

BUSINESS

SUNDAY, JAN. 3, 2010 | D1

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IN BRIEF Pressure rises to stop antibiotics in U.S. agriculture. || **D2**


Submitted photo
A worker uses equipment to separate beef products at Tyson's Dakota City, Neb. plant. Beef demand was down in 2009, but cattle prices have trended upward recently, says a University of Nebraska livestock marketing specialist.

Meat demand key in 2010

BY JEFF DEYOUNG
Iowa Farmer Today

LINCOLN, Neb. — While cattle and hog prices should be on the upswing, the wild card in 2010 will be meat demand.

Darrell Mark, Extension livestock marketing specialist at the University of Nebraska, says consumers worried about the economy drastically cut back on buying meat in 2009.

He expects much of the

same in 2010.

"I really think that is going to be the story in 2010 — to see how much we can increase meat demand, not only for beef and pork but for poultry as well."

"Beef demand was down in 2009, and I think it's going to be a challenge to get it back to where it needs to be."

Mark says fed cattle prices have trended upward in recent days, and he ex-

pects that to continue.

"I really think we have turned the page. We have had smaller calf crops, and November placements were down 8 to 9 percent, particularly with lighter weight calves. I really think we are going to be off to a good start in 2010."

Mark says cattle placed now should be profitable.

"I think if you can get them to perform well, and that is a challenge right

now considering the weather we have, you should be able to make some money on them. Feed costs are down some as well."

Mark says despite lower calf numbers, slaughter weights are likely to be at least 1 percent higher in 2010.

"So, we are cutting numbers but not necessarily

MEAT, PAGE D7

100 YEARS OF MIDWEST SHOP SUPPLIES

Midwest timeline

1909: Barrett Peete opens hardware store at 221 Fourth St. in downtown Sioux City; Perry Creek floods downtown area soon after.



1955: Peete passes leadership of business to his son, Richard.



1963: Richard Peete moves store to 301 Jackson St.; changes name to Midwest Shop Supplies

1988: Richard Peete's daughters, Susan Peete and Linda Peete-Florn, assume control of business; expand product lines

2009: Company celebrates 100th anniversary



1918: Peete Hardware and Tool Company moves to 525 Fifth St.



1967: Midwest develops portable classrooms called Learning Laboratories

1972: Midwest Shop Supplies moves to 2600 Bridge Drive; expands sales to all 50 states



Historic photos courtesy of Public Museum's Pearl Street Research Center

Midwest in a class all its own

Family firm feeds nation's industrial arts classrooms

BY DAVE DREESZEN

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SIOUX CITY — Robin Petersen lifted a copy of the Midwest Shop Supplies catalog, with an old-fashioned design on its cover.

Inside the 500-page book are pictures and descriptions of more than 10,000 items, from glue and construction paper to T squares and hammers to arc welders and table saws to chairs and storage cabinets.

"It's our resource guide for teachers," said Petersen, the fourth generation of her family to run the Sioux City-based business.

From a small hardware store founded by Petersen's great-grandfather 100 years ago, Midwest has grown to be one of the nation's largest suppliers of materials for industrial arts classrooms. The company distributes technology products to



Submitted photo

Sisters Susan Peete, left, and Linda Peete-Florn and Susan Peete's daughter, Robin Petersen, are the third and fourth generation owners, respectively, of Midwest Shop Supplies. The Sioux City-based business, which supplies products and technology to school districts across the country, turned 100 years old in 2009.

more than 19,000 school districts in all 50 states. Sioux City's high schools are among

its customers.

Midwest stands as one of the city's oldest family-owned and

operated businesses. Petersen attributes the firm's longevity and success to its commitment

Midwest Shop Supplies

Type business: Supplier of education-related products and technology

History: Founded in 1909 as Peete Hardware and Tool Company in downtown Sioux City

Current location: 2600 Bridgeport Drive

President: Douglas Florn

Vice President: Robin Petersen, great-granddaughter of company founder

Employees: 22 in Sioux City and 24 sales representatives in field

On the Web: www.midwesttechnology.com

to customer service and experienced workforce.

"A lot of our employees have worked here for 20 years or more," she said.

