

Contact: Bruce Krasnow

<u>Bruce.Krasnow@edd.nm.gov</u>
(505) 795-0119

Gov. Michelle Lujan Grisham Cabinet Secretary Alicia J. Keyes Deputy Secretary Jon Clark

FOR IMMEDIATE RELEASE:

May 9, 2023

Louisiana Pepper Exchange Expands Operations to New Mexico's Borderplex

Strategic site in Santa Teresa boosts storage and processing capacity

SANTA TERESA, N.M. - A global chile pepper company that mastered logistical innovations to market puree to restaurants and discerning foodies has announced a major expansion to New Mexico's Santa Teresa Borderplex.

The New Orleans-based Louisiana Pepper Exchange has purchased a 10-acre site in the Ironhorse Industrial Park, which provides strategic transportation advantages in processing pepper imports from Mexico and Central America and readies the company to cultivate relationships with growers in Southern New Mexico.

The recruitment to New Mexico is consistent with Gov. Lujan Grisham's economic policy to boost global trade and modernize infrastructure along the international border with Mexico. The strategy is to grow jobs and diversify New Mexico's economy.

"Louisiana Pepper Exchange's decision to expand in New Mexico proves again that our strategy of investing in the international border is working. This location in Santa Teresa is a win for the company and its customers, and a win for New Mexico, offering jobs and a more diverse economy," EDD Cabinet Secretary Alicia J. Keyes said.

The family-owned Louisiana Pepper Exchange was established in 2010 by Army veteran and West Point graduate Chris White. White used his deployment and logistical expertise to patent a proprietary shipping methodology for bulk pepper mash, which now supplies mash worldwide to some of the largest hot sauce manufacturers. Louisiana Pepper prides itself on being veteran-owned and hopes to tap into New Mexico's military retiree community as it builds a workforce.

Products are also available direct to consumers on the company's website.

The State of New Mexico is supporting the expansion with \$300,000 in assistance from the New Mexico Economic Development Department's (EDD) Local Economic Development Act (LEDA) job-creation fund. Louisiana Pepper expects to hire at least 20 people over the next five years with an average salary of \$45,000. LEDA funds will be released as the company meets economic development benchmarks.

The site will include a 40,000-square-foot processing warehouse along with space for tank farms that can store 30 million pounds of pepper mash for sale to U.S. customers.

"Santa Teresa, N.M. is the perfect location for Louisiana Pepper to thrive. It is a rail-served industrial park with an overweight truck zone that can support our supply chain out of Mexico," Zach Foster, chief financial officer for Louisiana Pepper Exchange, said. "The Mesilla Valley has a long history and heritage with chile peppers; New Orleans has the same culture, so this is a natural fit. We are pleased to be part of this business community."

Louisiana Pepper Exchange has cultivated direct relationships with farmers in Mexico and Central and South America for purpose-grown products and are exploring other opportunities with New Mexico's rich chile-producing culture.

Doña Ana County is the fiscal agent for the LEDA funding. "On behalf of the Board of Commissioners, it is my pleasure to welcome the Louisiana Pepper Exchange (now New Mexico Pepper Exchange) to Doña Ana County," Commission Chair, Susana Chaparro, said. "Their presence is a testament to the attractive business climate and talented workforce we have to offer. We wish them all the best in their endeavors and are eager to see what the future holds for their business and the economic impact their presence brings to our county."

The City of Anthony has pledged support with Industrial Revenue Bonds to bring quality-paying jobs to southern Doña Ana County. "Mayor Diana Murillo believes in recruiting outside industry into our region so we can create new jobs for residents in southern Doña Ana County and the City of Anthony," City Manager Mario Juarez-Infante said.

Though Louisiana Pepper has seen most of its customers utilizing cayenne peppers as a puree ingredient, the business is seeing more growth as consumers and chefs take deeper dives into spice-filled recipes with chipotle and red and orange habaneros. The business has partnered with Dunkin Donuts on a peppered donut and is working with a hamburger chain on a ghost pepper cheeseburger.

The Mesilla Valley Economic Development Alliance (MVEDA) helped in the recruitment of Louisiana Pepper as well as providing technical advice.

"We are excited to welcome Louisiana Pepper Exchange to the NM Borderplex region," Davin Lopez, president & CEO of MVEDA, said. "Their investment continues to solidify Doña Ana County as the chile capital of the world for both growing and processing."

To complement the State of New Mexico's LEDA award, Lopez said that \$100,000 from the NM Borderplex Closing Incentive has been committed to support the project. The incentive, which is administered by MVEDA and the Community Foundation of Southern New Mexico, was established by El Paso Electric in connection with the corporate sale of the utility to Infrastructure Investments Fund (IIF) to provide \$1 million per year for 20 years in support of private businesses, projects, and organizations that make, or will make, a measurable difference in growing economic-base opportunities within El Paso Electric's New Mexico service territory.



Cayenne pepper field in Mexico courtesy of Louisiana Pepper Co.

EDD's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive. EDD's programs contribute directly to this mission by training our workforce, providing infrastructure that supports business growth, and helping every community create a thriving economy.