



Executive Summary

The Southwestern Pennsylvania Dairy Hub Feasibility Study



The Southwestern Pennsylvania Dairy Hub Feasibility Study, conducted by **Fourth Economy** for Food21, assesses the viability of establishing a shared infrastructure model for co-locating food and agriculture ventures with the long-term goal of developing a model which could be replicated in other parts of Pennsylvania.

The Southwestern Pennsylvania Dairy Hub, proposed for a site in Salem Township in Westmoreland County, would be the first iteration of this model. The proposed facility aims to help local dairy farmers benefit from rising demand for dairy products and address the lack of distribution and processing infrastructure in the region. The Dairy Hub intends to:

- Help build regional dairy processing capacity
- Strengthen regional dairy supply chains
- Facilitate economic growth in the dairy sector
- Advance sustainable agricultural practices in southwestern Pennsylvania

The Southwestern Pennsylvania Dairy Hub does this through the co-location of five ventures:

- An extended shelf-life milk processing facility
- A value-added dairy processing facility
- An AgTech research center
- An on-site demonstration farm
- An anaerobic digester



Proposed Southwestern Pennsylvania Dairy Hub

Overall, this feasibility study finds that the region has the supply and demand necessary to support the Southwestern Pennsylvania Dairy Hub. The extended shelf-life milk processing facility, value-added dairy processing facility, AgTech research center, and on-site demonstration farm are all projected to be able to reach a net positive operating income after a few years of operation, assuming sufficient growth and affordable financing. More research is needed on whether the site can source enough feedstock for the anaerobic digester to be financially viable.

Now that Food21 has determined that the Southwestern Pennsylvania Dairy Hub is feasible on paper, it must engage additional stakeholders to validate startup assumptions and identify strategic partners for implementation. So far, stakeholders engaged during the feasibility study have expressed broad support for the project, and the next step requires confirming on-the-ground realities and earning commitment from partners that can bring the project to implementation.

For more information contact:

Vince Mangini

Email: Vince@Food21.org

web: Food21.org