



Investor Relations | Smithfield Foods USA, Global Food Company

# Smithfield Foods to Purchase Dry Sausage Facility from Cargill

*Expands Capacity in Fast-Growing Category*

SMITHFIELD, Va., June 6, 2024 /PRNewswire/ -- Smithfield Foods, an American food company with a leading position in packaged meats and fresh pork products, has entered into a definitive agreement to purchase a premier dry sausage production facility in Nashville, Tennessee, from Cargill. The transaction will fuel Smithfield's strategy of continued growth in the value-added packaged meats segment, enhancing its ability to serve growing demand for high-quality pepperoni, deli, charcuterie and other dry sausage products.

This transaction is a testament to our continued focus on growing our packaged meats business.

The terms of the agreement were not disclosed. The transaction is expected to close by the end of July 2024 and is subject to customary closing conditions.

"This transaction is a testament to our continued focus on growing our packaged meats business by staying ahead of and delivering on our customers' preferences. Dry sausage is one of our fastest-growing categories, and acquiring this facility from

Cargill will better position us to improve sales, drive volume and increase our capacity to bring high-quality dry sausage products to the foodservice, industrial and retail sectors," said Steve France, president of packaged meats for Smithfield Foods. "We look forward to serving this facility's existing customers and welcoming a new group of team members to Smithfield Foods," France added.

Production from the Nashville facility will support Smithfield's existing portfolio of dry sausage brands, including Margherita, Carando and Armour, adding dry sausage production capacity of 50 million pounds per year. The U.S. retail/deli dry sausage segment is projected to grow from \$4.7 billion in 2023 to \$6.9 by 2030. In the foodservice segment, 65% of pizzeria operators expect gross annual sales to be up over the next 12 months, with 44% expecting sales to be up 5% or more.

Smithfield will make formal offers of employment to the approximately 160 active Cargill Nashville employees for the same positions they currently hold, with no changes to their current base pay, and provide a benefits package that includes comprehensive medical coverage, a free-tuition program and other benefits.

## About Smithfield Foods, Inc.

Headquartered in Smithfield, Virginia, since 1936, [Smithfield Foods, Inc.](#) is a U.S. food company that employs more than 54,000 people in seven countries and partners with thousands of American farmers. As one of the world's leading vertically integrated protein companies, we are dedicated to producing "Good food.

Responsibly.®" to feed a growing world population. We believe in the power of protein to end food insecurity and have donated hundreds of millions of food servings to food banks, disaster relief efforts and community outreach programs in all 50 U.S. states. Smithfield boasts a portfolio of high-quality iconic [brands](#), such as Smithfield®, Eckrich®, Gwaltney® and Nathan's Famous®, among many others. For more information, visit [www.smithfieldfoods.com](http://www.smithfieldfoods.com) and connect with us on [Facebook](#), [X](#), formerly known as Twitter, [LinkedIn](#), [Instagram](#) and [Threads](#).

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