

35th Annual Texas Aviation Conference

April 20, 2017



100% Natural

Introduction

- Zane Lambert – Manager of Aircraft Operations, Sanderson Farms, Inc.
- 1984 graduate of Embry-Riddle Aeronautical University (DAB)
- Pilot for Sanderson Farms since 1994
Chief Pilot in 1995
Department manager in 2002
- Sanderson Farms is a fully integrated poultry company, operating its own aircraft in the furtherance of its business



What is Business Aviation?

- Business aviation is the use of any “general aviation” aircraft for a business purpose. The Federal Aviation Administration defines general aviation as all flights that are not conducted by the military or the scheduled airlines. As such, business aviation is a part of general aviation that focuses on the business use of airplanes and helicopters. (NBAA)
- Business aviation has four sub-sectors:
 - 1) Commercial air taxi (charter)
 - 2) Corporate Aviation
 - 3) Owner–Operated
 - 4) Fractional Ownership

What is Corporate Aviation?

- The non-commercial operation or use of aircraft by a company for the carriage of passengers or goods as an aid to the conduct of company business, flown by a professional pilot employed to fly the aircraft. (ICAO Definitions)



Business Aviation Comes in All Sizes

This is Yuge!!



Not so Yuge!



Why use Corporate Aviation?

Why would a chicken company need an airplane?



SANDERSON FARMS
Gulfstream G150
Alternate Landing Gear Option

Gulfstream
G150



Sanderson Farms is Growing

- 1995 Sanderson Farms processed 174.2 million birds at 5 plants and was the 14th largest chicken processor in the United States
- 2015 Sanderson Farms processed 480 million birds at 10 plants and was the 3rd largest chicken processor in the United States
- 2019 Sanderson Farms will open its 12th plant in Tyler



