

Premium Standard Farms
Princeton, Missouri
Community Advisory Panel
Meeting Minutes: 4/19/07

Members Present: Ed & Mildred Rhoades, Jack & Linda Tucker, Mark & Cindy Yungeberg, Ron & Debbie Hinds

Also Present: from PSF – John Meyer, Jason Helton, Gordon Becton

The meeting began at approximately 6:45 p.m. Jack Tucker was elected chairman.

Approval of Minutes

After review, Ed Rhoades moved to approve the minutes of the previous meeting, seconded by Ron Hinds and approved.

Company Update

CEO John Meyer initiated a discussion on a number of topics with the group. He mentioned the impact of the circovirus on the herd across the system and the short supply of beneficial vaccine; high feed costs and eventual resulting higher costs to the customer; the Milan expansion was completed about two weeks ahead of schedule and daily slaughter was averaging about 9,000 head per day; and the merger with Smithfield Foods was moving along as predicted with the expected level of scrutiny and still seeking a mid-May approval.

In response to questions from the group: though the Milan expansion has increased the workload on Milan employees, new jobs have been created in key spots, a second shift has been added for loin boning, and we worked with employees as schedules have been adjusted; consistent high pork quality can be continued with outside hogs according to the agreement we have with NEMO Family Pork covering process verified, animal handling, genetics, feed, etc.; we will continue to consider good opportunities for contract production as potential growers and locations become known.

Group questions/answers continued: With the high cost of feed, alternative sources of feed have been utilized in the past, limited capacity makes managing bin storage and products difficult, limited DDGs can be used and additional research is needed to optimize, additional storage is difficult to justify; the company is not likely to sell land with the higher prices in the area, this land provides a buffer and helps us manage land application needs; Smithfield has a number of innovative projects and the Crystal Peak fertilizer plant is viewed as another alternative as the industry develops new technology; the CPF plant is operating under a new manager with a strong engineering background, lagoon sludge is being processed at the plant; animal agriculture is getting pressure in Missouri as a result of county health ordinances and hopefully this changes before agriculture gets shifted elsewhere; the fresh water situation is better now at the farms and plant than it has been for sometime, but we still seek ways to conserve when possible.

One member commented that the entry level wage increases and adjustments have generated positive feedback in the community. John expressed his appreciation to the group for participating in the CAP group while bringing community issues forward and relaying company information to their communities.

Toll free Number Report

A number of calls were received over the last two months seeking information on available company jobs, selling items to the company, trucking opportunities out of the plant, and assistance with pumping water.

Two callers offered compliments for safe and courteous driving for different two drivers in different locations on different dates. One call dealt with a motorist observing a company truck following another vehicle too closely. That driver was subsequently identified as a contract driver. A call on the day of the meeting dealt with a caller claiming something flew off of a company truck shattering a windshield. The location and time was provided and efforts were underway to identify the truck and trailer and perform a thorough inspection. A caller in Daviess County asked that we reduce dust in front of her home. The transportation manager has requested that all trucks adjust their speed in that area to help minimize dust.

Questions/Other Issues

Jason announced that Governor Blunt was scheduled to be at the Milan plant on April 27 as part of the dedication ceremony for the plant expansion.

Jason distributed press releases announcing the hog purchasing agreement with NEMO Family Pork and donation awards to the North Central Missouri Children's Advocacy Center, Green Castle First Responders, and the Princeton and Grundy County R-5 schools.

Meeting adjourned at approximately 8:00 p.m.

Respectfully submitted,
Jason Helton