



VALUE-ADDED AGRICULTURE - FOOD PROCESSING

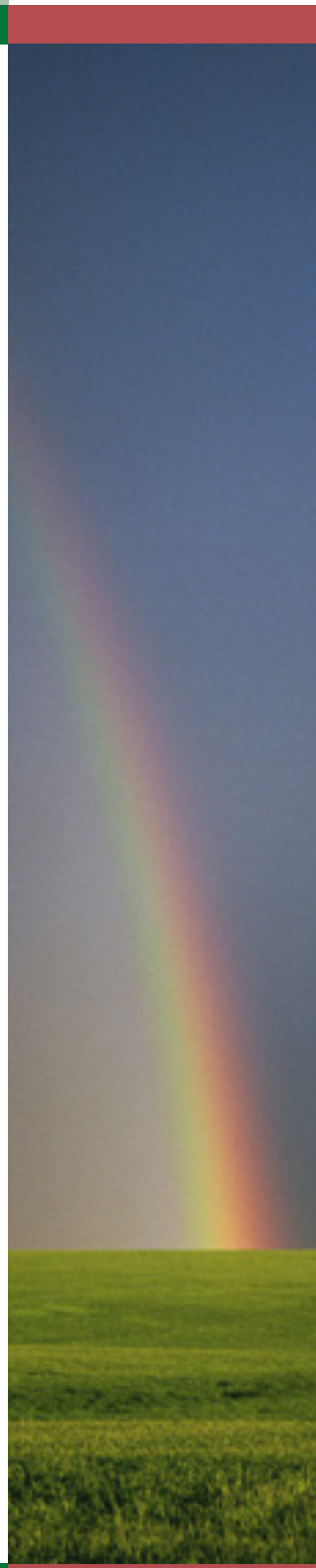
HIGHLIGHTS

- * Washington state's food processing sector is the second largest manufacturing industry. This thriving industry supports 473 companies employing over 40,000 workers and accounts for more than 11 percent of the total value of manufacturing production in Washington with around \$9 billion in annual revenues.
- * Washington's best advantages are its reliable production of high quality crops, cost effective energy prices, and ability to quickly and efficiently ship products to the rapidly growing Asian marketplace.
- * The sector is export oriented, with approximately 90 percent of Washington's soft white wheat crop exported to the Pacific Rim, the Indian subcontinent and the Middle East. Major food processing firms include Pasta USA, Continental Mills, and Lamb-Weston.

LEADING FARMS AND FOOD PROCESSING FIRMS

- Con Agra Foods Lamb Weston
- Del Monte Corporation
- Independent Food Processors Corporation
- J. R. Simplot Company
- McCain Foods Limited, Inc.
- National Frozen Foods Corporation
- Shepherd's Grain
- Snokist Growers
- The Neil Jones Food Company
- Twin City Foods, Inc.

- * Supporting the food-processing sector in Washington are several locally based world-class manufacturers of specialty food processing equipment and packaging. Firms such as Pearson Packaging Systems, Key Technologies and the Marq Group design and manufacture a wide range of food processing equipment such as sorters, scanners, conveyors, packaging and bottling technology.
- * Washington has extensive capacity in public cold storage facilities, coupled with technology and manufacturing capability for freezing and refrigeration for both ships and land based facilities.
- * Washington is home to numerous specialized logistics and distribution companies that focus on food and seafood products.
- * Washington is a leading producer of organic foods.
- * Washington ranks second to California in grape production, value and acreage, and second in wine production.





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INCENTIVES

- * Business and occupation tax exemption for manufacturers of fresh fruit and vegetables.
- * Business and occupation tax exemption for manufacturers of dairy and seafood products.
- * Sales/use tax deferral/waiver for vegetable seed conditioning facilities (rural county sales/use tax deferral/waiver).
- * Sales tax deferral/waiver on construction of cold storage and certain food manufacturing/processing facilities.

INDUSTRY SUPPORT

- * Washington State Department of Agriculture (WSDA).
- * Agricultural Commodity Commission.
- * Northwest Horticultural Council (NHC).
- * The Northwest Food Processors Association (NWFPA).
- * Washington State Department of Agriculture Marketing Program.
- * Pacific Northwest Vegetable Association (PNVA).
- * Pacific Seafood Processors Association (PSPA).

“Working with the Department of Commerce has opened up a world of opportunities to facilitate rural economic growth. Commerce support has enabled growers to successfully move sustainable agricultural wheat products into our local/regional markets and we look forward to expanding that success.”

**Fred J Fleming, Lazy YJ Farms
Shepherds Grain**

Shepherd's Grain comes from an alliance of progressive family farms dedicated to practicing sustainable agriculture. Local to the Northwest, they seek to create a sustainable relationship between the grower, baker and customer so that all benefit. Products made from Shepherd's Grain can be found in local universities, select restaurants, and bakeries. Their farming practices have been certified “environmentally and socially responsible” by the Food Alliance.

