ConAgra, Cargill Venture Ardent Mills Begins Operations

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DENVER (AP) — Ardent Mills, a joint venture by ConAgra Mills, Cargill and CHS, began operating as the nation's largest flour milling company on Thursday, following approval by the U.S. Justice Department.

Ardent Mills, which will be based in the Denver area, combines the resources and facilities of ConAgra Mills and Horizon Milling, a previous joint venture of Cargill and CHS. It has 40 flour mills, three bakery mix facilities and a specialty bakery in the United States, Puerto Rico and Canada. It will also have satellite offices in Omaha and Minneapolis.

Some watchdog groups opposed the venture fearing it could lower prices paid to wheat farmers and raise prices for consumers. Last week, anti-trust regulators at the Justice Department said it would require Ardent Mills' parent companies to sell four mills to keep prices competitive for customers, including industrial bakers and food service companies, in the Los Angeles, Dallas, Minneapolis and San Francisco areas.

Ardent Mills CEO Dan Dye, formerly the president of Horizon Milling, said the sales to Minneapolis-based Miller Milling, a subsidiary of Japan's Nisshin Seifun Group, have been completed.

Despite the size of the new venture, Dye said it will have to offer competitive prices to succeed both with consumers and farmers. Ardent Mills can now provide products more efficiently and it can offer growers of wheat and other grains growing in popularity like ancient grains and rye better access to the market, he said. Ultimately, he said the company needs to make sure farmers are paid enough to keep planting those crops.

"We know we have to help our farmers be successful," Dye said.

The new venture will create some new jobs in the Denver area but most of those working at other locations previously worked for Ardent Mills' parent companies.

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