



The increasing consumer demand for chilled and frozen foods worldwide has helped fuel rapid growth in Vineland's cold storage sector. In fact, over the past three years, Vineland has seen nearly \$90 million invested by cold storage and food processing operations giving the city nearly 30 million cubic feet of cold storage capacity. According to the USDA, New Jersey currently ranks 10th nationally with 108 million cubic feet of gross capacity. With nearly 30 percent of that in Vineland, the city is certainly a key player. The city was recognized as a Top Five location for Food Production and Processing by *Expansion Solutions Magazine* as part of their 2016 Awards of Excellence.

"Vineland truly does have a lot to offer in terms of location and accessibility to major markets, municipal infrastructure, support services, state and local incentives, and very competitive operating costs, all of which are necessary ingredients for a healthy and profitable business environment," said Mayor Anthony Fanucci. "These factors, along with our rich agricultural history, including hosting the largest farmers' cooperative on the east coast, make Vineland an outstanding location for food processing and cold storage operations."

For example, Oregon-based Townsend Farms, a leading grower, buyer, processor, and shipper of frozen fruits throughout the United States, was looking to establish a permanent east coast operation. They found a perfect location in Vineland, along with access to a \$4 million Urban Enterprise Zone loan to assist with renovation costs.

In order to keep up with their growing demand, RLS Logistics, which provides superior transportation, cold storage, packaging, and distribution services to major national and international clients, constructed a new two million cubic-foot warehouse in the Vineland Industrial Park North. Likewise, Lucca Freezer and Cold Storage, the flagship United States perishable facility for the AGRO Merchants Group, added a major 100,000 square-foot addition to their existing operation. The location serves customers in the United States and abroad including New Zealand, Italy, Peru, Argentina, Spain, Morocco, and South Africa.

"We are excited about the future and our ability to keep the momentum going," Mayor Fanucci continued. "There are new projects currently moving through the planning process which will further increase our cold storage capacity. In addition, we have acquired 68 additional acres to expand our industrial park, and our municipal electric and water utilities provide among the lowest rates in the state, which is especially critical to the food processing industry."

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refrigerated vehicles if often necessary and the pressures of food safety considerations are heightened. Therefore, an in-depth assessment should be done of potential trucking service providers within the potential distribution network and their capabilities to deliver the product to end users within a tight deadline.

Strategies for the Future

Realistic evaluation of current inbound and outbound logistics and distribution needs is critical before a new food processing manufacturing site can be selected. However, it cannot be overstated that an educated prediction of the future growth and diversification of the potential product lines to be produced within that facility is a key to long-term success.

Therein lies one of the biggest challenges for food manufacturing site selection decision-makers today: how to locate a facility that will suit today's needs relative to logistics, but also continue to be an efficient logistical site in light of ever-faster-changing food product preferences and trends driven by an increasingly particular and changeable marketplace?

In the past, when demand and production centered primarily on processed foods, forecasting — and logistical networks — were based on volume and predicted volume increases due to simple population growth. Today, increased diversity in population demographics has resulted in fragmented markets based on consumer food preferences. These preferences are also changing more rapidly than ever before.

Today's food manufacturers have less time than ever to distinguish between short-term fads and long-term trends, and then determine what products within their capabilities might be most marketable. New products must be researched, developed and brought to market with lightening-fast cycle times in order to be competitive in the modern marketplace. In this environment, only the most forward-thinking companies are able to accurately forecast emerging trends, and determine their role in those trends with an eye toward profitability. The wisest site selections are based to a large extent on logistics structures which feed the company's longer-term strategy for participation in those trends, and enable the efficient production and delivery of relevant new products.

Currently Emerging Trends

There are several strong trends in the food industry right now that represent not only growth opportunities for strategically-minded food manufacturers, but also important to consider for site selection decision-makers. These include heightened interest in ethnic and culturally-themed foods,