

Hill's picks Emporia for pet food plant

By Scott Rochat

Wednesday, June 20, 2007

Hill's Pet Nutrition announced this morning it would build a 300,000 square-foot plant in Emporia, the third pet food plant to locate in Emporia. The dry pet food plant brings with it more than 100 manufacturing jobs and will be located on an 80-acre site just south of Norfolk Iron and Metal and the new REG biodiesel plant in western Emporia. Emporia beat out several other sites, including Hill's headquarters city of Topeka, to land the plant.

According to the Regional Development Association of East Central Kansas, Hill's would be the 11th-largest private employer in town and 16th-largest overall. Kent Heermann, executive director of the RDA, said the company would put about \$100 million into the plant. "We're real excited about the project," Heermann said. "Our team worked really hard on putting together this project in a short period of time." He and RDA President Jeff Longbine credited the cooperation of state and local groups and the fact that Emporia had a suitable site more or less ready to go, among other factors.

The company is best known for the Science Diet and Prescription Diet pet foods.

"Kansas has been home to Hill's for more than 60 years and we look forward to expanding our presence here to support the continuing growth of our business," company president Justin Skala said in a prepared statement. "This was a rigorous year-long process and we greatly appreciate the assistance we received from state and local officials."

Overall, the company said, more than a dozen sites were considered. Hill's will continue to operate its global headquarters, pet nutrition center and canned food manufacturing plant in Topeka, where it employs 850 people.

The area still needs to be rezoned for the industry, a move that will be discussed by the Metropolitan Area Planning Commission on July 24. If approved, the Hill's plant would be within a short distance of Canadian-owned Menu Foods, which opened its Emporia plant in 1998. The proposed site includes farmland owned by Jim and Sharon Woods, which Emporia Enterprises has an option to buy, according to Heermann.

In addition to Hill's and Menu, Emporia is also home to Emporia Pet Products, the former Safeway pet food plant. That plant was taken over by American Nutrition in April.

The Legislature passed a bill earlier this year, Senate Bill 240, to try to keep a new Hill's plant in the state. The bill offers an income tax break to manufacturers that locate in Kansas by the end of 2009 if they invest at least \$100 million in a plant, employ at least 100 people and pay better than average wages. Governor Kathleen Sebelius signed the bill on March 20. The move was designed to make Kansas more competitive with surrounding states. The bill was supported by Hill's and the Topeka chamber of commerce.

"If our community is selected as the site for this new facility, we will begin the reversal of bad news our community recently received with the closure of the Payless Distribution Center and the loss of 550 jobs," Topeka Sen. Anthony Hensley said in arguing for the bill.

Other sites in the running were Gardner, Ottawa and Harrisonville, Mo.

Hill's Packing Co. began producing canned dog and cat food in 1935 but Hill's Pet Nutrition got its start in 1943, when veterinarian Mark Morris put a guide dog on a special diet to treat her kidney problems. The company began by selling its pet food in specialty stores, then branched out into other pet-care products.

It remained little-known until Colgate-Palmolive bought the company in 1976. After a slow start, Hill's began working with the veterinary community to sell its Science Diet and Prescription Diet brands. By 1984, sales had topped \$110 million. By the 1990s, Hill's was working on expanding its international presence. Hill's reported \$1.66 billion in sales last year, a 9 percent increase from 2005.

Its parent company, Colgate-Palmolive, is No. 200 on the Fortune 500. Last year Colgate reported worldwide sales of \$12.237 billion and a net income of \$1.353 billion.

"We are extremely happy that Hill's Pet Nutrition has selected Emporia for its new facility," Longbine said. "This valuable expansion will be a huge benefit for Hill's, Emporia and the state of Kansas."

An incentive package for the plant will be brought forward at a later date for the city commission's consideration.

"All projects are not this successful," Heermann said. "But every once in a while, it all comes together."

Courtesy of The Emporia Gazette www.emporiagazette.com