Midwest has 25 sales representatives spread out across the country, and another 22 employees who work out of the company's offices and warehouses at 2600 Bridgeport Drive.

MIDWEST, PAGE D7

BRIEFS

NORFOLK, NEB.

USDA in Nebraska sets economic forums

The Nebraska office of the U.S. Agriculture Department plans a statewide forum on job creation, economic growth and small-business credit.

The forum will be held via video conference at eight locations, including Norfolk, across the state on Jan. 8. It will begin at 10 a.m. and end at noon.

In Norfolk, the session will be held at the Northeast Community College Life-long Learning Center, 801 East Benjamin Ave., facilitated by Dale Wemhoff and Joe Ferguson.

The forum will include business owners, residents, state and local officials, union members, nonprofit organizations, community leaders, economists and

other interested parties.

Other sites include Scottsbluff, North Platte, McCook, Kearney, Ainsworth, Lincoln and Omaha.

For more information, call the USDA office at 402-437-5563 or e-mail vicki.schurman@ne.usda.gov.

CAMBRIDGE, NEB.

Ethanol plant draws \$30M at bankruptcy

A 44 million-gallon ethanol plant in south-central Nebraska attracted more than \$30 million in a bankruptcy auction.

Court documents say Nebraska Corn Processing LLC bought the Mid-America Agri Products plant.

The sale needs approval by a bankruptcy judge. No objections to the sale were filed by the deadline.

The winning bid was one of six received.

Mid-America Agri Products filed for Chapter 11 bankruptcy protection last summer, several months after closing the plant near Cambridge.

The company cited unfavorable economic conditions in the ethanol industry.

— *The Associated Press*

LINCOLN, NEB.

TierOne gets delisting warning from Nasdaq

TierOne Bank's owners say they have received a Nasdaq delisting notice because the company's stock price has been below \$1 for more than 30 consecutive business days.

TierOne Corp., the Nebraska-based parent of TierOne Bank, said that it plans to comply with Nasdaq rules before the stock market's June 28 deadline.

— *The Associated Press*

Using the rearview mirror, we plan to drive forward

With 2009 now in the rearview mirror, we look forward to 2010 with hope that the economic challenges of 2008 and 2009 will begin to recede and we can once again look forward to business expansion, job creation, and income growth for the United States and Siouland in particular. Before we get too carried away with what the future may bring, let's briefly take historical stock of where we've been and where we are now.

A little over 13 months ago, the National Bureau of Economic Research confirmed that the U.S. economy was officially in recession. That retroactive declaration stated that the current recession had actually



CHRIS MCGOWAN

TSI REPORT

begun one full year earlier, in December of 2007. Thus, the "Great Recession," as some have referred to it, is now over two years old, making it the longest recession since the "Great Depression" of the 1930s.

On Sept. 15, 2009 the Chairman of the Federal Reserve, Ben Bernanke said, "From a technical perspective, the recession is very likely over at this point, but it's still going to

feel like a very weak economy for some time."

While there are some indications that the U.S. economy is beginning to rebound, many economists believe we are still in recession and among their greatest concerns is the national unemployment rate which has doubled from 4.9 percent in December of 2007 to the most recent Department of Labor rate of 10.0 percent, down slightly from a peak one month ago of 10.2 percent.

While unemployment remains high, experts agree that the national unemployment rate is a lagging indicator, meaning that it is usually among the last eco-

MCGOWAN, PAGE D7

Midwest: Woman-owned business competes with national firms

FROM PAGE D1

The business has been based in the Bridgeport industrial area since leaving its longtime home in downtown Sioux City in 1972.

In 1909, the company founder, Barrett Peete, opened a hardware store at 221 Fourth St., near the site of today's MidAmerican Energy Building. Peete Hardware and Tool Company sold hardware, sporting goods, bicycles, shelf hardware and safety razor blades sharpened, according to research the company performed for its 100-year anniversary.

In July of that year, heavy rains forced nearby Perry Creek out of its banks, sending more than six

inches of water through Fourth Street.

In 1918, Barrett moved his business to the newly established Lytle Block Building at 525 Fifth St., where the city's transportation center today stands.

