

US: Smithfield acquisition raises concerns

National Farmers Union (NFU) president Roger Johnson issued a statement following the US Senate Committee on Agriculture, Nutrition and Forestry's hearing regarding the proposed purchase of Smithfield Foods by Shuanghui Holdings International, the largest acquisition of an American company by a Chinese company in history.



Statement: “It is clear after today’s hearing that many concerns remain about the proposed sale of Smithfield Foods to Shuanghui. The members of the Senate Agriculture Committee raised many valid points that call into question the benefits to American consumers and pork producers that Smithfield claims will result from its buyout.”

Smithfield already controls 15 percent of domestic pork production and 26 percent of pork processing. It is already the dominant player in the market. If this acquisition is finalized, other American companies won’t just be competing against Smithfield – they’ll be competing with the Chinese government. The state-owned bank that finances Shuanghui, close connections between Shuanghui management and government officials, and the history of benefits provided to Chinese enterprises by their government indicate that a Chinese-owned Smithfield will continue to further dominate the market.

Technologies and genetics developed in the United States – often funded by taxpayer dollars – and used by Smithfield will now be made freely available to our Chinese competitors. Given the already low production costs in China, these improvements will only help to allow Chinese interests to undercut U.S. pork export markets.

Further dealings with the Smithfield acquisition must be scrutinized to the utmost level. Our nation’s food security, economic power, competitive agricultural market, and technological advantages are threatened by this and future cross-border purchases of major agricultural companies.”

Source: [NFU](#)

by Pig Progress Jul 18, 2013