DOLE FOOD CO INC
Form S-1
April 24, 2017
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As filed with the Securities and Exchange Commission on April 24, 2017

Registration Number 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

DOLE FOOD COMPANY, INC.

(Exact name of Registrant as specified in its charter)

North Carolina	**0100**	**99-0035300**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

One Dole Drive

Westlake Village, California 91362

(818) 879-6600

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Johan Lindén, President and Chief Executive Officer

Jared R. Gale, Vice President, General Counsel and Corporate Secretary

Dole Food Company, Inc.

One Dole Drive

Westlake Village, California 91362

(818) 879-6600

(Name, address and telephone number, including area code, of agent for service)

Copies to:

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As soon as practicable after this Registration Statement becomes effective.

(Approximate date of commencement of proposed sale to the public)

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer	Accelerated filer	Non-accelerated filer (Do not check if a smaller reporting company)	Smaller reporting company
			Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	**Proposed Maximum Aggregate Offering Price(1)(2)**	**Amount of Registration Fee**
Common Stock, $0.001 par value	$100,000,000	$11,590

(1) Estimated solely for the purpose of computing the amount of the registration fee, in accordance with to Rule 457(o) promulgated under the Securities Act of 1933, as amended.

(2) Includes offering price of additional shares that the underwriters have the option to purchase. See Underwriters.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)

Issued , 2017.

Shares

DOLE FOOD COMPANY, INC.

Common Stock

This is an initial public offering of common stock of Dole Food Company, Inc. We are offering shares of common stock. Prior to this offering, there has been no public market for our common stock since 2013. It is currently estimated that the initial public offering price per share will be between $ and $.

We intend to apply to have our common stock listed on under the symbol .

See Risk Factors beginning on page 14 to read about factors you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Price to Public	***Underwriting Discounts and Commissions***[(1)]	***Proceeds to us, before expenses***
Per share	*$*	*$*	*$*
Total	*$*	*$*	*$*

(1) We have agreed to reimburse the underwriters for certain FINRA-related expenses. See Underwriters.

We have granted to the underwriters an option to purchase up to additional shares of common stock.

The underwriters expect to deliver the shares against payment in New York, New York on , 2017.

Morgan Stanley *BofA Merrill Lynch* *Deutsche Bank Securities*

, 2017.

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You should rely only on the information contained in this prospectus or in any free-writing prospectus we may specifically authorize to be delivered or made available to you. Neither we nor the underwriters (or any of our or their respective affiliates) authorized anyone to provide you with additional or different information. Neither we nor the underwriters (or any of our or their respective affiliates) take any responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where such offers and sales are permitted. The information in this prospectus or any free-writing prospectus is accurate only as of its date, regardless of its time of delivery or the time of any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

MARKET SHARE, RANKING AND SIMILAR INFORMATION

The market share, ranking and other information contained in this prospectus is based either on our own estimates, independent industry publications, reports by market research firms or other published independent sources. In each case, we believe that they are reasonable estimates. Market share information is subject to changes, however, and cannot always be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data-gathering process and other limitations and uncertainties inherent in any statistical survey of market share. In addition, customer preferences can and do change, and the definition of the relevant market is a matter of judgment and analysis. As a result, you should be aware that market share, ranking and other similar information set forth in this prospectus, and estimates and beliefs based on such data, may not be reliable. Market share data for both our fresh fruits and fresh vegetables businesses is based on unit sales. In this prospectus, when we refer to IPSOS, we are referring to an online survey conducted in November 2016 by major global research company, IPSOS (through IPSOS Germany), which surveyed approximately 1,000 respondents aged 18-75 years, representative for the U.S. population in private households. In addition, in this prospectus, when we refer to market share for conventional and organic bananas and pineapples in North America and Europe, we are referring to market share for Latin American-sourced conventional and organic bananas and pineapples in such regions.

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TRADEMARKS

This prospectus includes our trademarks, such as DOLE®, which are protected under applicable intellectual property laws and are the property of Dole Food Company, Inc., or its subsidiaries. Solely for convenience, trademarks, service marks and trade names referred to in this prospectus may appear without the ®, ™ or ℠ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names. This prospectus may also contain trademarks, service marks, trade names and copyrights of other companies, which are the property of their respective owners.

BASIS OF PRESENTATION

References in this prospectus to Dole, the Company, we, us or our refer to Dole Food Company, Inc. and its consolidated subsidiaries, unless the context requires otherwise. As used in this prospectus, the terms fiscal, fiscal year and fiscal year ended refer to our fiscal year, which ends on the Saturday closest to December 31.

The fiscal years 2016, 2015 and 2014 ended on December 31, 2016, January 2, 2016 and January 3, 2015, respectively. The Company operates under a 52/53 week year. Fiscal 2014 was a 53-week year. Fiscal 2016 and 2015 were both 52-week years.

