

Tyson Foods to Sell Otay Mesa-Based Circle Foods

■ By LARA McCaffrey
And RAY HUARD

Tyson Foods, Inc., has entered into an agreement to sell its Otay Mesa based Circle Foods L.L.C. operations to Japanese food producer, Ajinomoto Co. Inc. The transaction is being handled by Ajinomoto's U.S. subsidiary, Ajinomoto Windsor, Inc.

The news came after Tyson indicated it may be letting go 401 of its South Bay workers in April.

"We are purchasing these assets to meet the ever growing demand for our Mexican products," said Paul Taylor, vice president of Ajinomoto North America Division.

Taylor added that Ajinomoto will retain as many workers as possible and is looking into adding additional production capability at the plant.

"We anticipate this transaction to be completed this spring, and are working with Ajinomoto Windsor on a transition plan for operations," Tyson said in a statement. "As part of this transaction, we will retain some elements and assets of our San Diego operations. Our primary focus will be to continue delivering results for our customers by producing high quality products."

"My understanding is, and from what we've been told by the folks at Tyson, is that Windsor is going to keep some of the lines there," said Cindy Gompper Graves, CEO and president of South County Economic Development Council. "Some of the lines of foods but not all of them, but some of the lines and bring in some of the other ones."

The SCEDC is working with the San Diego Workforce Partnership to assist employees laid off from Circle Foods with getting back into the workforce.

Circle Foods is known for its Mexican food production under the brands TortillaLand and Nuevo Grille.

Tyson, a Springdale, Arkansas, based company known for its chicken production, first acquired Circle Foods in 2013

from Claridge Inc., a Montreal-based private equity firm.

Meanwhile, Murphy Development Company has sold the 165,763 square-foot Circle Foods building in its 155-acre Siempre Viva Business Park (SVBP) in Otay Mesa to Ajinomoto Windsor for \$26.5 million.

Building 16 at 8411 Siempre Viva Road was originally completed by Murphy Development as a build-to-suit structure for Circle Foods. In 2013, Tyson Food assumed the long-term lease Circle Foods had with Murphy Development.

Ajinomoto plans to renovate the building, install new equipment and expand food-processing operations at the site.

The building has a clear height of 32 feet, 8,000 amps of power, early suppression/fast response sprinklers, a four-inch water meter, five-pound-per-square-inch gas

service, and a walking ceiling. A walking ceiling is a manufacturing term used for a suspended ceiling well above the manufacturing floor, but below the roof. Mechanical/electrical equipment is mounted on the walking ceiling, and raw materials are distributed across the walking ceiling to better serve the manufacturing process below.

"MDC (Murphy Development Company) welcomes Ajinomoto Windsor to SVBP's Fortune 500 row, to join Iron Mountain, General Dynamics, FedEx and other strong and growing tenants," said Kaitlin Arduino, Murphy Development executive vice president.

The development team for Building 16 and two other buildings in the business park includes architect Gene Cipparone, K&S Engineering and Lusardi Construction Company.