

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA
Department of Justice, Antitrust Division
325 Seventh Street, NW, Suite 500
Washington, DC 20530

Plaintiff,

v.

SMITHFIELD FOODS, INC
200 Commerce Street
Smithfield, Virginia 23420

Defendant.

Case Number 1:03CV00434

**DEFENDANT’S RESPONSES AND OBJECTIONS TO PLAINTIFF’S FIRST SET OF
INTERROGATORIES RELATING TO JURISDICTIONAL DISCOVERY**

Pursuant to Rule 33 of the Federal Rules of Civil Procedure, Smithfield Foods, Inc. (“SFD”) states its responses and objections to Plaintiff’s First Set of Interrogatories Relating to Jurisdictional Discovery (“Interrogatories”) as follows:

GENERAL OBJECTIONS

1. SFD objects to the Interrogatories to the extent they require information reflecting conduct or circumstances prior to January 1, 1997, or after January 31, 2001. The Department of Justice (“DOJ”) has alleged that the first cause of action accrued on June 28, 1998, and that SFD was in violation of the relevant statute from June 26, 1998, through October 1, 1998. DOJ has alleged that the second cause of action accrued on December 8, 1999, and that SFD was in violation of the relevant statute from December 8, 1999, to January 12, 2001. Therefore, Interrogatories requesting information regarding conduct or circumstances prior to January 1, 1997, or after January 31, 2001, seek information that is irrelevant and such Interrogatories are

overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence in determining whether or not SFD is amenable to jurisdiction in this district.

2. SFD objects to the Interrogatories to the extent they require information or responses regarding companies other than The Smithfield Packing Company, Incorporated (“Packing”), Gwaltney of Smithfield, Ltd. (“Gwaltney”), and the Smithfield Companies, Inc. (“Smithfield Companies”), and their subsidiaries, or SFD. DOJ has not alleged that other companies are amenable to personal jurisdiction in the District of Columbia. Therefore, to the extent an interrogatory relates to companies other than Packing, Gwaltney, Smithfield Companies and their subsidiaries or SFD, such interrogatory seeks information that is irrelevant and such interrogatory is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence in determining whether or not SFD is amenable to jurisdiction in this district. Further, SFD objects to the Interrogatories to the extent they relate to Smithfield Companies, which was acquired by SFD on July 31, 2002, after the alleged causes of action accrued and after the periods DOJ alleged SFD was in violation of the relevant statute. To the extent an interrogatory relates to the Smithfield Companies, such interrogatory seeks information that is irrelevant and is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence in determining whether or not SFD is amenable to jurisdiction in this district.

3. SFD objects to the Interrogatories to the extent they seek information regarding companies that DOJ has not alleged or asserted were involved in the events giving rise to the alleged violations of the Hart-Scott-Rodino Act.

4. SFD objects to the Interrogatories, and any implied or express instruction or direction in the Interrogatories, that impose or seeks to impose burdens greater than those imposed by the Federal Rules of Civil Procedure.

5. SFD objects to the Interrogatories to the extent they seek disclosure of information protected under the attorney-client privilege, the work-product doctrine, or any other applicable privilege or immunity.

6. SFD objects to the Interrogatories to the extent they seek disclosure of proprietary and/or confidential business information of SFD. To the extent the Interrogatories do seek such information, SFD will respond only pursuant to a Protective Order under Fed. R. Civ. P.26©).

7. SFD objects to the Interrogatories to the extent they are overly broad, unduly burdensome, or not reasonably calculated to lead to the discovery of admissible evidence.

8. SFD reserves all objections as to the competence, relevance, materiality, admissibility, or privileged status of any information provided in response to these Interrogatories, unless SFD specifically states otherwise.

9. SFD objects to the Interrogatories to the extent they seek information from former directors, officers, employees, agents, partners, representatives, and attorneys of SFD. SFD does not control such persons.

10. SFD objects to the Interrogatories to the extent they require information from companies in which SFD does not have a controlling interest.

11. SFD objects to the Interrogatories to the extent they call for information which “concerns” or “relates to” a particular topic on the ground that providing information with any relationship to a particular topic is unduly burdensome and out of proportion to the information’s

potential relevance. Without waiving any objections, SFD will use appropriate efforts to ensure all information is provided reasonably “concerning” or “relating to” a particular topic.

12. SFD’s general objections are applicable to, and included in, SFD’s specific objections and answers set forth below.

RESPONSES AND OBJECTIONS

Interrogatory 1:

Identify each Smithfield subsidiary whose products are, directly or indirectly, marketed or sold in the District of Columbia.

Response:

REDACTED

Interrogatory 2:

Identify each Smithfield subsidiary that has provided goods or services to any Smithfield subsidiary identified in your answer to Interrogatory No. 1.

Response:

REDACTED

REDACTED

Interrogatory 3:

For each Smithfield subsidiary identified in your answer to Interrogatory No. 2, describe the goods or services provided.

Response:

REDACTED

Interrogatory 4:

Describe all policies or procedures by which Smithfield subsidiaries, directly or indirectly, access funds from all debt instruments to which Smithfield is a signatory.

