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Martinelli plans approved for Kearney Street plant

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Plans have been approved for a new processing plant and a warehouse by S. Martinelli & Co. at the site of the old National Ice Plant on Kearney Street Extension.

The Watsonville City Council last night approved a permit for the cider maker to build a 37,325-square-foot processing plant and an 82,400-square-foot warehouse there.

Plant manager Lee Haskin said this morning that the expansion will happen slowly and is part of a seven-year plan. Martinelli expects to begin construction of the processing plant next summer. The company intends to initially use it for three to five months out of the year, just for bottling. Haskin said the plant will gradually be used for increasingly longer periods of time until it runs full time.

Construction on the warehouse is expected to begin in 1995, he said, and will allow the company to consolidate its leased warehouses, which are now scattered around town.

Haskin attributed the company's moderate growth to the economy and the difficulty in finding the quality fruit the company requires for its products. But, he said, the

plant on Beach Street has reached its capacity, so even a slight increase in demand is difficult to meet.

He said the company wants to expand slowly because of the difficult economic times and because of failures of other food processors.

The company is also concerned that acreage planted with the Newtown Pippin, the apple it favors, is declining, particularly in the Pajaro Valley. Although Martinelli would prefer to stay in Watsonville, where it was founded, Haskin said it has been eying the San Joaquin Valley because of the greater availability of fruit there.

Haskin had praise for the city itself, saying, "The city has certainly been very, very good to work with. ... We feel that the welcome mat is out for us to stay in Watsonville."

The company already has a 40,000-square-foot warehouse on Kearney Street. Haskin said the new warehouse will be contiguous, giving the company one large warehouse.

The plant and warehouse will be designed by local architect Bob Corbett.