NON-GAAP FINANCIAL MEASURES

In addition to our results under generally accepted accounting principles in the United States, or GAAP, in this prospectus we also present EBIT before discontinued operations and Adjusted EBITDA, which are supplemental measures of financial performance that are not required by, or presented in accordance with, GAAP. EBIT before discontinued operations is calculated from net income (loss) by adding the loss or subtracting the income from discontinued operations, net of income taxes, adding interest expense from continuing operations and subtracting the income tax benefit or adding the income tax expense from continuing operations. Adjusted EBITDA is calculated from EBIT before discontinued operations by: (1) adding depreciation and amortization; (2) adding the net unrealized loss or subtracting the net unrealized gain on derivative instruments; (3) adding the net unrealized loss or subtracting the net unrealized gain on foreign currency denominated intercompany borrowings; (4) adding converted share-based award compensation and certain long-term incentive plans expense; (5) adding charges for restructuring; (6) subtracting the gain on asset sales; (7) adding merger transaction, litigation settlement and other related costs; (8) adding the impact of acquisition accounting; (9) adding refinancing charges; and (10) adding packaged salads recall costs.

EBIT before discontinued operations and Adjusted EBITDA are presented in this prospectus because they are important metrics used by management as one of the means by which we assess our financial performance. These measures are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry. We use EBIT before discontinued operations and Adjusted EBITDA as supplements to GAAP measures of performance to evaluate the effectiveness of our business strategies and to compare our performance relative to our peers. These measures, when used in conjunction with related GAAP financial measures, provide investors with additional financial analytical framework which management uses, in addition to historical operating results, as the basis for financial, operational and planning decisions and present measurements that third parties have indicated are useful in assessing our company and its results of operations.

However, EBIT before discontinued operations and Adjusted EBITDA are not measurements of our financial performance under GAAP and should not be considered as alternatives to net income (loss) attributable

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to Dole Food Company, Inc., net income (loss), income (loss) from continuing operations or any other performance measures derived in accordance with GAAP. Additionally, EBIT before discontinued operations and Adjusted EBITDA are not intended to be liquidity measures because of certain limitations such as:

- they do not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; and
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and these non-GAAP measures do not reflect cash requirements for such replacements.

Because of these limitations, EBIT before discontinued operations and Adjusted EBITDA should not be considered as measures of discretionary cash available to us to invest in the growth of our business.

Further, EBIT before discontinued operations and Adjusted EBITDA as used herein may not be calculated in a similar manner to, and are therefore not necessarily comparable with, similarly titled measures of other companies. However, we have included EBIT before discontinued operations and Adjusted EBITDA herein because management believes that EBIT before discontinued operations and Adjusted EBITDA are useful performance measures for us. These non-GAAP financial measures have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our operating results or cash flows as reported under GAAP.

In calculating these non-GAAP financial measures, we make certain adjustments that are based on assumptions and estimates that may prove to be inaccurate. In addition, in evaluating our non-GAAP financial measures, you should be aware that we may, in the future, incur expenses that are the same as or similar to those eliminated or adjusted for in this presentation. Our presentation of these non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by any such adjustments. The non-GAAP information in this prospectus should be read in conjunction with our audited consolidated financial statements and the related notes included elsewhere in this prospectus. A reconciliation of these non-GAAP measures to net income (loss), the most directly comparable measure calculated in accordance with GAAP, is set forth in Summary Summary Historical Consolidated Financial Information.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider before buying shares in this offering. You should read the entire prospectus carefully, especially the information under Risk Factors, Management s Discussion and Analysis of Financial Condition and Results of Operations and our audited consolidated financial statements and related notes included elsewhere in this prospectus before making an investment decision.

OUR COMPANY

Founded in 1851, Dole Food Company is one of the world s leading producers, marketers and distributors of fresh fruit and fresh vegetables. We provide retail, wholesale and foodservice customers around the world with a diverse portfolio of the finest, high-quality fresh fruit and vegetable products bearing the DOLE brand and other brands. Our most significant products hold leading market share positions in their respective markets. We are one of the world s largest producers of bananas and pineapples, and a leader in other fresh fruit, value-added and fresh-packed vegetables, and berries. We sell and distribute our fruit and vegetable products throughout our network in North America, Europe, Latin America, South Africa and Dubai. We believe our brand has global appeal, as we offer products that provide value and convenience, and align strongly with the growing emphasis on maintaining a healthy, balanced lifestyle.

The DOLE brand is one of the most recognized brands for fresh fruit in the United States, as evidenced by our 63% unaided consumer brand awareness 25% higher than that of our closest competitor, according to a survey conducted in 2016 by major global research company IPSOS. In a recent survey conducted by Reputation Institute measuring the reputation of approximately 800 companies in the United States, DOLE ranked as the highest fresh food brand and was the 18th most reputable brand overall. We believe that consumers and retailers around the world both recognize and associate the DOLE brand with premium food products, which enables us to enter new markets and attract customers, and contributes significantly to maintaining our leading positions in the markets that we serve.