Business Aviation

An Enterprise Value Perspective

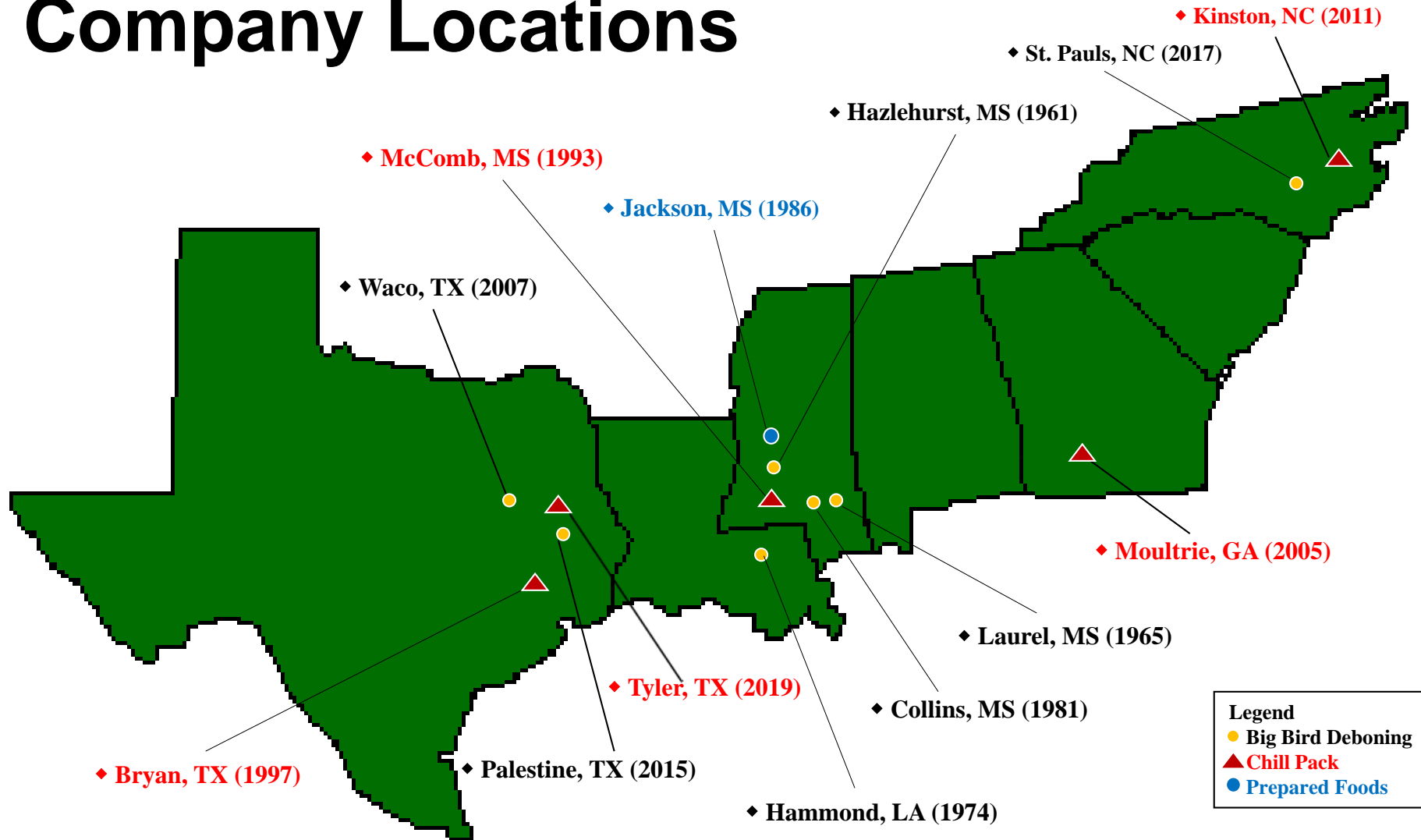
Fall 2010

“Our company has grown dramatically over the last 15 years. I wouldn’t attribute all of it to business aviation, but the types of locations where we grew our business were in smaller communities without or with very limited airline service. The community where our home office is has no airline service at all. It would be impossible for us to do business and grow our business without our aircraft...they are an indispensable part of how we do business.”

“In the time it takes for our employees to even get to the closest commercial airport, we can have them onsite using our own aircraft. It doesn’t take a lot of brain power and spreadsheets to realize that having the aircraft is a benefit.”



