



200 Commerce Street
Smithfield, VA 23430

**Committee Testimony on H Sub for SB 9
March 18, 2025**

Chair Warren and Members of the Committee:

Thank you for giving me the opportunity to speak with you today and share Smithfield Foods' perspective on H Sub for SB 9. I am Stephen Kouba, government relations manager with Smithfield. Smithfield Foods is opposed to the legislation as currently written.

Smithfield Foods is an American food company with leading positions in packaged meats and fresh pork products. We employ 34,000 team members across 23 states in 39 facilities. We partner with over 1,900 contract growers and operate 400 company owned farms across the U.S.

In Kansas, we employ 1,000 team members in two facilities located in Wichita, where we make boneless ham, smoked sausage and lunchmeat, and Junction City, where we make smoked sausage. We contribute approximately \$1.6 million in state and local taxes. Our hog production team has also invested in land to build a boar genetics facility in Rooks County. Other than that single farm, we do not maintain any other agricultural land in the State of Kansas.

Smithfield Foods is a publicly traded company listed on the Nasdaq Stock Market. Our management team is based in Smithfield, Virginia where our headquarters have been located since our founding in 1936. The 2013 acquisition of Smithfield was reviewed by the U.S. Treasury Department's Committee on Foreign Investment in the United States (CFIUS). CFIUS did not identify any concerns with the transaction.

Our majority investor is WH Group, a publicly traded company based in Hong Kong with shares listed on the Hong Kong Stock Exchange and investors from around the world, including many in the United States. WH Group is not a Chinese state-owned enterprise and does not undertake any commercial activities on behalf of the Chinese government.

The proposed bill's underlying text has gone through many changes over the last year, and I appreciate the House Majority Leader's willingness to listen to our concerns over that time. The inclusion of a grandfathering provision is a helpful change. However, ultimately, this legislation will severely restrict Smithfield Foods' ability to invest in the Kansas going forward. As written, we would be restricted from acquiring any real property for any reason.

We believe the issue of foreign investment and its relationship to national security is a power best exercised by the federal government. In February 2025, President Trump signed a National Security Presidential Memorandum (NSPM) to strengthen CFIUS review and enforcement powers. We support these changes as well as the recent addition of the Secretary of Agriculture to the CFIUS review board. Individual state efforts to restrict investment create a patchwork of laws that create uncertainty and confusion.



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Smithfield is an American company that, over the last 10 years since being acquired by WH Group, has made billions of dollars in investment in our U.S. production platform and hundreds of millions of dollars of investment in the communities where we operate.

We respectfully request an amendment to the legislation that would allow Smithfield to continue to invest in Kansas, our communities and our company. We have worked with the Kansas Livestock Association to submit several amendment options based on our prior CFIUS review or our publicly traded status, and we are grateful for the chance to discuss those with you. While we are opposed to the legislation, as written we look forward to continued conversations with the conference committee and bill sponsors.

I am happy to answer any questions and again appreciate the opportunity to address the committee today.

Respectfully Submitted,

Stephen Kouba
Government Relations Manager
Smithfield Foods