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St. Clair Foods in expansion mode

Production to hit 20 million pounds of potato salad

Memphis Business Journal - by [Trey Heath](#)

Thanks to steady growth, **St. Clair Foods, Inc.**, is investing \$2.5 million to expand its Memphis manufacturing facility by 40,000 square feet.

Once complete, the expansion will increase St. Clair's footprint to 120,000 square feet at Bellbrook Industrial Park in Whitehaven.

"This is just a general expansion based on a growth need and future growth," says Oscar Edmonds III, St. Clair president. "You never know what is going to happen, but we have a positive outlook for the future, and I don't see our industry going anywhere."

St. Clair will add 33,000 square feet to give the company more room to process its growing line of more than 90 products. In addition, St. Clair will add a 6,000-square-foot freezer and a 2,000-square-foot sanitation area.

St. Clair's additional space will allow the company to grow its popular potato salad product, Edmonds says.

The company produced about 16 million pounds of potato salad last year, and thanks to the expansion, St. Clair expects to produce about 20 million pounds in the next 12-18 months.

"We've been fortunate enough to pick up a few new accounts, and one of the things that requires a lot of space to cook is potato salad," Edmonds says. "That is our No. 1 volume item as far as tonnage."

The increase in demand for St. Clair's potato salad — as well as growth in the company's chili sauce, cheese dip and soup products — has allowed St. Clair to grow about 8% over the last few years.

"We have been fortunate enough to have true growth, not inflated growth, of about 7%-8%," Edmonds says. "We hope (the expansion) will facilitate additional growth over the next couple of years."

Edmonds was able to broker a deal with **CB Richard Ellis Memphis** to relocate Goodyear's retread facility, freeing up space for the expansion.

St. Clair owned the 11.5-acre, 33,000 square feet of space that Goodyear formerly occupied, but Goodyear also had a separate 24,000-square-foot distribution facility which was separated from its main facility.

Goodyear was able to move into a 52,250-square-foot facility and consolidate its operations.

"Goodyear had been looking to consolidate operations for several years, and the timing just worked out," says Greg Spillyards, marketing specialist for CB Richard Ellis Memphis.

The addition is scheduled to be completed in March, which will coincide with St. Clair's busier season and provide additional capacity and storage space.

Along with the capacity to serve customers like Schnucks and Sysco, St. Clair is adding the space to help grow its direct sales business.

The company has steadily increased sales of frozen food products via **QVC** television programs.

"We've had a lot of growth on QVC," Edmonds says. "We sell a lot of frozen product, and we look for that to continue to grow, too."

But even with the addition of the QVC business, St. Clair has been challenged by the spike in the price of food products.

Edmonds says the price of soybean oil, which is used in most of the company's products that include mayonnaise, rose as much as 40% this year before leveling off. The company also had to make four different price increases on a product after the price of honey continued to rise.

St. Clair's reputation as a quality producer of food and its safety record continues to allow it to grow, says Melissa Bunch, director of the deli food bar for **Schnucks Markets, Inc.**

"The level of involvement (St. Clair) has, it makes us more comfortable with their operations," she says. "We know we selected a very good partner that stays on top of the industry and provides us with wonderful food safety controls."



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Lauren Edmonds and Oscar Edmonds III watch the potato salad line at St. Clair Foods.

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That kind of respect from customers, along with the demand for its products, is expected to allow St. Clair to grow despite current economic conditions.

"We are (expanding) to grow, and not just for the short term," Edmonds says. "You may not buy a car, but you will eat tomorrow."

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