50,000** Employer Training Investment Program (ETIP) workforce training grant. The state financing will leverage \$11 million in private investment from the company.

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“Today, the pace of business moves more quickly than ever. To compete for the most successful companies and quality jobs, we have to take an aggressive, pro-active approach to business development. Hormel’s decision to expand here in Illinois is proof positive that the Governor’s economic development plan is answering that call. We’re seeing the pace of job creation really excel in the Northern Stateline region,” DCEO Director Jack Lavin said.

Hormel Foods Corporation is a multinational manufacturer and marketer of consumer-branded meat and food products, many of which are among the best known and trusted in the food industry. The company enjoys a strong reputation among consumers, retail grocers, and foodservice and industrial customers for products highly regarded for quality, taste, nutrition, convenience, and value. Products manufactured by the corporation include hams, bacon, sausages, franks, canned luncheon meats, stews, chilies, hash, meat spreads, shelf-stable microwaveable entrees, salsas and frozen processed foods. With more than 15,600 employees, Hormel Foods is owned by approximately 11,200 shareholders of record.

Governor Blagojevich’s *Opportunity Returns* regional economic development plan is the most aggressive, comprehensive approach to creating jobs in Illinois’ history. Since a one-size-fits-all approach to economic development just doesn’t work, the Governor has divided the state into 10 regions – finding areas with common economic strengths and needs, and developing a plan with specific actions for each region. This grassroots effort for the Northern Stateline region is a product of significant outreach over several months with business, civic and labor leaders, and elected officials. The 30 specific projects that the Governor announced in October for the Rock River Valley are designed to be flexible and effective. This plan is tailored to deliver real results that local businesses will see, feel, and, hopefully, profit from.

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