We have built an integrated supply chain and operating platform by owning farmland, manufacturing plants, pack houses, ships, containers and port and research facilities. As of March 25, 2017, we owned and operated approximately 124,000 acres of farms and other land holdings around the world, including approximately 14,800 acres of actively marketed idle land for sale in Oahu, Hawaii. In addition, we own a fleet of 15 refrigerated ships, 13 of which are dedicated to our operations, operate approximately 15,600 refrigerated containers and utilize six salad manufacturing plants. Our iconic brand, commitment to product quality, sustainability, food safety, nutrition education, customer service and consumer marketing programs, while maintaining competitive pricing, enhances our position within the fresh food industry. We believe that our infrastructure, combined with our market-leading logistics and distribution management capabilities, allows us to grow, source, process and distribute the highest quality and freshest products worldwide.

We believe our leading brand position and integrated supply chain create a reliable business model that will deliver consistent, strong financial results. For fiscal 2016, we had revenue of approximately \$4.51 billion, operating income of approximately \$21.4 million, a net loss of \$23.0 million and Adjusted EBITDA of approximately \$215.6 million. For additional information regarding Adjusted EBITDA, including a reconciliation to net loss, see Non-GAAP Financial Measures and Summary Historical Consolidated Financial Information.

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TRANSFORMATION SINCE PRIVATIZATION

Dole was taken private by Mr. David H. Murdock in November 2013. Since going private, we have undertaken significant cost savings measures and divestment of non-core assets. We have also made significant improvements across our global supply chain, particularly in the form of farm acquisitions and the delivery of three new West Coast vessels.

The acquired farms have increased our owned acreage by approximately 20% primarily in Latin America. This increase in company-produced volume has helped us to improve our negotiating position with our independent growers. In addition, the new acquisitions have added to our overall product diversification strategy, as they include organic pineapple farms in Costa Rica and a diversified fresh fruit farm in Chile.

Since going private, we have successfully brought three new West Coast vessels on-line, which increased our capacity and market share and minimized our shipping costs. By maintaining control of the supply chain, we are better equipped to protect Dole products from handling damage, maintain optimal shipping temperatures and better control the timing of our product distribution, allowing us to consistently provide the finest, high-quality fresh fruit and vegetable products to our retail, wholesale and foodservice customers around the world.

These investments have been critical in preparing us to withstand market turbulences and headwinds, optimizing our competitive position within the industry. In addition to these investments, we have also undertaken cost savings measures to rationalize product costs as well as Selling, Marketing, and General and Administrative Expenses, or SMG&A. We have also strategically divested, and continue to divest, non-core assets, such as idle land in Hawaii and our Swedish fresh fruit procurement and distribution operation, to right-size our operations and eliminate assets not essential to our business. These investments and cost savings measures have transformed our financial position, resulting in an increase in Adjusted EBITDA of $109.9 million in three years from $105.7 million in fiscal 2013 to $215.6 million in fiscal 2016. For additional information regarding Adjusted EBITDA, including a reconciliation to net loss, see Non-GAAP Financial Measures and Summary Historical Consolidated Financial Information.

OUR MARKET OPPORTUNITY

The combined U.S. and European market for fresh fruit and vegetables is approximately $392 billion, with just over $115.0 billion and $277.0 billion in sales in 2013 in the United States and Europe, respectively, according to MarketLine research report published in 2015. The worldwide fresh produce industry exhibits consistent underlying demand and favorable growth dynamics. In recent years, the U.S. fresh produce market has increased faster than the rate of population growth, supported by ongoing trends, including greater consumer demand for healthy, fresh and convenient foods and greater emphasis among retailers on fresh produce as a differentiating factor in attracting customers. Internationally, we believe there are significant opportunities, particularly in developing markets where annual per capita consumption of fruit and vegetables currently lags behind that of the developed world.

Health-conscious consumers are driving much of the growth in demand for fresh produce. Over the past several decades, the benefits of natural, preservative-free foods have become a significant element of the public focus on health and nutrition, as evidenced by the expected 13% annual growth rate in the global organic food market, according to TechSci Research. As a result, consumption of fresh fruit and vegetables has increased in the United States and Western Europe, according to Euromonitor International. In addition, demand for fresh produce is aided by favorable demographic trends such as rising income levels and an aging population. In the United States, growth in Hispanic and Asian-American population segments, both of which spend more than the overall U.S. average on fresh produce, is also driving growth.

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As food retailers seek to differentiate themselves within a competitive industry, they have sought to increase profits by focusing on higher growth fresh produce categories and value-added products, which generally have higher margins and are forecasted to grow at an annual rate of 4.5% according to Nielsen. We believe that we can capitalize on this trend by introducing new and innovative products in our fresh produce and value-added lines.

Consumers are increasingly demanding products produced in a sustainable and responsible manner. We are committed to continually improving our agricultural practices and delivering more sustainable products to the market. Our policies, practices and their effective implementation in our operations have been recognized by multiple third-party certifications, such as Rainforest Alliance, Fairtrade and GLOBALG.A.P. We maintain a culture of transparency and believe that customers demand for increasingly sustainable products, coupled with our leading industry position in sustainability best practices and research, further drive our ability to capture market share and drive higher margins.