Response:

REDACTED

REDACTED

Interrogatory 5:

Describe all services provided by Smithfield to any Smithfield subsidiary identified in your answer to Interrogatory No. 1.

Response:

REDACTED

REDACTED

REDACTED

REDACTED

REDACTED

Interrogatory 6:

Describe every account in your financial cost accounting system that reflects the allocation of expenses incurred in connection with the provision of each service described in your answer to Interrogatory No. 5.

Response:

REDACTED

Interrogatory 7:

Describe all types of intercompany transfers from Smithfield subsidiaries to Smithfield.

Response:

REDACTED

REDACTED

REDACTED

Interrogatory 8:

Describe all accounts in your financial cost accounting system that reflect each type of intercompany transfer from Smithfield subsidiaries to Smithfield identified in your answer to Interrogatory No. 7.

Response:

REDACTED

Interrogatory 9:

Identify all persons who have been signatories on each bank account maintained in the name of any Smithfield subsidiary. Your answer should include, and separately identify, all persons with authority to direct that any payment from any such bank account be made on behalf of any such Smithfield subsidiary.

Response:

REDACTED

REDACTED

REDACTED

Interrogatory 10:

Identify all tax returns Smithfield has prepared for each subsidiary identified in your answer to Interrogatory No. 1, including federal corporate income tax returns, state income tax returns, and state property tax returns.

Response:

REDACTED

Interrogatory 11:

For each subsidiary identified in your answer to Interrogatory No. 1, describe every type of action each such subsidiary takes that requires Smithfield's approval or authorization, including a subsidiary's budget, its capital or operating expenditures, its entry into a contract or its involvement in other business transactions.

Response:

REDACTED

Interrogatory 12:

For each type of action identified in your answer to Interrogatory No. 11, identify the person at Smithfield who approves or authorizes such action.

Response:

REDACTED

Interrogatory 13:

Describe all contractual obligations incurred by each Smithfield subsidiary identified in your answer to Interrogatory No. 1 for which Smithfield is also a guarantor.

Response:

REDACTED

Interrogatory 14:

Describe any changes made in the policies, procedures or practices of any Smithfield subsidiary relating to corporate sales, marketing programs, transportation, logistics and information technology as a result of any actions by, or at the direction of, Joseph W. Luter, IV in his capacity as head of what you described in a October 19, 2001 press release as “a major new corporate initiative to invoke a closer relationship between the operating subsidiaries to maximize the available synergies within the Smithfield Foods family of companies.”

Response:

See General Objections. Further, DOJ requests information regarding conduct and events that occurred well after the alleged causes of action accrued and after the time DOJ alleged SFD was in violation of the relevant statute. Therefore, SFD further objects to this interrogatory as seeking information that is irrelevant and this interrogatory is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory 15:

Describe any changes made in the policies, procedures or practices of any Smithfield subsidiary relating to logistics as a result of any actions by, or at the direction of, Lawrence Shipp, whose appointment as Vice President, Logistics, you announced in a press released dated January 3, 2002.

Response:

See General Objections. Further, Lawrence Shipp joined SFD as Vice President of Logistics on January 3, 2002. This was well after the alleged causes of action accrued and after the time DOJ alleged SFD was in violation of the relevant statute. Therefore, SFD further objects to this interrogatory as seeking information that is irrelevant and this interrogatory is overly broad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence.

Interrogatory 16:

Describe any changes made in the policies, procedures or practices of any Smithfield subsidiary relating to logistics or information technology as a result of any actions by, or at the direction of, Mansour Zadeh, whose appointment as Chief Information Officer, you announced in a press release dated January 3, 2002.

Response:

REDACTED

Interrogatory 17:

Identify each employee of Smithfield or any Smithfield subsidiary who plays any role in the marketing or sale of products produced by each subsidiary identified in your answer to Interrogatory No. 1.

Response:

REDACTED

REDACTED

Interrogatory 18:

For each employee identified in your answer to Interrogatory No. 17, provide a brief description of each employee's day-to-day activities as they relate to sales and marketing for those subsidiaries identified in your answer to Interrogatory No. 1.

Responses:

REDACTED

Interrogatory 19:

Identify the entity(s) that paid a salary to, or otherwise provided remuneration to, each Smithfield officer and each Smithfield director during such times as such officer or director also served as an officer or director of any Smithfield subsidiary.

Response:

REDACTED

SMITHFIELD FOODS, INC.

By: “/s/”
Lisa Butler

Objections By: “/s/” Thomas G. Slater
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VERIFICATION OF INTERROGATORY ANSWERS

I, Lisa Butler, am Corporate Counsel of Smithfield Foods, Inc. I believe, based on reasonable inquiry, that the foregoing answers are true and correct to the best of my knowledge, information and belief.

I verify under penalty of perjury that the foregoing is true and correct.

Executed on June 18, 2003

“/s/”
Lisa Butler
Corporate Counsel

REDACTED

REDACTED

REDACTED

REDACTED