



Agribusiness: Harvesting Growth In Stormy Weather

Despite a trade war with China that's clobbering U.S. farmers, locations that have established strong agribusiness and food processing sectors continue to thrive as production moves closer to markets.

October 28, 2019

By the BF Staff

From the September/October 2019 Issue

VINELAND, NJ: GROWING GREAT THINGS

From a variety of fruits, vegetables and herbs, to Italian meatballs, Philly cheese steaks and European pastries, Vineland, NJ's agribusiness and food processing operations contribute significantly to the state's growing \$126 billion food industry and agricultural sector. Some of the largest international brands, including companies like Tyson Foods, Hanover Foods, Archer Daniels Midland, the Agro Merchants Group and Rich Products, are located here. These, along with a variety of national and regional companies, are supported by Vineland's abundant cold storage and third-party logistics operations.

[Vineland](#) is strategically located in the heart of the Northeast corridor within minutes of the major arterial highways that link the city with large markets such as Philadelphia, Baltimore/Washington D.C. and New York City. In fact, more than 22 million customers who represent over \$800 billion in disposable income live within a two-hour drive. This is just one of the many factors that is attracting new facilities and expansions within the city.

Phase One of the new 170,000 square foot Kopke Fruit distribution facility currently under construction in Vineland, NJ. The company serves national, regional and local supermarkets, as well as high-end wholesalers and food service distributors throughout North America. (Photo: City of Vineland)



"Selecting the perfect location is a key component of any strategic business model," said Mayor Anthony Fanucci. "Companies look for the right blend of financial incentives, workforce, business climate and quality of life to be successful. Vineland offers this, and much more, including two existing industrial parks and a third 285-acre site currently under development, local railway access, close proximity to international airports and major ports, and the largest farmers' cooperative on the East Coast."

Additionally, companies doing business in Vineland benefit from low cost electric, water and sewerage rates through the Vineland Municipal Utilities and Landis Sewerage Authority which have undergone recent expansions in order to ensure future capacity. There also is a well-established network of support services, technical expertise and resources such as customized workforce education and training, free recruitment and screening services, a designated Urban Enterprise Zone and a successful revolving loan fund program.

These factors, combined with the city's pro-business approach, have led to a surge in new development. "We appreciate the investment that companies are making when they choose to locate here so we do our best to be a true partner in the process," said Vineland Economic Development Director Sandy Forosisky. "We provide what we like to call 'Business Concierge Service,' which is designed to make expansion and relocation projects easier. We are a clearinghouse for information, while acting as a liaison to city government, to move companies smoothly through the permitting and licensing process."

For example, Kopke Fruit, which is headquartered in Great Neck, NY, currently is building Phase One of a new 170,000-square-foot facility on a 23-acre site. The company imports the finest fruits from all over the world for distribution throughout North America. "Kopke was considering other locations but was drawn to Vineland, in part because of the existing water and sewer infrastructure and our approval process," Forosisky said. They join other recent arrivals over the past 18 months, including F&S Produce, Seashore Fruit & Produce Company and Infinity Herbs.

Another new arrival is California-based Del Rey Avocado, which located their East Coast operation here and within a year had to double capacity. Thanks to consumers in the Eastern United States, and their growing appetite for quality Del Rey Avocados (which include conventionally grown, organically grown and the highly sought after Fair Trade product lines), the company had to add an additional 30,000 square feet to the facility which services as far north as Maine, south to the Carolinas and west to the Missouri Valley. According to company officials, Del Rey is one of the few California-based companies that owns its facilities on the East Coast, which gives them total control over operations.

"We had a business relationship with companies in the city, so it made perfect sense for us to purchase a location there," said Del Rey Avocado President Bob Lucy. "With the addition of new

state-of-the-art cooling, ripening and bagging facilities in Vineland, we feel well positioned to service all avocado needs in the growing Northeast region for years to come. It's a great location for us."

An existing operation which is seeing rapid growth is Davy Cold Storage, which is supported by their sister company MJD Trucking. Since 2016, the company has added 75,000 square feet of capacity to the existing 78,000 square feet and now has approximately 17,000 pallet positions. "The incentives the city was able to offer, including affordable land and their low interest loan program, made it very attractive for my parents to originally locate MJD in Vineland, which was soon followed by our cold storage operation," said Vice President Michael Davy. "It turned out to be the best decision we ever made. The city staff is great to work with, and they are always there for us with whatever we need."

"The Vineland location provides easy access to Routes 40 and 55, and Interstates 95 and 295, which makes it easy for MJD to move our customers' frozen and refrigerated products to locations along the East Coast, southwest to Texas and northwest to Chicago," Davy said.

The Davy expansion, along with new arrivals, including Legacy Cold Storage, M&O Freezer and KRES Cold Storage, will now give Vineland nearly 40,000,000 cubic feet of cold storage capacity.

"We have taken a very aggressive approach when it comes to development by marketing to site selectors and letting them know what we have to offer, which has paid off. As a result, we are confident about the future," Fanucci concluded.