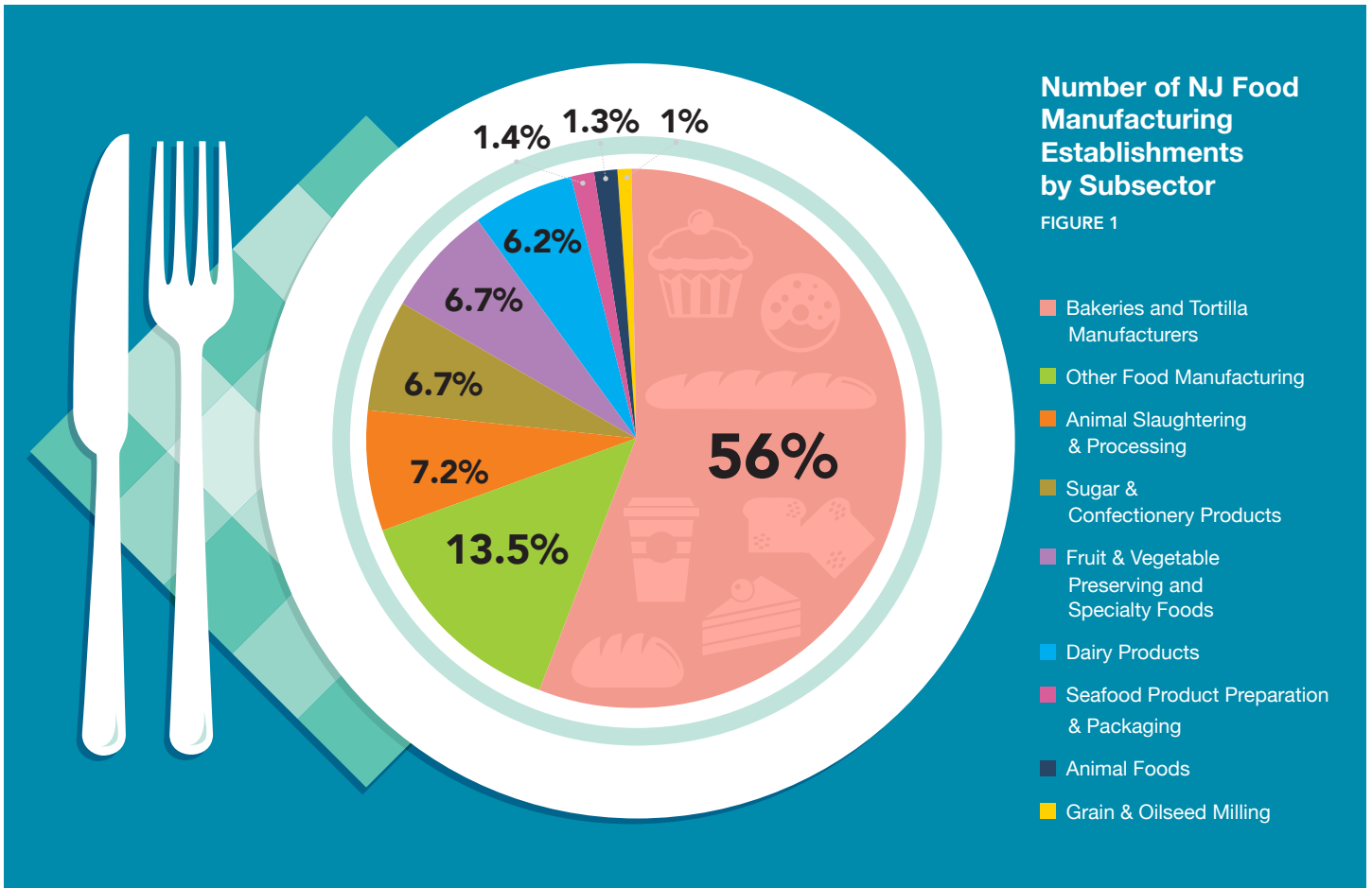




FOOD MANUFACTURING IN NEW JERSEY

NJBIA
New Jersey Business
& Industry Association



New Jersey’s official nickname, the “Garden State,” was coined in 1876, after the state was described as an “immense barrel, filled with good things to eat and open at both ends, with Pennsylvanians grabbing from one end and New Yorkers from the other.” The food manufacturing industry has kept that legacy alive by making, processing, packaging, and/or delivering some of the state’s most delicious and significant ingredients not only for New Jerseyans, but for consumers regionally and nationally.

New Jersey has tough competition in the food manufacturing business, exacerbated by its small size and limited space for some large scale operations.

