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Big pig

Smithfield Packing wants to grow amid concern that problems for farmers, workers and the environment will grow with it

By Lisa Sorg

When a farmer raises pigs for market, bigger doesn't necessarily mean better. A gargantuan hog costs more to slaughter, and the carcass is hard to manage on the assembly line. Ultimately, its unwieldy size doesn't justify the expense.

Smithfield Packing, the world's largest hog processor, is big and getting bigger. Not only does it control much of the state's hog industry, but it throws around enormous political weight, doling out thousands of dollars in campaign contributions to state lawmakers and high-ranking administration officials including Gov. Mike Easley, Attorney General Roy Cooper and Agriculture Commissioner Steve Troxler.

This spring is a pivotal season for Smithfield, as it tries to expand its market reach and command of the state's hog industry. The only hurdles left are state and federal officials, who will announce key rulings on the company's expansion:

- Smithfield already kills 176,000 hogs each week at its operation in the Bladen County town of Tar Heel, the largest meat processing plant on the planet. As part of a proposed wastewater discharge permit, Smithfield is asking the Department of Environmental and Natural Resources to increase that number to 195,000. The company is also requesting that DENR remove limits on the amount of groundwater it withdraws from the aquifer and allow it to buy hogs from farms with antiquated lagoons. DENR is expected to rule on the permit later this spring.
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- The company, which reports annual revenue of \$11 billion, is asking the U.S. Department of Justice to green-light its acquisition of Premium Standard Farms, the nation's No. 2 pork processor. If approved, Smithfield would control between 75 and 90 percent of the state's hogs, shrinking the number of options for farmers. The Justice Department could rule on the acquisition as early as this week.
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- The legislature is considering several bills that would extend or make permanent a ban on new hog lagoons, and would allocate money for new technologies to manage the cesspools pockmarking the state's landscape.
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- And finally, beset by labor problems, including an increase in worker injuries and raids by federal immigration officials, Smithfield continues to be at odds with a union that is trying to organize the largely Hispanic and African-American employees.
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At stake in all these issues are North Carolina's environment, economy and workforce. In question is how the state will manage Smithfield, a company whose size may make it unmanageable.



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