The new store expanded its inventory to include tools and hardware items for contractors and homeowners. The upper walls of the store were lined with drawers, and a tall rolling ladder allowed clerks access to these drawers, Petersen said. As a child, Petersen's mother, Susan Peete, loved to climb the ladder and investigate all of the upper drawers.

"Mom still remembers where the roller skate keys were kept," Petersen said.

In 1955, the leadership of the business passed to Barrett's son, Richard Peete. Recognizing the growing needs of schools offering shop classes, Peete focused on that market. In 1963, he moved the business to a three-story building at 301 Jackson St. (site today of Wells Fargo Bank's drive-through lanes) and changed the company name to Midwest Shop Supplies.

The firm added classroom and shop furniture to its product lines, as well as equipment and supplies for teaching woodworking, metalworking, auto mechanics, welding and foundry, drafting and other disciplines.

In 1967, when educators expressed a need for mobile

classrooms, Midwest developed "Learning Laboratories," portable classrooms, designed for comfort, with a "motion picture" projector, tape recorder and chalkboard.

After moving the business to Bridgeport Drive in 1972, Peete expanded the company's sales territory by mailing the catalog to school districts nationwide. He also introduced computer hardware and software to improve inventory management and accounting.

After Peete's death in 1988, his daughters, Susan Peete and Linda Peete-Flom, began running the business. The third-generation owners expanded the product lines to meet the ever-changing need for

adding different technology approaches to the classroom.

With the help of local and state government, Midwest became certified as a woman-owned business and a targeted small business enterprise. The designation helped Midwest compete with larger national firms.

The growth prompted the business to formally change its name to Midwest Technology Products. Locally, it continues to be known as Midwest Shop Supplies.

The company also developed curriculum to support five areas of technology education, including power and energy, communication, construction, transportation and engineering.

In 2001, Douglas Flom joined the company, and later became president after his wife, Linda, retired from day-to-day operations.

Petersen, 39, is the company's vice president. After moving to Oregon following her graduation from college, she returned home in 2004 to help run the day-to-day operations.

Longtime employee Rick Oldenkamp serves as Midwest's general manager.

Today, school districts and instructors order from the company's catalog or through its Web site, www.midwesttechnology.com. Midwest has access to up to a million different products from a variety of major manufacturers and distributors.

McGowan: Bankers, Realtors optimistic

FROM PAGE D1

nomic indexes to recover.

Numbers that have shown indisputable strength begin with the 2009 stock market. From its recent closing low of 6,547 on March 9, 2009 the Dow Jones Industrial Average has roared back to life gaining a staggering 60 percent in less than 10 months. A local financial advisor who is employed by a national investment firm says this speaks well for both the local and the national economic outlook in 2010 and beyond. He explained that the stock market generally looks six to nine months into the future and the remarkable rally of 2009 suggests that in spite of very serious problems, like the growing federal deficit and artificially low interest rates, the worst is probably now behind us.

He further explained that while it will be nearly impossible for the stock market to maintain its torrid pace, 2010 should be a much better year than 2009 for corporate America. Specifically noting that businesses have been forced to lay off employees and run leaner than ever, corporate America is low on inventory and will need to resupply itself to remain competitive in 2010, which should result in improving profits and eventually the hiring of personnel.

Local residential realtors and banking executives are also cautiously optimistic about 2010 citing stable home foreclosure figures and an increase in local home sales. While one veteran residential Realtor explains that we are not out of the woods quite yet, there are reasons to be hopeful and his clients, both buyers and sellers alike, seem to be happier than they were a year ago. Bankers report they have money to loan and this economy does not compare to the farm crisis of the 1980s, but that interest rates and inflation are certain to go higher in the coming years.

Additionally, automobile and electronic retailers ex-

pect 2010 to be an improvement over 2009. Local electronics retailers report strong Christmas sales although the Christmas blizzard hampered last minute purchases and point to the conversion to high definition television as helping TV sales in particular. Auto retailers benefitted from the federal "Cash for Clunkers" program, but insiders expect car sales and other bigger ticket purchases to recover a bit more slowly than less expensive items.

One area that does cause some concern looking forward is the local commercial construction industry as executives have indicated that 2009 was a difficult year and 2010 looks to bring more of the same challenges with recovery likely delayed until later in 2010 or 2011.

