Ettinger was CEO of a company that built new facilities in China, creating jobs there. At the same time, the company closed multiple U.S. plants, including one here in the district. On his decision to invest in China, Ettinger said, quote "we really thought that to be successful in that marketplace, we needed to have an in-country presence."

## In 2008, Hormel opened a facility in China:

*Editor's Note:* Ettinger <u>retired</u> as CEO of Hormel Foods in October 2016 and as chairman of the board in late 2017.

- Ettinger was hired as an attorney at Hormel Foods in 1989 and received a series of promotions at the company in the following years. "Jeffrey Ettinger's resume President and chief executive of Hormel's Jennie-O Turkey Store division since 2003 Hormel treasurer, 1998-99 Product manager of Hormel chili, 1995-97 Hormel attorney, 1989-95." (Thomas Lee, "The head of the table at Hormel; Ettinger plans a long stay as company's CEO," Star Tribune, 6/30/04)
- In June 2004, Ettinger was named President of Hormel and was promoted to Chairman of the Board, President, and CEO in 2006.

Jeffrey M. Ettinger	48	Chairman of the Board, President and Chief Executive Officer	11/21/06 to Present
		President and Chief Executive Officer	01/01/06 to 11/20/06
		President and Chief Operating Officer	06/28/04 to 12/31/05
		Group Vice President/President and Chief Executive Officer Jennie-O Turkey Store	03/03/03 to 06/27/04
		Group Vice President/President and Chief Operating Officer Jennie-O Turkey Store	10/29/01 to 03/02/03

(Hormel Foods Corporation, "Form 10-K," U.S. Securities and Exchange Commission, 10/29/06)

- In 2008, Hormel opened a 5,000 square-foot "Idea and Innovation Center" in Shanghai devoted to "creating innovative new products for Chinese consumers." "Hormel Foods Corporation (NYSE:HRL), one of the nation's largest manufacturers and marketers of consumer-branded meat and food products, today announced that it has opened an Idea and Innovation Center in China. The new center, which opened today, is devoted to creating innovative new products for Chinese consumers. The 5,000-square-foot Idea and Innovation Center is adjoined with the Hormel Foods processing facility in the Baoshan District of Shanghai. The Center will facilitate the entire creative process, from ideation to testing and manufacturing, and includes a sensory panel room for evaluation of products as well as a fully-functional duplicated plant." ("Hormel Foods Opens Idea and Innovation Center in China," Hormel Foods, 2/28/08)
  - Ettinger said the new facility represented the "future of Hormel Foods." "This new facility represents the future of Hormel Foods, combining local expertise, a heritage of innovation and 116 years of quality,' said Jeffrey M. Ettinger, chairman of the board, president and chief executive officer, Hormel Foods." ("Hormel Foods Opens Idea and Innovation Center in China," Hormel Foods, 2/28/08)
- In 2009, Ettinger said he would like to "expand [Hormel's] footprint in China," including building a new facility or creating "further partnerships." "China, we're still seeing excellent top side growth. It has been choppier with the hog inputs, in terms of having a pork-based business in China. And so bringing home the earnings on the bottom line has been a little bit more of a challenge. Putting that aside though, we really feel in China we have great experience. We have

built a nice brand reputation. It is kind of a premium brand that is more for Western taste. And so we would like to find a way to expand our footprint in China. And we're exploring the potential of building a new facility or of creating further partnerships or of acquisitions?" ("Hormel Foods Corporation with Jeffrey Ettinger at Thomson Reuters Food and Agriculture Summit Chicago – Final," FD (Fair Disclosure) Wire, 3/16/09)

• Hormel decided to build a plant in Jiaxing due to "strong, local talent pool." "We selected Jiaxing due to its accessible location and great transportation links to key cities in the Yangtze River Delta and to all of eastern China. In addition, there is a strong, local talent pool for us to choose from when we begin operations. Moreover, we also benefit from the smooth cooperation with the local government, said Swen Neufeldt, general manager of Hormel China." ("Investment by Hormel to grow as meat demand rises," China Daily, 4/24/15)

