

ONE HUNDRED THIRTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-2927
Minority (202) 225-3641

July 24, 2013

Mr. C. Larry Pope
President and Chief Executive Officer
Smithfield Foods, Inc.
200 Commerce Street
Smithfield, VA 23430

Dear Mr. Pope:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee on Energy and Commerce is investigating the unsolved case of the contamination of the U.S. supply of heparin (a blood-thinning drug administered to approximately 12 million individuals in the U.S. annually) associated with deaths and serious reactions. The contamination of the U.S. heparin supply has been linked by the FDA and other authorities to intentional adulteration during the manufacture of heparin in China.

In connection with the Committee's inquiry and the Committee's jurisdiction over public health and interstate and foreign commerce, the pending acquisition of Smithfield Foods for \$4.7 billion by Shuanghui International Holdings Ltd. raises questions related to the safety and adequacy of the U.S. heparin supply. It is our understanding that Smithfield Foods, in addition to being the largest producer of pork in the U.S., is also a major supplier of crude heparin used in the manufacturing of heparin in the United States. We are concerned over how the Shuanghui acquisition would impact Smithfield Foods heparin operations. The Committee's investigation indicates that the U.S. heparin supply is stressed, and could well be in shortage. China's heparin market is experiencing its own pressures, and Smithfield Foods under Shuanghui control may be pressured to export its crude heparin product to China instead of supplying U.S. companies. The impact of this pending acquisition on the availability of U.S. heparin is critical. Heparin is still widely used for heart surgery and dialysis patients.

The export of Smithfield Foods crude heparin to China, even if further processed and imported back to the U.S., would raise additional safety concerns. The contamination of U.S. heparin with overly sulfated chondroitin sulfate is believed to have occurred somewhere in the Chinese heparin supply chain. Because the contamination case was never adequately addressed by Chinese authorities, at least some of the bad actors responsible for the adulteration

presumably are still operating in the Chinese heparin business, and there is little deterrence against, but high economic gain for, new heparin-contamination schemes especially where there is inadequate traceability.

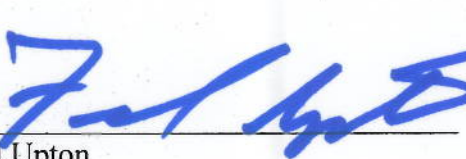
We are further troubled by the linkage of Shuanghui International Holdings to the clenbuterol scandal. Clenbuterol is a drug supplement used to increase the lean mass of animals that is banned in China, the European Union, and the U.S. In 2011, Chinese authorities found clenbuterol in pork products from Henan Shuanghui Investment & Development Co., a listed unit of Shuanghui International. Although the company apologized and said it discontinued relationships with producers using the contaminant, it should be noted that clenbuterol was found after 18 outbreaks of food-related clenbuterol poisoning during 1998-2007, and after the Chinese Agriculture Department banned the use of clenbuterol in 1997. The fact that the business practices under Shuanghui International control led to such contamination heightens our concerns of how Smithfield Foods will be able to maintain the safety of its heparin products should distribution of crude heparin be maintained in the U.S.

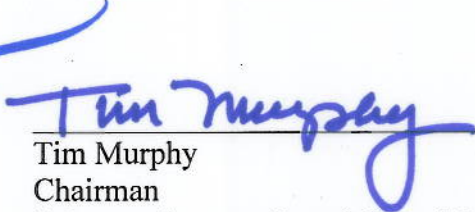
To assist our investigation, please provide the following by August 7, 2013.

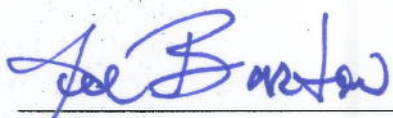
1. For each of the last three years, how many pig intestines for heparin use and crude heparin has Smithfield Foods (including any company in its corporate group) produced? Please provide breakdown by year, type of heparin product, and number of kilograms for Smithfield Foods in the aggregate, as well as by individual company.
2. List of current customers for any Smithfield Foods heparin product.
3. Does Smithfield Foods, including any of its companies, export any heparin product to China? If so, for each of the last three years, please provide breakdown by year, type of heparin product, number of kilograms, and name of Chinese customer.
4. List of names and titles of the key executives at Smithfield Foods involved in the manufacturing and marketing of heparin products (e.g., pig intestines, crude heparin).
5. Name, location, and general manager of each Smithfield facility involved in the manufacturing of crude heparin.
6. List of companies that report Smithfield Foods or any of its companies as a supplier in FDA Drug Master Files.
7. All documents dated since January 1, 2010 relating to audits of any Smithfield Foods heparin manufacturing facility.
8. All documents dated since January 1, 2010 relating to any prospectus or report relating to the heparin business of Smithfield Foods and/or any of its companies.
9. All documents relating to the impact on Smithfield Foods heparin business from the pending acquisition by Shuanghui International.

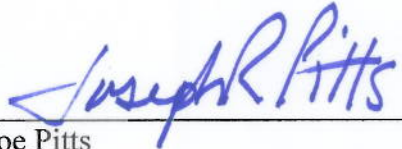
An attachment to this letter provides additional information on how to respond to the Committee's request. The term "Smithfield Foods" refers to Smithfield Foods, Inc. and any of its companies, family of brands, offices, subdivisions, entities, officials, administrators, employees, attorneys, agents, advisors, consultants, staff, or any other persons acting on behalf or under the control or direction of Smithfield Foods. If you have any questions regarding this request, please contact Alan Slobodin with the Committee staff at (202) 225-2927.

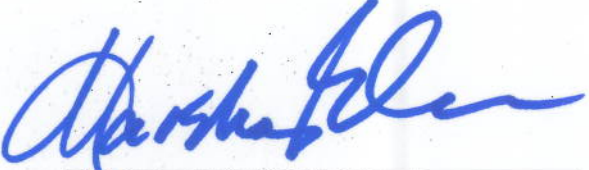
Sincerely,

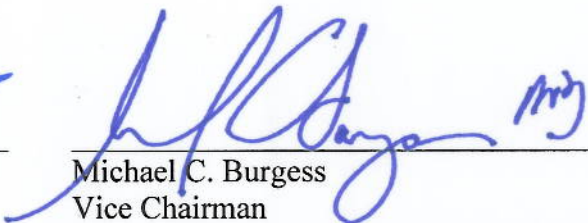

Fred Upton
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Joe Barton
Chairman Emeritus


Joe Pitts
Chairman
Subcommittee on Health


Marsha Blackburn
Vice Chairman


Michael C. Burgess
Vice Chairman
Subcommittee on Oversight and Investigations

Attachment

cc: The Honorable Henry A. Waxman, Ranking Member

The Honorable Diana DeGette, Ranking Member
Subcommittee on Oversight and Investigations

The Honorable Frank Pallone, Ranking Member
Subcommittee on Health