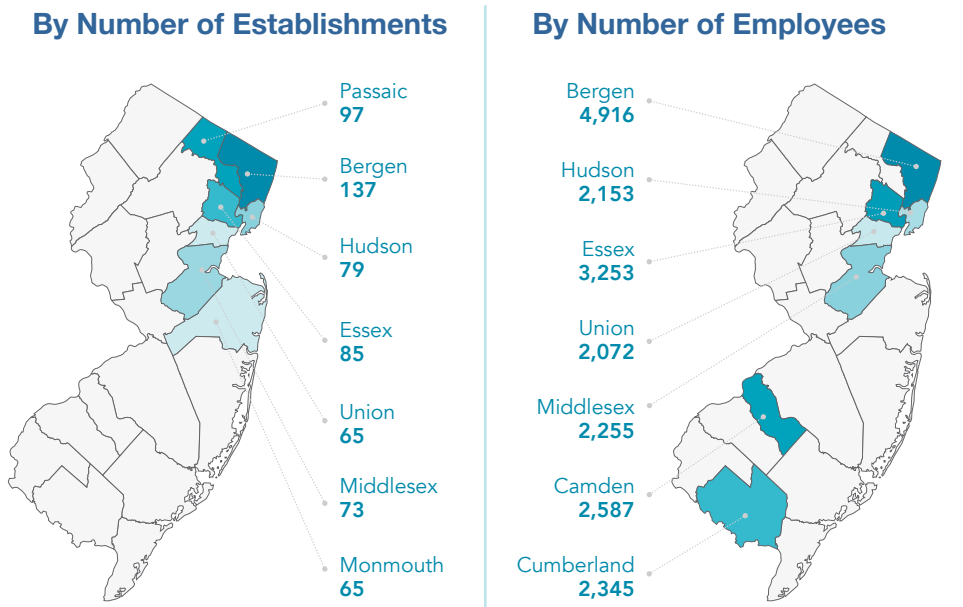
Historically, New Jersey has always been known for its manufacturing industry. However, since the 1970s, New Jersey has moved from traditional manufacturing to technologically advanced (“lean”) manufacturing processes. There is a support system in place specifically for the food manufacturing industry. Rutgers University, one of New Jersey’s premier research institutions, noticed the potential of the state’s food industry and established the Food Innovation Center to address the industry’s increased needs in the early 2000s.

Assisting domestic and international food companies, small and startup food companies, and farmers and other agribusinesses, the Center aims to address the four main needs of the food sector: training and education;

Bergen County has the highest number of food manufacturing establishments and paid employees: 137 and 4,916, respectively.



New Jersey County Rank for Food Manufacturing
FIGURE 2



product and process development expertise; equipped, FDA and USDA inspected facilities; and access to a professional management team.

In 2014, 12.4% or 937 of New Jersey’s manufacturing establishments were food manufacturers, employing almost 13.6% of all manufacturing employees in the state of New Jersey. Out of 221,000 employees, over 30,000 laborers worked in this industry with annual payroll of over \$1.3 billion. A quick overview of New Jersey’s manufacturing and food manufacturing industries can be seen in *Figure 3*.

The food manufacturing industry can be classified into nine subsectors, as seen in *Figure 1*. A majority, about 56%, of New Jersey’s 937 food manufacturing establishments are classified as bakeries and tortilla manufacturers. Another 13.5% of New Jersey’s food manufacturers fall within the “other” category, which includes (but is not limited to) those who manufacture snack food, roasted nuts, coffee, tea, flavored syrups, seasonings, and prepared sauces. The rest of New Jersey’s food manufacturing establishments, about 30.5% of them, fall into the other seven categories. The next highest food manufacturing subsectors are Animal Slaughtering (7.2%) and Fruit and Vegetable Preserving (6.7%).

The counties with the most food manufacturing establishments are Bergen, Passaic, Essex, Hudson, Middlesex, Union and Monmouth (*Figure 2*). Bergen County has the highest number of food manufacturing establishments and paid employees: 137 and 4,916, respectively. See *Figure 2* for New Jersey counties with the highest number of establishments and employees.

On a nationwide scale, New Jersey has tough competition in the food manufacturing business, exacerbated by its small size and limited space for some large scale operations. However, overall, the state is still strong in this sector. As shown in *Figure 4*, New Jersey ranks 8th in the number of establishments and 20th in number of paid employees (30,086) when compared