Perhaps most significantly, Siouxland's unemployment rate has remained at roughly half the national average peaking locally at 5.5 percent in September of 2009. While "underemployment" or people working in positions that underutilize their experience and education, remains an issue both locally and nationally, Siouxland has circumvented the massive layoffs and resulting home foreclosures seen in other parts of the country.

One area that has local elected officials and economic developers optimistic about our community's future is the position and reputation Siouxland has earned in the last year with site selection consultants. Charged with assisting companies as they search for new facility locations, site selectors spent a considerable amount of time visiting Siouxland in 2009.

While we did not land any of the "big fish" local economic development professionals pursued, there were several major projects that included various Siouxland locations as finalists for new industrial facilities and putting Siouxland on their "radar screens" is likely to pay dividends in the near future.

Meat: Good price rally seen recently

FROM PAGE D1

beef production. That could impact prices as well."

Cold storage inventory for both beef and pork were down in November, he notes.

"That's a good sign, meaning we are moving product. I think that may be symbolic of the holiday season with Thanksgiving, Christmas and even New Year's buying."

Mark believes cow/calf producers should be able to make money in 2010, particularly since calf supplies

are lower.

Hog producers can lock in some profit now if they lock into some futures contracts for the summer, he adds.

"We have seen a really good price rally lately, and I think the opportunity is there for some profitability later in the spring and in the summer."

Breeding herd numbers continue to shrink.

"I think we will see that inventory down 3 percent in the next report. That's a good sign heading into 2010."

Californian touts cooling shelter for farmworkers

BY JUDY LIN

The Associated Press

SACRAMENTO, Calif. — After watching grape harvesters toil in the vineyards on a summer day without shade, Garth Patterson was inspired to get them some relief.

The Napa Valley businessman experimented with several prototypes before finding what he believes is the answer. He created a towable trailer with an aluminum canopy that provides first aid and relief from heat stress, a vehicle he hopes will improve farmworker safety while helping him turn a profit.

Patterson has trademarked his "Cooling Station," which runs on a generator and features NFL-quality misting fans that can reduce surrounding temperatures by 25 degrees. It seats 12, holds up to 300 gallons of water and features an emergency shower.

"It has huge potential in farming, construction and emergency services," said Patterson, a former fan distributor. "It allows them to sit in the shade and cool off."

Patterson, 56, said he hopes to fill a need as California officials debate the

best rules for protecting laborers from heat illness and death. The stations also could be sold in places like Florida and Texas, he said.

In May 2008, a pregnant teenager, Maria Vasquez Jimenez, died from heat stroke as she pruned grapevines for more than nine hours in nearly triple-digit heat. The death prompted California Gov. Arnold Schwarzenegger and other state officials to call for stronger farmworker protections, but the effort since then has been uneven.

This year, inspectors found dozens of laborers toiling in the fields with little or no shade or water during a heat wave. Eight farm labor contractors were shut down for violating heat-illness prevention rules.

Yet last summer, the state Occupational Safety and Health Standards Board twice rejected emergency rules designed to prevent heat stress. Farmworker advocates wanted shade structures erected when temperatures reach 75 degrees, while farm owners wanted the regulation to kick in at 85 degrees. Construction firms also voiced concerns about how they might be affected by the new rules.

The state safety board is now putting the proposal through a full hearing.

The American Civil Liberties Union has sued the state on behalf of the United Farm Workers and five plaintiffs, most of whom have suffered heat illness or have had relatives die.

Since 2005, the California Division of Occupational Safety and Health has confirmed 12 cases of farmworkers dying from heat-related stress.

Patterson's invention could be great news for those who work California's fields, said Maria Machuca, spokeswoman for the United Farm Workers of America. She said the union will watch to see whether state regulators show similar enthusiasm.

Machuca noted that the state has not been able to enforce existing laws that are intended to ensure farmworkers get access to shade and cool water.

CalOSHA would be glad to conduct an assessment of Patterson's trailer if he contacts the agency, spokeswoman Erika Monterroza said.

Patterson characterizes his trailer as an "asset protection tool" for busi-

Waist no time in the New Year

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