

BUSINESS

Pet-food maker buys former Del Monte canning plant in Sleepy Eye

The plant will become a central cog in the rapidly expanding pet-food businesses of entrepreneur Stephen Trachtenberg.

By Evan Ramstad (<https://www.startribune.com/evan-ramstad/6370513/>) Star Tribune |

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A pet-food entrepreneur purchased the nearly century-old vegetable factory in Sleepy Eye that closed two years ago and will use it as headquarters for a business that now has operations across southern Minnesota.

Stephen Trachtenberg paid \$2.6 million for the sprawling plant, whose last owner Del Monte Foods Inc., [closed it in October 2019](https://www.startribune.com/del-monte-closes-sleepy-eye-plant-will-layoff-all-workers/556692012/) (<https://www.startribune.com/del-monte-closes-sleepy-eye-plant-will-layoff-all-workers/556692012/>).

"For me that facility represents endless runway," Trachtenberg said. "You can't build that building for what we paid for it."

Trachtenberg, 51, owns about a dozen businesses that form a vertically integrated operation whose end products are sold under his labels — Chasing Our Tails, Alive Pet Food and Venison Joe's — and under contract to other pet food makers. Their collective revenue is in the tens of millions of dollars, he said.

Since 2018, Trachtenberg has purchased farms, small slaughterhouses and processing plants across southern Minnesota, chiefly along the east-west corridor of state Hwy. 14 that bisects Sleepy Eye.

"We're going to bring all of our packaging, warehouse and distribution to Sleepy Eye and this will become the world headquarters," he said. "We have a rail spur at this site, hundreds of thousands of square feet of space. There's a lot of opportunity there."

He said the company also will continue to operate in existing production and distribution facilities in Tracy, Sanborn and St. Charles.



DAN BROWNING, STAR TRIBUNE

The last corn was received in 2019 at the former Del Monte cannery in Sleepy Eye. The facility will now become part of a fast-growing

"Sleepy Eye is going to augment what we're already doing," he said. "We are not shutting anything down."

His companies also own farms in Garvin and Chatfield, slaughterhouses in Lucan and Utica and a fresh-meat preparation and cold-storage facility in Altura.

Trachtenberg worked in the pet food business for a few years after college, then spent several years at manufacturing companies. In 2009, he started producing a gluten-free dog biscuit and created the Chasing Our Tails brand. Soon, he expanded into other products, including antler chews and smoked bones.

Two years ago, he bought Alive Pet Foods, a St. Charles-based producer that distributed to major retailers and also served as a contract manufacturer.

Along the way, his companies have taken advantage of the rising number of pets in the U.S. and the increasing amount of money owners spend on them. About two-thirds of U.S. households have a pet, up from around 55% in the late 1980s, according to the American Pet Products Association.

"We're seeing tremendous growth in sustainable pet foods and treats that are traceable and identifiable," he said. "It all comes back to what our industry calls the humanization of pets."

Seneca Foods, maker of Libby's and other brands of vegetables, bought the Sleepy Eye facility from Del Monte in early 2020 for about \$2 million. Trachtenberg began negotiating with Seneca for the plant last winter, he said.

Del Monte had about 70 full-time workers at the plant, which it used chiefly to can sweet corn, and between 200 and 300 seasonal workers at harvest time. Trachtenberg said he expects to employ several dozen people when his operations set up later this fall.

Evan Ramstad is a team leader in business news, working with reporters who cover the food industry from field to fork. He also writes about technology, banking and the economy.

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