

Pillar Updates May-June, 2018

The West Michigan Shoreline Food Processing Initiative (Initiative) program team issues periodic updates about each of the key pillars (infrastructure, education/incubation, and logistics-Cross Lake Shipping-CLS) as the Initiative evolves through Phase II into Phase III. Questions can be directed to Marty Gerencer, Initiative Co-Director (marty@morseconnections.com) or Dennis Marvin, Pillar Manager-Implementation Communications and Logistics-CLS (dcmarvin@aol.com).



Initiative Communications and Networking: The Initiative team officially launched its web site on April 19, 2018 by issuing a news release along with promotional material distributed at the annual MIFOOD 2018 conference hosted by Right Place and the Michigan Manufacturing Technology Center. The team worked closely with officials from Revel, a Muskegon based public relations firm, to develop the web site that describes the work of the West Michigan Shoreline Food Processing Initiative, as well as, a link to resources to support the food processing sector. The web site also features current local, state, and national food processing industry news items which are updated multiple times through the week. Check out the web site at <https://westmifoodprocessinginitiative.com/>. The Initiative team along with Jonathan Wilson, who represents both the City and County of Muskegon's economic development efforts, staffed an exhibit table at the MIFOOD conference. The display featured a first time look at plans for the proposed Food Processing Incubation and Pilot Manufacturing Center (update on page 2).



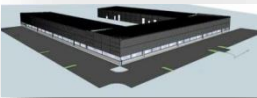
Initiative Funding Campaign: The Initiative leadership has formally submitted funding proposals to several public and private sector organizations. These organizations have expressed strong interest in the work of the Initiative and are expected to make funding decisions by the Fall. In the meantime, the leadership continues to discuss potential funding opportunities with a number of other local and regional private sector companies and philanthropic organizations about supporting the Initiative. For more details on how you and your organization can support the Initiative, please contact Marty Gerencer, Co-Director (marty@morseconnections.com).



Food Processing Industrial Park Development: As reported previously, Initiative Co-Director and site consultant John Sisson along with Jonathan Wilson, who coordinates economic development for both Muskegon County and the City of Muskegon, completed evaluation of potential locations within the region for potential development of a food processing industrial park. The process resulted in identification of over ten sites as having potential for food processing development. The team is now focused on the recruitment of food processing companies with completed studies on potential recruitment targets for the area. Using proprietary site consulting research, they have identified a number of locations around the country that are losing food processing jobs given their "...high payrolled business location. High payrolled business location loss signals that businesses are dissatisfied with the region and are leaving to find better locations with lower labor costs." The West Michigan region and Muskegon compete very favorably relative to labor and other cost parameters.



Education Curriculum Development: The Initiative team, led by Education Pillar Manager Clarence Rudat of Michigan State University and Muskegon Community College, continue to evaluate new training programs to prepare the future workforce for current and potentially new food processing companies that are located within the region. Discussions are being held with food processing companies to determine what type of training will benefit their business requirements to potentially include boot camps and short courses. From this collaboration MSU is developing courses for a two year certificate and Associate Degree program while MCC has a one year certificate program in place to address immediate needs. Evening and weekend classes for employees of local food processing companies who seek additional training are currently being offered in Muskegon with expansion to other locations by request. MSU is developing mobile food processing units that can be used for on-site training. The Initiative's recruitment programs are targeted at reaching high school age students and veterans. Officials are developing direct scholarship and apprenticeship programs.



Food Processing Incubation/Pilot Manufacturing Center: As reported previously, results from the Initiative's food processing focus group indicated a need for capacity to test and develop new products without shutting down their existing operations. To address this need, the Initiative team, in conjunction with Michigan State University and a Muskegon-based developer have agreed in principle to work together to establish a food processing incubation and pilot manufacturing center. In addition to product development capacity for existing businesses, the proposed facility will accommodate startup companies that have reached stage two in their development with about 10 to 50 employees and accommodate food and beverage processors (including office space). MSU and the developer are in final discussions about the agreement. In addition, preliminary plans have been developed along with identification of a potential site. The developer secured approval from City of Muskegon officials to rezone the site to enable the project to move forward if final agreement is reached between the parties. Initiative officials and the developer visited Michigan State University's Food Processing and Innovation Center (FPIC) in Okemos which is one of the models for the Muskegon concept. The FPIC is operational and provides a location for Stage 2 companies and others to accelerate the development and creation of new product lines and processes.



Cross Lake Shipping/Logistics: The Cross Lake Shipping strategy continues on track to launch during the 2018 shipping season. Officials from Supply Chain Solutions and Eco Ships (<https://ecoships-inc.com/>) continue to meet with prospective customers and others to build the base needed to launch the service. They met with the leadership of the MEDC at the end of March to update them about the status of the service and potential launch date. In addition, Ashton Marine, a Muskegon based marine transportation and chartering business, has announced it has added two new ABS full load line hopper barges to its fleet. According to the firm's web site (<https://ashtontugs.com/>), "...these barges will primarily be used on the Great Lakes where they can transport up to 2100 tons of cargo per barge. The unique size of these barges will give customers access to the river system without the cost of transloading into standard river hopper barges."