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## Koch Foods delays \$45M expansion

### Project slated for 2013 would bring nearly 400 jobs to Fairfield

By Eric Robinette

**FAIRFIELD** — The expansion of Koch Foods, which was expected to add nearly 390 jobs to Fairfield this year, has been delayed indefinitely.

Greg Kathman, the city's economic development manager, said the expansion would still take place sometime this year, but rising food prices, courtesy of the 2012 drought, threw a wrench in the works. Koch Foods is a chicken processing plant on Port Union Road and is one of Fairfield's largest industries. It is the top user of the city's water supply, officials said.

"They announced, and we approved an incentive package with them, but they didn't actually start their project in 2012. The drought really affected the price of corn, which affected the feed stock for the chickens, which impacted their ability to do a project here," Kathman said.

Therefore, the project is on hold, at least for now. Kathman said he hopes the project will still go forward in 2013, once the price of corn stabilizes.

"The company officials say they still need the space, and they need the expansion, but they just need to know financially where they are," Kathman said.

Chip Englert, the company's controller, confirmed the expansion is delayed. He said there are plans to pick up the project again, but he did not elaborate, deferring questions to Brian Reisen, the general manager, who could not be reached for comment. A Koch employee also referred questions to corporate, but a representative there was also unavailable.

The project, announced last July, had called for a 170,000 square-foot addition to the existing 185,000 square foot plant. Koch Foods had planned to spend \$45 million on the project to retain the 730 jobs already there, and to add at least 390 jobs within the next three years, the company had said.

Koch has more than 20 facilities nationwide, supplying chicken to such companies as Kroger, Steak n' Shake, Sonic, Ruby Tuesday and many others. It does business in six states, including Mississippi, Alabama, Georgia and Illinois.

Fairfield had planned to provide a 75 percent property tax incentive, and area schools would also benefit from the expansion. Fairfield City Schools was to receive \$42,600 per year over 10 years, and Butler Tech would receive \$1,300 annually over 10 years.

Councilman Jeffrey Holtegel had said the Koch expansion accounted for 80 percent of the job creation in the next three years.

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