



# VIRGINIA ADVANTAGES

Food Processing



VIRGINIA ECONOMIC  
DEVELOPMENT PARTNERSHIP

[YESVIRGINIA.ORG](http://YESVIRGINIA.ORG)

# Virginia has the Recipe for Success



## Food Processing in Virginia

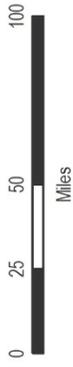
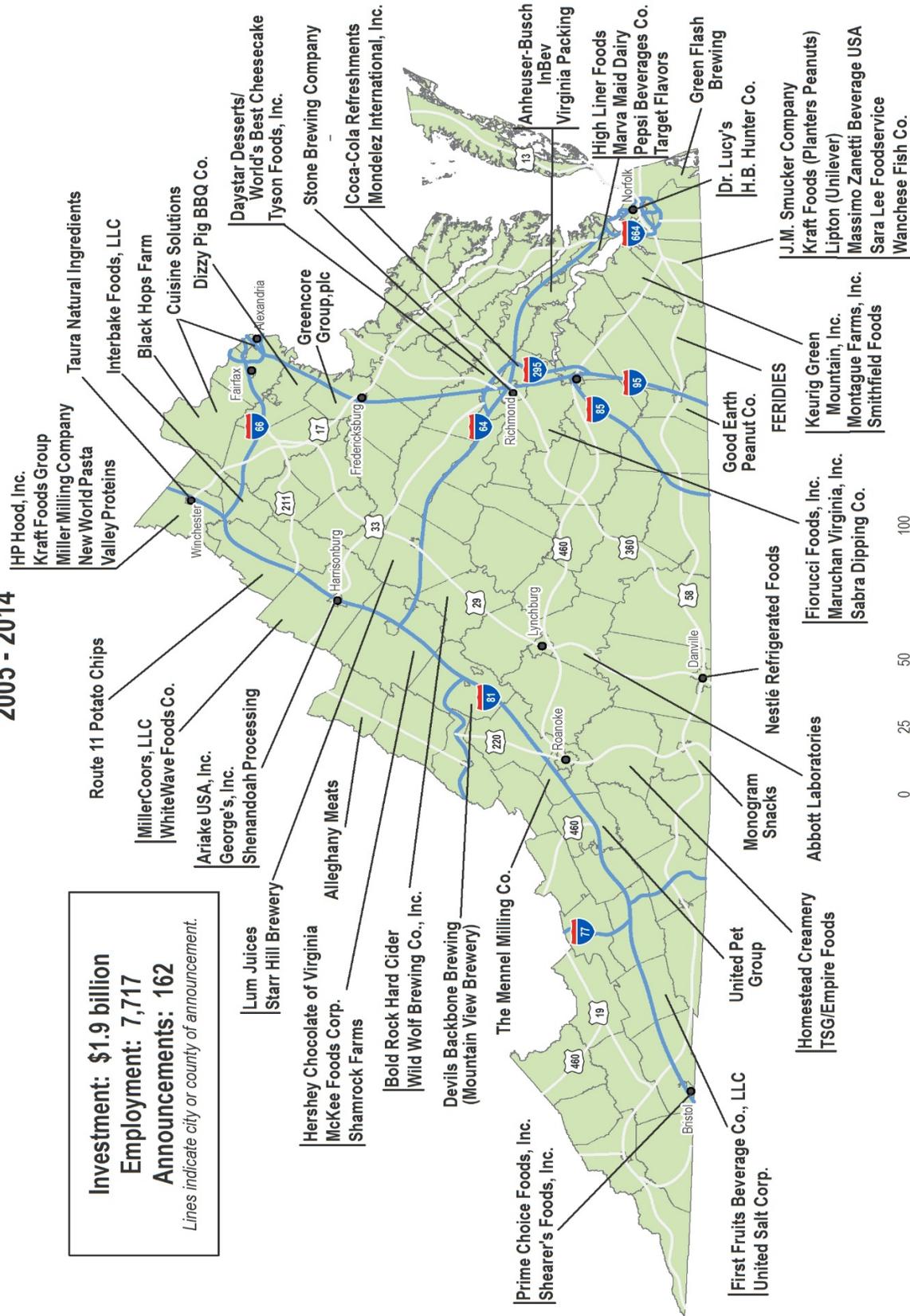
Since 2005, Food Processing companies have invested \$1.9 billion and created more than 7,700 new jobs. Recent major announcements include: Stone Brewing Co., Monogram Food Solutions, Seven Hills Food, Sky Valley Foods, McKee Foods Corp., Maola Milk and Cream, Mason Manufacturing, Lumi Juices, Mondelēz Global, and Interbake Foods LLC. Other major companies located in Virginia are Shamrock Farms, Green Flash Brewing Co., Lipton (Unilever), Sabra Dipping Co., and Keurig Green Mountain Inc.