Company Locations



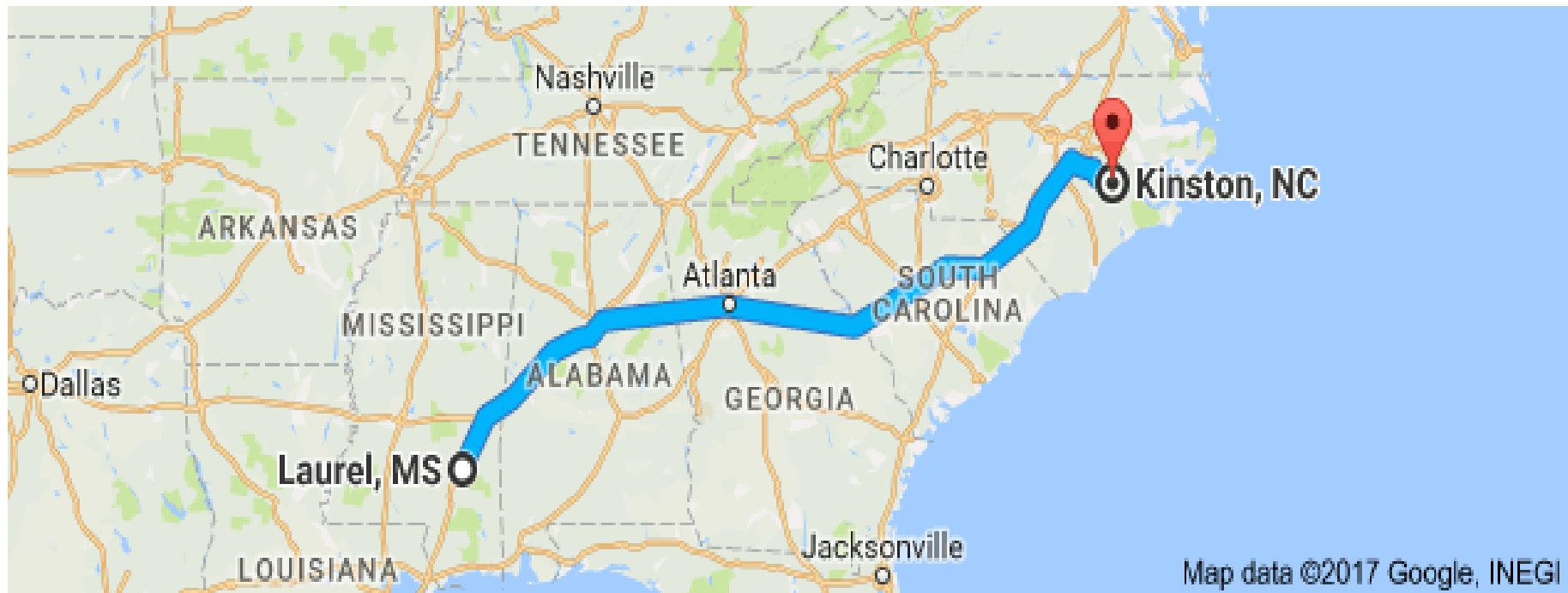
Sanderson Farms Aviation is Growing

- 1995 Sanderson Farms acquired its first turbine-powered aircraft, a Learjet 31A
- 2016 Sanderson Farms adds a seventh aircraft to its corporate fleet (3-Learjet 31A's; 4-Gulfstream G150's)
- 2019 Sanderson Farms will complete replacement of its Learjet's with Gulfstream G280's



