

ECONOMIC DEVELOPMENT

Bethlehem Food Manufacturer Expands, Seeks to Increase Workforce 5x

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CCI Prime recently expanded its operation in preparation for consolidating all its production to Bethlehem, the latest growth in the Lehigh Valley's flourishing food and beverage manufacturing industry.

Also known as Chan & Chan and Prime Food Processing, CCI Prime expanded its footprint in the Lehigh Valley by 25% with the construction of a cold storage warehouse to hold the mini-sausages, dried sausage, and steamed

buns it produces in the Lehigh Valley.

The addition opened in December with a state-of-the-art automated storage and retrieval system by Bastian Solutions that increases storage capacity and maximizes efficiency.

CCI Prime's facility in Bethlehem now encompasses about 100,000 square feet, up from 75,000 square feet. The workforce numbers about 20 people, and the company plans to increase that to about 100 when the production currently occurring at the company's other operating



site in Brooklyn is shifted to Bethlehem within about the next two years, said Eric Chan, the company's General Manager,

When that occurs, there will be a total of five product lines that make about 200 different items in Bethlehem. The company manufactures dumplings, bao buns, soupy pork dumplings, and numerous other products that are sold primarily through specialty ethnic markets.

"We found this area to be really conducive to manufacturing," Chan said. "This is a great area overall."

The Lehigh Valley is among the top 15% largest manufacturing markets. More than 700 manufacturers collectively generate output of \$8.1 billion, which comprises 16% of the region's \$50.2 billion Gross Domestic Product. Nationally, manufacturing makes up 12% of GDP.

Manufacturers are drawn by the Lehigh Valley's location, within a day's drive of one-third of the U.S. population, and by its workforce of about 1.7 million people within an hour's drive. A new regional apprenticeship program, the Industrial Training and Education Consortium of the Lehigh Valley (iTEC), was launched recently to promote careers in advanced manufacturing.

Food and beverage manufacturers in particular have been drawn to the Lehigh Valley, making it a major center for producing beverages and food - including some of the world's most iconic brands - for people and pets.

Coca-Cola, Boston Beer Co., Ocean Spray, Just Born, Bimbo Bakeries, and Nestle Purina have operations in the region. They've been joined by newer and specialty manufacturers such as Stuffed Puffs, Freshpet, Spot & Tango, and CCI Prime.



Chan & Chan was founded in Brooklyn in 1994 by Albert Chan and began by making dumplings, which remains the company's largest product by volume. It opened its location on Avenue A in Bethlehem in 2019, drawn by the region's reputation for a hardworking labor force and its transportation infrastructure that includes interstate highways, rail access, and an air cargo hub, with ports not far away in New Jersey, New York, and Philadelphia.

With the Bastian Solutions automated storage and retrieval system, CCI Prime will be able to

store more than 650 pallets of finished product and raw materials in its 12,500-square-foot freezer space.

Pallets will be moved by two cranes instead of forklifts, which allows pallets to be stacked higher, maximizing space. Those cranes transport pallets from an infeed conveyor to the intended spot in the racking. Then, when a specific pallet is needed, a crane will retrieve it and load it on to an outfeed conveyer, where it will be picked up by a forklift driver.

Last year, Frontenac Partners, a Chicago-based private equity firm, acquired a majority stake in CCI Prime. The firm focuses on investing in lower middle market buyout transactions in the consumer, industrial, and services industries.

CCI Prime plans to continue to expand offerings in the Asian cuisine category by introducing authentic dishes to mainstream retail consumers while upholding the highest quality standards and continuing to grow its strong presence within the ethnic retail channel. Albert Chan is retaining a significant ownership position and will continue to lead the company during this next phase of growth.

"Albert is an incredibly talented entrepreneur and has built an impressive business. There is demand for authentic Asian cuisine across multiple channels and we believe CCI Prime is well-positioned to meet this demand given its new facility and loyal employees. We look forward to working alongside Albert and his team to drive continued success at CCI Prime," said Betsy Williamson, a Managing Director at Frontenac.