Minn. Snack Maker Purchases Penn. Potato Chip Plant

WATERFORD, Pa. (AP) — A Minnesota snack food company has bought a potato chip factory in northwestern Pennsylvania with plans to hire up to 100 workers — and triple that many if the company's growth projections come true.

Officials with KLN Family Brands, of Perham, Minn., hoped to be making kettle-cooked potato chips, popcorn and other snacks at the former Troyer Farms plant in Waterford Township by this spring, the Erie Times-News [1]reported Thursday.

The property had been leased to Bickel's Snack Foods Inc., which bought the Troyer Farms snack food business in December 2008 but shut down production in the spring of 2011. Seventy-seven workers were laid off when Bickel moved its production to York, where that company is based.

Charlie Nelson, one of KLN's owners who serves as vice president of sales and marketing, said the company bought the plant in hopes of rehiring some former Troyer Farms workers.

"We will be able to bring on people who have some experience and know what they're doing," Nelson said. "That's the key for us."

Two other keys are the plant's location, and the fact that there's room to expand the business.

KLN has a plant in Phoenix, in addition to its Minnesota headquarters, and needed a northeastern U.S. distribution point.

The company makes Barrel O'Fun Snack Foods and private label chips and snacks.

"We knew we needed to be out East in general," Nelson said. "Freight is a challenge for us, especially when shipping salty snacks. It's a very light product, and you have to be near the population base."

The company is hoping it will quickly outgrow the 160,000-square-foot building. If that happens, KLN plans to expand into another facility and use the current plant as a warehouse. That could result in a total of 250 to 300 workers.

The jobs will pay more than minimum wage, though company officials won't say how much, and employees will get benefits including health insurance, paid vacations, profit-sharing, a retirement plan and even housing loans for veteran employees.

"I came to appreciate the way they treat their employees, and their customer

satisfaction speaks to the quality of the company and its management," said John Elliott, president of the Greater Erie Industrial Development Corp. The agency is seeking permits to build a water treatment plant and extend municipal water service to the property at a cost of about $7 million.

KLN has about 1,250 employees and Nelson said, "We try to stress family in everything we do. Our people work hard, and we have a lot of loyalty to them. We do try to care about our employees and have them benefit from our growth."

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