OUR COMPETITIVE STRENGTHS

Our competitive strengths have contributed to our strong historical operating performance, and we believe they will enable us to capitalize on future growth opportunities. Our competitive strengths are:

Industry-Leading Company with Iconic Brand. The DOLE brand is one of the most recognized brands for fresh fruit in the United States, as evidenced by our 63% unaided consumer brand awareness 25% higher than that of our closest competitor, according to a survey conducted in 2016 by major global research company IPSOS. In a recent survey conducted by Reputation Institute measuring the reputation of approximately 800 companies in the United States, DOLE ranked as the highest fresh food brand and was the 18th most reputable brand overall. Our most significant products hold leading market shares in their respective markets. For example, we are the market share leader for conventional and organic bananas in North America and hold the number three market share position for bananas in Europe. Additionally, we hold the number two market share position for pineapple in North America and the number three market share position for pineapples in Europe. Through our global marketing efforts, we believe we have made the distinctive red DOLE letters and sunburst a familiar symbol of freshness and quality, strongly recognized in supermarkets around the world. We believe that consumers and retailers recognize and associate the DOLE brand with premium food products, which enables us to enter new markets and attract customers, and contributes significantly to maintaining our leading positions in the markets that we serve.

Highly Diversified Product Offering, Sourcing and Customer Base. We offer over 180 products grown and sourced from approximately 20 countries in various regions, which are distributed and marketed to over 75 countries. Our diverse product offering allows us to reach a broad retail and consumer base while mitigating adverse market conditions associated with any single product. We are similarly not dependent on any one geography or grower for the sourcing of our products, which reduces our risk from exposure to natural disasters and political disruptions in any one particular country, while allowing access to the highest quality products. In fiscal 2016, no third-party grower represents more than 10% of our sourced banana and pineapple volume. Our largest customers are leading retail, wholesale and foodservice customers in North America and Europe, none of which contributed more than 10% of total sales in fiscal 2016. We believe our worldwide customer base allows us to reach a broad consumer base, limits potential exposures to adverse economic conditions in any given region or country, and allows us to develop strong relationships with domestic and international retailers who benefit from our scale, capabilities and infrastructure.

Vertically Integrated Supply Chain and Asset Base Enabling Low Cost Production. Our production, processing, transportation and distribution infrastructure enables us to consistently and efficiently deliver the

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finest, high-quality fresh fruit and vegetable products to our customers. Our quality starts on the farm, where we own or lease approximately 150,000 acres of land around the world. This investment in land provides us with production diversity and capacity, and an improved negotiating position with our independent growers. The quality of our product is protected throughout our farm-to-customer supply chain, which is integral to our products quality and shelf life. Our robust, integrated supply chain differentiates us from independent growers who cannot readily supply high-quality fresh produce on a global scale, as demanded by our global customer base. Furthermore, our supply chain and global sourcing network enables us to be a low-cost producer in many of our major product lines. Over the last several years, we have undertaken various initiatives to achieve and maintain this low-cost position, including investing in manufacturing facilities as well as in farms, and leveraging our extensive logistics infrastructure more efficiently. We intend to maintain these low-cost positions through a continued focus on operating efficiency. The investments in our infrastructure, market-leading logistics and distribution management capabilities allow us to act as a preferred fresh fruit and vegetable provider to leading retail, wholesale and foodservice customers around the world by ensuring competitively priced products delivered with the highest levels of service and quality.

Leader in Corporate Sustainability and Responsibility. We place great emphasis on corporate social responsibility in the form of providing education, workers programs and health & wellness programs for our employees and independent growers in certain regions where we do business. We believe these initiatives ultimately improve performance of our employees and independent growers. We believe that we are also at the forefront of responsible and sustainable production practices. Our focus on sustainability benefits our owned resources and is an increasing area of focus for consumers and therefore also for our customers. Additionally, these practices align with our organic offerings and have contributed to our leading positions in organic bananas and pineapples. We have been recognized by several third-party certifications, such as the Rainforest Alliance, Fairtrade and GLOBALG.A.P., for our leading sustainability practices. Ultimately, we believe being a leader in corporate sustainability and responsibility, or CSR, is a major competitive differentiator that resonates strongly with consumers and will help us attract new customers and increase our leading market share with our existing customers.

Strong Management Team. Our inspiration and vision comes from Mr. Murdock, who has been at the forefront of Dole and the fresh produce industry for over 30 years. Our day-to-day operations are led by President and Chief Executive Officer Johan Lindén and Chief Financial Officer Johan Malmqvist, each of whom has a track record of success with Dole and other leading organizations. Johan Lindén has been with Dole for over 16 years and, prior to his promotion, was instrumental to the growth and success of Dole Europe, where he served in various roles, including most recently as President. Johan Malmqvist joined Dole in 2014 from Perstorp Holding AB, where he served as CFO, and has effectively enacted and implemented financial policies contributing to the Company s transformation since its privatization. The leaders of our primary operating businesses, Renato Acuña, Tim Stejskal and Francisco Chacon, have an average tenure with Dole of over 23 years and are industry leaders in their respective product categories. The remainder of the senior management team has extensive experience both with Dole and within the fresh produce industry, with an average tenure at Dole of over 14 years. Collectively, the senior management team has successfully delivered strong operating and financial results through disciplined execution and implementation of Mr. Murdock s vision. We believe our management team is a key driver of our success and positions us well for long-term growth.

