



Tyson Foods

A Foul Employer

January 2022

Prepared by:

Danny Holt, Kelly Miller, Tom Juravich, and Local 400 Shop Stewards

Key Takeaways

There is a disturbing pattern of discrimination across facilities owned and run by Tyson

Tyson is making major investments in automation to cut jobs

Less than 28% of Tyson's US workforce is unionized

Tyson spends millions annually on lobbying and political donations to secure their interests

General Information

Headquarters:

2200 West Don Tyson Parkway
Springdale, Arkansas 72762

Incorporated in: Delaware

Stock symbol: TYS

Phone: (479) 290-4000

Website: www.tysonfoods.com

Top 3 Competitors:

Pilgrim's Pride, Sanderson Farms,
Perdue Farms

Facilities:

- 241 total US facilities, including 186 chicken operation facilities (178 owned, 8 leased)
- 25 facilities outside the US

Customers:

Tyson's largest customer, **Walmart**, was responsible for 18.3% of all sales in 2021. No other single customer makes up more than 10% of sales. Other major customers include Yum! Brands (KFC and Taco Bell), McDonald's, Wendy's, and Kroger.

NAICS: 311615 Poultry Processing

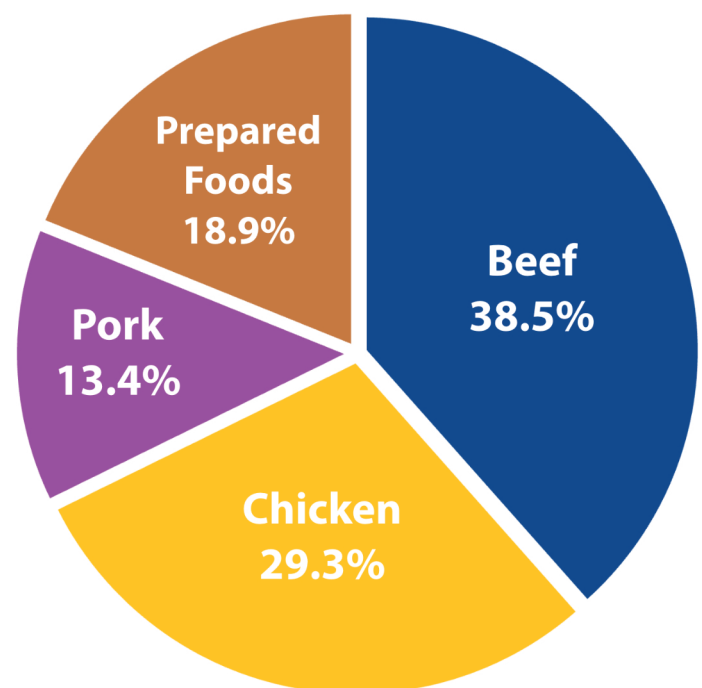
Business Summary:

Tyson is the largest and most profitable poultry processor in the US. The company uses a "fully vertically integrated chicken production process," consisting of breeding, farming, processing, marketing, and transportation. Tyson also conducts pork and beef slaughter and processing.

History:

Founded in 1935 by John W. Tyson. The company now celebrates "three generations of family leadership" with the founder's grandson, John H. Tyson, as chairman of the board.

Business Segments by Revenue:

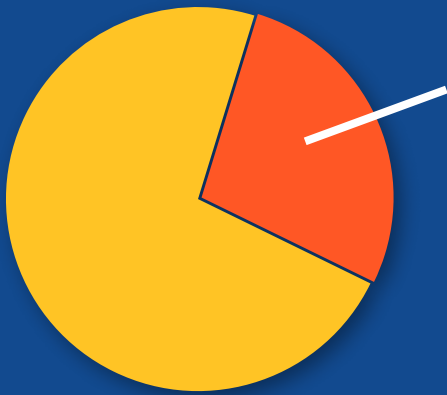


120,000

Total US Employees

30,000

Unionized US
Employees
(27.5%)



17,000

Total International
Employees

Subsidiaries

Tyson's major subsidiaries include prepared food brands such as:

