

Fortune 500 growth makes Nebraska 'hot' and 'lucky,' magazine says

By Barbara Soderlin / World-Herald staff writer | Posted: Friday, June 13, 2014 3:00 am

Feeling lucky? Nebraska is one of nine states called “lucky,” “winning” and “hot” by Fortune Magazine in its June 16 issue, citing the growth local Fortune 500 companies have shown in revenue, employment and market capitalization in the past 20 years.

Fortune said Nebraska and eight other states have “truly shined” since 1995, the year the magazine adjusted its annual ranking to include service companies, such as Walmart, in addition to industrial firms.

Fortune said the collective market capitalization of its ranked companies in the nine leading states has grown an average of 12 percent a year since 1995, nearly doubling the 6.6 percent gain seen in seven “laggard” states, all in the Rust Belt.

The nine “winning” states have gained 40 Fortune 500 headquarters in the last 20 years, and account for 44 percent of the list’s total revenue, up from 26 percent in 1995. And the nine states’ ranked firms have added 5.5 million jobs in 20 years, where companies in the weakest states have shed jobs.

“The earnings story is still one mainly about squeezing more cars, semiconductors and grocery sales from a barely rising workforce,” Fortune said.

The eight other “lucky” states are California, Texas, Minnesota, North Carolina, Tennessee, Washington, Arkansas and Wisconsin.

However, Fortune notes that it’s not really luck, but the biggest factor is “being in the right place at the right time,” either geographically, or growing in relation to a hot industry sector.

Both were true in Nebraska, said David Brown, president and CEO of the Greater Omaha Chamber of Commerce, who pointed out the economic growth across the Great Plains over the past several years.

But, he suggested, “maybe we’re thriving because they are here,” referring to top corporations. He said he is the envy of his peers around the country when he tells them how CEOs of major Omaha companies get directly involved in community campaigns.

Acquisitions also drove growth, Fortune said, and that was true in Nebraska.

Berkshire Hathaway acquired 27 other businesses in 2013 and rose one spot on the Fortune 500 to No. 4, behind Walmart Stores, Exxon Mobil and Chevron.

ConAgra Foods acquired private-label giant Ralcorp Holdings and rose to No. 184 on the list, from 209.

Union Pacific rose three spots to 135, Kiewit was up seven to 236 and Mutual of Omaha rose two to 392.

“This ranking is a reflection of the strong economic growth that our state has experienced and the exceptional companies we have in Nebraska,” said Gov. Dave Heineman.

Nebraska’s five ranked companies had total revenue of \$238 billion and market value of \$406 billion, and they employed 421,000, Fortune said.

In Iowa, Principal Financial Group (298, down from 290) and Casey’s General Stores (389, up from 392) remained on the Fortune 500 list.

In the Fortune 1000 from Nebraska were Cabela’s (646), Valmont Industries (682), Green Plains Renewable Energy (721), TD Ameritrade Holding Corp. (772), West Corp. (787) and Werner Enterprises (963).

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