Laurel, MS to Kinston, NC

815 road miles



Airline from Laurel, MS to Kinston, NC

Shortest Airline Travel Time – About 7 hours

- Leave home at 10am (not bad) and drive 1.5 hours
- Depart at 12:45 and arrive 5:06 (1 stop)
- Drive 45 minutes to Kinston (too late to work)

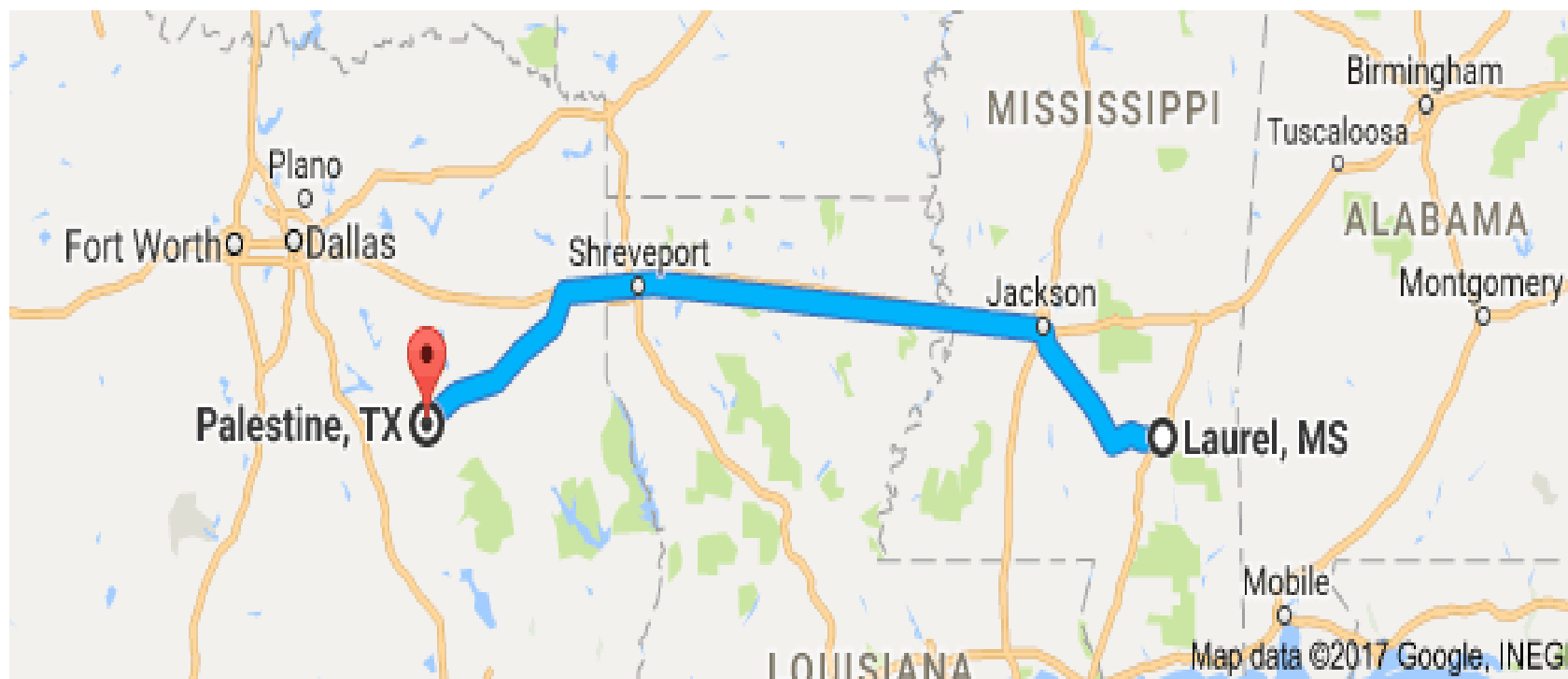
Closest Airport to Home, Served by an Airline

