

Pierre Foods grows, adds jobs

From Staff Reports

Ohio-based Pierre Foods Inc., which operates plants here that employ nearly 900 people, will merge with Advance Food Company Inc. and Advance Brands LLC.

Senior management from the three companies announced plans for the merger on Tuesday.

A Pierre Foods spokeswoman said the company's work force in Catawba County now numbers 850 to 900, and will grow to 1,000 by September.

The combined company will be called Advance Pierre Foods and will supply food products to the food service, school, retail, club, vending and convenience store channels.

The transaction is expected to close within the next two months.

Funds managed by Oaktree Capital Management, L.P., a Los Angeles-based investment firm, are currently the majority shareholder of Pierre Foods and upon closing, will maintain a majority share of the combined company. The current shareholders of Advance Food Company, the Allen and McLaughlin families, will own a minority share of the combined company.

Bill Toler, chief executive officer of Pierre Foods, will become the CEO of the newly combined company. Greg Allen, CEO of Advance Food Co., will join the board of directors of the combined company.

"Pierre is extremely pleased to merge with these two outstanding companies we have known and admired over the years," Toler said.

"The new and expanded product offerings and distribution network will give our combined customers tremendous variety, quality and value."

In March, Pierre Foods committed to spending \$16.8 million to expand its Claremont location by 45,000 square feet and to add an additional 500 jobs over the next three years.

The state announced it would give the company a \$600,000 grant from the One North Carolina Fund. The city of Claremont and Catawba County contributed an additional \$600,000 grant for a total of \$1.2 million in government incentives.

Headquartered in Cincinnati, with some divisional leadership based in Oklahoma, Advance Pierre Foods will operate food-processing facilities in Oklahoma, Ohio and Iowa as well as sandwich assembly facilities in North Carolina, Ohio and South Carolina. The company will also operate bakeries in North Carolina and Oklahoma.

The management team for Advance Pierre Foods includes executives from all three companies. Integration planning for all company functions is under way.

On the Web:
www.pierrefoods.com