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OUR STRATEGY

Our mission is to provide the finest, high-quality fresh fruit and vegetable products to our customers, and to be a produce industry leader in health, nutrition education and research. We believe we can best achieve our mission by implementing the following strategy:

Focus on Innovation to Enhance Our Diverse Product Offering and Leading Market Position. We remain focused on the expansion of our product portfolio, our customer base and our positions within the markets we serve. We introduced 16 new value-added products in fiscal 2016 and recently introduced GO BERRIES!™, a new berries product that enhances convenience through innovative, patent pending packaging design. We believe that our continued focus on product innovation and diversification will enable us to capitalize on emerging consumer trends and expand our leadership position within the industry. It will also prevent reliance on a single product, region, grower or customer, and enable us to continue delivering the finest, high-quality fresh fruit and vegetable products to our customers and consumers worldwide. We are committed to our organic programs, for both pineapples and bananas, which add to our product diversification, strengthen customer relationships and serve as a competitive differentiator. For our diversified fruit category, we will continue diversifying our product portfolio by expanding our sourcing footprint, enabling us to effectively service markets with counter-seasonal growing operations. For our value-added vegetables category, which is one of the top growing categories in the produce industry, we intend to remain focused on both the diversification of our product portfolio and our market position by remaining on the cutting edge of product innovation. We believe our ability to meet the changing needs of both our customers and consumers will be a continued source of growth.

Leverage our Integrated Supply Chain. We are integrated and maintain control of our products from the farm to our customers. We own farmland, manufacturing plants, ships, containers and port and research facilities. Over the past few years, we have made considerable investments in new farms, equipment and vessels. These investments have enabled lower-cost production and more efficient delivery of our fresh, high-quality products. Our recent farm purchases give us more control over supply and less reliance on independent growers, providing pricing leverage and limiting exposure to the spot market. A number of these purchases will reach their full potential over the next few years, as we bring our operating technologies fully to bear and certain replantings reach full maturity, which will optimize yield at the lowest level of operating cost. Our investments in our industry-leading shipping fleet provide us complete control over the handling and delivery of our key products. Controlling the shipping process allows us to ensure that our products reach the market at the peak of freshness and quality. We believe that this level of control of our supply chain is a distinct competitive advantage and that recent investments will provide cost leverage, resulting in improving margins, as we scale our operations.

Focus on Operating Margin Improvement and Cash Flow Generation. We intend to focus on operating margin improvement through cost savings and improved pricing and product mix. We have a cost savings culture that includes rationalizing SMG&A, optimizing our supply chain and improving synergies across divisions. Key near-term cost saving strategies include optimizing the use of recently purchased farms, continuing the rationalization of our footprint of locations and offices, improving the flexibility of certain plants to produce multiple products cost effectively and implementing already-developed new growing and harvesting technologies. To improve pricing and mix, we believe that we will benefit from product innovations, continued growth in our higher margin organic programs, and greater penetration of value-added products with customers, among other factors. In addition to our operating margin improvements, we also improve cash flow generation by being actively engaged in the divestment of our non-core assets, particularly the approximately 14,800 acres of idle land we own in Hawaii. We will continue to focus both on improving our cost structure and the divestment of non-core assets and operations, while investing in our core assets and markets at levels consistent with our growth plan. We also plan to utilize this cash flow to reduce our debt levels.

Remain Dedicated to Corporate Sustainability and Responsibility**.** We are at the forefront of responsible and sustainable production practices. We intend to continue to devote our resources to these policies and

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collaborate with our retail partners, including international retail partners such as BAMA and EDEKA, to increase availability of sustainably and organically farmed fresh produce. Our industry-leading position in CSR has allowed us to gain and retain customers who place emphasis on sustainability and responsibility, and we believe that it will continue to be a competitive differentiator and growth driver, particularly as corporate and social responsibility becomes a larger part of the social dialogue.

SUMMARY RISK FACTORS

Our business is subject to numerous risks and uncertainties, including, but not limited to, those arising from:

- adverse weather conditions, natural disasters, crops disease, pests and other natural conditions;
- our ability to compete in a highly competitive industry and to maintain our current market share;
- our ability to effectively manage fluctuations in market prices, demand for our products and seasonal variability;
- the consequences of increases in commodity or raw product costs, such as fuel, paper, plastics and resins;
- the consequences of the use of herbicides and other potentially hazardous substances in our operations, which may lead to environmental damage and result in increased costs to us;
- our ability to manage our costs of borrowing, liquidity and disruptions to the operations of suppliers in light of global capital and credit market issues;
- changes in the regulatory regimes governing the areas of food safety and protection of human health and the environment;
- our exposure to the risk of product contamination, and associated regulatory and legal action, product liability claims and assorted transportation risks;
- our ability to effectively manage any changes in general economic, political and social conditions;
- our substantial indebtedness, and our ability to perform under our current debt obligations or additional future indebtedness;

- our ability to generate sufficient cash flow to service our substantial debt obligations and fund our operations;

- our ability to operate our business under agreements governing certain of our indebtedness containing restrictive covenants that restrict or prohibit our ability to engage in or enter into a variety of transactions; and

- our relationship with David H. Murdock and his controlled companies and their significant ownership of our common stock.