## In 2015, Hormel announced it would build a \$350 million spam plant in China:

• In 2015, Hormel announced it would build a \$350 million SPAM plant in Jiaxing, China, and a spokesman called China "very important" to the company. "US meat processor Hormel has told GlobalMeatNews how its planned \$350 million plant in Jiaxing, Zhejiang province, will start making its SPAM processed meat for Chinese consumers by the end of 2016. According to Hormel, the plant in Jiaxing, a small city close to Shanghai where Hormel China is based, will produce a wide variety of products for retail and foodservice channels in China. It will also be the first Chinese plant to make SPAM, Hormel's high profile canned meat product line, for the mainland Chinese market. 'China is very important to Hormel Foods. This new facility, which is wholly owned by Hormel, is needed for us to support the continued growth of our business and will allow us to continue our tradition of world class innovation, quality and safety,' Swen Neufeldt, general manager at Hormel China, told GlobalMeatNews." (Wang Fangqing, "Hormel to start making SPAM in China," Food Navigator USA, 4/24/15)

## Hormel announced it would close multiple U.S. plants in 2014, leading to nearly 200 job losses:

- In January 2014, Hormel announced it would close a plant in St. James, MN employing up to 75 people and move the plant's production to Iowa. "A St. James plant that makes bacon bits for Hormel is closing May 30, putting up to 75 people out of work. Tony Downs Foods will attempt to find jobs for its St. James employees in other parts of the company, including its Madelia plant. The nearby Butterfield Foods Co. shares ownership with Tony Downs Foods, but there are union issues that are unique to each company to consider. 'We have an excellent group of people in St. James and we intend to keep their continued employment our priority,' President Mike Downs said in an email. Hormel will be moving the work to its Progressive Processing plant in Dubuque, Iowa. The St. James plant is closing because it's cheaper for Hormel to make bacon bits in a large factory with other product lines rather than pay the overhead associated with a plant that makes only bacon bits." ("Tony Downs Foods closing St. James plant," The Free Press, 1/13/14)
  - St. James, MN is located in MN's 1<sup>st</sup> Congressional District. (U.S. House of Representatives, Accessed 5/26/22)
- In November 2014, Hormel announced it would close a plant in Stockton, CA employing 110 workers, claiming it was "too expensive to run a company out here." "Hormel has been a mainstay in Stockton for decades and employees who've raised families while working there are sad to see it go. 'It's very hard, very hard. It'd be hard any time of the year,' long-time worker Laurie DeLange said. But especially just before Thanksgiving, to be told you'll soon be out of a job. 'It's

too expensive to run a company out here.' That's what the plant manager and a Hormel attorney told 110 workers, when they sat them down in the lunch room on Monday, to break the devastating news. The plant will close it's doors by Feb. 20. '(There were) a lot of tears. A lot,' DeLange said... She says employees were given severance packages but not an offer to relocate to other plants in Minnesota or Atlanta. 'It's obviously very disappointing to lose 110 employees in our city that probably depend on that company and that job so they can put food on the table,' Stockton Mayor Anthony Silva said. Food like Hormel chili and Dinty Moore beef stew, made right here in Stockton – a power house for the past 65 years in the central valley. But sales dropped by three percent, and profit by 21 percent in the fourth fiscal quarter by the end of October." (Rowena Shaddox, "Hormel Plant in Stockton Closing in February after Decades," Fox40, 11/26/14)

VIDEO: In 2013, Ettinger discussed Hormel's "excellent success" in China and the company's plans to expand its China operations. ETTINGER: "We first invested and first went in-country in China about 15 years ago. We still - we do export a number of products into China, but we really thought that to be successful in that marketplace, we needed to have an in-country presence and really kind of introduce that country to some of our western-style branded items. We've enjoyed excellent success, brick-by-brick, year-over-year, with that China venture. We exceeded \$100 million in the most recent year. And very recently, we've now been in a position to expand that through a multiple-prong strategy approach to China. We sell to the foodservice trade, we sell branded refrigerated items through the retail grocery outlets, and then very recently we've been involved in what we call 'expanding ambient,' the shelf-stable items. So introducing SPAM luncheon meat to China, and very recently through the acquisition of Skippy, we now have the leading branded item for peanut butter in the country of China as well. We announced the overall Skippy acquisition early in this year in 2013, but we said at the time it was going to be a few months before we were able to close on the China piece of it. And we're rounding into that form right now, and by the end of November here, we expect to now be operating not only the two plants in China we've operated for 15 years in Beijing and Shanghai, but also the Skippy plant up in Weifang." (Minnesota Agri-Growth Council, "Hormel CEO, Jeff Ettinger Keynote Presentation at Agri-Growth Conference," vimeo, 11/8/13)