Full Steam Ahead For Pennsylvania Potato Chip Plant

JIM MARTIN, Erie Times-News

WATERFORD, Pa. (AP) — A search for American Indian artifacts has delayed the project.

And there are still some details to be worked out over a developer's agreement for a waterline extension that will serve the snack food plant in Waterford Township.

But one thing isn't in doubt, said Charlie Nelson, vice president of sales and marketing and an owner of Minnesota-based KLN Family Brands.

The company is moving ahead quickly with plans for the former Troyer Farms plant in Waterford Township. Walls are going up, millions of dollars' worth of equipment stands ready to be installed, and a job fair has been scheduled for Wednesday at Boston's Restaurant & Sports Bar in Summit Township.

And there are plans by the end of summer to begin cooking potato chips in Waterford for the first time since the spring of 2011.

"It's going to happen," Nelson said. "I don't think there's a concern as far as getting it done. There is always some red tape to work through."

Nelson, whose company employs about 1,300 people in its hometown of Perham, Minnesota, said he understands there's a natural tendency for Erie County residents to be skeptical.

"There is always some concern about what a new company's plans are," he said. "I understand we are entering a new community and we need to prove ourselves."

Production can't begin, however, until Mercyhurst University completes an archaeological study that will allow construction to extend municipal water and sewer lines about 7,000 feet from the borough of Waterford to the plant on Route 97.

Waterford Township Supervisor Bruce Coffin said the easements that will allow that study to begin haven't all been purchased.

And although there have been concerns about the details of a developer's agreement, Coffin said those negotiations won't be allowed to delay the project.

"It's not a deal-breaker," he said. "We don't want to do anything to hold them up. When they are ready for that valve to be turned on, the Waterford Municipal Authority will be ready."

The state of the 160,000-square-foot facility where Troyer Farms made snack foods since the 1960s suggests that KLN is moving quickly. Equipment has been delivered and construction crews are working to transform an old potato chip plant into a new one.

Nelson, who has hired a handful of management employees, said his company is looking to hire between 25 and 40 people by July 1.

"I think that number of jobs jumps to 100 by fall," he said. "We could see a couple hundred people working here within 12 months."

There's been no shortage of applicants, including some chip industry veterans who previously worked for Troyer Farms. Nelson, who will give two presentations and meet with potential employees Wednesday between 1 and 7 p.m., said the company already has received between 700 and 800 applications.

Nelson said some job seekers might be offered opportunities outside Erie County at the company's main facility in Perham, a community with a population of about 3,000.

"The unemployment rate in our area is about 4 percent," Nelson said. "We want to make sure people know there are jobs there as well."

Nelson, who hopes to be frying batches of kettle chips in Waterford by the end of summer, said the plant will likely begin producing popcorn and extruded products, such as cheese puffs, within a few months.

Longer-term plans call for expansion.

"More than anything else I see us building a new facility where we would use the now-existing building as a warehouse," Nelson said. "We want to have a very nice facility where we could show off state-of-the art equipment. That is the long-term plan. The short-term plan is getting people in place."

Unlike Troyer Farms snacks, which were sold in stores throughout the region, KLN's Barrel O' Fun snacks are mostly produced for private labels, including chips made for Target and Panera Bread.

Proximity to some of those customers was a key reason for buying the former Troyer Farms plant, Nelson said.

He said he's hopeful that the company's wages and extensive benefits package, including a profit-sharing program, will help produce a strong pool of applicants. He also touts the benefits of family ownership.

"We are KLN Family Brands," he said. "The family piece of that is very important to us. We continue being family-owned and have no plans to change."

That focus, he said, speaks to the company's commitment.

"We will have to work through some things, including water treatment," he said. "We feel good this thing is a go. This is kind of full steam ahead."

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