

# Smithfield Foods pressed to sell divisions separately

Smithfield Foods recently announced that it agreed to be bought by Shuanghui International Holdings for \$4.72 (without debt) billion, but the company is now being pressed to split up and sell its divisions instead.



This comes as Starboard Value, one of Smithfield's biggest shareholders has urged the company to rethink the sale. The shareholder had sent a letter to the Smithfield board stating that it would reap more benefits to shareholders if the firm's various divisions are broken up instead and sold off individually, and saying that the value of the firm is actually somewhere between \$9 billion and \$10.8 billion.

Starboard also stated that it is prepared to find buyers for the individual units. This could mean that it would be sold between \$44 to \$55 a share, instead of Shuanghui International's agreement of \$34 share.

Smithfield is one of the largest pork producers in the US, while Shuanghui International Holdings Ltd is China's biggest meat processor. Starboard has a 5.7% share in Smithfield Foods.

**For more on the sale read:**

**[Shuanghui International acquires Smithfield Foods](#)**

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