

# The Golden County Foods Expansion Project

February 2008

**The Company** - Golden County Foods (GCF) is a value-added producer of frozen potato and vegetable products. GCF produces and co-packs specialty potato products such as potato boats, potato quarter shells and twice-baked potatoes as well as hand-held appetizers such as mozzarella sticks, jalapeno bites, and veggie bites for companies such as Heinz (marketed under the TGIFridays and Chi Chi's label) and Green Giant.

GCF's primary production facility is a 75,000 sq. ft. facility in Plover, Wisconsin. GCF currently employs 430 local residents, offering living wages, health care benefits and numerous advancement opportunities.



**The Project** – In 2002, Golden County Foods began working with CAP Services to develop a second manufacturing facility for the production of new “hand-held appetizers” such as deep-fried corn-on-the-cob and mini egg rolls.

Congressman Obey catalyzed implementation of the project by earmarking an SBA grant to Community Assets for People (CAP's lending arm) to purchase a 20,000 square foot facility that was renovated and leased to Golden County for 10 years. CAP then obtained a \$2 million dollar loan from Bank One/Chase to finance the renovations. CAP also packaged investments from the federal Office of Community Services and USDA into a \$500,000 loan to GCF to purchase equipment. The Village of Plover also made \$400,000 loan to GCF to purchase additional equipment.

**Job Creation** – Golden County Foods has created 76 new living-wage jobs with health care benefits and advancement opportunities and 38 were filled by low-income individuals.

**Empowerment Programs** – In partnership with Golden County Foods, CAP is also offering several innovative services to enhance the opportunities for success of the low-income individuals hired at the new facility:

- **Customized Career Paths and Education** – Golden County has identified five career paths and the corresponding curriculum required to allow employees to successfully compete for in-house promotional opportunities (Operator, Team Leader and Maintenance Technician positions). CAP will provide financial assistance to GCF employees so they can obtain the skills needed to access these positions through CAP's award winning Skills Enhancement Program. This program provides assistance with tuition, books and class-related child-care expenses and is funded in part by United Way of Portage County.

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- Eyewear Assistance – In partnership with Dr. Steve Rollins of Sterling Optical, CAP and GCF are providing vision screening and prescription safety eyewear to newly hired low-income employees. These individuals would otherwise have been unable to accept a position at Golden County because of their vision difficulties. Dr. Rollins is donating all screening services and has obtained a significant reduction in price for the prescription glasses. CAP is advancing the cost of the glasses and GCF is recovering that cost through payroll deductions.
- Individual Development Accounts – CAP is also providing low-income employees of GCF with access to an incentivized savings program that will match their personal savings two to one up to a maximum of \$1,000 in employee savings. Participants can use their savings and CAP’s match to continue their education or to purchase a home.

**Current Status** – In 2006, GCF began developing, producing and marketing its own brand of handheld appetizers. The “SNAPPS” line of appetizers is packaged in 5.5 ounce portions and sold in Walmart Superstores throughout the Midwest. SNAPPS have been so successful that GCF added a second production line to it’s Moore Road facility to meet demand.

In May of 2007 Golden County exercised its option to purchase the building and paid off all its loans to CAP’s lending arm, Community Assets for People.

Recently, GCF developed a new vegetable-based product for Green Giant. The “Bites” line combines a vegetable such as broccoli with cheese in a deep-fried single mouthful “bite”. The success of these product lines has prompted a building expansion to add a full production line dedicated to production of the Green Giants “Bites” and GCF’s “SNAPPS” lines.

## CAP SERVICES, INC. GOLDEN COUNTY FOODS PROJECT

<u>SOURCES</u>	<u>USES</u>			<u>Total</u>
	<u>Building Purchase</u>	<u>Cold Storage and Renovations</u>	<u>Equipment</u>	
CAP				
CAfP	\$645,775	\$0	\$500,000	\$1,145,775
Bank loan	\$0	\$2,499,738		\$2,499,738
Village of Plover			\$400,000	\$400,000
Owner Investment	\$0	\$349,501	\$349,501	
<b>Totals</b>	<b>\$645,775</b>	<b>\$2,849,239</b>	<b>\$1,249,501</b>	<b>\$4,395,014</b>