You should carefully consider all of the information set forth in this prospectus and, in particular, the information in Risk Factors, beginning on page 14 of this prospectus prior to making an investment in our common stock. These risks could, among other things, prevent us from successfully executing our strategies and could have a material adverse effect on our business, financial condition and results of operations.

RECENT DEVELOPMENTS

We have signed a term sheet to acquire the Dole Hawaii Plantation Store, or the Dole Plantation, from Castle & Cooke Properties, Inc., an affiliate of Dole. The Dole Plantation is one of Hawaii s leading attractions. It provides a variety of activities catering to all ages, including the Pineapple Express Train Tour, the Plantation

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Garden Tour, the Pineapple Garden Maze and a plantation store. We anticipate that the acquisition of the Dole Plantation will add to our earnings, further enhance our brand and drive consumer awareness. We anticipate that the acquisition of the Dole Plantation will be completed by mid-2017. This offering is not conditioned upon the completion of the acquisition of the Dole Plantation, and it is possible that we may not be able to complete the acquisition on the terms we currently anticipate or at all.

PRINCIPAL SHAREHOLDER

Mr. Murdock acquired a controlling interest in Dole, then called Castle & Cooke, Inc., in 1985. Castle & Cooke, Inc. changed its name to Dole Food Company, Inc. in 1991. In 1995, Dole divested a significant amount of its non-core real estate by spinning it out into a new company named Castle & Cooke, Inc., or Castle & Cooke, which Mr. Murdock took private in 2000. Mr. Murdock owns interests in a variety of other businesses and has been an active private investor for over 45 years.

COMPANY INFORMATION

Our principal executive offices are located at One Dole Drive, Westlake Village, California 91362, and our telephone number is (818) 879-6600. Our website is located at www.dole.com. The information contained on our website is not a part of this prospectus.

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THE OFFERING

Common stock offered	shares (or shares if the underwriters option to purchase additional shares from us is exercised in full).
Common stock to be outstanding after this offering	shares (or shares if the underwriters option to purchase additional shares from us is exercised in full).
Underwriters option to purchase additional shares of common stock	shares.
Use of proceeds	We estimate, based upon an assumed initial public offering price of $ per share (which is the midpoint of the price range set forth on the cover page of this prospectus), we will receive proceeds from the offering of approximately $ million after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the proceeds from this offering (i) for the repayment of indebtedness and, if any remaining, (ii) other general corporate purposes. See Use of Proceeds.
Dividend Policy	We do not anticipate paying dividends on our common stock in the foreseeable future. See Dividend Policy.
Risk Factors	You should carefully read and consider the information set forth in Risk Factors of this prospectus and all other information set forth in this prospectus before investing in our common stock.
Proposed symbol	

Except as otherwise indicated, all of the information in this prospectus assumes:

- the underwriters do not exercise their option to purchase additional shares;
- common stock to be outstanding after this offering does not include shares of common stock subject to awards, which include grants of stock options that were effective upon the pricing of this offering and grants of restricted shares of common stock that will be effective upon the consummation of this offering;

the Trust Offering (as defined below); and

a -for- stock split of our common stock.

In addition to the offering made hereby, an affiliate of our existing shareholder will be involved in a private placement by , a newly formed trust, or the Trust, of of its $ mandatory exchangeable trust securities exchangeable into shares of our common stock that may be delivered by the Trust upon exchange of those securities beginning on , 2020. In this prospectus, we refer to that separate offering as the Trust Offering. The initial purchasers in the Trust Offering have an option to acquire from the Trust additional mandatory exchangeable trust securities with respect to up to additional shares of our common stock. The Trust is expected to enter into a purchase agreement with an affiliate of our existing shareholder with

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respect to the shares of our common stock deliverable upon exchange of the Trust s securities pursuant to which a payment will be made to such affiliate at the closing of the Trust Offering in consideration for such future delivery. The affiliate of our existing shareholder will continue to have the right to vote those shares until delivery, subject to certain exceptions. The shares of common stock and the Trust s securities in the Trust Offering are being offered only to qualified institutional buyers as defined in Rule 144A under the Securities Act of 1933, as amended, or the Securities Act, in an offering exempt from the registration requirements of the Securities Act. Nothing in this prospectus should be construed as an offer to sell or a solicitation of an offer to buy any shares of common stock or the Trust s securities in the Trust Offering.

