

A \$1.75 BILLION ECONOMIC IMPACT

Southern Idaho Leads State in Food Processing

By Lisa Buddecke, Southern Idaho Economic Development Organization

Southern Idaho's food sector is so diverse, so large, and has such a massive impact on the state's economy, the U.S. Department of Commerce recognized the region as one of just four (and the smallest) in the country to earn the prestigious and highly-competitive *Federal Manufacturing Community Designation* in the food category.

The region is recognized nationally for having nearly a nine times greater concentration than the nation's share of food processing jobs, and for its large concentration of companies and employees working in food manufacturing as a share of all industry.

Southern Idaho's food processing sector alone generates \$1.75 billion in GDP, accounting for 24,300 total direct/indirect jobs. It's no wonder the region is known for "All Things Food."

"Southern Idaho is one of the most agriculturally-productive areas in the world," said Celia Gould, Director of Idaho Department of Agriculture. "We also have great people, cooperative communities, and government entities that still remember the importance of agriculture, food production and food processing. That makes Southern Idaho and Idaho special, and gives us unique opportunities to bolster our economy and provide superior food products across the globe," said Gould.

Successful food processing is not complete without the ability to move products to market in a timely manner. Southern Idaho has a fully developed infrastructure in place to process, package, store, and transport products to local, regional, national, and international markets. An ideal Northwest location with nearby interstates, rail and air access

makes Southern Idaho an ideal location for cost-effective product distribution.

A FOUNDATION OF DIRT

The diverse and extensive raw products needed to build a multi-layer food economy are plentiful in Southern Idaho. And it all begins with dirt. Quality soil across thousands of acres in the region begets a host of high caliber food products – potatoes, barley, wheat, sugar beets, seed production, and cattle feed to nourish 70 percent of the state's dairy cows that live here.

"Building the largest yogurt manufacturing plant in the world and expanding it three years later is a really proud moment for us and further illustrates how right it was to pick Idaho as our second home."

— Hamdi Ulukaya, Founder and CEO, Chobani

DAIRY IS THE STAR

"Dairy is big here," according to Rick Naerebout, Director of Operations for Idaho Dairymen's Association. "Southern Idaho is the heart of Idaho's dairy industry accounting for 70 percent of the state's milk production and 80 percent of its milk processing. Thanks to a massive 14.6 billion pounds of milk produced here annually, Southern Idaho has secured the #4 national ranking for milk production and #3 ranking for cheese production. Dairy is the number one economic driver for Southern Idaho accounting for over \$10.4 billion in gross sales and provides nearly 40,000 jobs to Idaho's economy," he said.

"Food processing in Southern Idaho has always been big business but became

increasingly so after Chobani, the mega-growth Greek style yogurt maker chose to build the world's largest yogurt manufacturing plant in Twin Falls," said Idaho Department of Labor Regional Analyst Jan Roeser. "Several expansions and new company announcements have followed adding to the large cluster of food processing and manufacturing established decades earlier. Southern Idaho's future in food processing, production, science, and support services looks bright," Roeser said.

Chobani built their facility in Twin Falls in just 326 days, opening in 2013 after at an initial investment of \$450

million. Currently, Chobani has expanded production lines and product development to bring their total investment in Twin Falls to nearly \$750 million.

"Chobani is such a success story for Twin Falls and Southern Idaho because it shows what a great place this is to invest and grow a business," said City of Twin Falls Administrator Travis Rothweiler. "Because of Chobani, other companies are relocating and choosing Southern Idaho as their new home. We celebrated Clif Bar & Company opening its first Baking Company here just three years after Chobani opened," he said.

Other dairy producers are abundant throughout the region, churning this liquid gold into a wide variety of cheeses, nonfat dry milk, milk protein concentrates, and



ice cream. Dairy-based ingredient research for new food product development and production is a growing sub-source of this area's immense dairy sector.

DIVERSITY IS THE NAME OF THE GAME

While dairy is the region's food processing leader, it's the diversity of other processors that help complete the food processing circle of success. The mighty Snake River runs through the region providing a million-plus gallons per minute of oxygen-rich, crystal clear, 58-degree spring water. Clear Spring Foods operates the world's largest commercial freshwater Rainbow Trout farm here.

Local McCain Foods is the world's largest producer of French fries and Conagra/Lamb-Weston is the #1 producer of frozen French fries in the U.S. The Southern Idaho region is also one of the country's largest sugar beet producers, accounting for 61 percent of Idaho's total crop. Local Amalgamated Sugar processed 7.2 million tons of sugar beets and will produce 2.34 billion pounds of sugar from its 2016 crop.

"The ability to raise a quality sugar beet crop and the capacity to process that crop requires highly-skilled, dedicated people and cutting-edge technology on the farm and in the factories," said John McCreedy, CEO and President of Amalgamated Sugar Co. "Without these competitive advantages, we would not have the sustainable agricultural practices or efficient factory operations we have today," he added."

Independent Meat has been processing Falls Brand pork products for over 100 years. Seed, grain, hay, barely, wheat and honey processing round out the region's diverse sector.

TRAINING TALENT

The College of Southern Idaho's (CSI) Workforce Training Center provides a full range of apprentice, industry specific and custom training to keep a pool of skilled workers ready to step into a wide range of food processing jobs.

"Southern Idaho offers the advantage of a large quality milk supply for us to make 75 million pounds of powdered milk annually," said Nathan Carlson, Darigold-Jerome Plant Manager. "Having CSI continually fill the talent pipeline with highly trained workers in food processing technology is a huge advantage to us," he said.

Any business looking for an established and successful food

processing region with equally superior trained workers, warehousing, and logistic support, Southern Idaho should be top on the list. 🏭

"Times News 4/24/17"



**Manufacturing Community
"All Things Food"**

Why Southern Idaho?

Elite Manufacturing Community designation
by the U.S. Department of Commerce.

Agri-business sectors include crops,
freshwater Rainbow Trout, aquaculture, dairy,
food processing, food science, packaging,
warehousing and distribution.

Southern IDAHO
Feed Your Soul!

SOUTHERN IDAHO ALL THINGS FOOD

DAIRY TROPICAL FISH
WHEAT CHEESE
BUFFALO TILAPIA
POTATOES LAMB HAY
BEEF HONEY SUGAR BEETS
YOGURT SEEDS PORK
BARLEY YAM TROUT
BEANS

CHOBANI
McCain
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