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CHICAGO BUSINESS BULLETIN

Innovation in
Chicagoland's
Food & Ag Industry

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TABLE OF CONTENTS

03	Executive Summary & Findings
05	Food Industry
06	Agriculture & AgTech
08	Supply Chain
10	Competitive Advantages
12	Risks & National Industry Trends
13	FoodTech Investment Trends
14	AgTech Investment Trends
15	Local Investment Trends
16	Recent Momentum
17	Growth Opportunities
19	Conclusion
20	Sources and Methodology
21	About

EXECUTIVE SUMMARY

This is the third Chicago Business Bulletin to focus on food production and innovation. In this issue, we refresh our look at Chicagoland's food and agtech ecosystem, bringing into consideration changed venture capital, federal regulatory and policy, and trade environments. We highlight competitive advantages, opportunities for growth, and key risks for food innovators. In short, we find that Chicagoland's food ecosystem benefits from our robust manufacturing and applied tech sectors, as well as our broader diverse economy — food producers here have closer connections with suppliers and customers.

This underscores the fact that Chicagoland is the nation's #1 food manufacturer. And food manufacturing is a key industry for the entire region: nearly 40% of firms are located outside of Cook County. Each of the seven counties that make up the Chicago region have different assets that contribute to the region's strengths — from farmlands, to transportation networks, to financial and tech hubs.



FACT SHEET



Chicagoland's food and beverage manufacturing industry is the nation's largest, generating **\$11.8 billion annually** in output, and employing over 72,000 individuals.



WBC's Research Center found that in 2024, Chicagoland's 56 food innovation companies raised **\$150 million** in growth capital, 41 percent **decrease** over 2019. As of Q2 2025, 27 companies raised **\$37 million** in growth capital.



The U.S. Bureau of Economic Analysis reports Midwestern states had a combined agricultural output of **\$71.3 billion** in 2024.



Top food production sub-sectors include other foods, grain milling, bakeries, sugar & confectionaries, and dairy products. Top foodtech sub-sectors include alt-proteins and biotech-based food.



There have been 74 known food-related pro-Chicagoland decisions since 2021, with 13 since the beginning of 2025.

FINDINGS

- 1 Chicagoland is a resilient food manufacturing core.** Chicagoland remains the nation's #1 food manufacturing hub, with \$11.8 billion in output in 2024 and the largest absolute GDP growth of any metro (+\$1.4 billion since 2017). Sub-sectors like bakeries, dairy, and sugar & confectionary are national leaders, creating a strong base for continued innovation.
- 2 Biotech, alt-proteins, and novel foods drive innovation.** Chicagoland is a leader in biotech-based food production, with more than 60% of startups receiving seed funding in 2024–2025 focused on alternative proteins or novel dietary products. The region already hosts at least 23 alternative protein manufacturers and 46 bioengineered food producers, positioning it as a national center for next-generation food innovation.
- 3 Chicagoland is also a strong home for agtech companies.** The Chicago metro area is home to over 400 agriculture and agtech companies (360+ headquartered locally) and more than 50 active investors. Since 2018, these firms have raised \$389M in growth capital and completed 23 acquisitions, reflecting both the density and maturity of the region's agtech ecosystem.
- 4 Risks are emerging in capital and market trends.** Growth capital investment has slowed since peaking in 2021, with only 29 deals in 2025 to date. At the same time, national headwinds — from volatile trade and federal policy shifts to climate risks, AI adoption barriers, and changing consumer demand — present structural challenges that could dampen Chicagoland's food industry momentum.
- 5 Strategic growth opportunities are taking shape.** Future growth lies in high-demand verticals like AI-enabled foodtech, bioengineered ingredients, alternative proteins, and cold storage infrastructure. Chicagoland's competitive advantages — access to top talent, advanced logistics, and abundant freshwater — uniquely position the region to lead in these areas despite national investment headwinds.



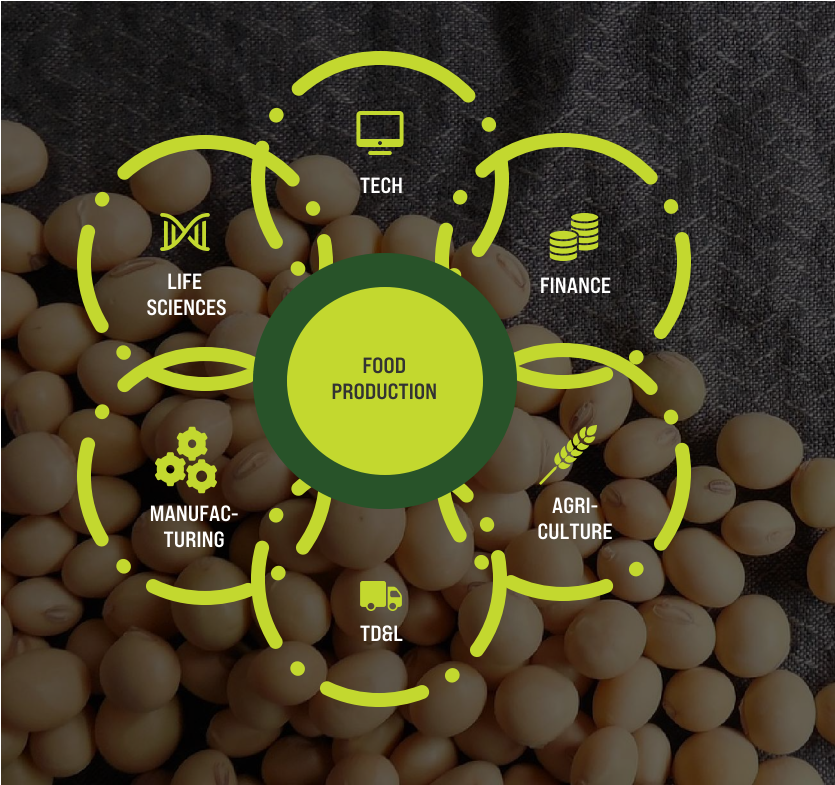
FOOD INDUSTRY

Chicagoland's foodtech and food production industry is high-growth because of key assets across intersecting industries.

Throughout Chicagoland's history, food production evolved with our other major industries, including equipment manufacturing, transportation & logistics, and finance. Chicagoland's proximity to Midwestern farmland made it an axis of exchange — agricultural inputs could be processed into food products, and shipped across the United States. The city's finance industry developed in tandem; for example, the Chicago Board of Trade was founded as a cash market for grain.

