



Established 1990

Providing our owners with an unsurpassed strategic advantage for the new millennium.

**NASH JOHNSON**  
*& Sons' Farms, Inc.*



**AG  
PROVISION**  
LLC



**Smithfield**  
Hog Production

Ag ProVision is owned by Goldsboro Milling Company,  
Nash Johnson & Sons' Farms, Prestage Farms, and Smithfield Hog Production.



## **OUR MISSION**

*To work with our suppliers to reduce the cost of doing business with us and thereby enable suppliers to reduce our cost.*

Ag ProVision was designed to be flexible and to work with suppliers in any way to fulfill our mission statement. The organization is not a sales or profit center. All products under contract or purchased are for internal consumption only. All savings are passed on to the end-users.

## Philosophy, Values, and Commitment to Quality

*Ag ProVision will pursue strategies:*

...that **reduce the costs of doing business**, by working flexibly and creatively with reputable suppliers to pass those savings on to our owners,

...that **leverage volume purchasing** more favorably as one entity, rather than each owner negotiating separately,

...that **protect the health and safety** of its employees, its owners' employees, and the production animals that are the focus of our owners' businesses,

...that **ensure the quality** of services it provides and the products it purchases, manufactures, and distributes, as well as those marketed by our owners,

...that **maintain the integrity and ethics** in its operating standards, accounting practices, and systems,

...that **contribute to environmental sustainability**,

...that will **meet the future needs** of our ownership to continue feeding the world.



In March 1993, we began operating as a warehouse. We purchased a tractor-trailer to make weekly deliveries. We found there were many ways to utilize the warehouse to fulfill our goals, so we expanded to 20,000 square feet of insulated space and 5,000 feet of non-insulated storage in Rose Hill, NC.



In September 1993, we hired a chemist and began a liquid packaging facility for non-regulated liquid chemicals used internally.

In January 1995, we received approval of our first USDA product for use in processing plants.



In July 1996, we purchased our current facility, a 185,000 square foot distribution center and office complex in Kenansville, NC.

In December 1999, we purchased dry-packaging equipment and began transferring bulk products into packs and pails.





In May 2004, we obtained the exclusive North American production rights to Jodel heat pads for use in swine farrowing operations. These take advantage of electrical savings without the high costs of overseas shipments.



In April 2006, Titan Global was formed as a joint venture to provide cost-effective animal health supplies to the international operations of the Smithfield Foods Group. Current operations represented are: Norson Agropecuaria in Hermosillo, Mexico; CGM in Perote, Mexico; Smithfield Ferme in Timisoara, Romania; and Agri-Plus in Poznan, Poland. This group represents over 250,000 sows and is slated for more growth in the future. In 2012, contract negotiations reached in excess of \$25 million.



In April 2007, we opened a 60,000 square foot distribution center in Nevada, MO to handle the growing operations west of the Mississippi River.



With consolidation of the pharmaceutical industry, the number of pharmaceutical companies was dropping and their size was increasing. Large pharmaceutical companies were no longer interested in low profit generic medications. Small pharmaceutical companies were prevented from entering the market because of uncertain timelines and complex approval processes. The result was higher prices and shortages of needed medications.

In May, 2008 Quo Vademus, LLC was formed so we no longer would have to rely on “others” to ensure that needed products were available. First licenses purchased were water soluble medications. Manufacturing site approvals currently underway.



In August 2011, we opened our Materials Recovery Facility on-site in Kenansville, NC. This facility handles the increasing volumes of recyclable waste materials generated both internally and by our owner companies, such as cardboard, pallets, and plastic bags.



By centralizing and combining these volumes, we are able to better partner with recyclers and turn waste into revenue.

Ag ProVison has worked with over 300 suppliers and currently manages over 1,800 SKUs in 20 product lines. We operate four commercial trucks with two dry vans, two bulk tankers, a flatbed, and one straight truck, making over 30 deliveries to local owners' warehouses, feed mills, and processing plants each week.

We use LTL and/or contracted, dedicated trucks for out-of-state deliveries to over 145 locations in 21 states. Ag ProVison employs 45 associates.





The primary product lines Ag ProVision procures and distributes are animal health/veterinary products, artificial insemination supplies, cleaners and disinfectants, feed grade supplements, food ingredients for processing plants, paper products, personal protective apparel, and pest control products.



We work flexibly with suppliers to leverage the pricing of purchases more favorably than if each owner were to negotiate separately.

# Smithfield®

## Hog Production

Smithfield Hog Production, formerly Murphy-Brown, is the production side of Smithfield Foods' vertically-integrated business and is the world's largest pork producer, raising approximately 20 million market hogs annually. The company owns over 1 million sows in North and South Carolina, Virginia, Missouri, Iowa, Colorado, Utah, Texas, Illinois, Pennsylvania, South Dakota, Oklahoma, Mexico, Romania, and Poland. Murphy-Brown was founded in 2001, through the combination and acquisition of North Carolina-based Brown's of Carolina, Carroll's Foods, Murphy Farms, Utah-based Circle Four Farms, and merger with Premium Standard Farms in 2007.