- Leave home at 11am and drive 20 minutes
- Depart at 12:20 and arrive 8:51 (2 stops)
- Drive 45 minutes to Kinston (too late to even eat)



Laurel, MS to Palestine, TX

Almost 7 hours driving

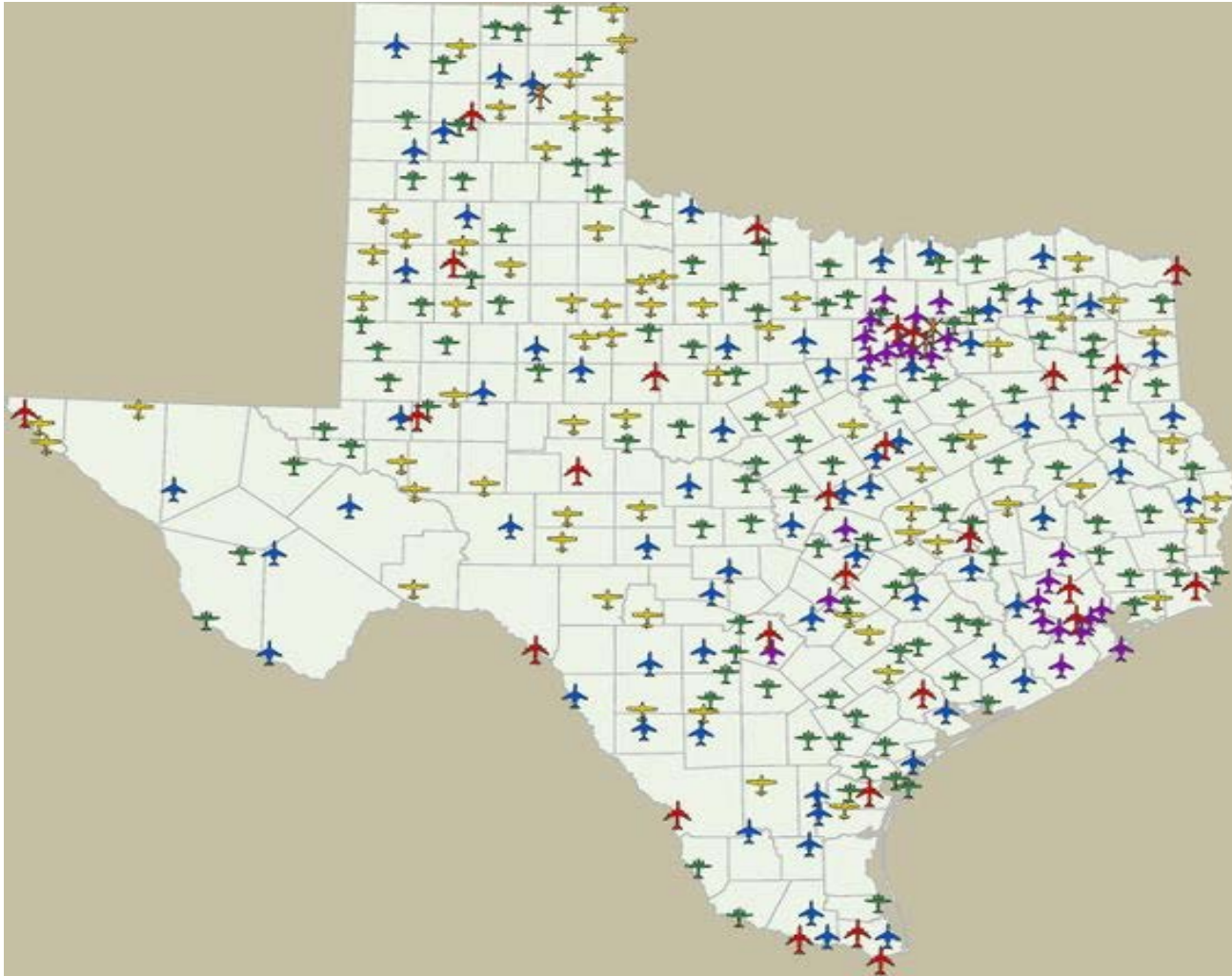


Laurel, MS to Waco or College Station

- Minimum 6.5 hours using nearest airline airports
I can drive there faster than that!



Why drive or sit in an airline terminal when Texas has all these airports?



Sanderson Farms Loves Texas

- 1997 Bryan, TX (CLL)
- 2007 Waco, TX (ACT)
- 2015 Palestine, TX (PSN)
- 2019 Tyler, TX (TYR)



Sanderson Farms Invests in Texas

- When the Tyler, TX facilities open in 2019 Sanderson Farms will have a direct investment of approximately \$650M in east Texas.
- Add the amount that local farmers have invested and that number approaches \$1B.



Sanderson Farms Loves Texas Airports

2016

- SF aircraft touched down 817 times at Texas airports
- SF aircraft purchased 146,827 gallons of fuel from Texas FBO's
- CLL, ACT, PSN, HOU, AUS, DAL and SAT main airports



Business Aviation Thrives in Texas

- HOU and DAL listed in the top five most popular business aviation airports by B/CA in March 2015
- NBAA currently shows approximately 875 members in the state of Texas
- 2015 TxDOT Airport Directory lists nearly 400 airports that are open to the public
- New England (six states) has less than 200!



What are we looking for in an airport?



5,000' x100' paved runway



30 MAR 2017 to 27 APR 2017



PALESTINE, TEXAS

AL 871 (FAA)