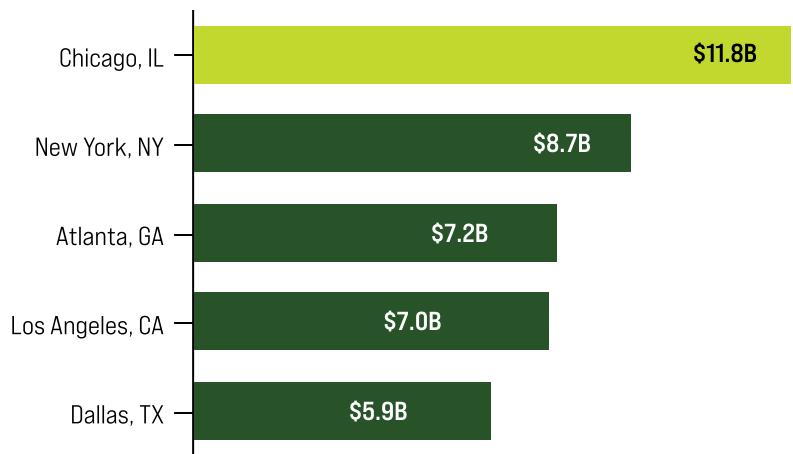
Chicagoland's modern food production industry is a well-connected ecosystem. Building on a historic legacy, our food industry continues to innovate — leveraging advantages like a diverse economy and proximity to collaborative partners, including transportation equipment manufacturers and logistics firms.

Today, Chicagoland's food industry is both #1 by total GDP value and absolute growth in GDP. In 2024, our region's output value was \$11.8 billion, with growth of \$1.4 billion from 2017 — more than in any compared metro area.



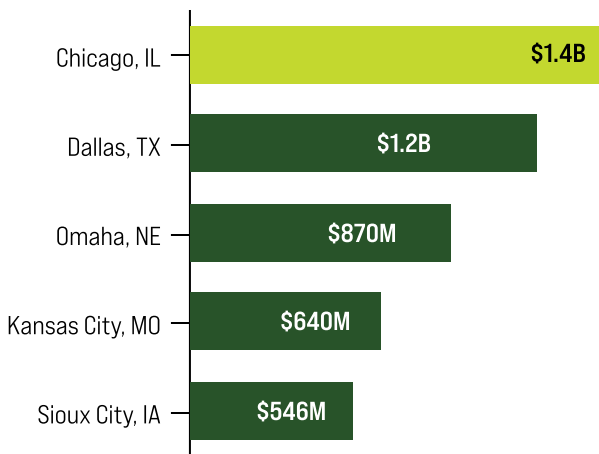
Total GDP value (nominal), 2024

Food and beverage manufacturing, top 5 metro areas



Absolute growth in GDP value (real), 2017-24

Food and beverage manufacturing, top 5 metro areas



AGRICULTURE & AGTECH

Chicagoland is home to a growing hub of diverse agtech companies.

What is agtech? Agtech focuses on the application and intersection of technological elements to help drive profitability, crop yield, farming efficiency, and resilience within the agriculture industry. AgBiotech, AgriFinance & E-Commerce, AnimalAg, Indoor Farming, and PrecisionAg are some of the subsectors which make up the AgTech industry.

As of 2025, Pitchbook data shows that there are over 400 companies agriculture or agtech companies located in the Chicago metro area, with over 360 of those headquartered here. Similarly, there are over 50 active investors with a stated investment preference of agriculture or agtech, including nearly 30 venture capital firms.

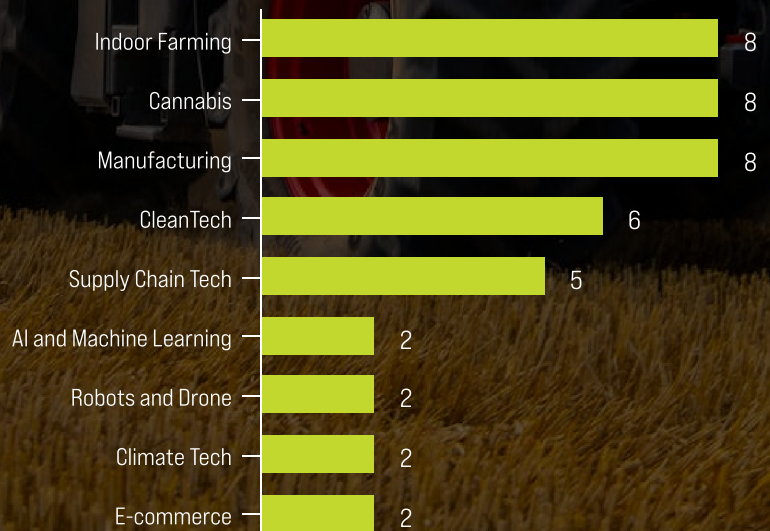
Investment in agtech companies in Chicagoland's startup ecosystem continues to grow, building on the industry density publicly traded companies like ADM and John Bean Technologies have been established here. Since 2018, \$389 million in growth capital has been raised by over 40 companies — including 17 of which went on to close later stage venture capital deals. In that same timeframe, 23 companies have been acquired. Deals occur throughout the metro area, although the majority occur in Chicago and Cook County.

These companies span a range of applications, and early and later stage venture capital investment tends to concentrate in certain verticals.

Growth capital allocation for Chicagoland companies reflects a strong bias toward technology-enabled sectors that offer measurable efficiencies, scalability, and sustainability. The most traction is seen with indoor farming, cannabis, and manufacturing-related companies, signaling a shift toward sectors where digital and automated solutions intersect with tangible production and consumer impact. Emerging applications in AI, robotics, and climate tech are still small but positioned for strategic growth in the next three to five years.

Supply chain tech is also a top vertical for both early-stage and later-stage deals. Other leading verticals include cleantech, cannabis, and climate tech, especially in early-stage deals, and manufacturing, clean tech, climate tech and robotics and drones, especially in later-stage deals.

Count of companies with growth capital deals in Chicagoland since 2018, by overlapping verticals or emerging spaces



AGRICULTURE & AGTECH

Why is agtech a competitive play for Chicagoland?

In short, proximity to prime Midwestern farmland and access to talent. The Chicago metro area not only plays a large part in the food manufacturing industry, but is at the center of the nation's most productive agriculture. The U.S. Bureau of Economic Analysis shares that Illinois has the nation's fourteenth largest agricultural output in 2024; Midwestern states have a combined agricultural output of \$71.3 billion, or 28.7 percent of national output.

