A SWEET DEAL IN TOPEKA

Company will bring jobs and bolster city’s reputation as a food manufacturing center.

Two years ago, Topeka laid out some of its own sweetness to close the deal to land the plant. Among other incentives, it gave Mars 150 acres of free land and $6,000 for each of the 425 anticipated jobs.

For Topeka, the half-million-square-foot facility on the south edge of the city is expected to reinforce its reputation as a food-manufacturing center.

“It bolsters the fact Topeka is becoming a powerhouse when it comes to major manufacturing,” said Dawn Wright, vice president of economic development for Go Topeka, a nonprofit economic development agency that reports to the city and county. “I’m sure it’s got the attention of others out there.”

Mars rising

When it comes to candy, Mars is as American as the Milky Way invented in 1923 or the Snickers launched in 1930 or M&Ms given to troops in World War II because they melted in their mouths, not their hands.

The global firm was started by a small-town Minnesota boy named Frank C. Mars and is now headquartered in suburban Washington after stops in Minneapolis and Chicago.

“They and Hershey are the two largest companies for candy in the U.S., and Mars may be the largest now that they own Wrigley,” said Susan Smith, a spokeswoman for the National Confectioners Association.

Mars, which still uses the first production plant the company built in Chicago in 1929, decided to locate what will be its 10th plant in Topeka after a national search.

The company wanted ample, flat land well-served by utilities, rail and interstate highways and that was within a 45-
The facility, which will produce M&Ms, features an entrance that will be covered by a round canopy with a bottom resembling a 36-foot diameter M&M.

minute drive of a 400,000-person labor pool.

It didn't hurt if the potential location was close to the center of the country.

"Out of six states, we reviewed several dozen pieces of land, and this made the cut," said Joe Wronger, senior project manager for Mars.

Bret Spangler, site director for the company, added that Topeka also seemed to fit the five business principles espoused by Mars: quality, responsibility, mutuality, efficiency and freedom.

"One reason we came here was ... the culture of the community fit our Mars culture very well," he said.

A Topeka strength

Topeka and Shawnee County also have another principle when it comes to recruiting businesses — aggressiveness.

Voters approved a half-cent sales tax 10 years ago solely devoted to economic development. Since then, the city has attracted about $1.2 billion in investments including distribution centers for Target and Home Depot, and an expansion at the Goodyear tire plant.

The city's food-manufacturing roster includes Frito-Lay, Del Monte, Bimbo Bakeries and Hill's Science Diet pet food. About 2,900 people are employed in the food-manufacturing industry, 2 percent of the jobs in the Topeka area.

The special sales tax powered Topeka's incentive offer to Mars. The endeavor was code-named "Project Sweetness."

The fund already had helped the Go Topeka agency buy the land.

Topeka offered Mars 150 acres of free land valued at $4.5 million and a 10-year, 100 percent property tax break; $6,000 each for up to 425 jobs, worth $2.55 million; $1.7 million in training programs; no building-permit fees; and free utility hookups.

For its part, Kansas is offering incentives from its Promoting Employment Across Kansas program that will allow Mars to keep 95 percent of its employees' state income taxes for up to seven years.

In return, Wright of Go Topeka said, her community expects that the jobs created will contribute $84 million in direct and indirect salaries over 10 years, and bring in $31 million in direct revenues to the city and county and an additional $269 million from sales taxes and other purchases.

"We felt we had to do everything for Topeka and Shawnee County to win the bid," she said.

Mars officials said the incentives were not a critical factor in picking Topeka.

"This facility will be here long after the incentives are over," Wronger said.

Plant near completion

The Mars project manager was seated recently inside one of the caravan of construction trailers outside the plant, where construction began in September 2011.

The exterior shell of the 514,000-square-foot building, large enough to enclose 185 standard houses, is complete.

Equipment is being installed along with 28 miles of pipes — including 1,200 feet dedicated to moving heated chocolate from two storage tanks holding a total of 31,700 gallons, one dedicated to Snickers, the other to M&Ms.

The facility is being built by St. Louis-based McCarthy Building Cos. It's one of two major jobs the company has won recently in Kansas, the other being the National Bio and Agro-Defense Facility in Manhattan.

The company recently opened a Kansas City office to serve its growing business interests here.

About 410 construction workers toil daily at the site Monday through Saturday, and a night shift is starting soon.

The plant will meet the LEED Gold environmental standard. Among its features are natural lighting from 70 skylights and 270 other windows. One-third of its materials are recycled, and 20 percent of its materials were produced in the region. A solar power field also could be added.

The building, designed by Kansas City-based CRB, sports an entrance that will be covered by a round canopy with a bottom resembling a 36-foot diameter M&M.

Although the building is large enough to accommodate five production lines, it will start with two, the smaller Snickers and M&M peanut products.

Expansion to eight to 10 lines is expected to include Twix chocolate bars and additional varieties of M&Ms.

About 8,000 pounds of cocoa butter will be needed daily to make chocolate, and 117,000 pounds of peanuts will be used.

Smith, the National Confectioners Association representative, said many candy manufacturers had been building facilities outside the U.S., which makes what Mars is doing in Topeka worthy of note.

Candy is a $33 billion business in the U.S., and total sales have been increasing about 3 percent annually.

"It's significant for the industry that Mars is building a new and large facility in the U.S," she said.

"Everybody likes candy. No matter what the economic times, candy does OK."

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