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## Fresh incentives



A new Dole bagged-salad plant in Gaston County, NC, will open in December of this year. Source: The Austin Company.

Bud Antle Inc., a subsidiary of Dole Fresh Vegetables, was running out of capacity at its fresh salad processing plants in Salinas, CA and Springfield, OH, and needed another plant to serve the South and East. Dole retained The Austin Company, to assist with location strategy and site selection for the new plant.

The Austin Company initially studied how this facility would fit into the larger network of company facilities. It worked with Dole on supply chain logistics, movement of trucks, sales projections by market, and picking the best overall strategy. The conclusion was that the new plant should go in the mid-Atlantic region, but the question was where? "You want to find the best community and you want to find the best site within the community," says Schjeldahl. "And for this type of operation, labor is extremely important."

Dole plants are "large facilities, with 800+ employees, 24/7 operations, hundreds of trucks in and out, and they're demanding—lots of water and traffic problems, disposal of vegetable waste," says Schjeldahl. The new plant would cost \$54 million to build and equip and would have 525 employees within three years and 900 by 2016.

After investigating, Dole selected the Southridge Business Park in Bessemer City, NC, just outside Gastonia, in Gaston County, which offered sufficient space and ample water and sewer capacity.

Gaston County had suffered severe unemployment as textile jobs disappeared—15,000 in the past decade—and had an unemployment rate of 6.1 percent in the summer of 2005. Both state and local authorities were prepared to offer substantial incentives. These incentives, according to a 2005 Associated Press story, included: \$9.3 million in state tax credits for job creation, worker training and new machinery (although Dole may be able to take advantage of only about one-third of the machinery credit); \$8.6 million in Gaston County property tax breaks and \$2.65 million of donated land; \$750,000 in highway work to ease truck access to the plant; \$500,000 in cash, granted once Dole reaches a set of certain milestones.

Production is slated to begin by December, and at its peak the plant will turn out 720,000 bags (60,000

cases) per day, as well as act as a trans-shipment point for other Dole products. Truck traffic should reach 175 per day.

Another advantage Gastonia had, Schjeldahl adds, is that it is far enough from the Atlantic to be free of danger from hurricanes. Much of the eastern portion of North Carolina is at low elevations, making the threat of flooding during a hurricane a real possibility. As a result of Hurricanes Dennis and Floyd in 1999, roughly 60,000 businesses suffered loss through physical damage, disrupted service, or expected loss of market share, according to the North Carolina Economic Development Administration. Fortunately Gastonia is in the western part of the state (West of Charlotte) and flooding is not a consideration.