Chicagoland's strategic location to farmland gives agriculture access to overlapping industries, including specialized expertise for technological advancement and the acquisition of capital. As technical workers choose to live in metro areas — for example, the top 100 metro areas employ 77 percent of all computer-related workers — the agriculture industry can still have proximate access to talent and clusters needed to innovate.

"The new space, located in the fast-growing Fulton Market neighborhood, will allow Deere to recruit from the deep bench of diverse talent in Chicago"

— Deere press release

In 2021, Deere announced a new office with 150 IT jobs in capabilities like e-commerce, cloud infrastructure, and data & analytics. Deere's pro-Chicagoland decision gave the agricultural machinery giant the right talent pool to continue innovating their products.

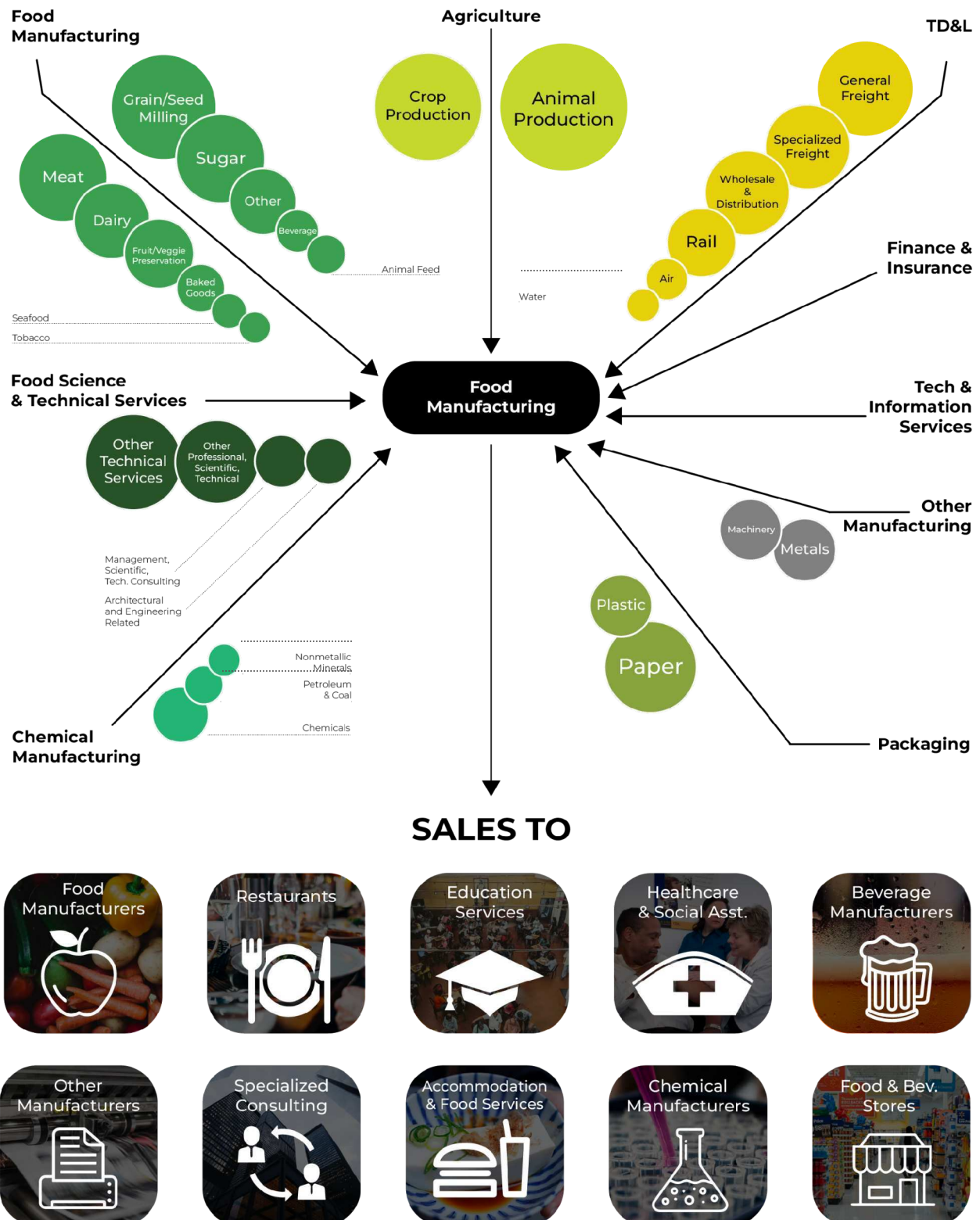
"COVID has taught us that when your food has to travel a ton of miles, sourcing locally becomes a good idea."

— Block Club Chicago

In 2024, Englewood urban farm and workforce development nonprofit, Growing Home, announced building a \$25 million organic farm and job training campus aimed at improving fresh food access, employment opportunities as well as revitalizing vacant land in Englewood.

SUPPLY CHAIN

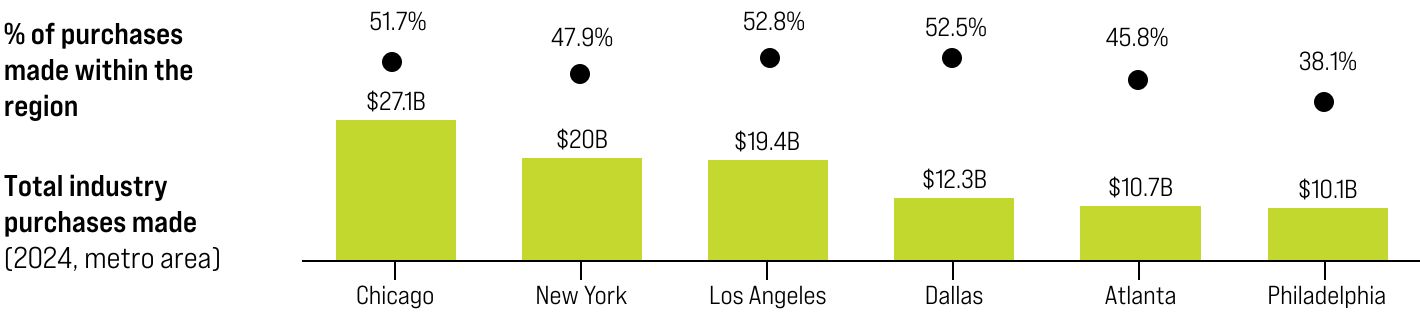
Chicagoland's food supply chain is diverse for both upstream industry purchases and downstream sales.



