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U.S. Tobacco Cooperative Inc. Successfully Emerges from Bankruptcy
Plan of Reorganization Approved, Class Action Lawsuit Settled

[July 18, 2022] -- Raleigh, NC -- U.S. Tobacco Cooperative Inc. (the Cooperative or USTC) announces it successfully exited bankruptcy on Thursday, July 14. The announcement comes pursuant to the federal Bankruptcy Court’s approval of the Cooperative’s Chapter 11 Plan of Reorganization (Plan) on June 23, 2022, along with approval of the settlement terms with the Lewis Class.

The Cooperative originally filed for bankruptcy protection in July 2021 in order to meet contractual obligations to its member growers while the company addressed uncertainty presented by the ongoing Lewis class action lawsuit.

“Today’s exit from bankruptcy marks the end of more than 17 years of class action lawsuits following the termination of the federal price support program that ran from 1946 to 2005,” said Oscar J. House, chief executive officer, U.S. Tobacco Cooperative. “Our exit allows us to now focus solely on the services and products our Cooperative is known for. I want to thank our customers, employees, suppliers, board of directors, and especially our member growers for their continual support throughout the bankruptcy proceedings, which are now officially behind us.”

In accordance with the Plan, the Cooperative pays in full its secured lenders, suppliers and unsecured creditors in addition to settlement amounts to the Lewis Class.

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“We are energized,” continued CEO House. “Our business is robust with our farmer members contracting for this fall’s harvest, customers ordering our products, and shipments processing daily. With our experienced management team, dedicated employees and our strong market position, the Cooperative is poised for a successful future,” concluded House.

About U.S. Tobacco Cooperative Inc.

USTC is a grower owned marketing cooperative located in Raleigh, NC. The Cooperative processes U.S. flue-cured tobacco grown by its 500+ member-growers in North Carolina, Florida, Georgia, South Carolina, and Virginia. Member-grower tobacco is processed and sold as raw materials to cigarette manufacturers worldwide. Subsidiaries of USTC include U.S. Flue-Cured Tobacco Growers, Premier Manufacturing, Franchise Wholesale (d/b/a Wildhorse Distributing), Big South Distribution, and King Maker Marketing, Inc. USTC, through its subsidiaries, also produces consumer products for the U.S. market under the brand names of Wildhorse, 1839, Manitou, Shield, 1st Class, Ultra Buy and Traffic.

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