

Northwood Mills



Owner: Clarence Leschied
530 35th St. NE
P.O. Box 570
Northwood, ND 58267
701-587-6325
clarence_l@northwoodmills.com
www.northwoodmills.com
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A few years ago, an influential group from Grand Forks visited Canada because they thought a soybean processing plant would be good for North Dakota. They, together with Paul Sproule, enticed Clarence Leschied to visit the state. He visited nine northeastern North Dakota communities looking at things like land availability, transportation, utilities and local support. He settled on Northwood and Clarence moved his three children and wife, Valerie, from Winkler, Manitoba.

He says, "We started from conception to where we are today. We started from determining which community we were going to locate in to the engineering, design, contract, construction and now operations, so it's been a journey."

Northwood was the southern most location Clarence looked at, which makes impact from frost less likely. The mill is located just north of town, so any minor odor emissions shouldn't be a problem for local residents. The challenge for Northwood Mills was getting the equipment, which comes from many European countries, and making sure it meets quality specs and manufacturer capacities.

Leschied describes the process, which is run by computer. "These are the different segments, from receiving, where all of the beans come out into the

plant prior to processing, through the whole cleaning and separation process to get any of the fines out of it, plus the pods out of the beans. The beans go up through this unit here, which is a conditioner that dries and preheats the beans prior to processing. It's a critical, important step in extracting the oil to make sure the beans are properly conditioned."

Northwood Mills gets 250 to 300 tons of raw soybeans daily, which equates to 10 to 12 truckloads from a 50-mile radius. From that, eight or nine trucks of soybean meal are shipped mostly to Canada and Minnesota, and the rest is processed into oil for bio-diesel. Leschied says, "I don't think most North Dakotans realize the opportunity that there is closer to home. Most North Dakota agriculture is exported out of the state. There is some in-state processing, but in the feed market, North Dakota is close to the Western Canadian feed market, which is our primary focus, so it gives North Dakota farmers a chance to have one of the crops they produce locally have a final finished market for their product."

Clarence says he gets calls weekly from people in other states looking at building this same type of facility. He has visions of also building other processing plants in other cities around the world and possibly crushing different oil seed crops. But for now, his eye is on Phase 2 of this project, which will double the Northwood plant capacity to process soybeans. Phase 3 is to move from feed production to food. "We built the plant with the ability to do food-grade product, but now, we've just been commissioning, so it's not at the same standard right now. But the goal is to move into as high end, identity-preserved product as we can. That's where a smaller plant, with the capacity that we're doing, is well-suited for that."

Finance partners like the Bank of North Dakota, American Federal Bank, USDA, and Small Business Development Center are instrumental in the development of Northwood Mills, now and in the future. The mill was constructed in just one year and cost \$10 million, a boon to the state and local economy. It employs 20 people on three shifts, working 24/7 to process soybeans as a source of protein and energy for our country.

CONTACT: Josh Klug, SBDC, 600 DeMers Ave., Suite #501, Grand Forks, ND 58201 701-746-8516, joklug@nd.gov, www.ndsbdc.org.