SUPPLY CHAIN

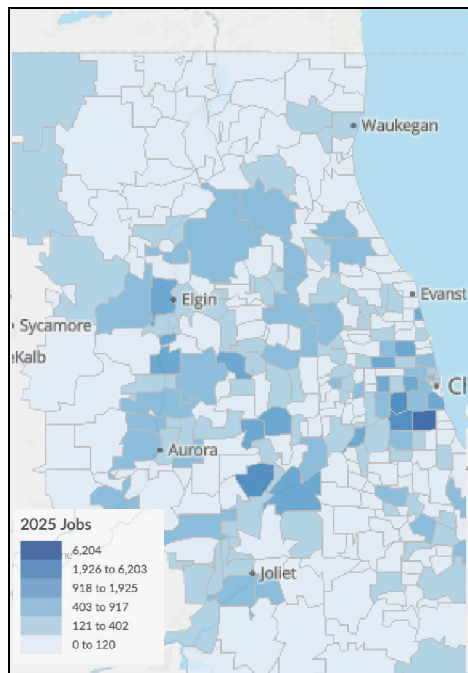
Chicagoland's supply chain is larger, more resilient, and more local than other major food production ecosystems.

Compared to other major food manufacturing ecosystems, Chicagoland firms purchase more inputs from suppliers within the region. In 2024, nearly \$14 billion was projected to have been spent on local businesses by food manufacturing firms here, with \$9.5 billion of that spent on other manufacturers, wholesalers, and TD&L firms. Downstream in the supply chain, food manufacturers sold \$5.3 billion in product locally.

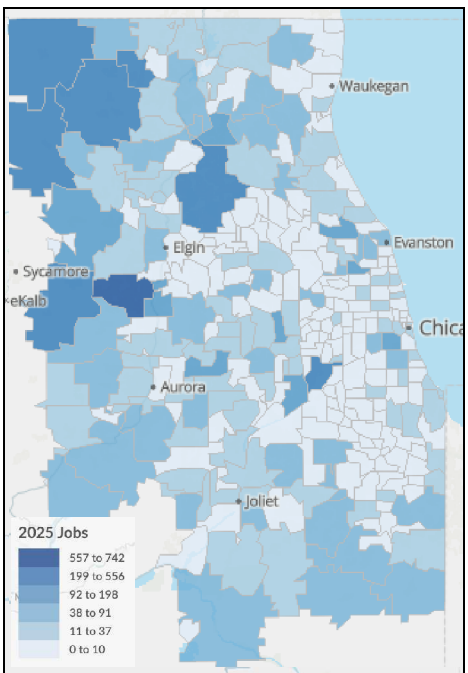


The entire Chicago metro area is involved in the food manufacturing supply chain. More food manufacturing and processing jobs are located in Chicago's South side, along the I-55 corridor, and in the western suburbs, while agriculture is concentrated to McHenry and Kane counties. Packaging manufacturing is especially concentrated in Kane, DuPage, Lake, and suburban Cook counties.

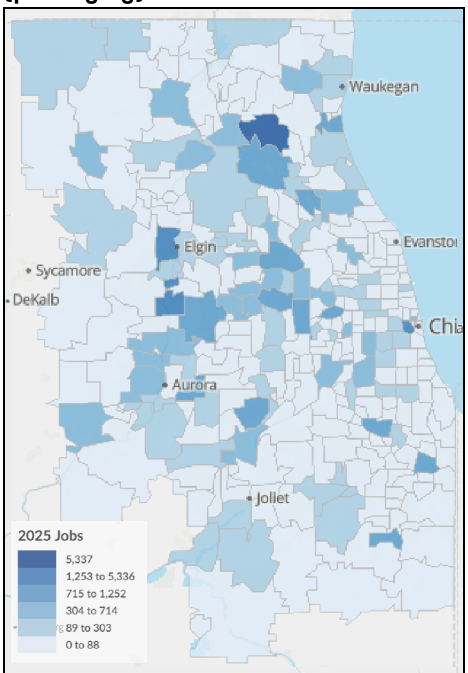
Food & beverage manufacturing



Agriculture



Paper & plastics manufacturing (packaging)



Jobs by zip code, 2025

COMPETITIVE ADVANTAGES

In 2024, Chicagoland was #1 in the U.S. for food & beverage manufacturing.

Chicagoland has the nation's largest food manufacturing economy by output or gross domestic product, the market value-added of goods and services produced. Between 2017 and 2024, Chicagoland's food manufacturing industry grew by \$1.4 billion, the most by total value compared to all metro areas in the United States.

Top sub-sectors reflect the regionality of the food manufacturing supply chain. For example, grain milling and bakeries are two of Chicagoland's top sub-sectors, producing the bread and cereals grown by Midwestern agriculture.

FOOD & BEVERAGE MANUFACTURING

Rank among metro areas (2024)	#1
Growth in GDP (Real, 2017-24)	+17%
GDP (Nominal, 2024)	\$11.8B

BAKERIES & TORTILLERIAS

Rank among metro areas (2024)	#2
Growth in GDP (Real, 2017-24)	+19%
GDP (Nominal, 2024)	\$2.7B

OTHER FOOD & ALT. PROTEIN

Rank among metro areas (2024)	#1
Growth in GDP (Real, 2017-24)	+48%
GDP (Nominal, 2024)	\$2.5B

SUGAR & CONFECTIONS

Rank among metro areas (2024)	#1
Growth in GDP (Real, 2017-24)	+16%
GDP (Nominal, 2024)	\$1.1B

GRAIN MILLING

Rank among metro areas (2024)	#1
Growth in GDP (Real, 2017-24)	+3%
GDP (Nominal, 2024)	\$932M

DAIRY PRODUCTS

Rank among metro areas (2024)	#1
Growth in GDP (Real, 2017-24)	+49%
GDP (Nominal, 2024)	\$746M



COMPETITIVE ADVANTAGES

Chicagoland's food industry flourishes because of strong regional assets.

