

ChippingAway

Mahnomen, Minn.--A new business taking shape in Mahnomen should be good news for potato producers as well as local residents.

Workers at the nearly 30,000 square foot Mahnomen Baked Chips, LLC manufacturing plant last week began installing custom-made equipment designed to produce the first baked, stackable potato chip.

"This has never been done," says John Smart of Smart and Company, who is consulting on the project and providing equipment and technology. "This will be the first baked, stackable chip. That's what makes this unique."



Mahnomen Baked Chip plant

Nearly two years ago, Smart and others began working on the concept of a baked, stackable chip. AURI scientist Charan Wadhawan helped to develop the recipe that won the approval of potential chip buyers.

"We were successful in developing the basic formula for a baked chip, but the next step is to scale it up," says Wadhawan.

Mahnomen Baked Chips is a limited liability company formed by the Midwest Minnesota Community Development Corporation (MMCDC), a nonprofit organization that provides capital for community and business development. The MMCDC is the majority owner of Mahnomen Baked, having invested \$8.5 million in the concept.

"More than anything, we wanted to demonstrate that a private enterprise can succeed in areas where people aren't often willing to take a risk," says MMCDC President Arlen Kangas. "We are making this investment in the community and we're hoping others will follow."

The Mahnomen Baked Chips plant is expected to be fully

continued...

InnovationStations

Gilfillan, Minn.--Innovation is a primary emphasis of AURI and it will be the focus of AURI's exhibit at Farmfest 2008. The outdoor farm show runs August 5-7 at the Gilfillan Estate near Redwood Falls. AURI's exhibit is located on lot 612 directly across from the forum tent.

"Farmfest is our best opportunity to get information out to a large number of producers," says Sue Rosenau, AURI communications assistant. "There is always a nice cross-section of people that visit our tent to see what is new in value-added agriculture."

AURI's exhibit will include innovative products developed with AURI assistance



by Minnesota companies, plus interactive displays of research that is being conducted by AURI on new uses for ag products and coproducts. These "innovation stations" are intended to show the many new places agricultural products can be found.

The AURI exhibit will also include a number of AURI clients showcasing their products including corn-based clothing, natural dust control products, wool-based items and more.

"There are a lot of exciting things happening in value-added agriculture in everything from food product development to renewable energy to industrial products," Rosenau adds. "Farmfest gives us a chance to showcase them to people who are interested in finding out what's new."

RoundtableCalendar

Crookston, Minn.--Dates have been set for the next two Renewable Energy Roundtable events. These sessions bring together representatives of higher education, industry, economic development and agriculture to help further renewable energy in Minnesota. The events run from 10 a.m. to 3 p.m. each day.

Sept. 26	St. Cloud Civic Center, St. Cloud
Nov. 14	Southwest Minnesota State University Conference Center, Marshall

Chipping continued...

operational in early fall, providing needed jobs as well as value-added markets for the region's potatoes.

At capacity, the plant could produce about 3,600 canisters of baked chips each hour, or about 27 million per year. Kangas says it will take an estimated 55 people to keep the plant running.

"This is definitely good for Mahnomen's economic growth and it provides job opportunities," says Wadhawan. "It will also hopefully provide value-added opportunity for locally-grown potatoes as well."

Kangas says Mahnomen Baked Chips hasn't determined if they will private label their chips or attempt to become a contract producer for a major marketer. He expects the plant to be producing by September.



Minnesota potatoes may soon end up in the nation's first baked, stackable potato chip snack.



Ag Innovation Update is a publication of the *Agricultural Utilization Research Institute*.
For more information, contact AURI's Southeast Office in Waseca at (507) 835-8990.



AURI
P.O. Box 251
Waseca, MN 56093