

WLR FOODS INC

Filed by
TYSON FOODS INC

FORM SC 14D1/A
(Statement of Ownership: Tender Offer)

Filed 05/18/94

Address	P O BOX 7000 BROADWAY, VA 22815
Telephone	5408967001
CIK	0000760775
SIC Code	2015 - Poultry Slaughtering and Processing
Industry	Food Processing
Sector	Consumer/Non-Cyclical
Fiscal Year	06/30

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14D-1

(AMENDMENT NO. 14)

AND

SCHEDULE 13D

(AMENDMENT NO. 15)

**TENDER OFFER STATEMENT PURSUANT TO SECTION 14(D)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934**

WLR FOODS, INC.

(Name of Subject Company)

WLR ACQUISITION CORP.

(Bidder)

Common Stock, no par value

(Title of Class of Securities) 929286 10 2
(CUSIP Number of Class of Securities) James B. Blair

Tyson Foods, Inc.
2210 West Oaklawn Drive
Springdale, Arkansas 72762-6999

Telephone Number (501) 290-4000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Bidders)

Copies to:

Leslie A. Grandis, Esq.
McGuire, Woods, Battle & Boothe
One James Center
901 East Cary Street
Richmond, Virginia 23219
Telephone: (804) 775-4322

Lawrence Lederman, Esq.
Michael W. Goroff, Esq.
Milbank, Tweed, Hadley & McCloy
1 Chase Manhattan Plaza
New York, New York 10005
Telephone: (212) 530-5000

=====

1 NAME OF REPORTING PERSONS
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS

TYSON FOODS, INC.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (A) / /
(B) /x/

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)

WC, BK

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

600,063 COMMON SHARES

8 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) //

9 % OF CLASS REPRESENTED BY AMOUNT IN ROW (7)

5.37%

10 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

CO

 1 NAME OF REPORTING PERSONS
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS
 WLR ACQUISITION CORP.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (A) / /
 (B) /X/

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)
 BK

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 DELAWARE

7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 600,000 COMMON SHARES

8 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) //

9 % OF CLASS REPRESENTED BY AMOUNT IN ROW (7)

5.37%

10 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

CO

 1 NAME OF REPORTING PERSONS
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS
 TYSON LIMITED PARTNERSHIP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (A) / /
 (B) /X/

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)
 NOT APPLICABLE

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 DELAWARE

7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 600,063 COMMON SHARES

8 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) //

9 % OF CLASS REPRESENTED BY AMOUNT IN ROW (7)

5.37%

10 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

PN

 1 NAME OF REPORTING PERSONS
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS
 MR. DON TYSON

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS) (A) / /
 (B) /X/

3 SEC USE ONLY

4 SOURCE OF FUNDS (SEE INSTRUCTIONS)
 NOT APPLICABLE

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(e) OR 2(f) / /

6 CITIZENSHIP OR PLACE OF ORGANIZATION
 UNITED STATES

7 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 600,063 COMMON SHARES

8 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (7) EXCLUDES CERTAIN SHARES (SEE INSTRUCTIONS) //

9 % OF CLASS REPRESENTED BY AMOUNT IN ROW (7)

5.37%

10 TYPE OF REPORTING PERSON (SEE INSTRUCTIONS)

IN

This Statement constitutes Amendment No. 14 to the Statement on Schedule 14D-1, dated March 9, 1994, as amended, filed by WLR Acquisition Corp., a Delaware corporation (the "Purchaser"), and a wholly-owned subsidiary of Tyson Foods, Inc., a Delaware corporation ("Tyson"), and Tyson, relating to the offer by the Purchaser to purchase all outstanding shares of Common Stock, no par value (the "Shares"), of WLR Foods, Inc., a Virginia corporation (the "Company"), at a price of \$30.00 per share, net to the seller in cash, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated March 9, 1994 (the "Offer to Purchase") and in the related Letter of Transmittal.

This Statement also constitutes Amendment No. 15 to the Statement on Schedule 13D, dated March 4, 1994, as amended, filed by the Purchaser, Tyson, Tyson Limited Partnership and Mr. Don Tyson, relating to their beneficial ownership of Shares.

1. Item 11 is hereby amended to add the following:

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

99.35 -- Letter to the Board of Directors of WLR Foods, Inc. from Tyson Foods, Inc., dated May 17, 1994.

99.36 -- Tyson Foods, Inc. Press Release dated May 17, 1994.

SIGNATURE

After due inquiry and to the best of their knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

WLR ACQUISITION CORP.

By /s/ James B. Blair

Name: James B. Blair
Title: President

Dated: May 18, 1994

TYSON FOODS, INC.

By /s/ Gerald Johnston

Name: Gerald Johnston
Title: Executive Vice President,
Finance

Dated: May 18, 1994

EXHIBIT INDEX

Exhibit

Page No.

- 99.35 Letter to Board of Directors of WLR Foods, Inc. from Tyson Foods, Inc., dated May 17, 1994.
- 99.36 Tyson Foods, Inc. Press Release, dated May 17, 1994.

[Tyson Letterhead]

May 17, 1994

Board of Directors
WLR Foods, Inc.
P.O. Box 7000
Broadway, Virginia 22815-7000

Dear Members of the Board of Directors:

You have built a fine company and have every reason to be proud of your accomplishments on behalf of your many constituents. Unfortunately, you now appear willing to throw away much of the good work you have done for the sake of preventing a merger which would benefit your shareholders greatly and provide a prosperous future for your employees and poultry producers for many years to come.

In December 1993 and January 1994, WLR stock was languishing between \$17-1/2 and \$19 -- well below the \$22 per share price at which you raised \$41 million in your February 1993 equity offering. Those new investors must have been pretty disappointed because WLR went straight down while the stock market took off to record highs. Luckily, Tyson's offer bailed them all out.

