



**TIM DAY STEPS DOWN AS CEO OF BAR-S FOODS,
BUT HIS LEGACY LIVES ON IN ALL OF US...**

TIM DAY'S FINAL CHAIRMAN'S MESSAGE



*Timothy T. Day,
Chairman, Bar-S Foods*

As you all know, I stepped down on January 1st after serving as CEO of Bar-S Foods for 31 years – so this will be my final “Chairman’s Message” to you. This Company has been my “life’s work – my Sistine Chapel” – for which I am deeply proud to have as part of my personal legacy. And I would like to share some of my fondest memories of this incredible journey and business success.

We started operations on August 28, 1981, with great hope and optimism, but little real comprehension of the challenges we were about to encounter. The first several years were a struggle for survival as we worked night and day to get the business up and running – convincing customers to buy our products, getting the plants functioning and able to produce, and making delivery of orders. Sounds very basic, but nothing is basic in a startup venture with untrained new employees. In addition, we had to deal with numerous legal issues, ward off competitive predators, defeat unrelenting union attacks, and generate enough cash to meet payroll. At times the situation looked very bleak, but we refused to give up and ultimately persevered over every adversity.

In time we became strong enough to implement our long-term plans. This led to a dramatic transformation of our supply chain capabilities with the modernization and centralization of all production and distribution facilities in Oklahoma. And then we started expanding our market penetration from a regional to a national basis, and in a relatively short period of time Bar-S began to overtake many companies and brands with prominent positions in the processed meat industry. Before too long, Bar-S became a dominant brand serving the value segment of the market across the country. People in the industry were talking and searching for answers about how this small and unknown enterprise founded in 1981 could rise to industry leadership so rapidly...how could this dramatic transformation take place in such a relatively short period of time?

Well, the answer to their questions was simple and very powerful – but extraordinarily difficult to execute. We had a strategic vision from the very beginning of developing the functional capabilities throughout the organization that would enable us to deliver real value

to the marketplace – to become the **Value Leader**. That was our true North – and we pursued it with great intensity over the years and never deviated off course. In fact, the essence of *Our Strategy For Success* was captured with the saying:

“Our Vision is Clear; Our Efforts are Focused; and Our Foundation is Strong!”

And this translated into the following strategic statements:

Our Vision was to become the recognized **Premier Company** and clear **Value Leader** in the processed food industry.

Our Efforts were Focused on continuously improving all aspects of our business in order to further increase the **Value** provided to the marketplace – by elevating the quality of our products and services while lowering their costs.

Our Foundation was built on the philosophy of relentlessly pursuing excellence – particularly excelling in the basics in **TEAMWORK, CUSTOMER RELATIONSHIPS, BRAND LOYALTY, HIGH QUALITY, SUPERIOR SERVICE, and LOW COST.**

This was the core of *Our Strategy For Success* – where **Clear Vision** and **Focused Effort** resulted in the building of a **Strong Foundation** for the future. And we graphically displayed it throughout Bar-S in the form of a Value Pyramid so that everyone in the organization understood it. While our plan was simple, it was very powerful and produced incredible growth and profitability over the years. No company in the industry can come close to matching our long record of superior performance. This is a tribute to our many employees whose personal commitment and dedicated efforts helped make our historic journey one of America’s great success stories – and I feel very privileged to have served with such a distinguished team.

Bar-S Foods is now part of the Sigma/Alfa organization and we have effectively integrated two world-class organizations into a very powerful enterprise. Since the merger in 2010, we have overcome many challenges and achieved record sales and profitability during a very difficult economic climate. We are on a very positive track with great momentum for the future, so now is an appropriate time to transition senior leadership as has been planned for several years. Of course I am somewhat saddened to leave a position that has provided me with an enormous sense of fulfillment, numerous close friendships, great personal satisfaction, significant financial rewards, and priceless memories – but I have carried the responsibility for the health of this Company and welfare of our employees far longer than most business leaders, and it is time for new blood and fresh ideas. Warren Panico has developed into a very fine executive and he is ready to take the reins – and he deserves the same strong support from all of you that I have enjoyed over the years. I am confident that the best days for Bar-S Foods and its people will be in the years ahead, so I depart to a non-executive role as Chairman of the Board of Directors believing my legacy is in good hands.

Keep up the good work!