



NORPAC FOODS INC.

3225 25<sup>th</sup> St. SE  
Salem, OR 97302-1133  
PO Box 14444  
Salem, OR 97309-5012  
503-480-2100

VIA FIRST CLASS MAIL AND EMAIL ([john.e.asher@oregon.gov](mailto:john.e.asher@oregon.gov))

August 30, 2019

**WARN NO.**  
**2498**

John Asher, Rapid Response Coordinator  
Oregon Dislocated Worker Unit  
Office of Workforce Investments  
Oregon Higher Education Coordinating Commission  
875 Union Street NE  
Salem, OR 97311

RE: Notification of Plant Closure Pursuant to the Worker Adjustment and Retraining Notification Act of 1988 ("WARN")

Dear Mr. Asher:

Pursuant to the notification requirements of the Worker Adjustment and Retraining Notification Act of 1988 ("WARN") NORPAC Foods, Inc. hereby provides notice of a permanent plant closure at its Stayton plant, located at 930 W. Washington St., Stayton, Oregon 97383. Closure-related separations are anticipated to begin October 31, 2019 or within fourteen (14) days thereafter.

1. The above-referenced facility is considered a single site of employment for WARN purposes. You may contact the undersigned directly for further information.
2. The plant closure is presently expected to be permanent.
3. A list of affected job classifications and the names of affected employees in each job classification is attached. NORPAC, subject to any Bankruptcy proceeding limitations and/or prospective asset purchaser issues, hopes to limit the impact of the plant closure on employees to the extent possible and is actively evaluating and will continue to evaluate transfer opportunities to other NORPAC facilities for affected employees.
4. The affected employees are both represented and non-represented and there are no "bumping rights" available to the represented and non-represented employees who will be displaced as a result of the plant closure.
5. Affected bargaining unit employees are covered by Collective Bargaining Agreements by and between NORPAC Foods, Inc. and the following Unions, whose chief elected officials are identified below:

Mr. James P. Hoffa  
General President  
International Brotherhood of Teamsters  
25 Louisiana Avenue, N.W.  
Washington, D.C. 20001

Mr. Michael Beranbaum  
Secretary-Treasurer  
International Brotherhood of Teamsters, Local 670  
750 Browning Ave. SE  
Salem, OR 97302

Mr. John Asher  
August 30, 2019  
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Mr. Chris Montgomery  
Field Representative – Stationary Engineers  
International Union of Operating Engineers, Local 701  
555 East First St.  
Gladstone, OR 97027

Also enclosed is a letter that was made available to all Stayton plant employees today. Please direct any comments or questions regarding this plant closure directly to Al Lave at 503-480-2103 or [al.lave@norpac.com](mailto:al.lave@norpac.com). Thank you.

Very truly yours,  
NORPAC Foods, Inc.

***Paul D. Scott***

Paul D. Scott  
Vice President, Operations

Enclosures



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**NORPAC Foods, Inc. Enters Into Asset Purchase Agreement with  
Oregon Potato Company; Operations Uninterrupted; No Impact to Customers,  
Employees or Growers**

**August 22, 2019—Salem, OR**—NORPAC Foods, Inc., (“NORPAC” or the “Company”) a grower-owned fruit and vegetable cooperative founded in 1924, today announced that it has entered into an asset purchase agreement (the “Purchase Agreement”) with Oregon Potato Company (“OPC”) under which OPC will acquire substantially all of the Company’s assets. NORPAC has initiated proceedings under chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Oregon to facilitate a free and clear sale.

“NORPAC is pleased to have found a partner who shares our vision and will ensure the best possible future for our growers, employees, customers, and partners,” said Shawn Campbell, CEO. “Our business operations will continue as normal through the bankruptcy process. Our 2,700 employees will continue to receive their wages and benefits, our vendors and suppliers will be paid in the ordinary course of business going forward, and our customers can continue to rely on us for unparalleled produce and products thanks to our family of farmers.”

NORPAC anticipates the transaction will move swiftly and close within 60-90 days. During that time current management will continue to lead operations supported by debtor-in-possession (DIP) financing provided by CoBank. The transaction is subject to customary closing conditions, federal regulatory and Bankruptcy Court approvals.