Overview of New Jersey’s Industries

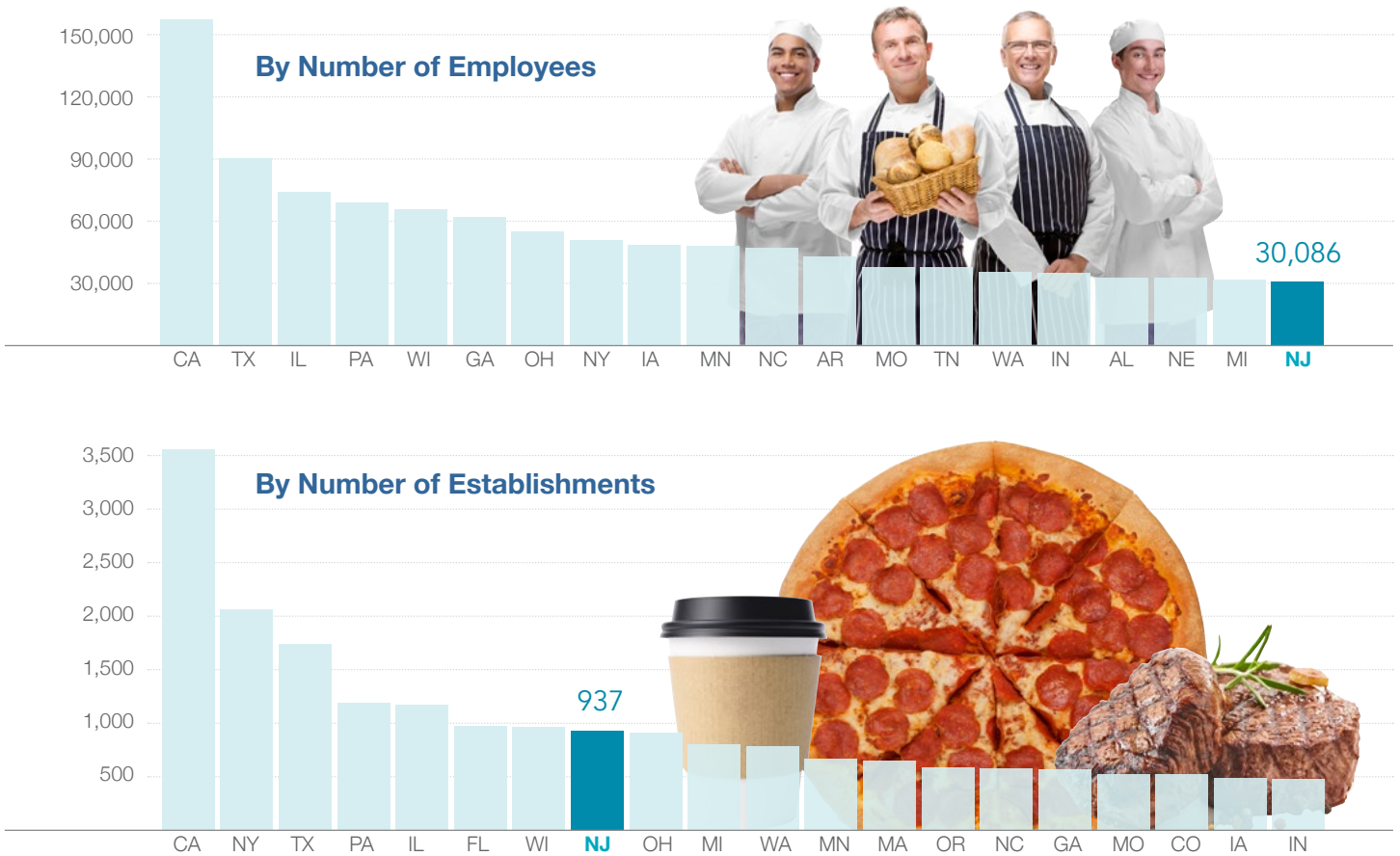
FIGURE 3

NJ MANUFACTURING	
7,537	Number of Establishments
221,901	Number of Paid Employees
\$14B	Annual Payroll (1,000)

NJ FOOD MANUFACTURING	
937	Number of Establishments
30,086	Number of Paid Employees
\$1.3B	Annual Payroll (1,000)

Top 20 States in Food Manufacturing

FIGURE 4



to the 49 states. When evaluating states in this manner, one must consider their geographical and population differences. The seven states that precede New Jersey in number of establishments, California, New York, Texas, Pennsylvania, Illinois, Florida, and Wisconsin, are all significantly larger in area, and, with the exception of Wisconsin, they all have a significantly higher population. The same goes for the number of food manufacturing employees; while New Jersey ranks 20th overall, the states that precede it are all much larger in area.

New Jersey's food manufacturing industry success stems from the state's unique characteristics such as labor force, location, and access to national and international markets. Furthermore, while New Jersey has a reputation for having a high cost of doing business, the state is willing to work with food manufacturers to provide incentives to companies, education to employees, and other programs to increase overall efficiency. While New Jersey is small in size compared to other states, it is within a day's drive to over 40% of the nation's population.

Our great location, quality of manufacturing and production facilities and highly skilled workforce all combine to make New Jersey, especially for its relatively small size, one of the leading food-producing states in the nation and an important player in the food manufacturing industry.

While New Jersey is small in size compared to other states, it is within a day's drive to over 40% of the nation's population.

Sources:

- The U.S. Census
- State of New Jersey: Origins of the nickname; <http://www.state.nj.us/nj/about/facts/nickname>.
- Rutgers Food Innovation Center: "Our Mission;" <http://foodinnovation.rutgers.edu/mission.html>



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