Smithfield HPD
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Learnings from Hurricane Florence
Smithfield Hog Production – Eastern Operations
•  NC, SC & VA
•  550,000 sows
•  1,650 contract farms and 300 company farms
•  8 feed mills with weekly production of 85,000 tons per week
•  2,500 employees
•  Weekly production of 210,000 market hogs per week – 3 kill plants
•  Not a stranger to hurricanes tropical storms
Hurricane Florence 9/14/18

- This one looked different
- Projected as cat 4 – 131 MPH
- Looked like the worst direct hit!
Actual Path – Intensity weakened as it approached (Great news)
It slowed down (bad news)
Generally speaking, it could have been much worse

Florence Impacts
• 20” to 40” of rain
• 12 hours of hurricane force winds
• 24 more hours or more of tropical storm winds
• Massive flooding
• Downed trees
• Wash out roads
• Flooded REGIONS
• Major interstates closed
• Power outages up to 2 weeks post storm

Generally speaking, it could have been much worse
Post storm challenge – feeding 6M hogs & pigs
- Employee accessibility & safety
- Employee focus (flooded damaged homes with no power)
- Farm accessibility; road closures; long detour routes
- Power outages, limited cell service and no computer systems
- Limited communication with contract growers
- Disrupted ingredient supplies
- FSMA and farmer relationships (flooded grain)

Here’s what we did and what we learned....
We developed an app that enabled more effective logistics...

- Very similar to Waze app; adjusted for floods instead of traffic
- Tapped into NCDOT and SCDOT for road closures
- Tapped into NOAA for historic flood plain information; for projections
- Easy input from users to allow for updates
- We shared the app with a wide audience
  - Employees
  - Contract growers
  - Suppliers/logistics
  - Procurement
  - Feed delivery
  - Local government branches
Smithfield HPD-Hurricane Florence Event Collection

Use this form to submit events caused by Hurricane Florence. Please fill out relevant information; fields can be left blank.

1. Enter Information

- Event Type: Select
- Event Location: Tar Heel Ferry Rd
- Event Details: One lane washout
- Submitter Name: John Doe
- Submitter Phone: 919-293-4634
- Event Description:

Example: Farm path under water / roof destroyed
- Event Date: 9/22/2018, 10:01 AM
- Event Time: 9/23/2018, 8:59 AM
- Attachments: image.jpg

Edited by swine-tech on 9/23/18 at 8:59 AM
We sourced ingredients from two directions (North & South)

• Before the storm, we became less price sensitive and contracted with more suppliers
• SBM, fat, amino acids, whey, salt
• We tried to fill our feed mills with added ingredient supplies; here we learned something*
What we learned....

Ingredient outages

- We ran out of a few ingredients at feed mills;
- all of which were turned away before the storm
- Mill reluctance; willing to gamble (bagged vs bulk)
  - *If we brought it, eventually they would have to use it*
  - *We should have agreed to return it after the storm*
  - *Maybe temps to do the lifting*
What we learned....

Generators for mills & offices
• Some generators didn’t work; needed better maintenance and pre-storm testing
  • Make all locations ready for a portable generator; plug and play
  • High quality portable generators are available; service techs and replacement parts aren’t
What we learned....

Price Gouging

• It happens post crisis; “the pigs have to pay for everything”
  • Bulk purchases of certain materials; available to growers for fair prices
  • ABC rock
  • Sheet metal
  • Other repair items
What we learned....

Our employees

• We need our employees able to focus on our crisis; family home with no power

• Post storm generator program to help for the next storm
  • Payroll deducted over 9 months
  • Offered to all employees & contract growers; no real cost to us
  • We used our size and buying power to purchase high quality generators
  • 10Kw Generators for under $600
  • 25% lower cost than best retail prices
  • We will have more employees at work when the next storm hits
Questions??