The Trust will not be affiliated with us or our existing shareholder. We will not receive any of the proceeds of the Trust Offering, and we will not pay any of the expenses of the Trust in connection with its establishment or the offering and sale of its securities. This offering of our shares of common stock is not conditioned upon the completion of the Trust Offering, although the completion of the Trust Offering is conditioned on the satisfaction of all conditions to closing this offering. Subject to certain exceptions, we anticipate that each of the Trust s securities will be mandatorily exchangeable into shares of common stock based on a pricing formula with customary anti-dilution adjustments to be negotiated by our existing shareholder and the Trust, or alternatively settled in cash equal to the value of those shares of common stock. We also anticipate that the Trust will pay a fixed quarterly distribution from the proceeds of treasury securities purchased by the Trust from the net proceeds of the offering of its securities.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The following table sets forth a summary of our historical consolidated financial data. We have derived the summary historical consolidated financial data as of December 31, 2016 and January 2, 2016 and for the years ended December 31, 2016, January 2, 2016 and January 3, 2015 from the audited financial statements included elsewhere in this prospectus. We have derived the summary historical consolidated financial data as of January 3, 2015 from our financial statements for such year that are not included in this prospectus. Amounts from these previously audited financial statements have been revised to reflect the reclassifications required as a result of our adoption of Accounting Standards Update, or ASU, No. 2015-03 *Interest Imputation of Interest*, for which the related reclassifications for such year has not been audited.

The summary historical consolidated financial data set forth below are not necessarily indicative of our future results of operations and should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations, the audited consolidated financial statements and accompanying notes in our consolidated financial statements as of December 31, 2016 and January 2, 2016 and for the fiscal years ended December 31, 2016, January 2, 2016 and January 3, 2015, Risk Factors and other information included in this prospectus.

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STATEMENT OF OPERATIONS	Fiscal Year Ended[1] December 31, 2016	January 2, 2016	January 3, 2015
	(In thousands, except per share data)		
Revenues, net	$ 4,507,262	$ 4,646,413	$ 4,786,420
Cost of products sold	(4,238,625)	(4,309,160)	(4,452,921)
Gross profit	**$ 268,637**	**$ 337,253**	**$ 333,499**
Selling, marketing and general and administrative expenses	(193,050)	(234,126)	(248,664)
Merger transaction, litigation settlement and other related costs	(70,042)	(67,275)	(4,345)
Gain on asset sales	15,878	19,755	14,029
Operating income	**$ 21,423**	**$ 55,607**	**$ 94,519**
Other income (expense), net	3,015	13,534	19,396
Interest income	5,047	5,036	4,168
Interest expense	(70,170)	(62,937)	(63,798)
Income (loss) from continuing operations before income taxes and equity earnings (loss)	**$ (40,685)**	**$ 11,240**	**$ 54,285**
Income taxes	27,145	(22,319)	28,992
Earnings (loss) from equity method investments	(3,377)	(735)	657
Income (loss) from continuing operations, net of income taxes	**(16,917)**	**$ (11,814)**	**$ 83,934**
Income (loss) from discontinued operations, net of income taxes	**$ (6,043)**	**$ 1,031**	**$ (18,853)**
Net income (loss)	**$ (22,960)**	**$ (10,783)**	**$ 65,081**
Less: Net income attributable to non-controlling interests	(698)	(1,380)	(728)
Net income (loss) attributable to the shareholder of Dole Food Company, Inc.	**$ (23,658)**	**$ (12,163)**	**$ 64,353**
Earnings per share Basic and Diluted:			
Income (loss) from continuing operations excluding net income attributable to noncontrolling interests	$ (17,615)	$ (13,194)	$ 83,206
Net income (loss) attributable to Dole Food Company, Inc.	(23,658)	(12,163)	64,353

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BALANCE SHEET DATA (at period end):	December 31, 2016	January 2, 2016	January 3, 2015
		(In thousands)	
Cash and cash equivalents	$ 36,628	$ 83,210	$ 54,882
Working capital(3)	103,007	226,672	148,227
Total assets(2)	2,906,696	2,961,624	3,186,284
Total secured debt, net(2)	1,276,552	1,185,520	1,069,612
Long term debt, net(2)	1,219,533	1,147,062	1,039,195
Total liabilities and equity(2)	2,906,696	2,961,624	3,186,284
Total equity	477,198	590,257	566,204

CASH FLOW AND OTHER DATA:	December 31, 2016	January 2, 2016	January 3, 2015
		(In thousands)	
Cash paid for capital expenditures	$ (156,131)	$ (142,825)	$ (259,533)
Interest payments on borrowings	62,030	62,697	59,391
Cash flow provided by (used in) operating activities	30,501	20,221	92,763
Cash flow provided by (used in) investing activities	(97,917)	80,840	(151,219)
Cash flow provided by (used in) financing activities	22,049	(69,946)	52,240

NON-GAAP INFORMATION:	December 31, 2016	January 2, 2016	January 3, 2015
		(In thousands)	
EBIT before discontinued operations(4)	$ 26,108	$ 73,442	$ 118,740
Adjusted EBITDA(4)	215,607	234,692	221,417

(1) Our fiscal year ends on the Saturday closest to December 31 of the applicable year. Fiscal year 2016 ended on December 31, 2016, fiscal year 2015 ended on January 2, 2016, and fiscal year 2014 ended on January 3, 2015. Fiscal years 2016 and 2015 were 52-week years and fiscal 2014 was a 53-week year.