- Jimmy Dean
- Hillshire Farm
- Ball Park
- Wright
- Aidells
- IBP

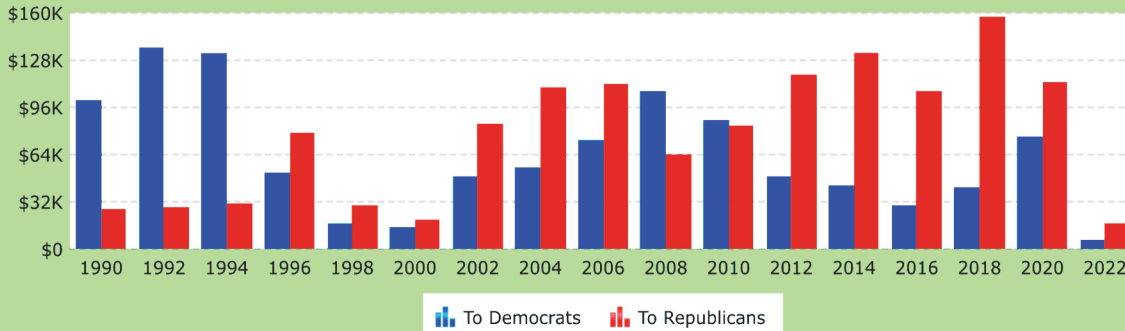
Corporate Strategy

Tyson expects to invest more than **\$1.3 billion** in **automation** by 2024 in order to maintain production capacity while cutting labor costs.

Tyson plans to open 12 new plants by 2023, seven of them abroad, increasing production capacity by **1.3 billion** pounds. The seven overseas plants include new chicken plants in Europe, Malaysia, Thailand and four in China. Tyson plans to have its new Danville, VA plant fully operational by 2023.

Political Contributions

Tyson Foods PAC Spending



Tyson Foods PAC raised \$240,877 and spent \$203,065 in the 2020 election cycle.

Tyson is also a major contributor to the National Chicken Council PAC, which gave 85.21% of its funds to Republicans in the 2020 cycle.

Lobbying Profile

\$15,589,764

total lobbying expenses
over the last 10 years

19

lobbyists hired
in 2021

Tyson affiliates made political contributions totalling \$514,505 in the 2020 election cycle, with recipients skewing slightly toward Republicans.

Source: [OpenSecrets](#)

Community Relations

Tyson maintains a corporate giving program prioritizing grants to programs within 20 miles of Tyson plants. During fiscal 2021, Tyson awarded \$5 million to nonprofit organizations in plant communities and donated 64 million meals, mostly in plant communities.

Tyson Foods Foundation

Major donor to the University of Arkansas and University-affiliated organizations

>\$15M

donated since 2010

Donated **\$10K** to the Storm Lake, IA Police Department for **unrestricted use** in 2003

(Tyson operated a plant in Storm Lake at the time)

Environmental

In 2014, Tyson released an acidic chemical used in chicken feed into the city of Monett, Missouri's wastewater treatment system, resulting in the **deaths of ~108,000 fish**. The company pleaded guilty on two criminal charges of violating the Clean Water Act.

In 2021, Tyson agreed to pay a total of \$3 million in civil penalties, restitution and donations to environmental trusts in settlement of allegations it **discharged partially treated wastewater** into Alabama state waters in 2019.

Discrimination

In 2021, 2 former employees sued Tyson for violating the Civil Rights Act by firing them based on their race and religion, and charged that their supervisor at Tyson called them **anti-Black and anti-Muslim slurs**.

Tyson has been caught discriminating against women, Black, Hispanic, Asian, Native American, and disabled applicants in their hiring and promotion practices across their facilities in **9 different states** since 2010. Local 400 shop stewards have filed a grievance over such practices in the Glen Allen plant.

In 2015, EEOC found that Black employees were called racial slurs by supervisors and coworkers at a Tyson-owned facility in TX. The company also failed to respond to **racist graffiti** in the bathrooms and locker rooms.

In 2006, EEOC found numerous racially hostile practices at a Tyson facility in Ashland, AL, including **racially segregated bathrooms** and frequent use of racial slurs against Black employees. Tyson retaliated against a Black employee who complained.

In 2019, chicken processing plant employees in Maryland filed class action suit against Tyson alleging that they took measures to **illegally depress and fix wages**. The matter is still ongoing.

Health and Safety

In 2013, Tyson paid \$105,000 in penalties for OSHA violations concerning the management of **“highly hazardous chemicals”** and wiring systems at the company’s Buffalo, NY location. In the same year, Tyson was forced to pay a penalty of \$5,950 for similar violations of hazardous chemical safety standards at the Glen Allen, VA plant.