## Virginia's Food Processing Industry

- One of Virginia's largest manufacturing sectors
- Employs more than 34,500
- Direct economic output of \$25.2 billion
- Offers a wealth of excellent power, water, and other business infrastructure resources
- Sales and use tax exemptions on production-related machinery and equipment, all utilities, and materials used in production
- Central location on the Atlantic Coast provides interstate and rail access to the Northeast, Southeast, and Midwest
- Access to international markets provided by the Port of Virginia and Washington-Dulles International Airport

## FOOD PROCESSING ANNOUNCEMENTS 2005 - 2014

**Investment: \$1.9 billion**  
**Employment: 7,717**  
**Announcements: 162**  
*Lines indicate city or county of announcement.*

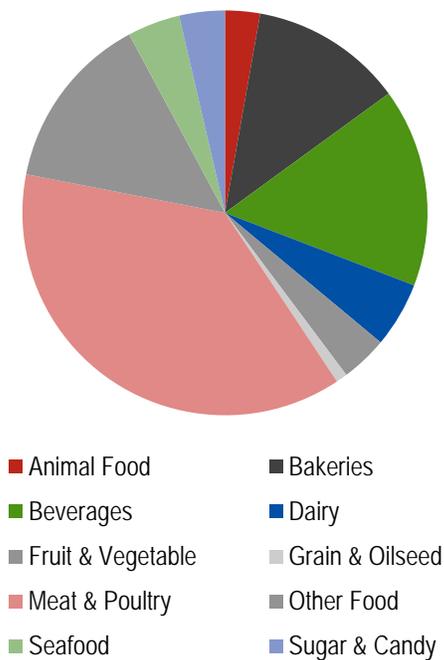


Sources: ESRI 2014, VEDP 2015 © 2015 VEDP. [AnnualAnnouncementMaps]

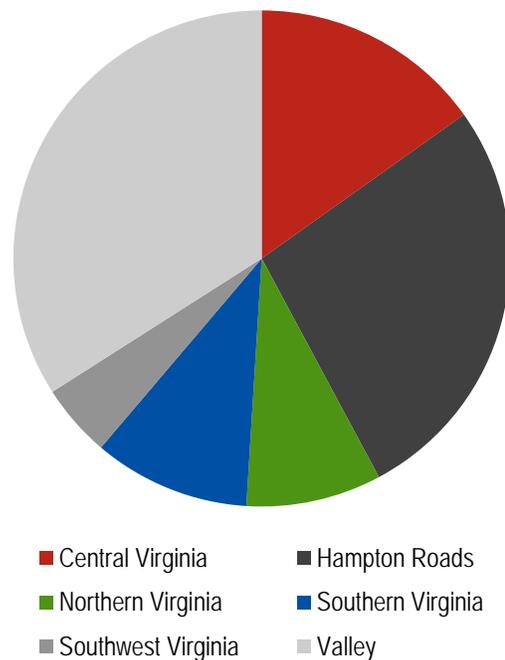
## Food Processing Industry Employment in Virginia

Virginia's Food Processing industry employs 34,538 people. The Food Processing industry accounts for 14% of Virginia's total manufacturing employment of 241,077, and is the second largest sector behind Transportation Equipment. The top three Food Processing sectors by employment are Meat & Poultry Processing (12,910), Beverage Manufacturing (5,478), and Other Food Manufacturing (4,872). Of the total, these three sectors account for 37%, 16%, and 14% respectively. Virginia's Food Industry has a direct economic output of \$25.2 billion and supports an additional \$11.0 billion in economic activity.

Employment by Sector



Employment by Region



## Food Processing Industry Firms in Virginia

There are 626 Food Processing firms in Virginia. The largest sectors are Beverage Manufacturing with 187 firms, followed by Bakeries and Tortilla Manufacturing with 162 firms and Other Food Manufacturing with 77 firms. Of the total, these three account for 30%, 26%, and 12%, respectively.

Boar's Head Provision  
Cargill  
George's Chicken  
Hershey  
Kraft

McKee Foods  
PepsiCo  
Perdue  
Smithfield  
Tyson

## Virginia's Skilled Workforce

Selected Food Processing Occupations	Virginia Employment	Virginia Median Salary
General and Operations Managers	50,070	\$116,350
Industrial Production Managers	2,250	\$102,010
Industrial Machinery Mechanics	8,050	\$46,520
First-Line Supervisors of Production and Operating Workers	13,320	\$59,430
Bakers	2,570	\$25,090
Butchers and Meat Cutters	2,650	\$30,270
Meat, Poultry, and Fish Cutters and Trimmers	5,390	\$22,460
Food and Tobacco Roasting, Baking, and Drying Machine Operators and Tenders	680	\$22,450
Food Batchmakers	3,020	\$24,420
Food Cooking Machine Operators and Tenders	560	\$20,240
Food Processing Workers, All Other	1,470	\$23,550
Inspectors, Testers, Sorters, Samplers, and Weighers	8,660	\$35,420
Packaging and Filling Machine Operators and Tenders	7,230	\$27,140
Light Truck or Delivery Services Drivers	18,590	\$29,820
Laborers and Freight, Stock, and Material Movers, Hand	47,810	\$23,950
Packers and Packagers, Hand	11,150	\$19,550

Source: Bureau of Labor Statistics, Occupational Employment and Wages Estimates, May 2014.

