Economist Predicts Ripple Effect With Yogurt Plant

TWIN FALLS, Idaho (AP) — A decision by New York-based Agro Farma to build its new western manufacturing plant for Chobani yogurt in south-central Idaho will create a large ripple effect with additional jobs, economist say.

The ripple effect for Chobani is high because yogurt is made from milk, a top product of the region, said Jan Roeser, a regional economist with the Idaho Department of Labor.

Moscow-based Economic Modeling Specialists Inc. calculated a job multiplier of 7.57. That means the company's new 400 jobs will result in additional 2,628 jobs outside the company and a total payroll of $135.4 million.

"The economy is made up of these interdependent relationships," Joshua Wright, communications manager for the EMSI, told The Times-News (http://bit.ly/sLUTwo) in a story published Saturday.

Company officials on Thursday joined state and local leaders on Thursday to announce plans to build a $100 million production facility in Twin Falls and add 400 jobs to the local economy. The decision to move to the Magic Valley was tied to the region's milk production capacity and trainable workforce, Agro Farma founder and CEO Hamdi Ulukaya said.

It's unclear how much the region's 7.9 percent unemployment rate might be reduced. Officials said the eight-county region has an estimated 7,550 people out of work. New jobs could be filled by people moving from outside the area, and some people already employed might quit to instead work at the yogurt plant. But Roeser noted that will create job openings elsewhere.

Headquartered in Norwich, Agro Farma is New York's largest dairy manufacturer, and it launched the Chobani brand in 2007.

Chobani is currently the nation's top selling Greek yogurt, a thicker style yogurt that has twice the protein of traditional yogurts, all natural ingredients, and hormone-free milk.

Source URL (retrieved on *07/25/2014 - 10:07pm*):
http://www.impomag.com/news/2011/11/economist-predicts-ripple-effect-yogurt-plant?qt-recent_content=1&qt-digital_editions=0