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BATON ROUGE, La. (AP) — A rice mill will spend \$13.4 million on an expansion and modernization of its facility in eastern Calcasieu Parish, the company and Gov. Bobby Jindal's administration said Tuesday.

Jindal said Tuesday that the 55,000-square-foot expansion of Farmers Rice Milling Company's packaging and distribution plant will allow it to increase processing speed and volume. The project will retain 87 jobs, with an average salary of \$34,500, at the mill, he said.

"Farmers Rice Milling Company has a long history of buying rice from Louisiana farmers, and we're proud they're expanding right here in our state," Jindal said in a statement. ... Farmers Rice Milling Company could have chosen to invest in another state, but they picked Louisiana because of our strong business climate, outstanding farmers and our incomparable workforce."

Farmers Rice Milling, a division of The Powell Group, operates the largest rice mill in the state. It purchases \$120 million annually in locally grown rice. Overall, the company employs more than 125 workers in the mill and related facilities in and around Lake Charles. The company also employs 25 people at its headquarters in Baton Rouge.

"This project ensures Farmers Rice Milling will continue to purchase rice from the farmers of Southwest Louisiana and grow its position as a leader in the world rice market," said company CEO James Warshaw.

Farmers Rice Milling processes and mills rough rice at the Lake Charles facility, and then packages and distributes clean rice to customers from the site. The mill, which has been in continuous business since 1917, is investing in the new facility to expand its output and meet the demand of national and international customers including Latin America, Africa and the Middle East.

The mill is capable of processing more than 800 million pounds of rice per year.

Louisiana Economic Development began working with Farmers Rice Milling on the modernization project in May 2011. To support the expansion, LED offered the company an incentive package, including a Modernization Tax Credit of \$425,000 payable over five years. The company is also expected to utilize the Industrial Tax Exemption Program.

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