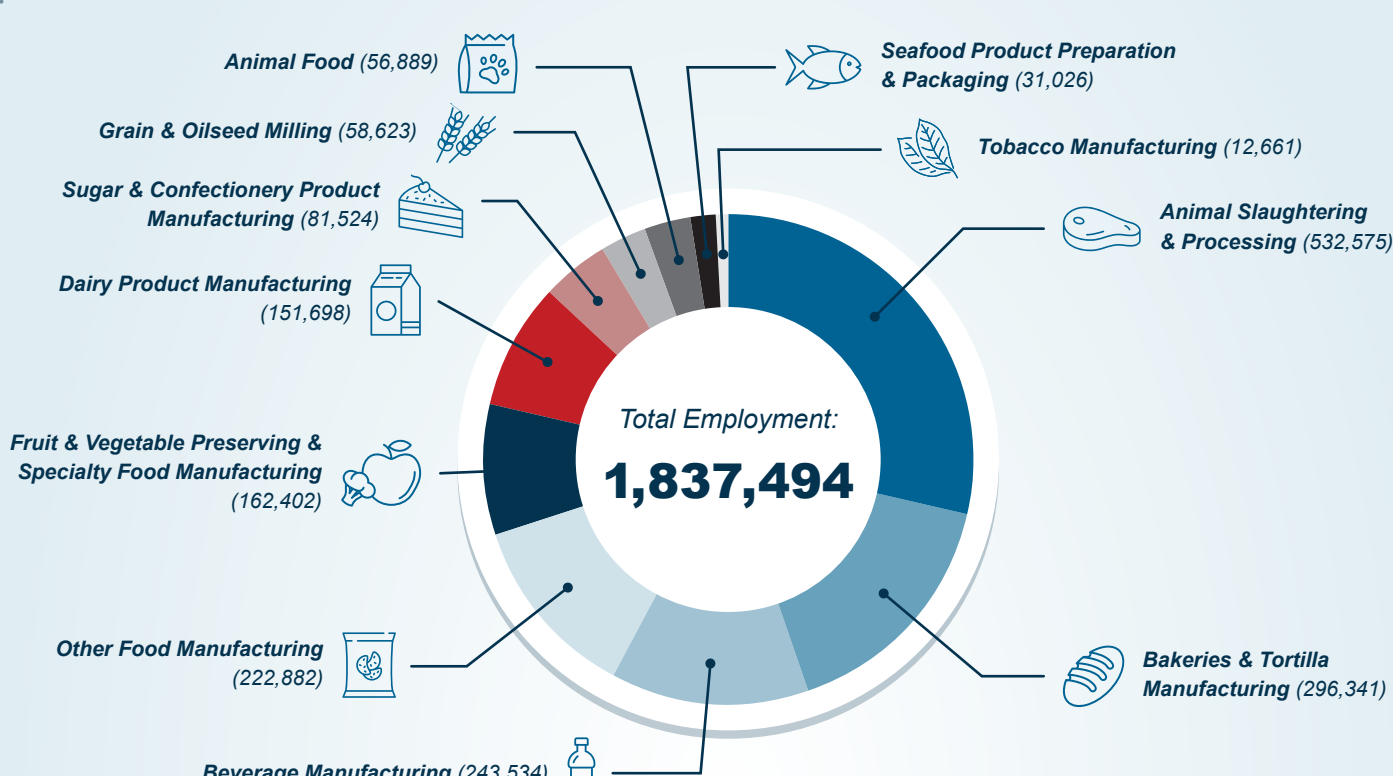


FARM ➡ FACTORY ➡ TABLE

The Food and Beverage Manufacturing Industry

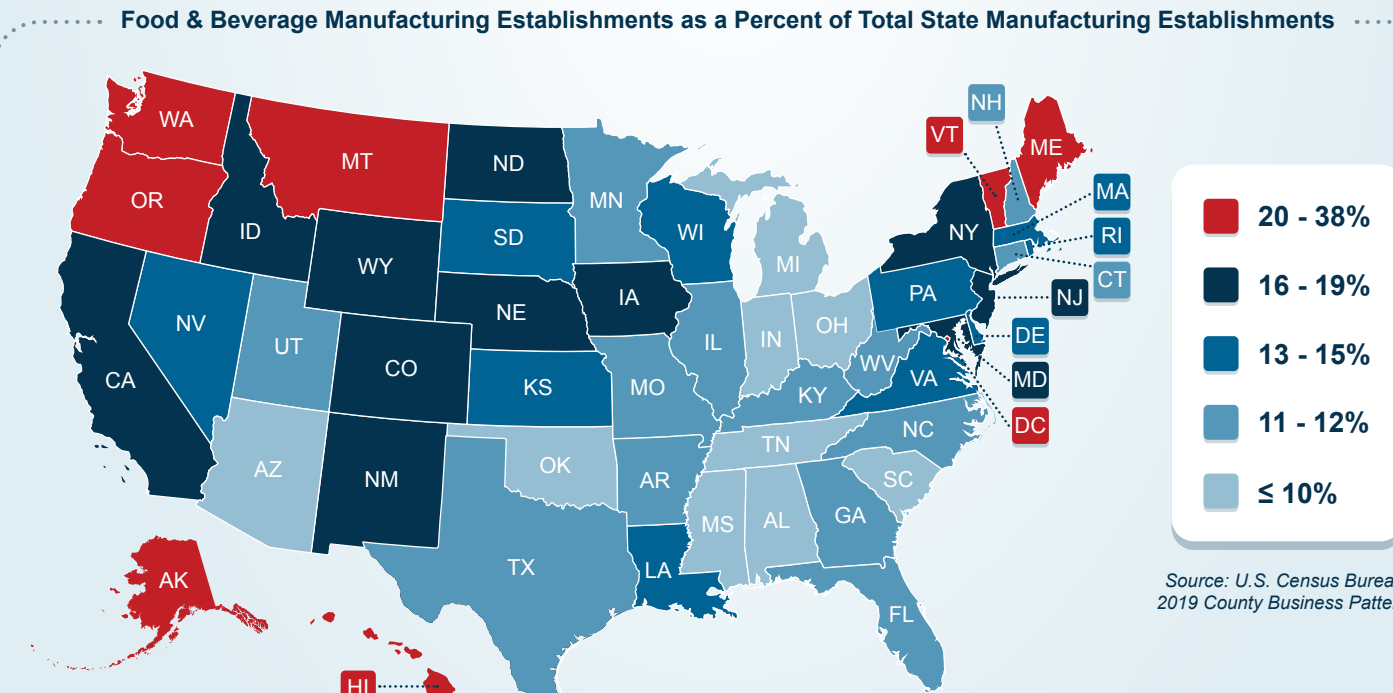
How many people does the industry employ?

US Food and Beverage Manufacturing Employment, 2019



