

Congress of the United States
Washington, DC 20515

June 21, 2013

President Barack Obama
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C.20500

Dear Mr. President:

On May 29, 2013 Smithfield Foods, Inc. and Shuanghui International Holdings Limited announced that they have entered into a definitive merger agreement. Smithfield Foods is a \$13 billion U.S. company and the world's largest pork processor and hog producer. It controls 26% of pork processing in the U.S. and 15% of hog production. Shuanghui International and its subsidiaries are the majority shareholders of China's largest meat processing enterprise, which is publically traded as Henan Shuanghui Investment & Development on the Shenzhen Stock Exchange.

This transaction, if approved, will be the largest acquisition to date of a U.S. corporation by a Chinese enterprise. One issue of particular concern surrounding this transaction is the food safety violations committed on the part of Shuanghui and the potential for those violations to carry over to the United States.

In 2011, a chemical harmful to humans, clenbuterol, was discovered to be fed to livestock at sixteen Chinese pig farms and in 134 tons of pork products, including Shuanghui controlled farms. China has acknowledged 18 outbreaks of food-related clenbuterol poisoning between 1998 and 2007, according to a report on the Shanghai Food Safety website.

Further, in March 2011 reports surfaced in Chinese social media showing raw pork that glowed iridescent blue when the lights were off. The Shanghai Health Supervision Department said that the pork had been contaminated by phosphorescent bacteria. Finally in March 2013, thousands of dead pigs were found floating in the Huangpu River, which flows through the city of Shanghai. At least 12,600 pigs had been fished out. The New York Times reported that suspicions were growing that a crackdown by police on the sale of pigs that have died from disease but are being illegally sold into the human food supply may have contributed to the problem.

As you know, small farm collectivism is still very much present as a remnant of post revolutionary China and makes the regulation and tracking of pork origin and supply in that country especially uncertain.

Additionally, there are concerns regarding food supply in the United States. Not only is Shuanghui expected to increase its exports to China from the plant in Smithfield, Virginia, but eight states – Iowa, Nebraska, Minnesota, Missouri, North Dakota, Oklahoma, South Dakota and Wisconsin – have laws barring foreign ownership of agricultural land. While the fate of these companies has yet to be determined, we cannot ignore the possibility of U.S. food supply being greatly diminished should these plants close.

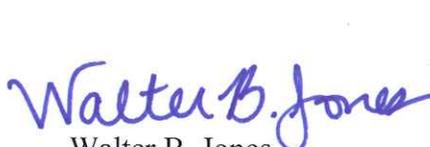
Due to these concerns, we believe that it is imperative that any review and subsequent investigation include a strong emphasis on the food safety and food supply implications of this merger.

Currently, the Committee on Foreign Investment in the United States (CFIUS) does not include the Secretary of the Department of Agriculture. However, it is the U.S. Department of Agriculture that has jurisdiction over food safety and inspection within the United States, as well as foreign market access to U.S. products.

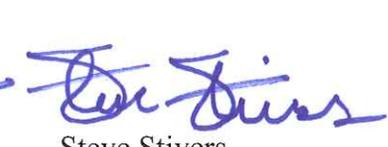
Congress purposefully chose not to specifically define what qualifies as an issue of ‘national security’ under the Foreign Investment and National Security Act, knowing that the term would naturally evolve over time. Additionally, current law provides you with the authority to appoint the heads of any other executive department, agency, or office, as you determine to be appropriate, to CFIUS.

While food safety and food supply may not have been traditionally seen as an issue of national security, we believe that such issues represent a critical infrastructure of the United States and as such, must be viewed through the lens of a national security concern. For these reasons, we request that you appoint the Agriculture Secretary as a member of the Committee on Foreign Investment in the United States, in order to provide the expertise required to review transactions that impact the safety and supply of food here in America. Thank you for your consideration of this request and we look forward to hearing from you.

Sincerely,


Walter B. Jones
Member of Congress


Dennis Ross
Member of Congress


Steve Stivers
Member of Congress