

Testimony of Dakota Growers Pasta Company Presented By David Tressler, Vice President of Manufacturing During The U.S. Senate Budget Committee Hearing July 2, 2009

Thank you for inviting Dakota Growers Pasta Company to be a part of the US Senate Budget Committee Hearing.

Dakota Growers Pasta Company was established in 1993 as a cooperative to add value to each bushel of wheat delivered by the grower-shareholders by adding profit to each share owned.

Capacity 1993: 120 million pounds per year

Today Dakota Growers is a C-corporation with approximately \$300 Million in sales with a total company capacity of 500 million pounds per year of dry pasta products. 270 Million pounds are produced at the Carrington, North Dakota location and 230 million pounds at the New Hope, Minnesota location.

The current expansion will increase the capacity of the Carrington location to 330 million pounds per year beginning in 2010.

Dakota Growers Pasta is the third largest pasta manufacturer in the U.S.

The Carrington, North Dakota manufacturing plant employs 270 full time workers.

Dakota Growers Pasta is the only pasta manufacturer with Identity Preservation capabilities, providing field

to plate traceability.

Carrington, North Dakota is the Head quarters for the Company.

Markets for our products include all fifty states and some foreign countries.

The product originating in Carrington, North Dakota and must travel over highway 52 to its final destination.

The service provided by highway 52 is critical to the continuing success of the company.

The use of highway 52 by trucks and others servicing Dakota Growers Pasta Company has grown.

It is a vital link to the delivery of all items necessary to make pasta.

Incoming traffic includes wheat, fuels, packaging, maintenance materials, operating supplies, support, services, and labor to the plant.

Outgoing traffic includes feed products and pasta.

Total traffic is now over 1200 trucks per month with an expected increase to 1500 by the start of 2010 when a current expansion is completed.

Trucks access highway 52 from Minot to Jamestown.

The majority of these trucks will return East on Highway 52.

20 % of the wheat is delivered by truck each year. Truck access provides a competitive edge by being economical transportation for neighboring farmers. Railcar shortage during recent history left many pasta manufacturers without wheat for processing. The ability to access local wheat supply and trucks all year long kept the Carrington operation, during this time, in business.

Reliable truck delivery of wheat via highway 52 is vital to take advantage of locally grown wheat necessary

for maintaining the Identity Preserve Program that is key to Dakota Growers success.

In addition, numerous service and support people will be travelling the highway 52 route to the Carrington manufacturing plant.

Dakota Growers Pasta Company's success is directly dependent on the maintenance highway 52 as a NO LOAD RESTRICTION road.

Safety is a concern as the use of highway 52 continues to increase. It services many diverse users from slow

moving oversize farm equipment being transported from field to field, grain trucks from field to market, families going to shopping and services in local towns, tourists enjoying the area, oversize loads transporting large parts to a windmill development in the heart of the state, to the single, double, and triple trailer over-the-road semi that services Dakota Growers Pasta as well as many US and Canadian companies in this part of the country.

All users are competing with nature and the environment for the use of the land that makes up the highway.

Dakota Growers Pasta Company encourages the development of Highway 52 to:

1. Encourage trucks to stay on primary routes with minimal stops or restrictions to promote safety.
2. Improve durability to handle the increasing number of large weight trucks.
3. Maintain the high profile of highway 52 as the primary snow route to be maintained during winter months.

4. Promote a logical step in encouraging the continuation of a four lane road from Buchanan to Carrington.

This will provide a safe transportation environment for the many diverse uses of the highway in a primarily agricultural community.

Dakota Growers Pasta has gained the confidence of its customers to be a viable competitor in the pasta manufacturing industry. This is best illustrated by the capacity expansion now in progress.

Improvements in highway 52 will be a key infrastructure investment that will continue to foster economic development and the agriculture economy and the continued success of Dakota Growers Pasta Company.

Thank you for the opportunity to share this information with the U.S. Senate Budget Committee.