- **Clustered business ecosystem**

Chicagoland is a top business ecosystem for related products and services, like packaging, finance, and logistics. Business density means food producers are able to source their supply chain inputs easier, in addition to accessing necessary business services. Clustering within food manufacturing creates synergies that helps grow the industry. For example, Chicagoland's top business ecosystem for grain milling helps create a proliferation of bakeries — also a top ecosystem here.

- **Trained workforce**

Chicagoland has a huge, varied workforce. Over 72,000 people work in food and beverage manufacturing regionally, with nearly half employed as food production workers. Chicagoland's labor pool includes highly specialized workers — like software developers, advanced manufacturing workers, and food scientists — as well as production occupations with lower barriers to entry. Chicagoland, including the University of Illinois at Urbana-Champaign, is also a top talent producer for specialized knowledge, with 150 food science degrees awarded in 2023.

- **Natural assets**

Chicagoland is located at the center of some of the world's most productive farmland. Chicago also connects the Mississippi Basin to the Great Lakes, and serves as a natural center point for American trade and commerce. And perhaps most importantly, Chicagoland's access to the Great Lakes — 84% of North American freshwater — provides an abundant natural resource for agriculture, food production, and manufacturing.

- **Transportation and logistics ecosystem**

Chicagoland is the nation's crossroads and freight hub. Significant infrastructure exists, including 6 of 7 Class 1 railroads and over 3,900 miles of railway; multiple airports — including O'Hare International Airport; and 10 interstate highways, representing over 30,000 miles of roadway. A dense warehousing and logistics business ecosystem — over 16,500 firms, the most in the nation — allows manufacturers to more easily get their products to market.

O'Hare International Airport is the nation's third largest port by value, with \$295B in trade in 2024.



Top food imports by value

Food preparations
Vegetable saps and extracts
Protein concentrates & textured protein substances
Coloring matter of vegetable or animal origin
Atlantic salmon and Danube salmon fresh or chilled
Sugars, chemically pure
Cocoa powder, not sweetened
Vanilla, neither crushed or grounded



Top food exports by value

Food preparations
Meat of bovine animals, boneless, fresh or chilled
Sugars, chemically pure
Meat of swine, frozen
Meat, bovine cuts with bone in, fresh or chilled
Protein concentrates & textured protein substances
Cocoa preparations, not in bulk form
Coloring matter of vegetable or animal origin

RISKS & NATIONAL INDUSTRY TRENDS

Broader national trends are unfolding that may continue to impact Chicagoland's food and agriculture sector in 2025 and beyond. These dynamics span policy, consumer behavior, technology, and climate, with implications for markets nationwide.

- **Federal Regulation and Policy: MAHA and OBBB**

Two major policy moves in 2025 are reshaping the conversation around food and farming. The Make Our Children Healthy Again (MAHA) report has put ultra-processed foods, chemical exposures, and food marketing squarely in the spotlight, with talk of new limits on advertising and labeling rules already gaining traction in some states. Meanwhile, the One Big Beautiful Bill Act (OBBB) delivers billions in new subsidies and crop insurance support for large commodity farms, a shift that strengthens incumbents but could slow innovation and make it harder for smaller farms and agtech startups to compete.

- **Technology: AI**

Artificial intelligence (AI) is steadily gaining traction across food and agriculture, with applications ranging from precision planting and yield prediction to supply chain optimization and consumer insights. Analysts highlight opportunities for cost savings, productivity gains, and more resilient operations, particularly as farms face rising input costs and climate variability. At the same time, adoption remains uneven: barriers include high upfront costs, limited digital infrastructure in rural areas, and uncertainty around return on investment.

- **Trade and Global Competition**

U.S. agriculture continues to face volatility from shifting tariff policies and evolving trade relationships. Retaliatory measures and new import approvals abroad are reshaping market access, redirecting global supply chains, and intensifying competition from other exporting nations. These shifts affect export values, pricing power, and long-term investment decisions across the sector. **Already in 2025, Illinois' agricultural exports are down 41% compared to year to date in 2024, and food and beverage product exports are down 5%.** For producers and agribusinesses, the landscape underscores the importance of market diversification and resilience planning in a less predictable trade environment.

- **Climate and Sustainability**

Climate variability and extreme weather are increasingly affecting U.S. agriculture — 2024 saw significant crop losses underscoring how vulnerable farming operations are to climatic shocks. At the same time, many producers are expressing strong interest in sustainable and regenerative practices, not just for environmental reasons but also to improve resilience, reduce input costs, and meet growing demand for more sustainable sourcing. Adoption is advancing, though barriers remain in terms of capital, risk tolerance, and whether markets will reward these practices. For industry stakeholders, climate risk is now both a cost to manage and an opportunity to lead.

- **Consumer Behavior & Food Demand**

Consumer food choices are being influenced by both health trends and economic pressures. Early research suggests that the growing use of GLP-1 weight-loss medications may reduce demand for snacks and sugary foods, but the long-term impact on overall food consumption remains uncertain. At the same time, inflation and changes to SNAP benefits continue to shape what households can afford, particularly for lower-income consumers. For industry stakeholders, these factors signal potential shifts in demand patterns, though the scale and persistence of the changes are still unfolding.

FOODTECH INVESTMENT TRENDS

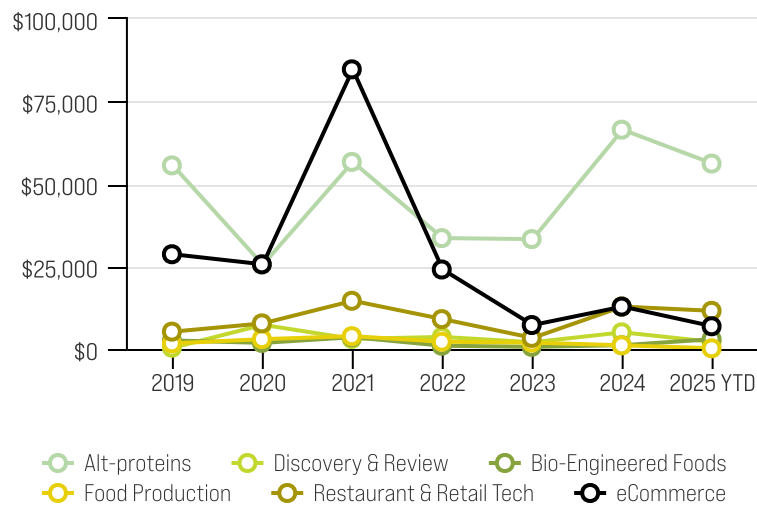
In the FoodTech vertical, alt-proteins see more investment nationwide, and median deal sizes have increased.