Now with less than a week to go in our proxy contest, you suddenly appear desperate to appease your short term shareholders. Your May 12 letter to your shareholders indicates that, in the event that Tyson terminates its offer, you plan to incur debt and use the proceeds thereof to repurchase shares. Presumably such a leveraged buyback program would be intended to prop up WLR's stock price temporarily and to alleviate somewhat the pressure you no doubt are feeling from shareholders based on the glaring probability that WLR shares will not trade anywhere near the \$30 level if Tyson's offer is terminated.

Our view is that a leveraged buyback program, if implemented, would be even more outrageous than the other antitakeover devices you have employed to date with respect to Tyson's offer. Such a program would, in effect, shrink WLR and its business and, with it, diminish the long term opportunities for WLR's shareholders, employees and growers.

It is clear to us that the investors who are likely to take advantage of any buyback program will be WLR's short term investors. Your long term investors would presumably be thanked again for their loyalty and offered little else. This hardly seems fair.

It is also clear to us that WLR will need to incur a very significant amount of debt in order to undertake a buyback program that has any real impact on WLR's stock price. No reasonable amount of money could hold up the price of your stock for any meaningful period of time. How much would you spend? What price will you pay? \$30, \$25, \$20, \$17-1/2? As you are no doubt aware, over 8 million shares traded at prices of \$28-\$30 during the month following our acquisition proposal.

Our view is that the millions that WLR would spend buying back shares should instead be invested IN WLR -- opening new markets, developing new products, building new plants and selling more poultry. Tyson is ready and able to make these investments in WLR, and we believe that these investments would create significant future opportunities for all. If WLR instead devotes its resources to buying back shares from short term investors, you will be needlessly diminishing the long term prospects and opportunities for your employees, growers, long term shareholders and the communities of the Valley.

We recognize that a leveraged buyback would be useful to you as a device to entrench management by shrinking WLR's shareholder base. However, we think it would be wrong -- and a clear disservice to your constituencies -- to sacrifice WLR's future for the sake of entrenching management. Is there no limit to the steps that you will take to resist our offer? We urge you to reconsider your plans for a leveraged buyback or, at the very least, to be honest with your stockholders, employees, growers and others about the costs -- the true long term costs -- of a leveraged buyback program.

You have already put up almost every possible legal roadblock to prevent your shareholders from being able to accept our offer or any other higher offer. Isn't it about time we sat down across the table and tried to negotiate a deal that would please all WLR shareholders?

We stand ready to invest \$330,000,000 or more to buy WLR stock from your shareholders. We are also prepared to enter into immediate negotiations on a merger agreement that would provide your shareholders with a tax free alternative. You should be aware that we are in the process of completing \$1.5 billion refinancing of our existing credit facilities with Bank of America that will enable us to continue our aggressive capital investment and expansion

programs building value for Tyson shareholders. Our expenditures on new plant and equipment have averaged \$175 million during the last four years.

I sincerely hope you will do more than consider resuming negotiations. Please remember we are willing to negotiate any and all aspects of our offer. You owe it to your shareholders to at least explore whether a mutually acceptable transaction can be agreed upon. We are willing to meet at any time and at any place you decide.

Sincerely,

Don Tyson Chairman

NEWS RELEASE

**TYSON SENDS LETTER TO WLR BOARD SEEKING MERGER
NEGOTIATIONS; TYSON LETTER CRITICAL OF WLR'S BUYBACK PLAN**

SPRINGDALE, ARKANSAS (MAY 17, 1994) - Tyson Foods, Inc. (NASDAQ:TYSNA) announced today that Don Tyson, Chairman of the Board, has sent a letter to the Board of Directors of WLR Foods, Inc. (NASDAQ:WLRF) asking again for the Board to open negotiations about "any and all aspects" of Tyson's \$30 per share offer. Mr. Tyson's letter also sharply questions WLR's plan, disclosed for the first time in its May 12th letter to shareholders, to borrow funds to buy back a substantial amount of WLR stock if Tyson loses the May 21st proxy vote and terminates its offer.

Mr. Tyson writes, "You owe it to your shareholders at least to explore whether a mutually acceptable transaction can be agreed upon. We stand ready to invest \$330 million to buy WLR stock..[and] to enter into negotiations on a merger agreement that would provide a tax-free alternative to your shareholders. You should be aware that we are in the process of completing a \$1.5 billion refinancing of our existing credit facility with Bank of America that will enable us to continue our aggressive capital investment and expansion programs."

Questioning the high cost and negative effects of WLR's plans to initiate a leveraged buyback program -- which Mr. Tyson charges would diminish future prospects

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TYSON SENDS LETTER TO WLR BOARD SEEKING MERGER

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for WLR shareholders, growers and employees -- Mr. Tyson writes, "We think it would be wrong...to sacrifice WLR's future for the sake of entrenching management" by shrinking the shareholder base.

Mr. Tyson notes that it would be WLR's short-term shareholders who would stand to benefit from a buyback program and that long term investors would "be thanked again for their loyalty and offered little else."

Mr. Tyson states that, "...the millions that WLR would spend buying back shares should instead be invested in WLR -- opening new markets, developing new products, building new plants and selling more poultry...Tyson is ready and able to make these investments in WLR" and they would "create significant future opportunities for all...isn't it about time we sat down across the table and tried to negotiate a deal that would please all WLR shareholders."

For a copy of the letter or further information, contact Tyson's Director of Media, Public and Governmental Affairs, Archie Schaffer, III at 501-290-7232.

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End of Filing

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