



Cornell Agriculture & Food Technology Park
Executive Committee Meeting, May 15, 2015, 3:00p – 5:00pm

Members Present: Susan Brown, Mike Manikowski, Matt Horn
Non-Members Present: John Johnson, Bill Mulligan, Dennis Piedimonte,
Ed McGuire (*Cheribundi, Operations Manager*)

Cheribundi Business Presentation by Ed McGuire, Cheribundi Operations Manager

(Ed)

- Cheribundi is ranked #34 in the 2014 list of Rochester area growth companies
- Cheribundi 2014; Balance sheet was reviewed.
- The company is approximately half way through paying off business loans from Ontario County, NY and the City of Geneva
- Cherry crop origination; ~ 80% from NY State and 20% from Michigan
- Main industry competitor for cherry crop is the yogurt industry
- All Cheribundi investors (~ 45) are currently being retained
- Revenue outlook; Very dramatic growth projections through 2020
- Production capacity is currently two shifts, will not support peak demand
- Incentives to remain at the *Technology Farm*; trained workforce, management expertise, Financial aid, StartUp NY
- Cheribundi processing technology could be used with other fruits and vegetables

- Estimate for business expansion, approximately 30,000 square foot building
- Estimate for building capacity might reach 50,000 square feet by 2018
- Current workforce; 11 full time, 8-16 part-time employees
- Would like to incorporate product warehousing back into building operations
- Freezer capacity is currently about 4-5 pallets
- Future freezer capacity would need to be approximately 25-30 pallets (5,000 square feet)
- Building operations production area needs overhead free clearance of 20-22 feet (sprinklered)
- Expandable loading dock areas needed, 3 door minimum

- Business growth strategies; “C” retail store chains, cascade effects (*example: WalMart, 6 facings*)
- Building lease commitment; Cheribundi board-of-directors to meet during the 3rd week of June 2015, to discuss possibility of a 5 year building lease
- Need a timetable and cost budget to consider remaining at the *Technology Farm*
- Estimated timeline to move into a new building at the *Technology Farm*; Spring or Summer 2016



DISCUSSION

(Bill Mulligan, conference call-in)

- If the *Technology Farm* constructs a 30,000 square foot building, its *Board-of-Directors* would like *Cheribundi* to commit \$1M and the *Technology Farm* to commit \$1M in raising capital for new building construction

(Ed)

- Cheribundi capital outlays based upon; *cash flow > marketing > production capacity*

(Mike)

- Grant funding not likely, given the aggressive construction timeline

(Ed)

- Key factors to remain at the *Technology Farm*; geographic access to crops & transportation

(John)

- Need to schedule a *Board-of-Directors* meeting to further discuss new building construction

(Mike)

- Need EDA commitment, ask US Senator Charles Schumer to become involved

(John)

- June 12, 2015 deadline for EDA application, support documents needed
 - Building drawings
 - Identify construction management company
 - Build-to-suit plans (?)

(Ed)

- Ongoing concerns with new building air flow and future waste stream plans

(Susan)

- A visit to the *Technology Farm* is being scheduled by the NY State Comptroller, sometime during June 10-15, 2015
- Comptroller's Office, concepts of importance; *agriculture, food processing, locally sourced*

(Ed)

- Will be available; June 10, 11 & 12

(Mike)

- NY State monies might be used for co-packing equipment
- Job creation is important, need an estimate of; "additional new jobs by 2018"
- Excelsior Program, tax credit
- A work program needs to be identified with all stakeholders

END