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North Carolina's Largest Hog Producers

This data was complied from a variety of publicly available sources, including business directories, online listings, and information from government agencies. Where numbers and statistics from different sources were in conflict, the more conservative numbers were generally used.

The hog industry uses "number of sows" to compare companies by size. Sows are female pigs. Each sow gives birth to about 20 piglets over the course of a year. The total number of hogs a company produces in a year can be estimated by multiplying number of sows by 20.

SMITHFIELD FOODS, INC.

200 Commerce Street Smithfield, VA 23430 Phone: (757) 365-3000



Head of Organization: Joseph W. Luter,

III, Chairman and CEO

Size Rank (2000): #1 (Largest operation

in country)

Sales (1999): \$3.8 billion # **Sows (2000):** 695,000 # **Sows (1999):** 785,000 # **Sows (1998):** 152,000 # **Sows (1997):** 120,000

Farms in NC (estimated): 1,478 total (274

company-owned, 1,204 contract)

Smithfield Foods, Inc., based in Smithfield, VA, has become a world leader in pork production by systematically acquiring hog production and processing facilities in the United State and overseas. For example, the company became the world's largest producers of hogs when it acquired Murphy Farms in 1999 for \$460 million. Today Smithfield owns 695,000 sows on industrial-sized operations in North Carolina, Virginia, Utah, Missouri, Oklahoma and Illinois. Smithfield Foods' sows give birth to an average of nearly 38,802 piglets every day making it a major producer of pigs for the market. In North Carolina, Murphy Farms, Carroll's Foods, Brown's of North Carolina and Quarter M Farms are all subsidiaries of Smithfield Foods, Inc.

In concert with its production facilities, Smithfield Foods, Inc. is also the world's largest processor of pork. In fact, the company operates the world's largest processing plant strategically located in Bladen County, North Carolina. This facility slaughters on average 28,000 hogs a day and during peak periods up to 32,000 hogs a day. The company also owns two other processing facilities in the Southeast and two in the Midwest, which gives the company a total aggregate slaughter capacity of 78,300 hogs a day. The company controls 72 percent of the slaughter capacity in the South Atlantic region.

Smithfield Foods' has succeeded in creating a network of hog producers and processors that ensures a steady supply of the best hogs available for slaughter. This strategy has resulted in record profits for the company over the past three years. For example, the company earned \$388 million in gross profits in 1998 and by 1999 gross profits increased to \$540 million.

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PREMIUM STANDARD FARMS

423 West 8th Street

Suite 200

Kansas City, Missouri 64105-1408

Phone: (816) 472-7675 Fax: (816) 843-1450

website: www.psfarms.com/

Head of Organization: John Meyer, CEO

Size Rank (2000): #2 in nation

Sales (2000):

Sows (2000): 201,000 # Sows (1999): 162,000 # Sows (1998): 105,000^a # Sows (1997): 80,000



^aPremium Standard Farms merged with Continental Grain Company's (now ContiGroup Companies, Inc.) north Missouri swine operation adding an additional 25,000 sows.

Farms in NC (estimated): 100 company-owned and contract farms

Premium Standard Farms is the second largest hog producer and processor in the United States with production operations in Missouri, North Carolina and Texas and a processing facility in Milan, Missouri. Premium Standard Farms is a newcomer to North Carolina. In June 2000, the company acquired the Lundy Packing Company, including Lundy's pork processing facility in Clinton, N.C. and its hog production operations. Premium Standard Farms also acquired Carolina Farms, which is a hog production operation located in Tarboro, N.C. and owned by ContiGroup Companies', Inc.

The facility in Clinton, N.C. processes approximately 8,000 hogs per day. The company also contracts with more than 100 growers across the region and purchases 50 percent of their hogs for slaughter from independent North Carolina hog producers.

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PRESTAGE FARMS

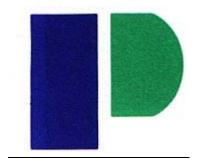
Hwy 421 South Clinton, N.C.

Phone: (910) 592-5771

President: William H. Prestage

Size Rank (2000): #4 in nation

Sales (2000 estimate): # Sows (2000): 122,000 # Sows (1999): 121,000 # Sows (1998): 125,000 # Sows (1997): 115,000 # Sows (1996): 102,200



Farms in NC (estimated): 241 total (32

company-owned, 209 contract)

Founded in 1983, Prestage Farms quickly grew into one of the largest hog producers in the country. Prestage Farms is based in Clinton, NC, and most of the company's hogs live in eastern North Carolina. In addition, Prestage is a major player in the industrial-sized turkey farming business.

Prestage also has operations in Mississippi and owns a small share of the gigantic Circle Four Farms facility in Utah.

GOLDSBORO HOG FARM

938 Millers Chapel Rd. P.O. Box 10009

Goldsboro, NC 27534-7772 Phone: (919) 778-3130 Fax: (919) 778-8111

Owner/Chair. of Board: James Louis Maxwell Jr.

Size Rank (1998): #9 in nation

Sales (1997 estimate):
Sows (2000): 70,000
Sows (1999): 66,000
Sows (1998): 64,000
Sows (1997): 60,000
Sows (1996): 54,000

Farms in NC (estimated): 158 total (24 company-owned, 134 contract)

The Goldsboro Milling Company, based in Goldsboro, NC, is the ninth largest hog producer in the United States. Goldsboro Milling is one of the few large hog producers to have all its hogs located in a single state: North Carolina.

Goldsboro Milling Company is also involved in the feed milling business and owns a number of industrial-sized turkey farms.