Smithfield Hog Production is based in Warsaw, NC, has over 5,000 associates in 12 states and three foreign countries, and has contracts with 2,100 independent farm families.

# Smithfield®

Based in Smithfield, VA, Smithfield Foods is the world's largest pork processor and hog producer. It is owned by WH Group Limited. The company processes over 27 million hogs and raises over 16 million annually. Their collection of well-known brands includes Smithfield, John Morrell, Gwaltney, Eckrich, Farmland, and Armour, just to name a few. Since 1981, it has made some 40 acquisitions to diversify into new product segments and expand geographically with a presence in 13 countries. Smithfield employs more than 48,000 worldwide.



# Prestage Farms

Based in Clinton, NC, Prestage Farms is the nation's 5<sup>th</sup> largest pork producer and 16<sup>th</sup> largest turkey producer, raising over 850 million pounds of pork and 425 million pounds of turkey annually. Founded in 1983 by Bill Prestage, Prestage Farms has more than 2000 associates and contracts with over 450 independent farm families.



In addition to its North Carolina operations, Prestage Farms has swine production divisions in Alabama, Iowa, Mississippi, Oklahoma and Texas and founded in 1994, a turkey production in South Carolina.



Prestage Foods, a turkey processing division, was formed in 2000 through the purchase of an existing processing plant in St. Pauls, NC. After extensive plant renovation, processing began in 2002.



Prestage's turkeys produced in North Carolina are processed and marketed through this division. In 2014, over 140 million pounds were processed, making them the 16<sup>th</sup> largest turkey processor in the United States. Prestage Foods employs over 330 associates.



Announced for groundbreaking in the summer of 2016 is the latest addition to the Prestage Farms family of companies, Prestage Foods of Iowa. Pending finalization of state approvals, Prestage intends to build a 650,000 square foot pork processing facility in Mason City, Iowa. This one shift plant will employ as many as 1,000 associates with plans to be operational in mid-2018.



In 1916, Goldsboro Milling Company began selling horse and mule feed and corn meal in downtown Goldsboro, NC. It is now a 5<sup>th</sup> generation family-owned and operated organization.

An integrated turkey company, they decided to diversify their operations and began swine production in 1989. By 2015, the swine division, Maxwell Foods, has grown to the 11<sup>th</sup> largest pork producer in the nation with over 95,000 sows. Goldsboro Milling Company is consistently listed as one of the largest privately held companies in North Carolina.



In 1985, two of North Carolina's leading family-owned businesses, Maxwell Farms (Goldsboro Milling Company) and Carroll's Foods (now part of Smithfield), together formed Carolina Turkey. In 2006, Carolina Turkey purchased the refrigerated meats division of ConAgra Foods, and changed its name to Butterball, LLC, becoming the largest turkey producer and processor in the U.S. In 2010, Goldsboro Milling Company bought out Smithfield's ownership and established a new partnership in Butterball with Seaboard Foods.



Butterball operates 7 plants in North Carolina, Arkansas, Illinois, and Missouri, and is an industry leader in food safety technology and new product development. Based in Garner, NC, its fully-integrated operation combines diagnostic labs, research and breeder farms, hatcheries, growing farms, and feed mills. More than 1.3 billion pounds of turkey are processed annually for distribution worldwide. Butterball is the largest turkey company in the U.S. and it employs 6,000 associates at its production facilities and in nationwide sales.

# NASH JOHNSON & Sons' Farms, Inc.

In 1955, Nash Johnson and his sons built their first feed mill in Rose Hill, NC.

With surplus capacity from the mill, the family expanded into the broiler business, which included a hatchery and grow-out operation. A few years later, the Johnsons acquired part ownership of both Rose Hill Poultry, a chicken processing plant, as well as a turkey processing plant in Raeford, NC, thus vertically integrating themselves in the poultry industry. In 2013, the Johnsons exited the turkey business.

# HOUSE OF RAEFORD



By 1974, House of Raeford Farms, Inc. was established under the Johnsons' sole leadership. Broiler production expanded in 1998 when House of Raeford purchased Columbia Farms of South Carolina, and again in 2000, when they purchased facilities in Arcadia, LA.



Today, their fully integrated facilities cover many aspects of the poultry industry, from specialized breeding to production of raw, processed, and fully-cooked chickens for retail and food service customers.

House of Raeford now has 8 facilities in North and South Carolina, Georgia, and Louisiana, processing over 1.2 billion pounds of poultry annually – making it the 8<sup>th</sup> largest broiler company in the U.S.

House of Raeford employs approximately 6,500 associates. The company is aggressively postured and growing toward its goal of \$1 billion in annual sales.

## Ag ProVision's Owners & Affiliates Represent:



1.3 million sows  
26 million market hogs  
6.8 billion pounds of pork  
27% of U.S. pork production



190 million broilers  
1.1 billion pounds of chicken



100 million turkeys  
1.4 billion pounds of turkey  
25% of U.S. turkey production



72,550 direct employees



450 million bushels of corn

