

Tyson to Restart Poultry Shipments This Week

By The Moscow Times

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Tyson Foods, the largest U.S. chicken processor, said Tuesday that it plans to ship poultry to Russia this week for the first time since January.

Russia is allowing U.S. chicken imports after effectively banning the meat in January by slashing the amount of chlorine that processors were permitted to use as a disinfectant.

"We currently have five plants eligible to export to Russia and are working to have additional facilities approved," Gary Mickelson, a spokesman for the Springdale, Arkansas-based company, said in an e-mail. The plants have been approved by the U.S. and Russian governments, he said.

Mickelson declined to comment on the volume of chicken Tyson plans to ship to Russia.

Sanderson Farms Inc., the fourth-largest U.S. chicken processor, has received approval to ship

chicken from three of its plants, chief financial officer Mike Cockrell said Tuesday.

The company said Aug. 23 that Russian chicken demand is "spectacular." Mississippi-based Sanderson is currently packing poultry and expects to ship to Russia by the end of next week, Cockrell said in a telephone interview.

"The opening of Russia to U.S. poultry is a strong earnings catalyst for chicken processors," Farha Aslam, an analyst for Stephens Inc. in New York, said Tuesday in an e-mail.

"We also expect that Smithfield Foods and Hormel Foods will benefit from overall reduction of protein supplies in the U.S. market."

The opening of the Russian market should help support the overall protein industry, and hog prices may trade higher along with prices for certain chicken products, Aslam said.

Tyson Foods Inc. is the largest U.S. chicken processor based on 2009 production, followed by JBS SA's Pilgrim's Pride and closely held Perdue Inc., according to WATT PoultryUSA, a magazine covering the industry.

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