Between 2019 and 2025, total capital investment in FoodTech across six segments in the U.S. — Alt-proteins, Discovery & Review, Bio-engineered Foods, Food Production, Restaurants & Retail Tech, and eCommerce — shifted notably in both scale and composition, while the median deal size exhibited a consistent upward trend.

- VC investment**

Total venture capital investment declined slightly from \$187.1 billion in 2019–2022 to \$179.6 billion in 2022–2025, reflecting a post-pandemic reset of investor priorities. Alt-proteins emerged as the fastest-growing category, up nearly 35 percent, while eCommerce fell by more than half. Discover & Review and Food Production also contracted, Bio-engineered Foods held steady, and Restaurants & Retail Tech remained resilient, sustaining strong capital flows despite a modest dip. Overall, capital is consolidating around innovation-driven segments such as Alt-proteins, while others adjust to slower growth trajectories.

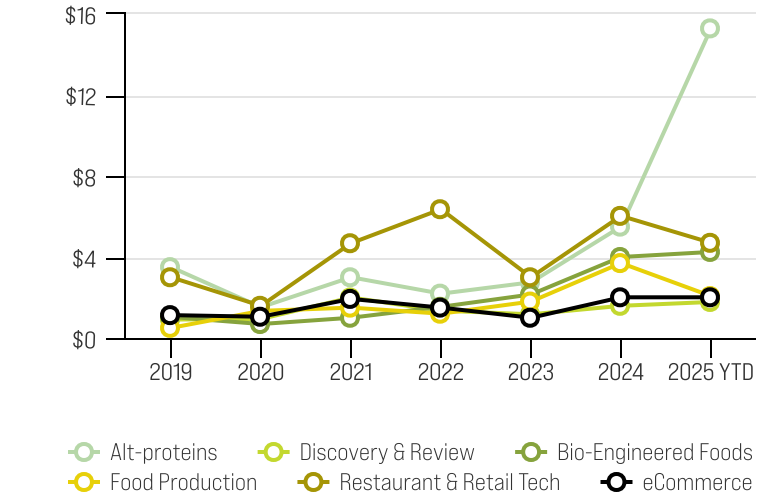
VC invested in foodtech sub-sectors nationwide: 2019 through 2025



- Median deal size**

Median deal sizes rose consistently from 2019–2022 to 2022–2025, signaling sector maturation and stronger investor conviction. Alt-proteins led the gains, nearly tripling from \$2.6 million to \$7.9 million, while Bio-engineered Foods and Food Production more than doubled. Restaurants & Retail Tech continued to command the largest deal sizes, and even Discover & Review and eCommerce posted steady increases. This broad upward trend points to a healthier investment environment characterized by larger, more strategic deals.

Median deal size in foodtech sub-sectors nationwide: 2019 through 2025



AGTECH INVESTMENT TRENDS

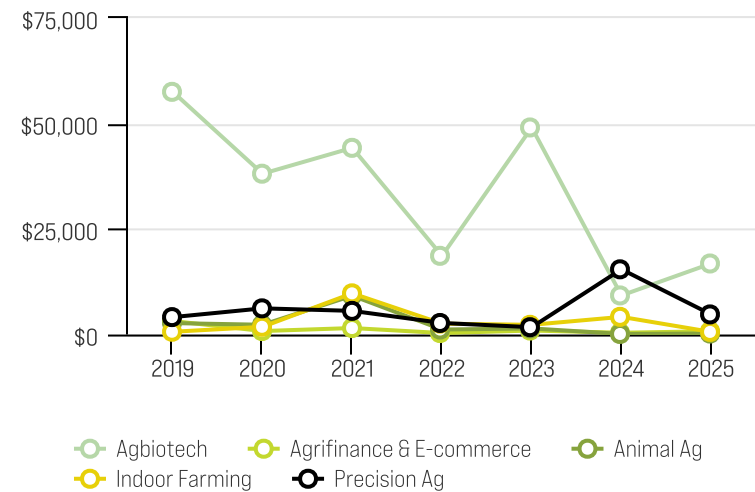
In the AgTech vertical, nationwide investment patterns changed between 2019 and 2025.

From 2019 to 2021, agtech innovation and manufacturing companies experienced strong growth in deal value across subsectors. However, from 2022 to present day, capital flows contracted sharply, underscoring the cyclical nature of investment. At the same time, median deal sizes rose across subsectors, reflecting a shift toward larger, later-stage investments and sustained investor confidence in scaling select solutions despite the overall pullback in capital.

- VC investment**

From 2019 to 2021, the industry experienced broad-based growth in deal value nationwide, led by Indoor Farming, which grew by 1,375 percent, AnimalAg by 239 percent, and PrecisionAg by 36 percent. From 2022 to September 2025, however, the industry entered a contraction phase, with most subsectors experiencing significant declines in deal value—AnimalAg down 87 percent, Indoor Farming down 76 percent, and AgriFinance & E-Commerce down 78 percent. PrecisionAg fell by 42 percent after a temporary rebound in 2024, while AgBiotech contracted more modestly, down 10 percent. Overall, the industry reflects a sharp pullback from the investment highs of 2019–2021, underscoring the cyclical nature of capital flows in AgTech.

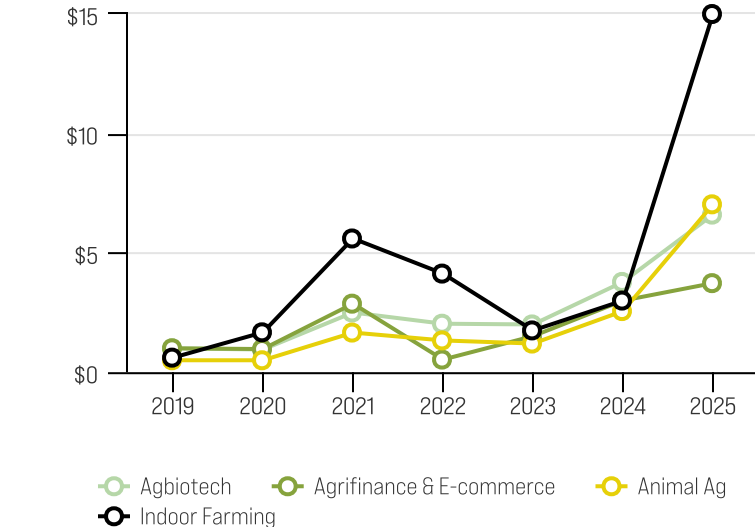
VC invested in AgTech sub-sectors nationwide: 2019 through 2025



- Median deal size**

At the same time, median deal size grew across subsectors, signaling a shift in investment dynamics. The most pronounced gains were seen in Indoor Farming, but were also evident in AnimalAg, AgBiotech, and PrecisionAg. The steady increase in deal size highlights a transition toward larger, later-stage investments, reflecting investor confidence in scaling select technologies across the AgTech industry even amid overall capital contraction.