Frank Tiegs, President of Oregon Potato Company commented, “We intend to work as quickly as possible through the forthcoming process. We are excited about bringing the growers, employees, partners and various assets of NORPAC together with our family of companies. The combined businesses will enhance the offerings and service to customers across all business channels.”

Court filings as well as other information related to the restructuring are available at <http://kccllc.net/norpacfoods>, or by calling (877) 634-7180 (U.S./Canada) or (424) 236-7225 (International).

The Company is advised by the law firm of Tonkon Torp LLP and SierraConstellation Partners, LLC as financial advisor.

**About NORPAC Foods, Inc.**

Founded in 1924, NORPAC Foods is a grower-owned cooperative focused on processing frozen vegetables and fruit. Headquartered in Salem, Oregon, NORPAC is Oregon’s largest fruit and vegetable processor and has three processing facilities in the Willamette Valley, along with a subsidiary Hermiston Foods, LLC in Hermiston, Oregon and a subsidiary Quincy Foods, LLC in Quincy, Washington.

NORPAC Press Release  
August 22, 2019

**About Oregon Potato Company**

Oregon Potato Company (OPC) is an innovative grower and processor of potatoes, vegetables and fruits. OPC is committed to innovation, quality, customer service and cost effectiveness. OPC's processing facilities span three states with operations in Washington, Oregon and Idaho. Each location is supported by locally owned farms.

**Media Contact:**

Jennifer E. Mercer

Donlin Recano Strategic Communications for NORPAC Foods, Inc.

818-802-5199

[jmerc@donlinrecano.com](mailto:jmerc@donlinrecano.com)



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August 30, 2019

To: All Employees at the Stayton Plant:

RE: Notification of Stayton Plant Closure Pursuant to the Worker Adjustment and Retraining Notification Act of 1988 ("WARN")

As announced last week, the Company filed for bankruptcy protection and entered into an Asset Purchase Agreement with Oregon Potato Company (OPC) whereby OPC was going to purchase all of NORPAC's facilities, except the Stayton plant. As further explained last week, should there be other companies who have an interest in buying NORPAC's facilities, the Bankruptcy Court in late October will hold an auction to see if these other companies might outbid OPC.

Since that initial filing last week, OPC has now also agreed to purchase the Stayton plant. This means the Stayton plant will be included in the auction in October with the other NORPAC plants as one complete package. Please note however, that OPC's indication at this time is not to continue operations at the Stayton plant.

As a result, we are providing notice of the closure of the Stayton plant, located at 930 W. Washington Street, Stayton, Oregon 97383; and tentatively expect that your employment with NORPAC will be terminated effective October 31, 2019 or within fourteen (14) days thereafter. While the bankruptcy auction might result in a different company besides OPC acquiring NORPAC's facilities, there is no guarantee that the winning company will decide to continue to run the Stayton plant. Therefore, pursuant to Federal law we are issuing you this Notice.

### Additional information:

1. The above-referenced facility is considered a single site of employment for WARN purposes.
2. The plant closure is presently expected to be permanent.
3. The affected employees are both represented and non-represented; and none of the employees who are losing their jobs because of this plant closure has a right to claim a job occupied by another employee at another NORPAC facility (so called "bumping rights"). While you do not have bumping rights at another facility, we encourage you to contact our other plants (Repack-Plant 8 in Salem, Brooks-Plant 5 in Brooks, and the Quincy, Washington plant); as they are currently hiring and will continue to operate after the bankruptcy proceeding ends (which is tentatively set to end October 31, 2019).
4. If you are on a leave of absence, it will continue on its normal terms until the earlier of your termination date or the time your current leave of absence ends. A leave of absence will not extend or delay an employee's termination date.

*"Please Turn Over"*

5. This notice is also not a promise that your employment will continue to the time set out above, or to any other time or date.
6. Information about outplacement assistance and other options is available through the State of Oregon Dislocated Workers Unit (800-282-6514) and WorkSource Oregon-Salem Center (503-378-4846)

We do thank you for your past service with NORPAC, and wish you the best in your future endeavors. If you have any questions about this Notice:

- For hourly employees please contact Bernadette Kintz (Stayton Plant HR Manager) at 503-769-6361.
- For salaried employees please contact the Corporate HR Department in Salem (503-480-2100).

Very Truly Yours,  
NORPAC Foods, Inc.

***Paul D. Scott***

Paul D. Scott  
Vice President, Operations