

Ohio Success: Phillips Meat Processing Case Study



New partnership and consumer demand spur \$547,000 expansion for Phillips Meat Processing

Phillips Meat Processing has always been popular among people within 100 miles of its Zanesville, Ohio, location. But a recent partnership with Kroger, a new USDA certification and consumer preference for locally sourced food have driven a growing demand for the company's products and the need for a half million-dollar expansion.

Company Profile

Phillips Meat Processing was founded in 1974 by H. Dean and Nancy Phillips. It started out as a small mom-and-pop shop, processing custom beef, cutting deer and offering some retail sales. The Phillips' son, Dale, and his wife, Roxann, took over in 1998 and have since turned the Zanesville location into a state-of-the-art meat processing plant well known for its Homestyle Classics brands of hot dogs, smoked meats and lunch meats.

In 2017, Phillips Meat earned a USDA certification that enabled the company to sell across state lines. Around the same time, Kroger's Columbus district invited the company to provide central Ohio stores with its Homestyle Classics brand of meats. Now Phillips sells products in 127 Kroger stores in Ohio and parts of Michigan and West Virginia.

Business Need

To keep up with sales growth, the Phillips realized they needed to expand and renovate their plant. In 2018, they embarked on a plan to invest more than half a million dollars to purchase new equipment and enlarge and update the processing, packaging, retail and shipping areas. The changes would improve safety and energy efficiency, increase production capacity, add 10 new positions and pave the way for more aggressive sales efforts.

Ohio Solutions

Ohio offers access to quality livestock thanks to the state's large agricultural industry. In addition, large Ohio-based food companies like Kroger are willing to work with smaller companies, helping them grow and prosper. Geographically, the state's proximity to major U.S. markets gives Phillips the opportunity to reach more consumers quickly and cost-effectively.

Project Stats

- **Location:** Southeast Ohio
- **Total capital investment:** \$547,000
- **Jobs committed:** 10
- **Jobs retained:** 14
- **Collaborators:** APEG, JobsOhio

"Ohio is a great state for family businesses to thrive because it's so diverse. There are endless opportunities, and Philips Meat Processing is a prime example of that."

Dale Phillips,
owner of Phillips Meat Processing



For more information contact:

Joe Needham

Director of Food and Agribusiness
needham@jobsohio.com

1.614.626.7247