

## **Empire State Development News**

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## **EMPIRE STATE DEVELOPMENT AND THE NYS DIVISION OF HOUSING & COMMUNITY RENEWAL ANNOUNCE RICHARDSON BRANDS COMPANY TO REINVEST IN CANAJOHARIE**

### **Montgomery County plant to receive state incentives estimated at \$1.5 million**

Empire State Development and the New York State Division of Housing and Community Renewal today announced that an agreement has been reached with Richardson Brands Company to assist the Canajoharie manufacturer of niche branded confectionary and other food products in the development of its multiphase retention and expansion project in the Mohawk Valley.

Under Phase I of this project, Richardson Brands will purchase a new ultra high efficiency, low-emission, gas fired Super Boiler and acquire additional machinery and equipment to retain 128 jobs and create 15 new jobs at its operations in Montgomery County. The total project cost is estimated to be approximately \$2.4 million.

"Today's announcement addresses the challenges Richardson Brands faced in securing its facility and maintaining more than 100 jobs in Canajoharie," said New York State Governor David A. Paterson. "Working together we have been able to provide the company with an aid package that includes money for a new 'super boiler.' This will allow Richardson Foods' facility to eliminate its reliance on the Beech-Nut Foods plant, slated to close in 2010. Richardson Foods will also be able to replace vital equipment damaged in the historic 2006 Mohawk River flood. More importantly, it secures the livelihood of 128 New Yorkers and sets the stage for the creation of new jobs for Mohawk Valley residents."

"We are grateful to the Governor, Empire State Development, the Division of Housing & Community Renewal and other agencies and officials who have enabled us to move forward on this plan," said Donald Butte, CEO of Richardson Brands. "We look forward to working with New York State on Phase II of the plan which will enable us to move 70 existing jobs to Canajoharie from Connecticut and Kansas City by the end of 2010."

Phase I of the plan will be financed from several sources, with each source requiring certain specified requirements and conditions to be met prior to funding. ESD has earmarked a \$500,000 capital grant and the Village of Canajoharie is eligible to apply on behalf of Richardson Brands for up to \$750,000 in New York State Community Development Block Grant (CDBG) funds. National Grid will provide \$400,000, New York State Energy & Research Development Association has pledged \$398,180 and Richardson Brands will self fund \$385,000.

Empire State Development Upstate President Dennis Mullen said: "New York State is committed to supporting the creation of quality, permanent job opportunities in the village of Canajoharie and across Upstate New York. ESD, along with its local economic development partners, will continue to work with Richardson Foods as it pursues its plans for future sustainable growth in Canajoharie."

New York State Division of Housing and Community Renewal (DHCR) Commissioner Deborah VanAmerongen said: "DHCR, through our Office of Community Renewal, is very pleased to provide New York State CDBG funds to the Village of Canajoharie. This funding will allow Richardson Brands to remain in New York, keep its workforce of 128 people employed, and create 15 new jobs in the

Village. Richardson Brands is Canajoharie's largest employer, and we hope that the company will continue to grow and succeed in New York State."

The incentive proposal signed on May 18 states that New York State is committed to continuing work with Richardson on Phase II of its expansion plans.

Richardson Mints was established in 1893 by Thomas D. Richardson. The Beechies brand was established in 1936 and joined the company through acquisition in 1988. Today, in addition to Richardson Mints and Beechies Gum, the company markets Pop Shots candy filled sports balls and acts as a contract manufacturer for a number of high profile consumer packaged goods companies. In September 2006, Richardson acquired Gravymaster Inc., a manufacturer of Dryden and Palmer rock candy and Gravymaster browning sauce.

Richardson operates an 180,000 square foot facility in Canajoharie, New York, 40 miles west of Albany. The facility proudly carries the State of New York's coveted Good Manufacturing Practices Seal of Approval (GMP).

Empire State Development is New York's chief economic development agency. ESD also oversees the marketing of "I LOVE NY," the State's iconic tourism brand. For more information, visit [www.nylovesbiz.com](http://www.nylovesbiz.com).

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