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Keokuk lands wind tower maker

\$32 million plant and related project will employ 380

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Iowa expects to land a fifth company that makes wind energy equipment, with a \$32 million wind tower factory proposed in Keokuk. The announcement enables Iowa to gain footing in a fast-growing market that's expected to reach \$10 billion this year.

Already, Iowa has recruited heavy hitters such as Clipper Windpower, Acciona Energy and Siemens Power Generation.

"Iowa has a base that's only going to grow as manufacturers like Siemens, Clipper and Acciona attract component suppliers," said Randy Swisher, executive director of the American Wind Energy Association. He noted that wind turbines are made up of 8,000 components.

State and national leaders Wednesday said growth in the renewable energy industry has the potential to help revitalize areas of Iowa hard hit by manufacturing losses.

On Wednesday, Hendricks Industries, based in Denmark, said it would build a \$32 million plant and spend \$2.5 million upgrading the Southeast Iowa Port Terminal. Together, the projects would employ about 380 workers.

"This is incredibly positive for southeast Iowa," Gov. Chet Culver said Wednesday. In Lee County, where Keokuk is located, the unemployment rate averaged 5.8 percent from January through August. Statewide, the jobless rate averaged 3.5 percent.

Factory workers would earn an average of \$48,800 annually to build turbine towers that stand 260 feet tall and weigh about 80 tons. Port workers would earn about \$39,728 annually.

The wind energy manufacturer is owned by Ken Hendricks, a Wisconsin-based entrepreneur who placed 107th on Forbes' 400 richest Americans list last year. He joined Culver and local leaders at the announcement Wednesday in Keokuk.

"Wind power is something I feel is an area that's very promising," said Hendricks, founder of ABC Supply, the nation's largest wholesale building distributor.

"Our new location in Iowa, the heart of America's wind belt, puts our company in the perfect position to serve a market that is projected to triple production" by 2020.

Wind energy is now used to generate less than 1 percent of the nation's power, but it is the fastest-growing new power generator, national experts say.

Hendricks purchased the Denmark company nearly a year ago. He said he was first attracted to Keokuk's port terminal, and then considered the kinds of products that would best benefit from inexpensive transportation.



JOHN LOVRETTA/ASSOCIATED PRESS

Ken Hendricks of Hendricks Industries, left, and Iowa Gov. Chet Culver laugh at comments made by Keokuk Mayor David Gudel during an event announcing plans for a wind turbine tower plant in Keokuk on Wednesday at Keokuk's Southeast Iowa Port Terminal.

What it means for Keokuk and Iowa

Hendricks Industries, based in Denmark, said Wednesday it would build a \$32 million plant in Keokuk and spend \$2.5 million upgrading the Southeast Iowa Port Terminal, making it the fifth company that makes wind turbine equipment to come to Iowa.

UNEMPLOYMENT: The projects would employ about 380 workers in Lee County, where Keokuk is located and where the unemployment rate has averaged 5.8 percent since August. Statewide, the jobless rate averaged 3.5 percent.

INDUSTRY GROWTH: Wind energy is now used to generate less than 1 percent of the nation's power, but it is the fastest-growing new source, say national experts.

QUOTE: "Iowa could be the next Silicon Valley." - Gov. Chet Culver, on his belief that renewable energy could give Iowa the same economic punch computers gave California.

"It's nine times cheaper to ship by barge," said Hendricks, who also has invested in green roof construction and solar energy. "To compete globally, you have to have lower your transportation costs. I was looking for the highest and best use."

His company plans to seek state and local incentives, the details of which were unavailable Wednesday.

Culver said he believes wind energy - and renewable energy - could give Iowa the same economic punch that computers gave California. "Iowa could be the next Silicon Valley," he said.

Michael Tramontina, the state's economic development leader, pointed to a study that said Iowa could benefit from \$22.4 billion in wind generation projects within 600 miles of the state over the next seven years. The study was done by wind consultants for the state.

"Iowa is in the ideal location for both wind energy turbines and the production facilities that produce them," Tramontina said.

Iowa is the No. 1 producer of ethanol in the United States. It ranks third in wind energy production, behind Texas and California.

Iowa is among a few states in the nation where leading wind turbine makers have opened factories, according to the American Wind Energy Association.

Clipper Windpower builds wind turbines in Cedar Rapids; Acciona of Spain plans to make wind turbines in West Branch; and Siemens is making turbine blades in Fort Madison.

In addition, Rhode Island-based TPI said this week chances are good it will construct a \$56 million plant to make blades for wind turbines in Newton, although the deal is not complete yet.

The company planned to participate in a job fair Wednesday for Maytag workers. The longtime appliance manufacturer, now owned by Whirlpool Corp., is scheduled to close later this month.

Hendricks said demand from companies such as Siemens persuaded him to build another plant.

Swisher said Iowa has aggressively recruited wind energy manufacturers, many of which are still located in Europe and exporting to the United States.

Culver said Wednesday he toured a Hendricks plant while in Europe last month to speak at an international wind energy trade show. He said he believes his visit with company leaders sold them on Iowa. "It was very important."

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