

# **N.C. Food Processing Innovation Center Committee**

## **N.C. Food Innovation Lab Progress Report submitted to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division**

**Biannual Report: September 2019 – February 2020**

### **Progress between partners and with facilities**

Construction essentially was completed at the N.C. Food Innovation Lab (NCFIL) in November 2019, but after an inspection by a hygiene engineer, CRB was asked to correct a few issues missed in design. One of these issues has delayed our ability to finalize equipment installation, commissioning and regulatory inspection. As of this writing, an issue with exhaust hoods is in the process of being re-engineered and corrective plans are being made. Because it would present a food safety issue for NCFIL, this issue must be corrected. The other issues identified are being, or have been, rectified.

Other equipment not involved in the re-engineering area is being installed and progress continues at an expected pace. Equipment installation requires considerable work after arrival because in many cases piping and electrical must be run to the equipment to finalize installation; control panels and platforms must be designed and built after the equipment is set in place. A few pieces of equipment will not arrive in Kannapolis until later this summer, and similarly will require connections and platforms to be constructed.

The NCFIL Product Development Lab and commercial kitchen had a “soft opening” in early September 2019, and three companies have been active with us to design new product concepts. Paperwork for these customers is in the progress of being finalized so we can begin charging for our activity.

The NCFIL Marketing and Communications Team with members from the N.C. Department of Agriculture & Consumer Services (NCDA&CS), Economic Development Partnership of North Carolina (EDPNC), N.C. State, and NCFIL staff has been busy promoting NCFIL. We experienced tremendous “media bounce” after our ribbon cutting ceremony in mid-November. Numerous television and radio interviews as well as written pieces assisted in promoting NCFIL to the public and especially entrepreneurial and multi-national food companies. Since the opening ceremony, NCFIL has had conversations to describe the facility and capabilities with over 80 companies. In addition, over 100 people have toured the facility. One entity of note that visited NCFIL were representatives from the South Carolina Department of Agriculture. Although they do not have plans to build a similar facility, they were quite interested if they could refer companies from their state to NCFIL.

### **Personnel**

Additional personnel were not hired during the period of this report, but we did lose an employee. The Pilot Plant Manager resigned November 21 as a result of his family not wanting to relocate from Georgia. We have conducted a national search for a replacement and will be conducting face-to-face interviews beginning February 24. Our intention is to make an offer to the right candidate by mid-March.

To further supplement our labor needs for NCFIL, we met with administrators from Johnson and Wales University. Students from both their culinary and applied food safety programs will intern or be apprentices with NCFIL beginning late this spring. Additionally, students from the Food, Bioprocessing,

and Nutrition Sciences (FBNS) program at N.C. State University are being interviewed for internships this summer.

FBNS has also assigned a Plant-based Food Engineer Professor (Extension/Research) at the NCRC to directly support NCFIL and Food Manufacturing Initiative (FMI) goals. Dr. Marvin Moncada started in this position February 12 after re-locating from Louisiana State University.

### **Other relevant activities and engagement**

As mentioned earlier in this report, there has been significant interest in NCFIL's capabilities and services from both N.C. based and national/international food companies.

We continue to focus on the goals of outlining partnerships both for NCFIL and identifying key opportunities for the broader statewide FMI that would serve to:

- (1) drive use of N.C. agricultural products, equipment or food
- (2) increase number and economic value of food manufacturing companies in N.C. and
- (3) increase employment and private capital investment in food manufacturing in N.C. To date, NCFIL has connected with a total of 41 N.C. based companies and 104 national/international companies. As of this writing, we have entered into 10 confidential relationships with companies to conduct work and/or partner in NCFIL.

These initial connections will help establish the foundations for NCFIL and working relationships with NCDA&CS as well as EDPNC to better position the FMI to drive growth of food manufacturing in the state.

Examples of this include:

- Our ribbon cutting ceremony was an opportunity for over 350 North Carolinians and others to help open the new facility, take a tour, and learn more about our objectives and capacities. This event received considerable media coverage.
- Hosted LaunchLKN at NCFIL for their quarterly meeting and reception. This group consists of entrepreneurs and mentors in the Lake Norman area by providing a network of mentors, venture capitalists, companies interested in startups and entrepreneurial companies. The group that evening represented 20 different entities and over 35 attendees. They also toured the facility and learned more about our efforts.
- NCFIL taught a mini-session at Flavors of Carolina 2020, an upscale buyer-focused food show hosted by NCDA&CS featuring North Carolina products, on how to work with our facility. The session was attended by about 15-20 people, and we successfully networked with exhibitors in the show to communicate about NCFIL.
- NCSU business personnel have been working with NCFIL personnel to develop "standardized" agreements and forms to facilitate working with external companies.
- Local economic development representatives from Rowan, Cabarrus and Iredell counties have met with NCFIL during this period, and there are plans to bring in interested companies from these counties to learn more about NCFIL and our capabilities.
- Since March 2019, well over 300 people (not including the nearly 400 from the ribbon cutting ceremony) have toured the NCFIL facility.

Thank you for your time and interest in the North Carolina Food Innovation Lab.

