

COVER STORY | CASE FARMS



# Time to **shine**

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Kevin Phillips (left to right), Mike Pópowycz, Sammy Caudle, Jeff Middleton, Chester Hawk and Charles Rigdon represent Case Farms corporate management and Ohio Division, and stand in front of one of the Canton, Ohio, processing facility's automated deboning lines.

After a blitz of capital investments leading into its 30th anniversary in 2016, Case Farms now turns its efforts toward fully maximizing its potential.

**BY ANDY HANACEK**  
*editor-in-chief*

**I**n a cyclical business such as poultry production, it's difficult to be on top and stay on top. For Thomas Shelton, who founded Case Farms in 1986 after decades of poultry industry experience, success never meant having to be the biggest company out there.

"I've always said that I don't want to be the biggest; I just want to be the best managed, best run chicken company in America," he says. For 31 years, Shelton has watched Case Farms grow from two employees (counting himself) and zero plants to approximately 3,200 employees, four processing plants, one further-processing plant, three feed mills and four hatcheries in Ohio and North Carolina today.

From Day One, Shelton has acquired plants with fixable issues, put the right people in place, invested in transforming those businesses and then reinvested the success right back into the operations, where employees can see improvements and benefit from them.

"[Success] is about people, and that's nothing that's new," he explains. "Certainly, I learned a lot of the value of good people when I was at Perdue, and we try to do the same thing. We try to take care of our people, in order to minimize turnover, especially in our management group."

With the right employees in place, Case Farms has been able to execute against Shelton's other top path to success: exemplary customer service and care.

"I've always said to give customers the best service and quality possible and that builds customer loyalty," he says. "You might not get any more for your product but if the customer has to decide whom they buy from, they may choose you over somebody else who may not be giving them the service and quality you can give them."

That strategy has worked wonders for Case Farms, and as customers have remained loyal and expanded their demands for more capacity and new products, Case Farms itself has been able to invest more in its own operations.

"One of the things that we have done is that we plow the profits back in the business," Shelton says. "We're a no-nonsense kind of business and have continued to reinvest most of our earnings."

As automation technology has ramped up to assist poultry processors over the years, Case Farms has been eager to invest in those advancements. In March 2012, the company acquired the Canton, Ohio, processing plant from Park Farms, and has since upgraded nearly every piece of equipment in the facility to create more capacity and be more efficient.

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Case Farms finished installation of its automated breast deboning equipment in the Canton processing plant in late 2016.

### Setting up for success

The Canton processing plant represents a fine microcosm of the extremely busy stretch of time for the poultry processor. Aside from the major facility upgrades at Canton mentioned above, Case Farms has invested serious capital throughout its vertical supply chain. The goal at the Canton plant from the start, explains Mike Popowycz, Case Farms vice chairman and CFO, was to reach 1.344 million birds processed within five to six years. At the time of purchase, Chester Hawk, who worked for Park Farms and is now the maintenance manager under Case Farms, says the plant was processing closer to 200,000 birds. Shortly after the acquisition, Case Farms added a second shift to the plant, and the renovations began.

“In 2012, we upgraded to the latest and greatest evisceration equipment with one line; in 2013, we added a second evisceration line, all new chilling equipment, all new kill equipment — the whole front end of the plant,” Hawk states. “Then we put in all new equipment on the back end of the plant

— started with one cut-up line and debone [and now we have] four cut-up lines and debone, plus the capacity for trussed WOGs, deli WOGs, debone sizing. And the last project [finished in November 2016] was the automatic deboning equipment.”

At presstime, Case Farms expected to reach its goal in the first two months of 2018. According to Kevin Phillips, president and COO, the Canton complex practically doubled its capacity to debone overnight, and the sales team is still filling that capacity — but the upgrades also allow for more versatility in product offerings.

“The reason for the growth here is the segment of business: the fast food, small bird,” he says. “If you look at the industry over the last 10 to 12 years, big birds have grown a lot, and we’ve got three plants — Winesburg and two in North Carolina — that are big-bird plants.”

Jeff Middleton, plant manager, expands on Phillips’ comment, stating that the new technology gives a measure of flexibility that is a bit unique in this segment.

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“Most small-bird plants either do deboning well and run something else, or they run fast food [only],” Middleton says. “We have the whole gamut here, where we can run fast food, debone, truss, and offer the whole picture of products for small birds, which allows us to really take care of all our customers’ needs.”

Beyond Canton, Case Farms has been just as busy, the company reports. Both the Canton hatchery and Massillon, Ohio, feed mill that were visited by *The National Provisioner* for this story have undergone significant expansions and/or renovations recently to help Canton reach its production goals. The Winesburg, Ohio, plant — Shelton’s first acquisition 31 years ago — has seen its own fair share of upgrades, including construction and startup of a brand new, state-of-the-art, rendering facility on site that will bring added value to Case Farms’ processing waste stream.

Meanwhile, both the Canton and Winesburg plants have benefited



In the above photo, Andy Hanacek (left), editor-in-chief of *The National Provisioner*, gets a tour of Case Farms' Massillon, Ohio, feed mill from Josh Carney (center), feed mill manager, and Tom David (right), live operations manager. In the photo on the right, Allen Hypes, breeder/hatchery operations manager, walks Hanacek through the hatchery process and improvements at Case Farms' Canton hatchery.



from a food lab constructed in Canton in 2014 to handle safety and quality testing that had previously been sent to a third-party testing facility.

### Shifting into overdrive

With Canton's upgrade blitz finally finished within the last year, Popowycz says the plan is to shift gears and have operations take the company to the next level.

"Over the last four or five years, all we've done is grow — we've constantly had projects and plans — and it's awful hard to try and be efficient," he says. "We've invested a lot of fixed dollars, and I think over the next couple of years, our goal is get these operations as efficient as possible. ... The investments have been made; we now need to pay it back."

Shelton adds that the company remains interested in any technology that can help its workforce, either by making their jobs easier or allowing them to move to higher-quality jobs within plants.

"We are always looking for new technology that will reduce the labor requirements for the plant — it doesn't put people out of work, but it might fill some troublesome spots," he says. Additionally, Case Farms isn't shedding its opportunistic drive and will keep its eyes peeled for any obvious chances to grow.

"[If a customer says], 'I need some additional product but I want it in a different format or form,' and that will require some capital investment on our part, we're willing to grow with the customer's needs," Shelton says. Popowycz, who was among the first half-dozen or so Case Farms employees hired three decades ago, knows that growth is always on the docket with the company.

"We've grown a lot in 30 years, and [Shelton's] goal for this company is to continue to grow," he concludes. "We believe we've got the management team and plan to do that for the next 10 to 15 years." **NP**