Funding for Food Business Incubator Facility is Complete

*With Grant for Final $2 Million Received from US EDA, Rutgers Food Innovation Center Holds Ceremonial Ground Breaking in Bridgeton*

Bridgeton, NJ — The Rutgers Food Innovation Center today marked their final funding milestone as it was awarded a $2 million grant from the United States Economic Development Administration (EDA) Public Works and Economic Development Facilities program. A check presentation and groundbreaking ceremony were held in Bridgeton today, and this event was attended by a number of federal, state and community partners of the Center, in addition to many of its clients.

“We have secured $7.4 million in grants, including this funding from the US EDA, which will enable construction of a 23,000 sq. ft. facility to be located right here on Route 49 in Bridgeton, New Jersey”, said Louis Cooperhouse, director of the center. “This new facility will house state-of-the-art food processing equipment, technical and business support services, and a hub for distance learning and continuing education. The Food Innovation Center business incubator facility will become a major catalyst for economic development for the food and agricultural sectors in New Jersey, creating new and higher-paying jobs while helping to preserve farmland in our state” he added.

Funding for the incubator has come from federal, state and community sources. The $7.4 million in capital funding is being provided by the following:

- U.S. Economic Development Administration - $2,000,000
- New Jersey Casino Reinvestment Development Authority - $2,000,000
- State of New Jersey - $1,800,000
- New Jersey Agricultural Experiment Station (NJAES), at Rutgers University - $750,000
- Cumberland Empowerment Zone - $500,000
- City of Bridgeton - $350,000

“Approximately 90 percent of the funding for the Food Innovation Center incubator facility originated from outside of the university, which illustrates the tremendous support that the Food Innovation Center has received from our partners,” noted Bob Goodman, executive dean for agriculture and natural resources at Rutgers University, and executive director of the NJAES. Goodman added that “We are extremely thankful for the strong support that the Food Innovation Center has received from United States Congressman Frank LoBiondo, State Senator Stephen Sweeney, Assemblymen Douglas Fisher and John Burzichelli, Bridgeton Mayor Michael Pirolli, USDA State Director Andrew Law, Secretary of Agriculture Charles Kuperus, former Cumberland Empowerment Zone Executive Director Sandra Forosisky, and many others since the inception of this project.”

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Food Innovation Center projections indicate that the incubator will result in a tremendous benefit to the economy of New Jersey, particularly in the southern part of the state. According to their estimates, by 2010 the Food Innovation Center will have:

- Assisted 875 clients
- Created more than $200 million in cumulative new revenue (at an annual rate of about $85 million during 2010, with significant escalation each year thereafter)
- Created thousands of new jobs
- Returned local tax revenue of more than $5 million annually
- Retained thousands of jobs via its programs in quality assurance, food safety, and new technology integration.

Margaret Brennan, associate director of NJAES, said “The Rutgers Food Innovation Center provides a direct link for business development and technology transfer from the vast resources of Rutgers University and the New Jersey Agricultural Experiment Station, and a tremendous network of strategic partners to clients located throughout the state”. She added that “This new facility will not only meet the needs of clients, but will also serve as an outstanding resource for faculty, staff, and students from throughout Rutgers University, in addition to collaborating researchers from other community and state colleges, and state and federal agencies.” Brennan and Cooperhouse have been the co-authors for each of the capital grants that the Center has received.

The Rutgers Food Innovation Center is an economic development outreach center of Rutgers University, and part of the New Jersey Agricultural Experiment Station (NJAES). It provides solutions to a variety of constituents including: farmers and cooperatives desiring to create new businesses based on value-added agricultural products and/or developing new markets for their existing commodities; startup food companies evaluating differentiated new concepts in high-growth sectors, and coping with challenges such as technology transfer, financing, regulations, market development, and infrastructure requirements; and established food companies seeking to access and commercialize new technologies, upgrade quality assurance capabilities, enter new markets, and expand and improve their operations. This Center is unique in the country, and has become a model for other incubators that are being developed in the US and internationally.

The Food Innovation Center is a member of the New Jersey Business Incubation Network (NJ BIN), which is an association of twelve incubator centers located throughout New Jersey. Collectively, these incubators provide professional business assistance, and several hundred thousand square feet of physical space for the life sciences, defense, telecommunications, environmental technologies, and the food and agricultural industries. Research conducted by the National Business Incubation Association (NBIA) has demonstrated that companies that work within an incubator facility are much more likely to stay in business, as 87% of incubator “graduates” are still in business after three years. Furthermore, NBIA has determined that 84% of these companies remain in the local community, creating both direct and indirect jobs, and taxes for municipalities. In addition, these companies are able to raise considerably greater funding than companies that do not have such resources available to them. Lou Cooperhouse currently serves as President of the New Jersey Business Incubation Network.