

Hostess has been testing production lines at its newly rejuvenated manufacturing plant in Gum Springs and later this year is scheduled for full production of its "bakery of the future" in Clark County.

The snack maker will churn out powdered-sugar doughnuts, marketed as bite-sized Donettes, at the facility, which has received a \$120 million upgrade to the former Danfoss facility. Hostess purchased the plant last year and announced it would bring in the newest technology and equipment to produce Donettes. Hostess has hired 150 workers in Clark County and will begin production before the end of the year.

Testing has been in process for more than a month.

Community officials note the new jobs and investments will deliver significant economic development enhancements to the city and county, boosting payroll and local spending to bring additional tax money to the area.

Shelley Short, president and chief executive officer of the Arkadelphia Regional Economic Development Alliance and Area Chamber of Commerce, says the company already has achieved its objective of hiring 150 full-time workers this year.

"They have met the goals they told us they would and we are thrilled with the progress they're making," Short says. "From a community perspective we are extremely energized and there's been a buzz in town ever since they announced they were coming here."

After the announcement last year, Hostess reached an agreement to be acquired in a \$5.6 billion cash-and-stock deal by J.M. Smucker, another food giant that produces coffee, peanut butter and jelly and other consumer-packaging products. Smucker agreed to pay \$34.45 per share for Hostess, which is noted for its powdered doughnuts, DingDongs, HoHos, SnoBalls, Twinkies and Zingers.

Boards of both companies have approved the transaction, which is scheduled to close early next year.

Hostess officials declined comment last week, citing a quiet period with quarterly earnings scheduled for later this week, though the company has said full production and plans for the Clark County plant will remain unchanged after Smucker assumes control. Matt Hall, vice president of human resources of Hostess, recently told the Arkadelphia economic agency that plans are proceeding and said the company was already investing the \$2 million local officials kicked in for the project.

"We're definitely trying to make good use of the \$2 million that was so graciously arranged, and spending [it] wisely," he told the economic development alliance in a public meeting.

The Hostess bakery will be fully self-contained, from ingredient intake to shipping, and will produce powdered sugar at the plant.

Clark County also has received every sign the project is proceeding smoothly at the 330,000-square-foot facility. "They are literally breathing new life into the area," Short said.