17005

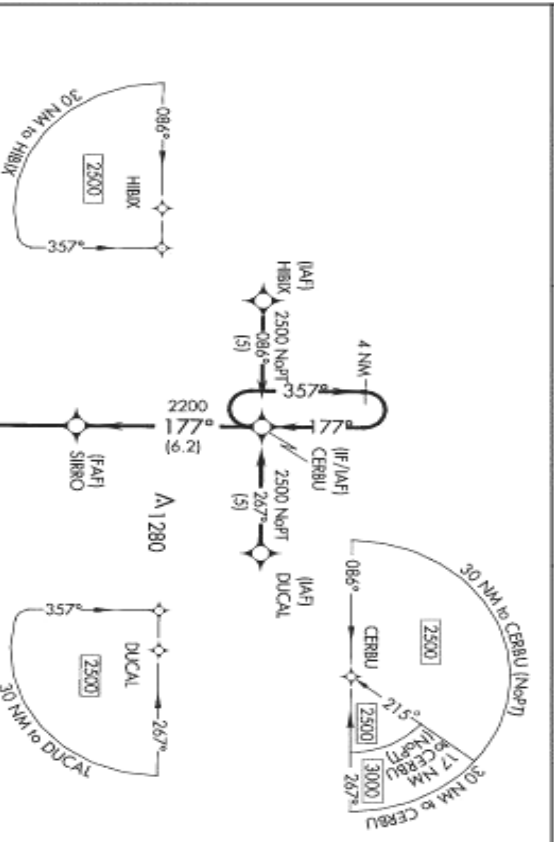
App CRS	Rwy Idg	5005
177°	TDZE	416
	Apt Elev	423

RNAV (GPS) Rwy 18
 PALESTINE MUNI (PSN)

▼ VDP NA with C. David Campbell Field-Corsicana Muni altimeter setting. DME/DME RNP-0.3 NA.
 Circling to Rwy 9-27, NA at night. If local weather not received, use C. David Campbell Field.
 Corsicana Muni altimeter setting and increase all MDA's 100 feet.

MISSED APPROACH:
 Climb to 3000 direct
 FERRY and hold.

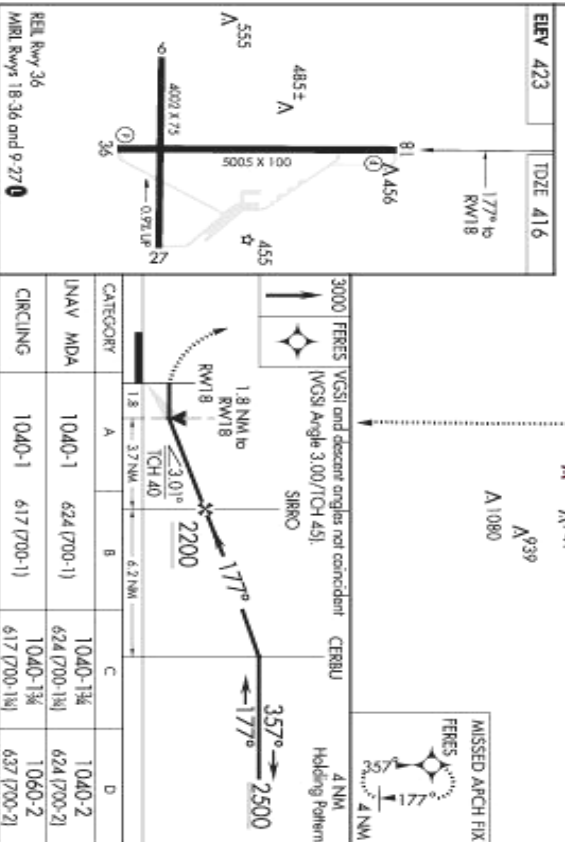
AWOS-3	FORT WORTH CENTER	UNICOM
118.025	135.25 265.1	122.7 (CTAF) 0



SC-5, 30 MAR 2017 to 27 APR 2017

SC-5, 30 MAR 2017 to 27 APR 2017

Instrument Approach



REL Rwy 36
 MRL Rwy 18-36 and 9-27 0
 PALESTINE, TEXAS
 Orig A 13178

31°47'N-99°42'W

PALESTINE MUNI (PSN)
RNAV (GPS) Rwy 18

Reasonable Line Service



Clean Fuel



Customer Service

GREAT

Greet all customers and make them feel welcomed

Respect cultural and other personal differences

Evaluate and clarify customer's expectations

Address and respond to customer's needs

Thank and verify that needs have been met