

NEWS/BUSINESS 

AtlantaFresh Artisan Creamery seeks turnkey buyer for shuttered state-of-the-art facility

By Alyssa Mitchell

NORCROSS, Ga. — AtlantaFresh Artisan Creamery has engaged Harry Davis & Company, the dairy industry's premier facility solutions firm, to identify a new owner for its state-of-the-art dairy plant outside of Atlanta that recently closed.

AtlantaFresh last month announced it was closing after Whole Foods Market canceled a contract with the Southern regional producer of grass-fed Greek yogurt, milk and cream. (See "AtlantaFresh Creamery closing after losing Whole Foods contract" in the March 16, 2018, issue of Cheese Market News.)

Whole Foods canceled the contract, citing lower-than-expected sales of AtlantaFresh products, after carrying the company's products for eight years, says AtlantaFresh owner Ron Marks.

Marks says in 2015, Whole Foods asked AtlantaFresh to supply 100-percent grass-fed, certified non-GMO milk and cream to a significant portion of its nationwide markets and signed a 7-year purchasing contract as AtlantaFresh doubled the size of its facility at a cost exceeding \$4 million.

However, shortly after Whole Foods was acquired by Amazon in 2017, the contract was canceled, he says.

Marks founded AtlantaFresh, first named Focus on Food, nearly 10 years ago. A graduate of the Culinary Institute of America, he first utilized the facility for menu development for restaurants, including test kitchens, consumer research and real-time product development.

Throughout the business's evolution into AtlantaFresh Artisan Creamery, the facility went through four different expansions to reach its current size of 12,000 square feet. The plant has the capacity to run about 7,000 gallons of milk per day.

"It's much larger than a small artisan facility but still smaller than a typical

large-scale dairy production facility," Marks says.

"I've had a lot of folks come through here over the years, and they're impressed with our output in a relatively small amount of square footage," he says. "I think more like a chef — production efficiency and very hands-on."

With this in mind, Harry Davis & Company is hopeful the right buyer will step in to take advantage of all that the facility has to offer. The company has an auction scheduled for June 6 but is hoping to bring in a turnkey buyer before that point.

"We believe this is a unique opportunity for a small player to get into the market or a larger player to use it as a pilot facility," says Aaron Morgenstern, managing director, Harry Davis & Company.

"We've had numerous successes in selling a plant that's a turnkey operation," adds Lenny Davis, president, Harry Davis & Company. "We're very encouraged by the initial response we're seeing."

"It's an artisan or R&D operation, ready to go. Milk could be processed next week if a deal is reached. That is an unusual opportunity in this market."

Lenny Davis
HARRY DAVIS & COMPANY

For the right buyer, Harry Davis & Company and Marks are hopeful that "intangibles" — including recipes — would be included in the deal, with the possibility that Marks could stay on with the new company.

Marks says some interest is coming from non-dairy players in the local market as well, which might provide an opportunity to purchase and reopen the plant under the AtlantaFresh brand.

"I would likely continue on with that new ownership," he says.

"Our company is fanatical about quality and freshness of product," he adds. "We had a mantra that only the best ingredients come into our facility. We also strive for a minimum footprint. I take a lot of pride in our work, so if the brand can somehow continue, that would be great."

Marks says he would also be happy to see the plant utilized as an R&D center.

"It's an artisan or R&D operation, ready to go," Davis adds. "Milk could be processed next week if a deal is reached. That is an unusual opportunity in this market." CMN




AtlantaFresh Artisan Creamery

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