Indiana Packers Corporation

January 30, 2009

Senate Committee on Pensions and Labor
200 West Washington Street
Indianapolis, IN 46204

Statement of:
Gary L. Jacobson, President, COO
Indiana Packers Corporation
Delphi, IN 46923

Greetings. Regrettably, I am unable to attend this hearing on Wednesday, February 4th. I will be in Tokyo, Japan attending our annual Board of Directors meeting championing the wisdom of Mitsubishi Corporation, in their decision to invest in Indiana agriculture. Mitsubishi Corporation has been a supporter of Indiana agriculture since they purchased Indiana Packers Corporation in Delphi, IN, nearly two decades ago.

For the benefit of those unfamiliar with Indiana Packers Corporation, we are a food company located in Delphi, IN. Tightly knit into the fabric of Indiana agriculture, Indiana Packers Corporation is a processor of Fresh Pork and Bacon products sold domestically under the Indiana Kitchen Brand label. We also sell internationally to a number of countries but primarily into Japan. Our company has experienced continuous growth in volume and employment since it began production operations in 1991. Annual sales for this fiscal year will be over $800 million. Our annual payroll exceeds $65 million. We purchase livestock at the tune of approximately $2 million daily.

Employment growth has now reached 1,750 employees. The employees at Indiana Packers Corporation are our most important asset. This is not just a cliché, it is corporate philosophy. In a commodity driven, mature market, the importance of consistent quality product can not be overstated. Our employees are the last to see our product before our customers do. If our employees care about the product, the customers can tell. Caring comes not from mandate, but from being a part of an organization that takes pride in their work and their product. For this reason it is critical to us that we have a stable workforce. A legal workforce is a stable workforce. To be assured that we do not hire applicants that may be illegal, it is important to have an objective means by which to verify the legal status of individuals seeking employment. A simple evaluation of the documents provided is no guarantee that the documents are legal or that the individual presenting them is legal either.

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As such, we have been using the Electronic Employment Verification System to verify the legal status and employability of 100% of our employee hires since 1997. System improvements over the years have made the use of E-Verify fast and simple. As a web-based platform, there is virtually no cost to operate. Data entry takes under one minute. Results are returned in under 30 seconds. We have processed many thousands of employees through the original "Pilot Program" and now the E-Verify System. All screening is done, post-hire. If the system finds exception with the documentation used by the new employee, we will receive a "no-match" notification. If this occurs, the system issues a letter advising the employee exactly what documents do not match and they are allowed eight (8) days to correct whatever condition caused the exception. If they are not able to correct this within the allotted time, the employee is terminated.

More often than not, if the employee receives the "no-match" notification they simply disappear effectively confirming their illegal status. No system is flawless. For individuals that have impeccably forged documents, E-Verify will not always catch them, until the original documents get used somewhere else in the system.

The advent of the Pilot Program was highly welcomed, providing us with a better tool to strengthen our commitment to a legal staff. The recent addition of the photo capability further enhanced the efficacy of the entire system. At Indiana Packers Corporation, we have long been advocates of hiring a legal workforce. Legal workers come to work daily, without fear. They grow in the community. They participate in the local economy and stabilize local businesses through their economic participation. They support local real estate through home purchases that would not occur when fear of running is a part of their culture.

In Closing:
We feel that a legal workforce is ethically the right thing to do; for the local community, for the state, and for the employees themselves. It also provides a competitive advantage of having a trained workforce in which to partner with in satisfying the needs of our customers, our shareholders and others we serve.

Sincerely,

Gary L. Jacobson
President, COO
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