

Company sparks hope

Wind turbine firm plans to create hundreds of Keokuk jobs.

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KEOKUK -- A Wisconsin businessman said Wednesday he will invest up to \$90 million in Keokuk and the create about 400 jobs by building the country's largest wind turbine tower manufacturing plant.

Ken Hendricks, one of the nation's wealthiest men, unveiled plans to build a \$25 million production facility that will construct towers weighing 80 tons and standing 260 feet tall.

His company also will invest \$15 million to build a facility where the towers will be painted, move \$25 million worth of equipment to the site, invest \$15 million in the Southeast Iowa Port Terminal and spend \$10 million in land improvement, according to Mike Slavish, director of real estate for Hendricks Development Group.

The new facility will be built adjacent to the Southeast Iowa Port Terminal -- formerly the Iowa Gateway Terminal -- on a 77-acre plot of land that includes the former Ferro-Sil steel plant operation.

Hendricks said the new plant will produce 12 to 15 towers a week when production begins in about a year. Employees will earn an average wage of about \$23 an hour.

Company officials made the announcement Wednesday and were joined by Gov. Chet Culver and Mayor Dave Gudgel at the port terminal.

Gudgel's voice grew thick with emotion as he introduced Hendricks to an audience of about 300 and spoke of the jobs, hope and opportunities the new facility and renovated port would bring to the area.

"I have found him (Hendricks) a true man of his word and his handshake," Gudgel said. "Recently he told me he would not let me down. I believed him then, and I believe him now."

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John Lovretta/The Hawk Eye
A crowd lines up Wednesday to enter Keokuk's Southeastern Iowa Port Terminal LLC for the announcement of a wind turbine tower manufacturing plant in Keokuk. The new business is expected to create 400 jobs and invest millions of dollars into the area.



John Lovretta/The Hawk Eye
Smiles were plentiful Wednesday as Keokuk Mayor David Gudgel, left, Ken Hendricks of Hendricks Industries and Iowa Gov. Chet Culver announce plans for a wind turbine tower manufacturing plant in Keokuk.

A high school dropout, Hendricks sports a personal fortune of \$3.5 billion, making him America's 91st richest person, according to Forbes magazine.

However, Hendricks said it's his dedication to create jobs that drives his ambition.

"The thing that really makes me wake up in the morning is, I hate to see people that don't have the opportunity to have a job," he said. "There is nothing in the world more important than, with dignity, to be able to go to work and get a decent day's pay."

Culver welcomed the Beloit, Wis., man to Iowa and promised to continue working on economic development and expanding renewable energy production in the state.

"I look forward to doing whatever I can on a personal basis with Ken and his team to make sure we do this and do it right," Culver said.

"This is a great fit. It's a great fit between the state of Iowa and Hendricks Industries," the governor continued. "Hendricks is known and identified as being one of the leading businesses around the world. Iowa is now recognized as being the national leader in terms of renewable energy. We've led the way in biofuels ... now we're leading the way with respect to wind energy."

The new plant joins a growing number of renewable energy companies that have decided to make Iowa their home.

Spain-based Acciona Energy plans to make wind turbines in West Branch; Germany-based Siemens AG produces turbine blades in Fort Madison; and California-based Clipper Wind Power produces wind turbines in Cedar Rapids.

Rhode Island-based TPI announced earlier this week it is considering locating a blade production plant in Newton.

Early this year, Hendricks Holding Co. Inc. purchased Denmark-based wind turbine tower maker Roug A/S, which has been producing wind turbine towers for 25 years and owns plants in both Denmark and Germany.

Officials will begin hiring employees for the new plant in Keokuk in the spring, said Jeff Lauritzen, president/CEO of Hendricks Industries. To get the new plant working as soon as possible, company officials plan to ship about 25 percent of an initial 300 hires to Denmark to learn the business.

The company also will bring about five key employees from Denmark to work in the Keokuk factory, Lauritzen said.

Lauritzen said the company plans to hire 365 people by 2009 and eventually will work up to 400 employees.

Of those 400 about 325 will work in production. The others will work as support and administrative staff, Lauritzen said.

Hendricks isn't worried about keeping all those workers busy.

"Siemens has been a good partner all the way. They have agreed that they will purchase all the towers we can manufacture," Hendricks said. "Normally when you start a business you are looking for sales. We're totally sold out."

Lauritzen added that the company has seven customers who purchase towers made in Europe.

Many of the new towers will be shipped out via the port terminal, Hendricks said. Shipping the towers over water is more economical than by rail or truck, he said.

Hendricks plans to completely revamp the port, including adding cells to unload and load barges and make it so it can withstand a 500-year flood.

In addition to shipping towers from the new factory and blades from Siemens, Hendricks said the port will become a major landing point for industry moving raw materials on the Mississippi River, including salt, steel and coal.

"The highways are overflowing with semis and the railroads are at their capacity. We're so fortunate here to have the Mississippi River through which we can reach all the coastal states, the Pittsburgh (market) up the Ohio (River), the Chicago (market) up the Illinois (River), which allows us to get the Great Lakes. It's like we're at the center of the universe when we're talking about boats," Hendricks said.

The new industry represents a boon to Keokuk, Lee County and the area, Gudgel said.

Lee County long has had the worst unemployment record in Iowa. Its unemployment rate was 5.8 percent in August, according to the U.S. Bureau of Labor Statistics. Statewide, the rate has averaged 3.5 percent.

Both the city and state are completing details of various incentive packages for Hendricks, estimated to be worth between \$35 million and \$40 million.

Gudgel declined to say how much the city's portion of the incentives would be, but said it will probably be about three times greater than the state's.