Where do food & beverage manufacturers represent the largest portion of manufacturing establishments?

Food & Beverage Manufacturing Establishments as a Percent of Total State Manufacturing Establishments



Key Challenges and Trends

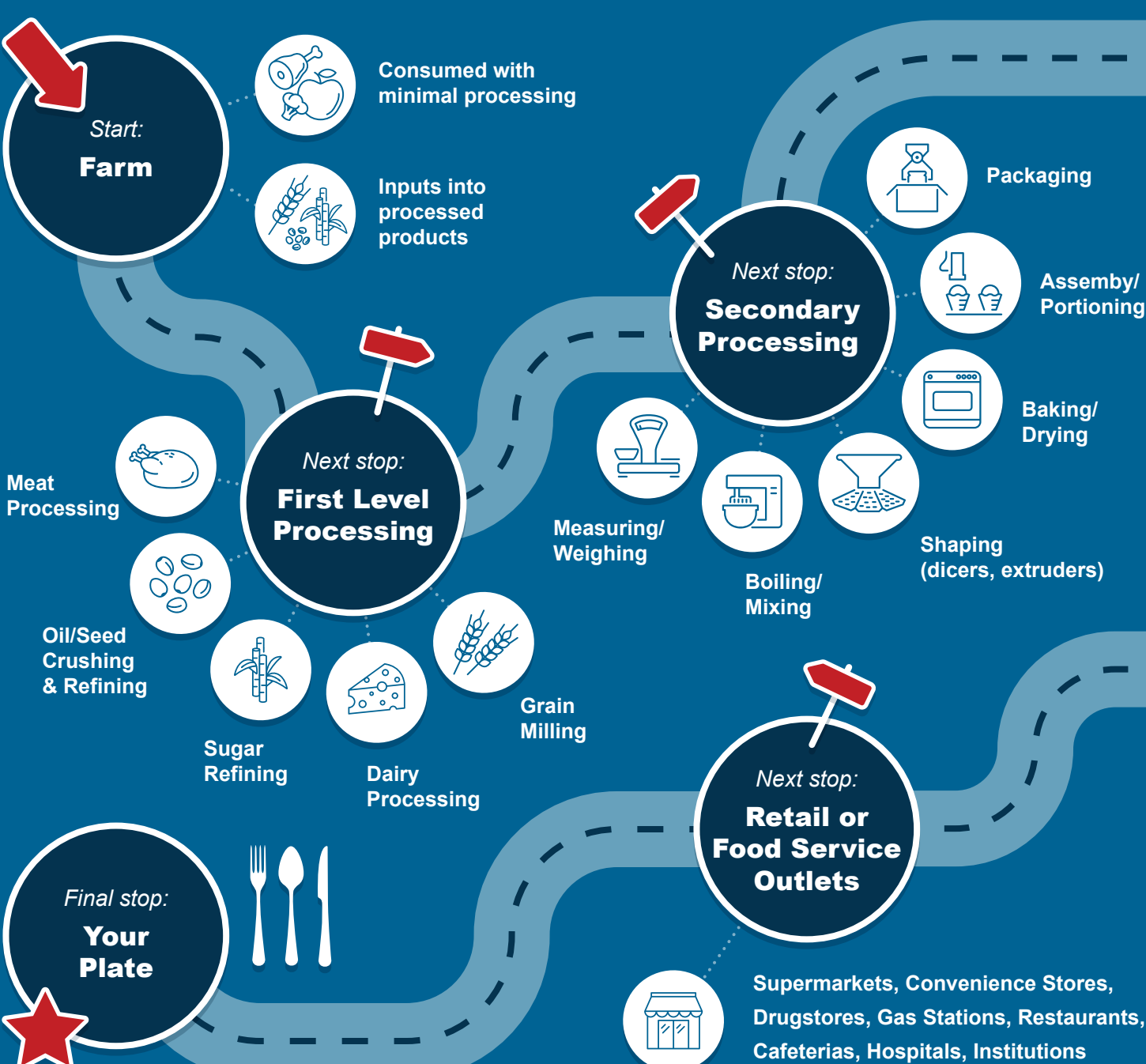
9 Industry Challenges (What Manufacturers Face)

