

# Food Processing



*NETWORKS* was featured in Site Selection Magazine's "A Healthy Revolution" article!  
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## Our Food Processing Cluster



Our food processing cluster is substantial, consider the following:

- We have over 4,000 people employed in the sector in the labor shed
- We have seen a 36% job growth in Soft Drink Manufacturing job growth from 2011-2016
- Food service contractors have seen 87% job growth from 2011-2016
- We are above the US average in the number of companies in our labor shed by the following percents:
  - 9 times more Dried and Condensed Evaporated Dairy Product
  - 5 times more Bottled Water Manufacturing
  - 2 times more Soft Drink Manufacturing
  - 2 times more Ice Manufacturing
- We have over 14,000 people employed in transportation & logistics in the labor shed

- The University of Tennessee and Virginia Tech have a Department of Food Science and Technology which provides many advantages for labor and research for food companies

## Skilled Labor

NAICS Code	Employment by Sector	U.S. Average	Sullivan County
11	Crop & Animal Production	1.1%	< 1%
21	Mining, Quarrying, & Oil & Gas Extraction	0.6%	< 1%
22	Utilities	0.5%	< 1%
23	Construction	5.6%	7.8%
31	Manufacturing	11.0%	16.5%
42	Wholesale Trade	5.2%	3.2%
44	Retail Trade	13.6%	11.8%
48	Transportation & Warehousing	3.7%	3.4%
51	Information	2.6%	2.1%
52	Finance & Insurance	5.3%	2.7%
53	Real Estate & Rental & Leasing	1.8%	1%
54	Professional, Scientific, & Technical Services	7.0%	2.2%
55	Management of Companies & Enterprises	1.7%	1.6%
56	Waste Management & Remediation Services	6.7%	4.9%
61	Educational Services	2.3%	1.1%
62	Health Care & Social Assistance	14.9%	16.8%
71	Arts, Entertainment, & Recreation	1.8%	< 1%
72	Accommodation & Food Services	10.4%	8.8%
81	Other Services (except Public Administration)	4.1%	4.0%
99	Unclassified	0.2%	< 1%

- Under 3.5% of employees in Sullivan County are a member of a union
- Tennessee is a Right-To-Work state
- The labor shed features the following:
  - 5,671 Team Assemblers
  - 2,476 Maintenance and Repair Workers
  - 1,462 Food Preparation Workers
  - 1,416 Light Truck Drivers
  - 1,379 First Line Supervisors of Food Preparation
  - 791 Electricians
  - 678 Machinists
  - 544 Industrial Engineers
  - 406 Packaging and Filling Machine Operators
  - 288 Bakers
  - 174 Chefs and Head Cooks
  - 123 Chemical Engineers
  - 118 Food Batchmakers

- 114 Electrical Engineers

## Unskilled Labor

- 4,202 Temporary Help

## Major Food Companies in the Area

### Leclerc Foods



- Located in Kingsport in 2009
- Announced expansion in 2012
- Family owned company founded in 1905 in Quebec
- Manufactures granola bars and crackers in Sullivan County
- 90 employees

### Pure Foods



- Headquarters and manufacturing facilities located in Kingsport in 2015
- Allergen Controlled Snack Manufacturing Plant
- Manufactures nutrient dense and low fat speciality snack foods
- 273 employees

### Shearer's Foods



- Located in Bristol, VA
- Manufactures potato chips, tortilla chips, extruded products, popcorn, and rice patties
- Twice named snack manufacturer of the year by *Snack Food & Wholesale Bakery* magazine
- Headquartered in Ohio
- 240 employees

## Water and Wastewater Capacity

- Over four million gallons per day of excess water system capacity in the City of Bristol
- Over five million gallons per day of excess wastewater system capacity in the City of Bristol
- Over 13 million gallons per day of excess water system capacity in the City of Kingsport
- Over four million gallons per day of excess wastewater system capacity in the City of Kingsport

[Click here for more information on utilities](#)