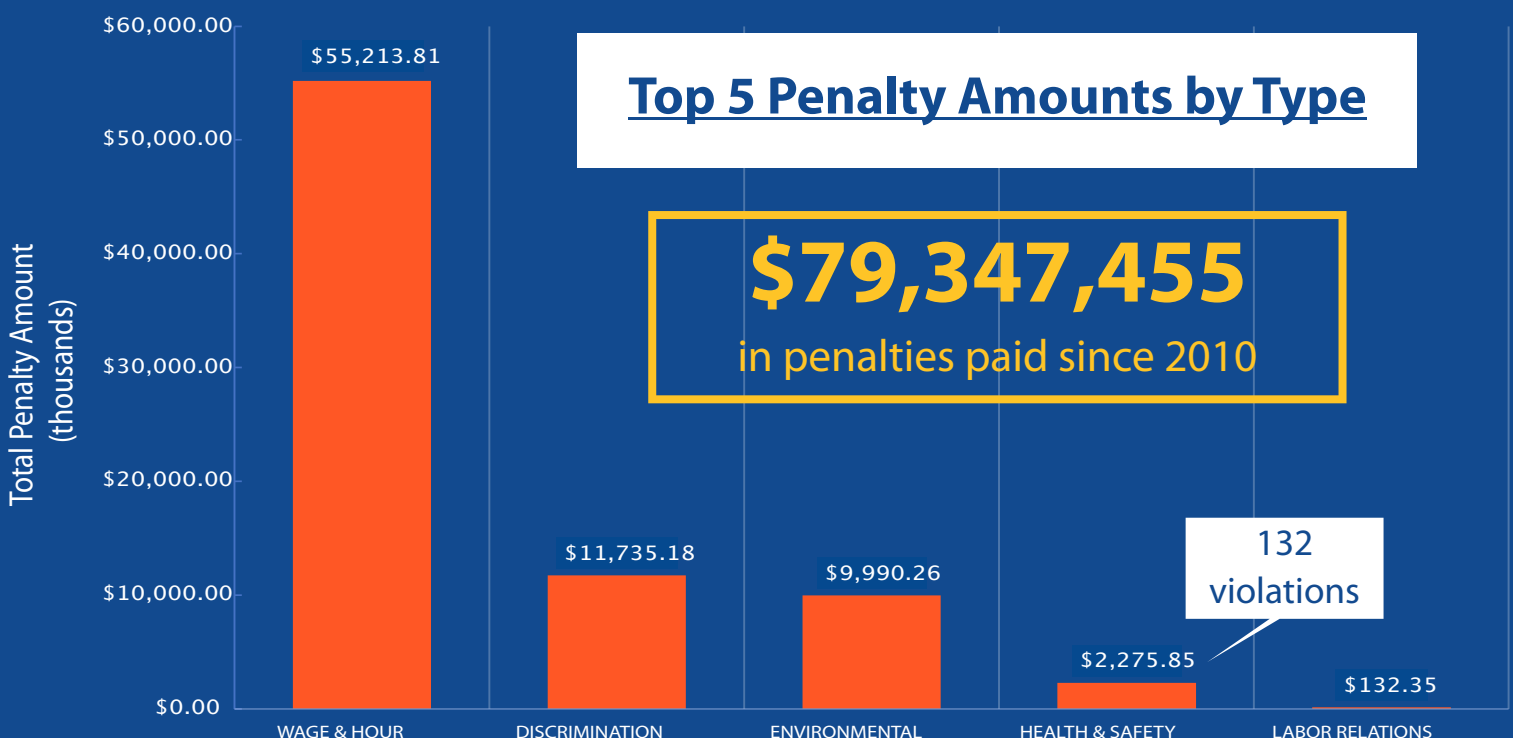
In 2013, Tyson also paid \$91,000 for repeat violations of OSHA standards around **hazardous energy** in their Hutchinson, KS plant.

In 2020, Tyson was forced to pay a penalty of \$81,918 after an employee was **killed** when a faulty hydraulic **loading dock fell on him** at a Tyson location in Vienna, GA. His co-workers attempted to lift the dock off of him but were unable to until a forklift was used. The employee was declared dead at the scene by authorities.

In 2020, Tyson workers in particular were ravaged by COVID-19, with **29,462 infections** and **151 worker deaths** traced to facility outbreaks. During this time, Waterloo, IA plant managers were caught participating in a **betting pool** on how many employees would become ill.

Top 5 Penalty Amounts by Type

\$79,347,455
in penalties paid since 2010



Ownership

77.8%

of shares held
by institutions

4.24%

of shares held
by insiders

Institutional Stockholder	% of Shares Owned
Vanguard Group	9.50%
Blackrock Inc.	5.78%
Price T Rowe Associates	3.90%
State Street Corp.	3.80%
Reed Connor and Birdwell LLC	2.90%
Geode Capital Management LLC	1.60%
Victory Capital Management LLC	1.50%
Ameriprise Financial LLC	1.50%
Northern Trust Corp	1.40%
LSV Asset Management	1.40%

The Tyson family maintains significant ownership of Tyson Foods. The Tyson Limited Partnership, controlled by the Tyson family, is itself a 10% owner of the company. Additionally, including direct and indirect ownership, John H. Tyson possesses 2,814,450 shares, and Barbara Tyson directly owns 238,615 shares.