Median deal size in AgTech sub-sectors nationwide: 2019 through 2025



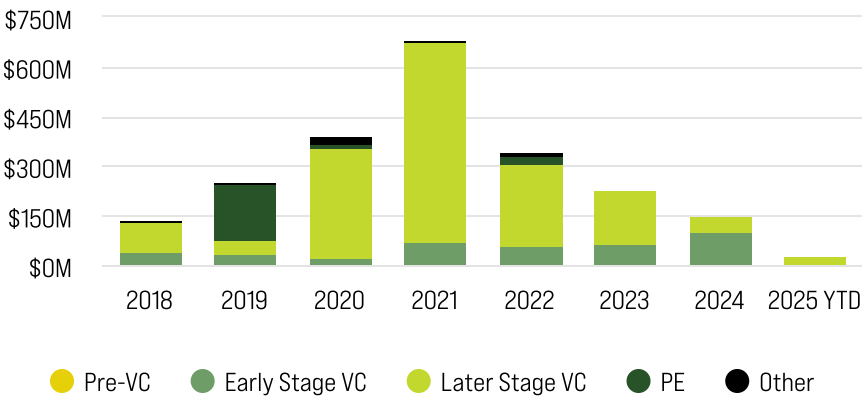
LOCAL INVESTMENT TRENDS

Chicagoland's newest food startups reflect top food trends.

In 2024, 56 food innovation companies in Chicagoland raised \$150 million in growth capital, down from a peak in 2021. Despite a decline in capital deployed, deal counts in 2023 and 2024 remain relatively steady, suggesting that interest in Chicagoland's food ecosystem continues despite restrictions on capital flows. As of Q2 2025, 27 companies raised \$37 million in growth capital.

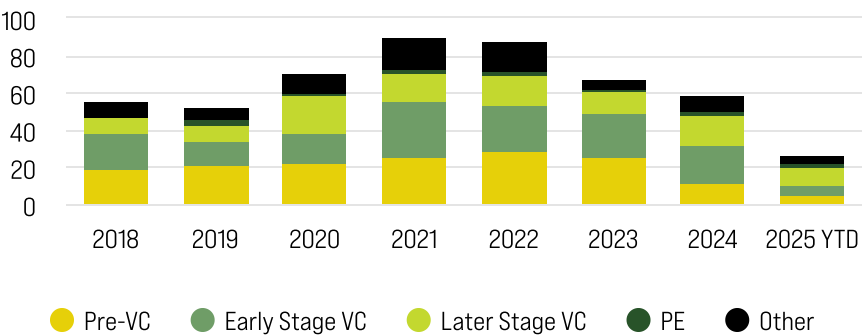
Looking closer at the data, **early stage venture capital funding grew — reaching a total of \$104 million in 2024.** Since 2018, over 153 deals have provided early stage VC funding to Chicago's startups.

Growth capital invested in Chicagoland companies



Moreover, **startups receiving seed funding firmly establish Chicagoland as a leader in biotech-based food production.** Over 50 percent of Chicagoland's startups receiving seed funding have developed novel food or beverage products. Recent trends suggest that high growth companies focus on alternative proteins, alcohol-free and functional beverage alternatives, and sustainable food production.

Growth capital deal count by Chicagoland companies



Food manufacturers are not always considered at the forefront of innovation. However, recent national surveys show that food manufacturers are able to bring new products to market nearly as often as other high tech companies. Between 2017 and 2019, **approximately 18,000 food manufacturers across the U.S. were able to bring nearly 1,200 new products to market — the fifth highest number of new products among all manufacturing sub-sectors.**

Food manufacturers are often overlooked as innovators because their innovation process is different from traditional research and development processes used by other high tech companies. In the National Center for Science and Engineering Statistics' Annual Business Survey, **food manufacturers report that they rely upon strong partnerships with suppliers that provide specialized services, like logistics companies that provide specialized cold storage or specialized packaging companies.** Additionally, food manufacturers rely on third party businesses to provide specialized technology solutions — **50 percent of food manufacturers reported they purchased new technology in order to help bring new products to market.**

RECENT MOMENTUM

Food manufacturing and innovation companies continue to choose Chicagoland.

The World Business Chicago Research Center has tracked 74 significant food-related, "pro-Chicagoland decisions" since 2021 — corporate or industrial relocations or expansions that are over 10,000 square feet or create 10 or more jobs. At the same time, a growing number of companies are launching innovation centers in the region, driving the advancement of food technology and reinforcing the city's status as a leading hub for food innovation and agtech development.

Three examples of recent "pro-Chicagoland decisions," including food innovation and R&D centers:



In 2024, Mars unveiled a \$42 million, 44,000-square-foot global R&D hub in its Chicago Goose Island campus, focused on chocolate and nut innovation with 300 R&D associates. [Read more >>](#)



In 2025, Blommer Chocolate Company expanded its lab capabilities in Chicago with a 5,000 ft² addition, creating a 10,000 ft² R&D center on future development, concept testing, processing and ingredient research, and application creation. [Read more >>](#)



In 2024, Batory Foods added a 16,000 ft² Innovation Center in Will County, hiring a new R&D team for beverages, confectionery, bakery, and nutrition products. [Read more >>](#)

“With the opening of the new flavor innovation and production facility in Huntley, Silesia is bringing good jobs and opportunity to our people while further solidifying our status as a national leader in food and beverage manufacturing and processing.”

— Governor JB Pritzker, when in June 2025, Silesia announced it will open its second U.S. facility — a new flavor innovation and production facility — in Kane County, investing \$40 million and creating over 40 new jobs. [Read more >>](#)

GROWTH OPPORTUNITIES

Chicago can lead in food bioengineering & production, as well as AI applications in foodtech.

