State gets out of operating catfish processing facility

Capitol news bureau

The state Agriculture Department freed itself of operating the state-financed catfish processing plant at Wisner on Monday when it turned the property over to the Cargill company, the new owner.

"Cargill is really the kind of company we've been looking for," said Agriculture Commissioner Bob Odom.

The Market Commission, which had underwritten a loan guarantee for the plant, took over management of the facility in September pending outcome of bankruptcy proceedings.

Odom said Cargill will pay $1.8 million for the processing plant through a 10-year lease-purchase arrangement that includes payments carrying 9 percent interest.

The deal will be about break-even for the state, said Odom, but keeping the plant open assures continued employment of about 200 people with a $45,000 weekly payroll.

The state loan on the plant was $1.6 million, but Odom said the state also put about $300,000 into farmer accounts, which represents part of what the plant owed the catfish farmers.

Cargill is a $30 billion corporation operating 800 businesses in 57 countries. The company is involved in beef, pork and poultry processing and trades in sugar, coffee, corn, soybeans, wheat, cocoa and other commodities with 55,000 employees.

The purchase of the Wisner plant is the company's first venture into freshwater fish processing, Odom said.

The purchase by the large conglomerate will assure that fish farmers and support industries get paid in a timely manner, Odom said.

Odom said he expects the purchase to result in expanded operations in the northeast Louisiana area.

While Mississippi is the nation's leader in catfish production with about 90,000 acres, Louisiana is the nation's largest aquaculture state for all species with 15,000 acres of catfish ponds, 130,000 acres of crawfish and about 10,000 acres of miscellaneous species.

Odom predicted further growth in the catfish farming industry.