- Quality/ Compliance:**
 - National regulations: FSMA (Food Safety Modernization Act)
 - State regulations
 - Third party certifications: GFSI (Global Food Safety Initiative)
- Sustainability:**
 - Packaging/labelling
 - Production
 - Distribution
 - Water and waste management
 - Decarbonization
- Technology Needs:**
 - Cloud computing
 - Supply chain analytics
 - Embedded analytics
 - Mobile access
 - Artificial intelligence
 - Assurance of product/ingredient traceability
- Evolving Distribution Outlets:**
 - E-commerce/ home delivery services
 - Personalization (e.g., ingredients based on health needs, 3D printing, allergen scanners)

5 Consumer Trends (What People Want)

- Green/Eco Sources
- Recycling Ease
- Dietary Restrictions
- Plant-based Foods
- Food Safety

How Food Gets from There to Here



MEP National Network Expertise: A Vital Ingredient for Its Clients

Manufacturer	MEP Center	Challenge	Solution	Results
APC Paper, uses 100% recycled product to produce consumer products and food packaging	CITEC, part of NY MEP (New York)	Compliance to both the FSMA, to prevent contamination, and to Federal Trade Commission Green Guides, which implemented new recycled material definitions.	Food safety guidelines review and development of a food safety plan. Recycled material guidelines review and development of labelling system.	<ul style="list-style-type: none">\$7,770,000 in retained sales\$2,890,000 in new investment and sustainability
Olympia Provisions, craft charcuterie manufacturer	OMEPE (Oregon)	Improving training for entry-level production employees.	Developed standardized training materials, improved cross-training between departments.	<ul style="list-style-type: none">5 jobs created\$297,000 in cost savings40% reduction in training time for entry-level positions
New Mexico Sabor, salsa maker	New Mexico MEP (New Mexico)	Business growth meant higher fees for shared commercial kitchen and increased inefficiency of equipment and ingredient deliveries.	Creation of inventory control spreadsheet, changes in production process, and development of future plant layout for owned facility.	<ul style="list-style-type: none">20% reduction in kitchen and staff time and equipment rental led to cost savingsCut direct expenditures by up to \$320 a monthActionable growth plan that minimizes risk
Cream of the West, natural cereal products	MMEC (Montana)	Increase number of employees qualified in Hazard Analysis Critical Control Point (HACCP) principles and prepare for Good Manufacturing Practices review.	Gap analysis of manufacturing practices and specific strategies to resolve them.	<ul style="list-style-type: none">\$25,000 in new or retained sales3 created or retained jobs\$10,000 in new investment
Fluker's Cricket Farm, Inc., supplying crickets, feeder insects, and supplies to the fishing industry	MEPOL (Louisiana)	Improving weakest segments of business processes.	The performance of a 360° GrowthWheel Assessment and creation of action-focused processes to build the business.	<ul style="list-style-type: none">\$250,000 in increased or retained sales80 new or retained jobs\$250,000 in new investments\$100,000 in cost savings\$500,000 investment in new products