

Food Processing Innovation Center -- Overview

The South Suburban Economic Growth Initiative (SSEGI) is developing a Food Processing Innovation Center ("the Center") in Cook County's South Suburbs. This facility will leverage the unique opportunity presented by the South Suburbs' assets and mix of industrial activity, creating a hub for food processing innovation and firm growth. The Center will provide a suite of products and services primarily targeted to two customer segments: (1) established, mid-sized firms adapting to a rapidly changing food industry; and (2) small, growing firms emerging from the area's incubators and shared kitchens. The Center's products and services will also draw tenants and customers beyond these two segments, ranging from large firms testing new product lines to leading equipment manufacturers seeking to test new technologies.

The Center's current business plan includes two primary components, one focused on production and one focused on business support services. The production component includes:

- 1. <u>A state-of-the-art co-packing operation</u> to either fill gaps in the current Chicagoland co-packing market (such as aseptic bottling, frozen specialty foods, High Pressure Pasteurization (HPP) tolling, flash pasteurization) or as an expansion opportunity for regional companies or for national copackers looking to move into the Chicago market.
- 2. <u>Production space consisting of 5,000- and 10,000-square-foot dedicated units</u> for small, high-growth companies looking to expand into their own space, larger companies piloting new products and processing technologies and processing and packaging equipment manufacturers looking to build showrooms for new equipment or pilot plants for customers to test more advanced production technology (e.g., robotics, packaging equipment).
- 3. <u>Shared tenant services</u> provided by the Center's operators, such as shared warehouse and distribution space, logistics, quality assurance, sales and marketing, and general administrative functions (e.g., permitting, insurance).

Potential business support services include:

- 1. Innovation support, including product piloting and testing, technology implementation consulting, demonstration space for new processing equipment, etc.
- 2. Basic skills training and workforce development (e.g., Good Manufacturing Practices- GPMs, food safety and quality monitoring, maintenance).
- 3. Advanced food processing training in IT, automation, ingredient traceability, packaging, quality certifications (e.g., SGF, BRC, etc.).
- 4. General business services such as financial and cost controls, basic business financing, social media use, e-commerce, certifications, supply chain management, sustainability measures and organization development support.
- 5. A vehicle for collaboration on best practices among non-competing food companies, such as peer forum groups (e.g., YPO, Vistage, or Share groups).