After pressure from The American Baptist Home Mission Societies (ABHMS) and 16 other Tyson investors, all belonging to the Interfaith Center on Corporate Responsibility (ICCR), in December 2021, Tyson agreed to a racial equity audit to be conducted by an independent 3rd party and made public upon completion. Based in King of Prussia, PA, ABHMS has been a Tyson investor since 2005, and currently owns 345 shares. ABHMS said the company had a history of worsening racial inequities, citing a complaint filed with the Department of Agriculture that said Tyson's failure to prevent COVID-19 outbreaks among its largely Black and Latinx workers amounted to racial discrimination. The racial equity audit will have a one-year reporting timeline and will include interviews with impacted stakeholders, as well as investor feedback.

Tyson Financial Summary (in thousands, USD)			
Year	2021	2020	2019
Revenue	47,049,000	43,185,000	42,405,000
Net Income	3,047,000	2,140,000	2,022,000
Assets	36,309,000	34,741,000	33,097,000
Liabilities	18,455,000	19,144,000	18,771,000
Retained Earnings	17,502,000	15,311,000	13,787,000
Shareholders Equity	17,723,000	15,465,000	14,082,000

In recent years, Tyson has seen major growth in both **net income** and **retained earnings**

Tyson Financial Ratios			
Year	2021	2020	2019
Current Ratio	1.55	1.86	1.3
Return on Assets	8.6	6.2	6.5
Debt to Equity	0.53	0.73	0.85
Interest Coverage	10.47	6.56	6.27

Comparative Financial Ratios (2021)		
Company	Tyson	Pilgrim's Pride
Current Ratio	1.55	1.5
Return on Assets	8.6	1.3
Debt to Equity	0.53	0.89
Interest Coverage	10.47	2.07

Compared with the competitor Pilgrim's Pride, Tyson has extremely high Return on Assets and Interest Coverage ratios, meaning that Tyson generates profit with far greater efficiency and is better equipped to pay its debt.

Tyson has increased its Return on Assets, the ratio of pre-tax income to assets, by nearly one third over 3 years. The company's Interest Coverage, the ratio of its profits to its interest obligations, has increased by more than two thirds in that time.

Board of Directors

Name	Years on Board	Bio
John H. Tyson	37	Chairman of Board since 1998, CEO 2000-2006, grandson of founder
Les Baledge	1	Board member for the Walton Arts Center Foundation and previously served on the national board of trustees for the March of
Gaurdie Banister	10	Also on board of Dow Chemical, former CEO of a oil and gas venture jointly owned by Shell and Exxon Mobil
Michael Beebe	6	Governor of Arkansas from 2007-2015, Arkansas ATG 2003-2007, Arkansas state senator 1983-2003
David J. Bronczek	1	Former president and COO of FedEx, member of National Infrastructure Advisory Council
Mikel A. Durham	6	CEO of American Seafoods Group, former Global Growth Officer at PepsiCo
Jonathan Mariner	2	Interim head of Regional Sports Networks at Disney, former CFO for Office of the Commissioner of Major League Baseball
Jeffrey Schomburger	5	Former exec. at Procter & Gamble, president of P&G's Walmart division 2005-2015
Barbara A. Tyson	33	Former VP of Tyson, aunt of John H. Tyson
Robert Thurber	12	Is a director of Church Brothers Produce, a grower, processor, and shipper of vegetables located in Salinas, CA

Management

Name	Position	Bio
Donnie King	President and CEO	New in 2021, has held various exec positions at Tyson since 2014
Stewart Glendinning	Chief Financial Officer (CFO) and Exec. VP	Former CEO of Molson Coors International business unit of Molson Coors Brewing Company
Jason Nichol	Chief Customer Officer	Member of the board of directors and chair of the development council for The Jones Center, a nonprofit youth development center based in Springdale, Arkansas
Johanna Söderström	Exec. VP & Chief People Officer	Former Senior VP, Chief Human Resources Officer at Dow Chemical Company; member of the board of Neste, a large Finnish oil refining company
John R. Tyson	Exec. VP, Strategy & Chief Sustainability Officer	Son of John H. Tyson
Amy Tu	Exec. VP, Chief Legal Officer & Secretary, Global Governance & Corporate Affairs	Is a leader of Tyson Ventures, Tyson's venture capital fund; member of Northwest Arkansas Council Executive Committee and a board member for the Minority Corporate Counsel Association (MCCA)

Transportation

Thanks to UFCW Tyson plant workers, we learned that Tyson uses JAL Bolden trucks to move birds from hatcheries to plants in VA. JAL Bolden Enterprise LLC is run by Lawrence J. Bolden (son of deceased founder) out of 8813 Pepperidge Rd, North Chesterfield, VA, a single-family home where he resides. Bolden incorporated the business in Virginia in May of 2018.