The foodtech and innovation vertical has faced challenges since 2022, given a general slowdown in growth capital investment. Moreover, the consumer non-durables market has been challenged by inflationary pressures on food prices and changing tariff policy. However, as growth capital gravitates towards artificial intelligence — 37 percent of venture capital raised by Chicagoland startups as of September 2025 overlapped with the AI & Machine Learning vertical — **AI applications in restaurant management software, food intelligence & production, and supply chain traceability could reignite capital flow.**

Pitchbook data also show that **bioengineered foods — including functional foods, future food forms, molecular engineering, novel ingredients, and upcycled foods** — continues to be a dynamic and growing sector that attracts multinational food corporations and innovative startups. Similarly, alternative proteins continues to grow as a foodtech segment, while new **sugar alternatives** start to gain traction. **Chicagoland could lead in these sub-verticals as they grow.** Why?

- Chicago's historic strengths in sub-sectors like meat processing and sugar & confectionary manufacturing create a platform for continued innovation. The region is already home to a cluster of companies manufacturing advanced food and ingredients, including at least 3 alternative protein manufacturers and 13 bioengineered & novel ingredient food producers. Chicago is also home to industry titans that continue to innovate, like Mars Wrigley, Kellanova, or Kraft Heinz.
- **Chicagoland universities and the University of Illinois at Urbana-Champaign are also a major talent producer for food science degrees** — a combined 150 degrees awarded in 2023. Chicago's food industry benefits from a growing life sciences ecosystem, exemplified by over 2,200 biology, bioengineering, and biomedical science degrees being awarded in 2023 throughout the metro area.

Chicagoland could also lead in cold storage.

The Chicagoland cold chain market is fueled by the region's strategic role as a national transportation and food hub, the rapid growth of online grocery, and shifting consumer preferences toward fresh and frozen foods. By the numbers, Chicagoland has a 14.9 million-square-foot industrial cold storage footprint, a 2.8% vacancy rate, and an average building age dating back to 1984.

However, the market faces a shortage of modern, efficient facilities. Chicagoland is adapting to demand with a construction surge of 3.3 million square feet across 10 new buildings in the Greater Chicago area. Key projects include:

- Walmart's 1.25 million-square-foot automated perishables distribution center in Belvidere,
- Arcadia Cold's two new facilities totaling 600,000 square feet,
- Karis Cold's speculative facility at the Stockyards, with most new developments being build-to-suit to meet modern efficiency and automation standards.

Chicagoland's continued edge will come from technology-enabled infrastructure: advanced temperature-controlled environments, strict food safety compliance, and seamless integration with highways, rail, and air. These strengths ensure food quality, reduce waste, and enhance supply chain resilience, and can position Chicagoland as a national leader in cold storage.

GROWTH OPPORTUNITIES

Chicagoland also has opportunities to foster growth in beverage & dairy manufacturing, meat processing, and other food manufacturing.

BEVERAGE MANUFACTURING

CURRENT STATUS

Chicagoland's beverage manufacturing sub-sector has room to grow, ranking 21st for output among U.S. metros with \$502 million in GDP in 2024.

THE OPPORTUNITY

Chicagoland has access to abundant freshwater and a top consumer non-durables production ecosystem, making beverage manufacturing a scalable industry.

MEAT PRODUCTION

CURRENT STATUS

Chicagoland ranked fourth for output in meat production among U.S. metros with \$1.2 billion in GDP in 2024. Future growth is projected to slow compared to past performance.

THE OPPORTUNITY

Chicagoland's growth in alternative protein development aligns with trending food preferences, like cultured meat developed in laboratory environments. The city is also a historic hub for meat processing.

FRUIT & VEGETABLE PRODUCTION

CURRENT STATUS

Chicago ranked first amongst U.S. metros in fruit and vegetable preserving and specialty production with \$722 million in GDP in 2024. However, it had the lowest growth rate among other top food sub-sectors from between 2017 and 2024, and is projected to have one of the lowest growth rates looking out to 2030.

THE OPPORTUNITY

With over 75 specialty fruit, vegetable and nut crops, grown in Illinois, as well as a relatively mild climate and plentiful water sources, these attributes make the region a formidable location for fruit and vegetable production.



CONCLUSION

Chicagoland's food and agtech ecosystem is not only resilient but primed for future leadership. The region's unmatched manufacturing base, growing clusters in biotech and agtech, and access to top talent and infrastructure create a powerful platform for innovation. While national headwinds pose challenges, Chicagoland's competitive advantages uniquely position it to set the pace in next-generation food solutions. By leaning into strengths like alternative proteins, AI-enabled foodtech, and advanced supply chain systems, the region can drive growth, attract investment, and shape the future of food on both a national and global stage.



SOURCES

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More detailed references available upon request.

METHODOLOGY

- NAICS codes primarily used: Food Manufacturing (311) and Beverage and Tobacco Manufacturing (312)
- Growth Capital is an expanded view of investments into tech startups, World Business Chicago includes venture capital investment all stage, Other private equity for growth, and corporate venture as part of "growth capital." Growth capital helps companies start or expand their operations, which may translate to additional tangible economic activity, like hiring and office leasing. → See more from [Pitchbook](#).
- Agriculture and AgTech Pitchbook definition: Agriculture (industry), Agricultural Chemicals (industry), and AgTech (vertical). The AgTech vertical includes Agbiotech, Agrifinance & E-commerce, Animal Agriculture, Indoor Farming, and Precision Agriculture.
- Food Pitchbook definition:
 1. Industries: Beverage, Food Products
 2. Verticals: FoodTech, Restaurant Technology
 3. Keywords: Nutritional Data, Kitchen Tools, Online Grocery



ABOUT

World Business Chicago is Chicago's public-private economic development agency. Our mission is to drive inclusive economic growth and job creation, support businesses, and promote Chicagoland as a leading global economy. Our vision is to ensure that all Chicagoans prosper. We work with the **Greater Chicagoland Economic Partnership** — an economic development alliance of the City of Chicago and seven collar counties — to collaboratively grow the region.

The World Business Chicago Research Center drives data-based economic development research for Chicagoland, promoting the region's growth, competitiveness, and equitable investment. We analyze business, innovation, workforce, and investment trends, producing reports and original metrics to showcase why Chicagoland is a top place to live and do business. Our insights support stakeholders across the city and surrounding counties, from businesses and economic development organizations to universities, community groups, and governments.



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The WBC Research Center: Economic Dashboard

A monthly snapshot benchmarking our region against peer metros, highlighting key trends, opportunities, and risks.

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