IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
HARRISONBURG DIVISION

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	Civil Action No. 5:11-cv-00043
	)	
v.	)	
	)	
GEORGE'S FOODS, LLC,	)	
	)	By: Glen E. Conrad
GEORGE'S FAMILY FARMS, LLC,	)	Chief United States District Judge
	)	
and	)	
	)	
GEORGE'S, INC.,	)	
	)	
Defendants.	)	

FINAL JUDGMENT

WHEREAS, Plaintiff, United States of America, filed its Complaint on May 10, 2011, and the United States and Defendants George's Foods, LLC; George's Family Farms, LLC; and George's, Inc. (collectively, "Defendants"), by their respective attorneys, have consented to the entry of this Final Judgment without trial or adjudication of any issue of fact or law, and without this Final Judgment constituting any evidence against or admission by any party regarding any issue of fact or law;

AND WHEREAS, Defendants agree to be bound by the provisions of this Final Judgment pending its approval by the Court;

AND WHEREAS, this Final Judgment requires the prompt and certain acquisition and installation of certain assets, and modification of other assets, by Defendants at the Harrisonburg, Virginia, chicken processing complex;

AND WHEREAS, Defendants have represented to the United States that the asset acquisitions, installations and modifications required below can and will be made, that Defendants will abide by the obligations required below, and that Defendants will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the provisions contained below;

NOW THEREFORE, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is ORDERED, ADJUDGED AND DECREED:

I. JURISDICTION

This Court has jurisdiction over the subject matter of and each of the parties to this action.

II. DEFINITIONS

As used in this Final Judgment:

A. The term "George's" means George's, Inc., its domestic and foreign parents, predecessors, divisions, subsidiaries, affiliates, partnerships and joint ventures, and all directors, officers, employees, agents, and representatives of the foregoing, including George's Foods, LLC and George's Family Farms, LLC. The terms "subsidiary," "affiliate," and "joint venture" refer to any person in which the company holds at least a 25 percent interest, regardless of how the company's interest is measured (e.g., number of shares, degree of control, board seats or votes).

B. The term "Edinburg complex" means the chicken processing plant owned by George's located in Edinburg, Virginia, and any real property specifically used to support growers that produce for that plant, including feed mills or hatcheries.

C. The term "Harrisonburg complex" means the chicken processing plant formerly owned by Tyson Foods, Inc., located in Harrisonburg, Virginia, and any real property specifically used to support growers that raise chickens for that plant, including feed mills or hatcheries.

D. The term "relating to" means in whole or in part constituting, containing, concerning, discussing, describing, analyzing, identifying, or stating.

III. APPLICABILITY

This Final Judgment applies to Defendants, as defined above, and all other persons in active concert or participation with them who receive actual notice of this Final Judgment by personal service or otherwise.

IV. RELIEF

A. Defendants shall, no later than 60 days following entry of this Final Judgment, subject to two additional extensions of 30 days each at the reasonable discretion of the United States, deliver to the United States Department of Justice Antitrust Division ("Antitrust Division") executed contracts providing for the following improvements or modifications:

1. The purchase and installation at the Harrisonburg complex of an approximately 5,000 pound per hour rated capacity (for disjointed wings) individually frozen (IF) freezer. Completion of installation of the IF freezer will be made as soon as practicable after the signing of the purchase contract, but no later than twelve months following the date on which the contract is executed.

2. The purchase and installation at either the Harrisonburg or Edinburg complex of a whole leg or thigh deboning line with the capacity to debone a minimum of fifty legs per minute and/or new automated lines with similar capacities. Completion of installation of the whole leg or thigh deboning line will be made as soon as practicable after the signing of the purchase contract, but no later than twelve months following the date on which the contract is executed.

