

MARTINSVILLE BULLETIN

Blue Ridge opens new \$5 million expansion

By Mickey Powell July 31, 2017



Officials at the opening ceremony of Blue Ridge Aquafeeds

RIDGEWAY— By constructing a mill to make its own fish feed, Blue Ridge Aquaculture expects to save on operating costs as well as earn money by selling feed that it produces but doesn't need.

As part of an approximately \$5 million project, the company established Blue Ridge Aquafeeds next to its fisheries in the Martinsville Industrial Park off U.S. 220 Business (Greensboro Road). A grand opening ceremony was held Monday morning for the mill, which started production three weeks ago.

Blue Ridge Aquaculture, an employee-owned company, opened in 1993. It has become the world's largest indoor producer of tilapia, a popular type of whitefish among seafood eaters, using a recirculation process in which water from fish tanks is filtered so it can be reused in the tanks. Oxygen is added to the water while carbon dioxide, ammonia and solids are taken out, according to the company's website.

The company produces 4 million pounds of tilapia per year and ships between 10,000 and 20,000 pounds of live fish daily. Tilapia at the fisheries eat about 10 tons of feed per day, officials said.

At \$2 million to \$3 million per year, "our biggest production cost is feed," said Chief Financial Officer Jim Franklin. Producing its own feed will enable the company to eventually save about 25 percent on its food costs, once it starts full production and perfects a recipe, he estimated. "That's a big number to a small company like Blue Ridge," Franklin said.

Blue Ridge Aquafeeds will collaborate with its parent company so it produces food that best meets the nutritional needs of fish that Blue Ridge Aquaculture raises. That couldn't be done with external food suppliers, said Martin Gardner, the latter firm's director of business development.

Healthier feed means healthier fish, Gardner said. As a result, fish will grow faster, and that should help Blue Ridge Aquaculture increase its production, he said. The feed is a mixture of corn and soybean, fish and poultry meals and a vitamin mix. Using equipment in the mill, a mash is mixed with water to become a dough-like substance that is cut into strands like noodles. The strands then are dried and cut into "little pieces like dog food," according to Gardner.

The fish seem to like the feed produced during the past three weeks, he said. However, the formula still is being tweaked to ensure that its levels of vitamins, minerals and other nutrients are "where they need to be," he added.

Officials said the mill needs to make four tons of feed an hour to meet Blue Ridge Aquaculture's needs. But it has a capacity to make five tons an hour, which will enable feed that is produced but not needed to be sold, Gardner said.

Ground was broken for Blue Ridge Aquafeeds last November. "It's absolutely beyond belief" how fast the project has come to fruition during the past nine months, said Blue Ridge Aquaculture President and Chief Executive Officer Bill Martin. He attributed the speed largely to the hard work and dedication of employees. The company has 35 employees, five of whom recently were hired to work for Blue Ridge Aquafeeds. Scott Farmer, who is from Arkansas and has many years of experience in the fish-farming industry, is the mill's general manager.

Bank of America financed the project, which received grants from the Virginia Governor's Agriculture and Forestry Industry Development Fund, Virginia Tobacco Region Revitalization Commission and Henry County, according to Franklin and Gardner. State Agriculture and Forestry Secretary Basil Gooden described Blue Ridge Aquaculture's expansion via the mill as "another step forward for Virginia as we solidify our standing as a key player in the nation's seafood sector." "We are lucky to have an innovative company like Blue Ridge Aquaculture ... in Virginia," Gooden said in a prepared statement. "I look forward to their continued success."

The firm anticipates future expansions that will add to its payroll. Franklin said it eventually may delve into raising fish other than tilapia. Blue Ridge Aquafeeds wants to establish a niche in producing feeds for fish raised in recirculating aquaculture systems, Gardner said. But he didn't rule out the mill eventually looking at producing feeds for other types of agricultural operations.