

MEDIA CONTACT:

Amanda Frasca Howard/Merrell (919) 844-2746 afrasca@howardmerrell.com

Case Farms Statement in Response to ProPublica/New Yorker Article

TROUTMAN, N.C. – **May 1, 2017** – We are aware of the recent article published by *ProPublica* and *The New Yorker* and disagree with the negative characterization of our company. The statements and allegations relating to our hiring practices, treatment of employees, safety concerns and animal welfare, are false and misleading. The article also omits many contrary facts and mixes industry issues which causes some confusion.

Case Farms is committed to implementing our core values every day. As we have grown in size, we still adhere to the same hometown values of honesty, accountability, trust and success, that were established decades ago.

Employees

We are grateful to have such hard-working, dedicated and loyal employees as the backbone of our company. We strive to create a work culture in which our employees feel valued. Appreciation events, award ceremonies, incentive programs, round-table discussions, Family Day and college scholarship opportunities are just a few ways we show our appreciation towards our employees. We believe if we treat our employees with respect and dignity, and listen and correct their concerns and issues, we will continue to be successful.

Though we have employed workers who have moved to Ohio from outside the state, we do not offer company housing to our employees.

Case Farms has not terminated any workers, or injured workers, who protested vocally, or otherwise, for better pay, benefits or working conditions. Our legal system provides protection for employees who take legally protected and concerted action. We have always respected and protected those rights.

However, our company policy has been, and continues to be, to take reasonable steps to evaluate the situation when presented evidence questioning the immigration status of one of our employees. What actions we take depend on the facts and the nature of what we have learned and from whom. While we focus on taking a measured approach to reviewing these types of situations, we also have legal obligations that we take very



seriously. If an individual admits that they are in the country illegally, or the evidence proves that the individual is not who they say they are, we take appropriate action in order to be in compliance with our country's immigration laws.

Worker Safety

Worker safety is an integral component of the culture at Case Farms. While we do not agree with the characterization of our company by the former director of OSHA, we do acknowledge the mistakes we have made and are currently in negotiations to resolve the outstanding citations for all our Ohio facilities. We endure the same safety challenges that face all employers within the poultry and meat processing industry, and we have renewed our commitment to focus significant resources towards addressing all safety concerns. This includes investing in ProcessMAP's integrated health and safety software to aid in reporting within OSHA's workplace safety standards. Furthermore, we've invested in Alchemy software for improved safety training in many areas throughout our plants and necessary documentation for OSHA on all employee training.

Additionally, to protect our employees and ensure a safe work environment, we have revised our corporate safety structure and procedures, improved our compliance reporting, revised and added new training/retraining methods for our employees and added quarterly detailed safety audits of all facilities. Our goal in this ongoing process is to ensure that our company becomes an industry leader in worker safety.

It is important to note that while we have room for improvement, our <u>commitment to</u> <u>worker safety</u> has not gone unnoticed within the <u>poultry and meat processing industry</u>. Several of our operations have received multiple safety awards from the American Meat Institute as well as the Poultry Industry Health and Safety Council. Furthermore, our corporate wide TRIR (total recordable incident rate) and DART (days away, restrictions and transfers rate) over that last four years are lower than the rates released by the Department of Labor for both the poultry industry, and separately, for the food manufacturing industry.

If and when an employee is injured on the job, we follow worker's compensation protocol as outlined in North Carolina and Ohio Department of Labor laws, including providing fair compensation for every legitimate injury that takes place within our facilities.

Salaries and Benefits

All of our employees are awarded a comprehensive benefits package, competitive wages and opportunities to grow their careers within Case Farms. For instance, in 2016, our catchers made on average \$65,000 per year.



We hire employees at starting wages that are above minimum wage. In this time of declining or the absence of benefits by many employers, we offer health, dental and vision insurance as well as a 401K matching program.

Hiring Practices

Case Farms chooses associates not just as employees in the business, but as members of our team. Our team members come from diverse backgrounds and experiences, working together to satisfy our customers' needs with the best and consistent quality chicken.

We maintain and administer policies and practices that ensure our compliance with federal, state and local employment laws including The Immigration Reform and Control Act of 1986. In compliance with these policies and as a condition of employment, each applicant must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. We also verify the identity and employment eligibility of all persons hired to work in the United States using E-Verify's photo screening tool to confirm identification with the U.S. Citizenship and Immigration Services data bank.

Third-Party Contractors

Like most in our industry, hiring third-party contractors is an essential part of running a successful poultry operation. We want experts conducting the work that needs specific knowledge and training. While we don't monitor who our contractors hire, we do lean on the expertise, knowledge and skills they bring to our company to fulfill the day-to-day responsibilities within our facilities.

It is unfortunate when injuries occur to contractors while they are working in our facilities. We were saddened by what happened to Osiel Perez, who was employed by Cal-Clean, one of our contractors. Cal-Clean is not affiliated with Case Farms.

Union

Though implied in the article, Case Farms is not an anti-Union company. Case Farms has a working relationship with a union since March 2012 when Case Farms purchased the assets of Park Farms in Canton, Ohio. The Case Farms Canton processing plant is governed by an agreement with the union through March 2018.

Animal Welfare

Our employees and growers share a committed responsibility to ensure the well-being and humane handling of all animals in our care. Our poultry welfare officers and company veterinarians have developed a program of daily practices and procedures that enable us to properly train and monitor employees in all areas throughout the life span of the chickens.



These procedures are based on guidelines provided by the National Chicken Council and the <u>American Humane Certified program</u>. Under both of these programs, company practices are examined for attention to factors that impact the planned health of chicken flocks. Our programs focus on topics such as carefully formulated feed, access to an ample supply of clean water, adequate room to grow, proper growing conditions, professional veterinary attention and proper handling. These are only a few of the factors we evaluate in conjunction with these programs.

In addition, all Case Farms plants are continuously audited by outside third parties whose reports include a review of our animal welfare programs. We will continue to make it our responsibility to promote humane treatment through training and reinforcement of company and industry standards.

###

NOTE: To show its transparency, Case Farms provided the article's author tours of both Ohio facilities and interviews with senior management, along with ongoing access to management for numerous conversations throughout the investigation.