

Premium Standard Farms
Princeton, Missouri
Community Advisory Panel
Meeting Minutes: 2/28/08

Members Present: Ron Hinds, Ed Rhoades, Mark Yungeberg

Also Present: from PSF – Bill Homann, Jason Helton, Dale Kellen

The meeting began at approximately 7:15 p.m. Ed Rhoades was elected chairman.

Approval of Minutes

After review, Mark Yungeberg moved to approve the minutes of the previous meeting, seconded by Ron Hinds. Minutes approved.

Transportation update

Dale Kellen, transportation manager for the company, provided an overview of the scope of his department. Topics included: the number and kind of vehicles in the fleet; focus on safety and results; biosecurity responsibilities; and increased fuel costs.

A number of questions were asked by the group dealing with topics including: driver recruitment, fuel procurement, road and weather challenges, and maintenance and service capabilities. One comment was offered by a member noting that he did not recall a time seeing a company truck in disrepair operating on the roads.

Toll free Number Report

One call on the toll-free number was a neighbor of the Homan farm inquiring how to get company fertilizer applied on his land.

Other calls received, but not on the toll free line, dealt with road conditions and increased visibility of company trucks on county roads not typically used.

Incident Reports

Five incident reports were presented for review with dates of November and December, 2007 and January, 2008. Bill noted that some problems have been experienced with the auto-flush system. In order to further reduce incidents, he described efforts undertaken and necessary to rebuild the systems, reconstruct new valves with new components, and also efforts of researching new styles and methods.

In response to a question, Bill commented that lagoon levels were in good shape given all of the winter precipitation across the operations area.

Operations Update

Bill commented that one of the bigger current challenges – for employees and company owned vehicles - was the road conditions. The company purchased a significant amount of rock to be applied to different township/county roads across the operations area in

order to access facilities. This was unbudgeted and in addition to annual taxes paid for such purposes. The prolonged winter has been perfect for increased PRRS virus activity and the company has experienced some activity. A job fair was held recently in Princeton with good success. The new fiscal year begins in May so budgeting is underway. A brief legal update was provided as was an update on the Texas operations and a water dispute there.

A question was asked if herd reductions might follow as a result of the continued high corn prices. Bill noted that economics do work and commented on the industry struggles in Canada and also on Smithfield's announcement of a 4-5% sow reduction.

Questions/Other Issues

The next meeting was set for April 24, 2008.

Meeting adjourned at approximately 9:15 p.m.

Respectfully submitted,
Jason Helton