



FOOD PROCESSING

Mississippi: A Recipe for Success

Mississippi has long been known for its catfish and poultry processing, but the state is also seeing employment growth in other areas of the food processing industry. In fact, many household names – Land O’ Lakes, Sanderson Farms, Sara Lee, Tyson Foods, – have all found a recipe for success in Mississippi.

An Industry Overview

Food processing companies represent a major employment sector in Mississippi, with more than 30,000 residents employed in the industry. Sanderson Farms, a major poultry processing company, already employs more than 8,500 in the state and has announced an expansion of its Laurel, Mississippi, facility.

In addition, Mississippi is the largest catfish producing state in the country, representing one-third of the nation’s total production. The state also grows a significant amount of rice and soybeans, as well as poultry, all of which provide important raw materials to the food processing industry.

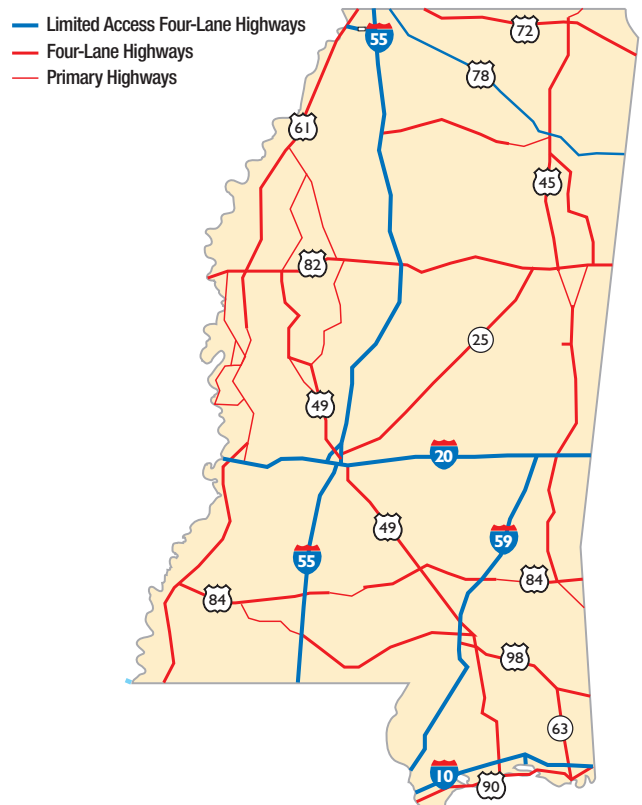
Fast Fact: Mississippi leads the nation in catfish production, with more than 400 catfish operations in the state.

An Accessible Location

While production in the food processing industry is becoming increasingly automated, proximity to customers and suppliers is still an important factor in choosing a new location. Agriculture is one of the top industries in Mississippi, contributing nearly \$5 billion to the state’s economy. The state is fourth in the nation in corn and cotton production and fifth in poultry production. It also produces rice, soybeans, and vegetables. Access to these raw materials is important to food processors.

In addition to being in close proximity to suppliers, it is also critical that food processors have easy access to potential customers so that products can be efficiently moved to market.

Mississippi’s location, which is central to both U.S. coasts, is within a day’s drive of more than 50 percent of the U.S. business population, including such major markets as Atlanta, Birmingham,



Food Processing in Mississippi

Total Employment	30,501
Total Food Processing Companies	254



Dallas, Houston, Little Rock, Memphis, Mobile, Nashville, New Orleans and St. Louis. Twenty rail systems serve Mississippi with more than 2,800 miles of track, and the state's 16 ports include two on the Gulf Coast that provide access to worldwide commerce.

Mississippi's highway system ranks among the four best in the country and the best in the southern United States. Interstate 55, which runs north and south, provides access to major markets like Chicago, Memphis, New Orleans and St. Louis, while Interstates 10 and 20, running east and west, provide access to Atlanta, Birmingham, Dallas and Los Angeles.

A Qualified Workforce

A well-qualified and affordable workforce is an essential element to operating a successful food processing facility.

Mississippi's labor force of 1.3 million workers is very reliable, with a low three percent absenteeism rate and only a five percent turnover rate. This reliability and stability help ensure the success of office sector operations located in the state. In addition, labor costs in Mississippi are among the lowest in the nation, which helps hold down the overall cost of doing business in the state.

In addition, the state offers a variety of training programs through the **community/junior college system** to assist companies in preparing workers for new job opportunities within the food processing industry.



Mississippi State University at Starkville is home to the **Food Science Institute** and the **Food and Fiber Center**, both of which conduct research into issues related to food processing, packaging and safety. In addition, the University offers academic programs in Food Science, Food Processing and Food Safety.

A Supportive Business Climate

Mississippi offers a strong, supportive business climate, where the cost of doing business is low and many other tools are available to help your business compete in today's economy. Locations within Mississippi can offer companies substantial savings compared with many other parts of the U.S.

Economic incentive programs provide income tax credits for job creation, investment, retraining of employees and for research and development activities. The **Mississippi Advantage Jobs Incentive Program** provides quarterly incentive payments based on a percentage of withholding to qualifying companies for up to 10 years, which provides an important cash benefit to new companies locating in the state. Cities and counties may also offer a property tax exemption for qualifying projects.

The **Tort Reform Act of 2004** is another important element of the business climate in Mississippi. This act ensures fairness in the courtroom for Mississippi businesses, with provisions that address joinder and venue; innocent seller protection; and non-economic damages caps.

Mississippi's Department of Environmental Quality offers manufacturers a one-stop permitting process for all environmental permits and regulations. It is also important to note that the entire state of Mississippi has achieved air quality attainment status.

Mississippi's accessible location, qualified workforce and supportive business climate, make Mississippi an ideal location for the food processing industry.

To learn more about Mississippi's recipe for success, call the Mississippi Development Authority at 1.800.360.3323 or visit our website at www.mississippi.org.