## Education and Training

Virginia's nationally acclaimed education system serves as a pipeline, supplying businesses with a steady stream of skilled new entrants. Our attention to education is reflected in Virginia's superior, well-prepared labor force.

- Elementary and secondary schools rank among the best in the nation
- Over 1.2 million students enrolled in elementary and secondary schools with over 88,000 graduating
- More than 85% of graduating seniors continue their education in a two- or four-year degree program or have other continuing education plans

Strong occupational and technical training programs designed to meet the needs of the Food Processing Industry are provided by Virginia's colleges and universities, Community College System, and communities.

- Virginia Tech's Department of Food Science and Technology offers undergraduate and graduate degrees, research, and an extension program
- Virginia Tech's new Human and Agricultural Biosciences Building (HABB1) houses a state-of-the-art sensory research laboratory and a biosecurity level 2 food processing pilot plant, as well as analytical and microscopy laboratories, a nanoscale research laboratory, and pilot scale research facilities
- The Department of Human Nutrition, Foods and Exercise at Virginia Tech collaborates with the Department of Food Science and Technology to jointly address issues on nutritional value and product development and packaging
- Virginia Tech's Department of Sustainable Biomaterials offers an undergraduate in Packaging Systems and Design
- The Center for High Performance Manufacturing (CHPM) at Virginia works to help manufacturing firms stay competitive via research, development and education
- Virginia State University's (VSU) College of Agriculture conducts many specialized programs through its Agriculture Research Station and Cooperative Extension
- Virginia State 's Randolph Farm provides agricultural related research, demonstrations and instructional activities on its 416-acre site
- Dabney S. Lancaster Community College, home to the Virginia Packaging Application Center (VAPAC), offers an Advanced Manufacturing Technology curriculum
- Blue Ridge Community College's Paperboard Packaging Technology Program, the first ever certificate program in North America, provides an overview of materials and processes used in the paperboard and corrugated packaging industry

# Virginia has the Recipe for Success

## Virginia is a Leading Gateway to the World

- Two of the nation's largest railroads, CSX Corporation and Norfolk Southern Corporation, have extensive infrastructure throughout the State
- Eleven railroads operate on nearly 3,400 miles (excluding trackage rights) of railway in Virginia, of which more than 2,800 miles are Class I—one of the strongest rail networks in the nation
- Six major interstate highways, I-95, I-85, I-81, I-64, I-77 and I-66, provide quick access to Northeast, Southeast and Midwest markets
- Fourteen commercial airports serve the Commonwealth, including two of the nation's largest - Washington Dulles International and Ronald Reagan Washington National
- The Port of Virginia, served by every major shipping line, offers direct connection to over 100 foreign ports and reach to any country in the world



# Virginia has the Recipe for Success

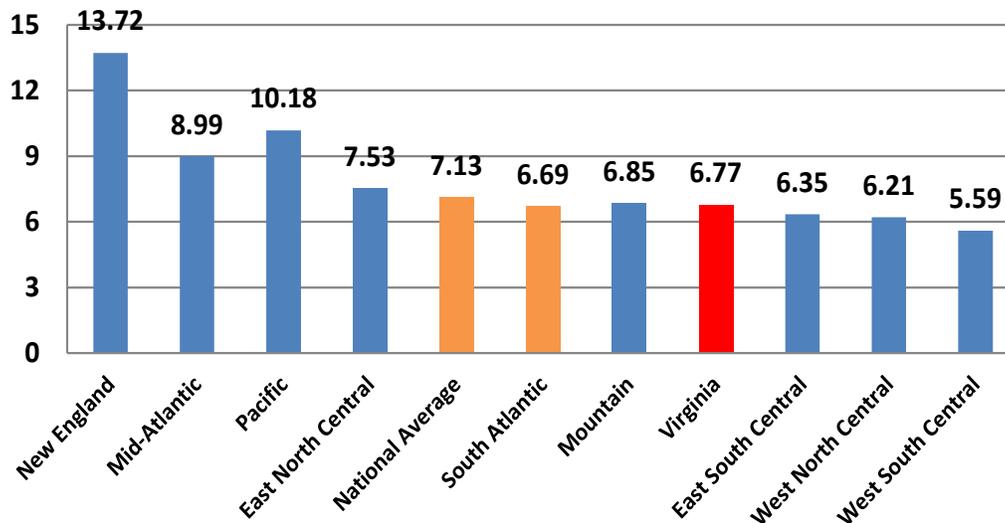
## Virginia's Resources

- Highly skilled and productive workforce
- Stable energy resource pool to serve present and future residential, commercial, industrial and transportation needs
- Eight regulated natural gas companies serve the State with an extensive network of underground pipes and other gas facilities

## Average Industrial Rates

- Extremely reliable electric service with very competitive rates
- Average cost per unit of electricity for the industrial sector – 6.77 cents

**Industrial Average Rates by Region: 2015**



Rates (In cents/kilowatt-hour)

Source: Edison Electric Institute, *Typical Bills and Average Rates Report, Summer 2015*