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## **American Pasteurization expands**

## Premium content from The Business Journal by Jeff Engel, Reporter

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American Pasteurization Co. plans to open a Sacramento, Calif., facility by the end of the year, its first plant outside Milwaukee.

The company cited Sacramento's strong agriculture and food manufacturing sectors, accessibility to major highways and the San Francisco Bay area, and abundant water and power supplies in its decision.

Founded in 2004, American Pasteurization uses a high-pressure, rather than high-temperature, processing method to treat food products. The technique improves the shelf life of fresh food without affecting taste, texture or color and eliminates the need for many preservatives, according to the company.

Its technology and services have grown in popularity and reached a "tipping point" where highpressure processing is now the "gold standard" for some in the food industry, said chief executive officer <u>Justin Segel</u>. The logistics and costs of shipping fresh food have kept some companies, including those on the West Coast, from becoming American Pasteurization customers, he said.

"We kind of pioneered this here in Milwaukee knowing all along that if it was successful, we were going to have to have other locations," Segel said.

Most of the company's current customers are based in the Midwest, but it has received a lot of interest from West Coast firms, he said.

The company's new 41,000-square-foot facility will support up to five production lines. The structure will be leased from California Cold Logistics, a subsidiary of West Sacramento-based Tony's Fine Foods, which will offer transportation and logistics support to American Pasteurization customers, said Tony's Fine Foods chief executive officer Karl Berger.

Segel said the company likely will hire about 10 employees initially, but could grow to 80 at the Sacramento plant. The company currently employs about 70 full time.

Jeff Engel is The Business Journal's reporter covering the manufacturing industry.