## Colleges/Universities with Food Processing Programs

- University of Tennessee in Knoxville has an enrollment of 27,171 and is located 98 miles from Sullivan County
  - The University of Tennessee has a Food Science and Technology program which offers undergraduate and graduate degrees, research, and an extension program
  - This program offers access to a packaging and processing pilot plant, among other resources ranging from financial assistance to food safety regulatory assistance



- Virginia Tech University in Blacksburg, Virginia has an enrollment of 29,684 and is located 125 miles from Sullivan County
- Virginia Tech University has a Food Science and Technology program which offers undergraduate and graduate degrees, research, and an extension program
- This programs offer access to a packaging and processing pilot plant, among other resources ranging from financial assistance to food safety regulatory assistance
- Virginia Tech's Department of Human Nutrition, Foods and Exercise routinely works hand-in hand with Food Sciences and Technology to jointly address issues on nutritional value and product development/packaging



- Northeast State Community College is located in Blountville, with regional campuses in Kingsport and Bristol
- Northeast State Community College is beginning a Culinary Arts program within the next year
- Northeast State Community College has ample space to train your workforce in their RCAM (Regional Center for Advanced Manufacturing) by way of recruiting, screening, and customized training

## Transportation

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Interstates 81 & 26 Intersect in Sullivan County



- Sullivan County is served by 2 Class I Railroads - CSX & Norfolk Southern
- Tri-Cities Regional Airport
  - Served by Delta Airlines, US Airways, and Allegiant Air
  - Nonstop Access to: Atlanta, Charlotte, Orlando, and St. Petersburg
  - Primary Runway - 8,000' x 150'
  - Upgraded Instrument Landing System
  - More than 200,000 passenger boardings per year

[Click here for more on Transportation](#)

# Buildings and Sites

## Gateway Commerce Park

- 60 Acres
- Located on Interstate 26
- Zoned Business/Industrial
- 12 inch water main

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## Phipps Bend Industrial Park

- 550 Acres
- Rail served by Norfolk Southern
- 10 inch water line
- 12 inch gas line
- 4 inch sewer

[Click Here for More Info](#)

## Partnership Park II

- 204 Acres
- 0.3 miles to four-lane highway
- Zoned M-2 General Industrial
- 2 & 4 inch gas line
- 36 inch water line

[Click Here for More Info](#)

# Support Services

- There are 5 Packaging Companies in our labor shed
- 184 Electrical Contractors
- 125 Long-Distance Trucking Companies
- 98 Industrial Machinery and Equipment Merchants
- 67 Machine Shops
- 35 Industrial Supply Wholesalers
- 23 Fabricated Structural Metal Manufacturers
- 9 Sheet Metal Work Manufacturers
- 7 Conveyor and Conveying Equipment Manufacturers
- 4 Machine Tool Manufacturers
- 3 Cutting Tool and Machine Tool Accessory Manufacturers

# Construction Costs

- According to RSMeans Construction Cost Data, Sullivan County is less expensive than the following:
  - \$22/sq. ft. less than the US average to build a manufacturing facility and \$16/sq. ft. less to build a warehouse
  - \$9/sq. ft. less to build a manufacturing facility than in Nashville and \$6/sq. ft. less to build a warehouse than in Nashville

- \$11/sq. ft. less to build a manufacturing facility than in Atlanta and \$8/sq. ft. less to build a warehouse than in Atlanta
- \$13/sq. ft. less to build a manufacturing facility than in Lexington, Kentucky and \$10/sq. ft. less to build a warehouse than in Lexington, Kentucky
- \$15/sq. ft. less to build a manufacturing facility than in Cincinnati, Ohio, and \$11/sq. ft. less to build a warehouse than in Cincinnati, Ohio

## Low Natural Disaster Risk

- According to usa.com, Sullivan County has a 34.60 Tornado Index which is much lower than the US average of 136.45 and Tennessee's average of 175.35
- According to usa.com, Sullivan County has a 0.16 Earthquake Index compared to a US average of 1.81.

## Additional Information

- [Primary and Secondary Education](#)
- [Taxes and Business Cost](#)
- [Incentives](#)