3. The repair of approximately 13,300 square feet of roofing of the processing plant at the Harrisonburg complex, including removal of an existing ballasted roof and replacement with a non-ballasted roof system. The new roof system will be suitable for a poultry processing plant. Completion of the roof repairs will be made as soon as practicable after the signing of the repair contract, but no later than six months following the date on which the contract is executed.

B. Defendants shall notify the United States within two business days of entering each such contract and shall provide the United States with a copy of any purchase, installation or construction agreements entered into by the Defendants relating to implementing the improvement or modification within seven days of entering each such contract.

C. Defendants shall notify the United States within two business days of the completion of each improvement or modification required by Section VI.A and shall within seven days provide the United States with written verification that the improvement or modification was completed.

D. All documents required to be produced to the United States under Paragraph IV(B) shall be delivered by certified mail to the following address:

Chief, Transportation, Energy and Agriculture Section
Antitrust Division
Department of Justice
450 Fifth St., N.W.
Washington, DC 20530

V. COMPLIANCE INSPECTION

A. For the purposes of determining or securing compliance with this Final Judgment, or of determining whether the Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time authorized representatives of the United States Department of Justice Antitrust Division ("Antitrust Division"), including consultants and other persons retained by the United States, shall, upon written request of an authorized representative

of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to Defendant, be permitted:

1. access during Defendants' office hours to inspect and copy, or at the option of the United States, to require Defendants to provide hard copies or electronic copies of, all books, ledgers, accounts, records, data, and documents in the possession, custody, or control of Defendants, relating to any matters contained in this Final Judgment; and

2. to interview, either informally or on the record, Defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the reasonable convenience of the interviewee and without restraint or interference by Defendants.

B. Upon the written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, Defendants shall submit written reports or response to written interrogatories, under oath if requested, relating to any of the matters contained in this Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of the executive branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by Defendants to the United States, Defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure, and Defendants mark each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure," then the United States shall give Defendants ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

VI. RETENTION OF JURISDICTION

This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

VII. EXPIRATION OF FINAL JUDGMENT

Unless this Court grants an extension, this Final Judgment shall expire upon notification by the United States, or motion by the Defendants, to the Court of Defendants' completion of all of the improvements and modifications required by Section IV above.

VIII. PUBLIC INTEREST DETERMINATION

Entry of this Final Judgment is in the public interest. The parties have complied with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C. § 16, including making copies available to the public of this Final Judgment, the Competitive Impact Statement, and the sole comment received thereon and the United States' response to that comment. Based upon the record before the Court, which includes the Competitive Impact Statement and the comment and response to that comment filed with the Court, entry of this Final Judgment is in the public interest. The Court notes that David A. Balto, an attorney, and Peter C. Carstensen, a law professor, filed a comment to the proposed Final Judgment and to the Competitive Impact Statement. In essence, the comment maintains that the proposed Final Judgment fails to address the potential for Defendants substantially to lessen competition in the market for grower services in the Shenandoah Valley through degrading the terms of their contracts with growers. To remedy this alleged deficiency, the comment recommends that the proposed Final Judgment incorporate certain curative provisions. The Court concludes that the United States adequately considered these concerns in fashioning a solution to the problems identified in the complaint. In any event, the Court notes that its function in determining whether the proposed Final Judgment serves the public interest is a limited one as the government is entitled to "broad discretion to settle with the defendant within the reaches of the public interest." United States v. Microsoft Corp., 56 F.3d 1448, 1461 (D.C. Cir. 1995). "[A] proposed decree must be approved even if it falls short of the remedy the court would impose on its own, as long as it falls within the range of acceptability or is 'within the reaches of public interest.'" United States v. Am. Tel. & Tel. Co., 552 F. Supp. 131, 151 (D.D.C. 1982) (citations omitted), aff'd sub nom. Maryland v. United States, 103 S. Ct. 1240 (1983). Accordingly, the Court concludes that this Final Judgment is in the public interest.

Dated: November 4, 2011

Glen E. Conrad

Chief United States District Judge Glen E. Conrad