(2) As a result of the adoption of ASU No. 2015-03 *Interest Imputation of Interest*, we have reclassified certain debt issuance costs not related to our line-of-credit from prepaid expense and other assets, and from other assets, net to notes payable and current portion of long-term debt, net and long-term debt, net in our previously audited financial statements. As of January 3, 2015, $5.4 million of debt issuance costs included in prepaid expenses and other assets were reclassified to notes payable and current portion of long-term debt, net and $13.5 million of debt issuance costs included in other assets, net were reclassified to long-term debt, net.

(3) $9.1 million of current net deferred tax assets are reflected in working capital as of January 3, 2015, and have been reclassified and reflected as noncurrent net deferred tax assets in the subsequent accounting periods as a result of the adoption of ASU No. 2015-17 *Balance Sheet Classification of Deferred Taxes*, that required deferred income tax assets and liabilities to be presented as non-current in the consolidated balance sheets.

(4) EBIT before discontinued operations and Adjusted EBITDA are non-GAAP measures. See Non-GAAP Financial Measures for a discussion of how we define and calculate these measures and why we believe they are important. The following is a reconciliation of Adjusted EBITDA to net income (loss), the most directly comparable measure calculated in accordance with GAAP.

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	December 31, 2016	January 2, 2016 (In thousands)	January 3, 2015
Net income (loss)	$ (22,960)	$ (10,783)	$ 65,081
(Income) loss from discontinued operations, net of income taxes	6,043	(1,031)	18,853
Interest expense from continuing operations	70,170	62,937	63,798
Income taxes from continuing operations	(27,145)	22,319	(28,992)
EBIT before discontinued operations	**26,108**	**73,442**	**118,740**
Depreciation and amortization	107,140	101,703	93,945
Net unrealized (gain) loss on derivative instruments	(12,999)	21,136	(27,565)
Net unrealized (gain) loss on foreign currency denominated intercompany borrowings	4,811	(11,113)	(17,929)
Converted share-based award compensation and certain long-term incentive plans[(a)]			2,628
Charges for restructuring[(b)]	10,727		22,159
Gain on asset sales	(15,878)	(19,755)	(14,029)
Merger transaction, litigation settlement and other related costs[(c)]	70,042	67,275	4,345
Acquisition accounting impact[(d)]			38,818
Refinancing charges	116	2,004	305
Packaged salads recall costs[(e)]	25,540		
Adjusted EBITDA	**$ 215,607**	**$ 234,692**	**$ 221,417**

(a) In connection with the November 1, 2013 going private merger transaction, all unvested share-based awards were canceled. The unvested share-based awards were replaced with cash based incentive awards that vested during fiscal 2014. During fiscal 2014, we recognized $2.6 million of expense for these replacement awards.

(b) During the second quarter of fiscal 2014, we restructured our worldwide operations to be better positioned in addressing the continued volatility in some of our businesses and the unpredictable nature of our commodity produce businesses and eliminated 545 positions worldwide which included 439 employee terminations and 106 open positions. As a result of this initiative, during fiscal 2014, we incurred restructuring costs of $22.2 million which have been included in selling, marketing and general and administrative expenses in the consolidated statements of operations. During fiscal 2016, we implemented a restructuring plan to realign our fresh vegetables operations whereby we reduced our workforce and realigned our berries supply with expected demand. We also restructured our European fresh fruit operations to reduce overhead and relocated certain North American fresh fruit sales to Kannapolis, North Carolina. As a result of these initiatives, during fiscal 2016, we incurred restructuring costs of $10.7 million, of which $6.2 million is included in costs of products sold and $4.5 million is included in selling, marketing and general and administrative expenses in the consolidated statements of operations.

(c) Includes costs associated with the November 1, 2013 going private merger transaction, such as legal fees and litigation settlements of the Delaware Court of Chancery and Federal Securities lawsuits. See Note 17 to the consolidated financial statements included elsewhere in this prospectus for additional information about our going private transaction litigation.

(d) In connection with the application of the acquisition method of accounting for the November 1, 2013 going private merger transaction, inventory was stepped up to its estimated fair value less an assumed margin for the selling and distribution effort. The subsequent sale of this inventory during fiscal 2014 resulted in a $38.8 million one-time increase in costs of products sold as the underlying inventory was sold and the corresponding step-up adjustment was adjusted through costs of products sold.

(e) Includes costs associated with the January 2016 voluntary recall of all Dole-branded and private label packaged salads processed at the Springfield, Ohio production facility as a result of a suspected link of the products to a listeria outbreak. In connection with the recall, we temporarily suspended operations at that production facility for four months in early 2016.

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RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this prospectus, including the consolidated financial statements and the related notes appearing elsewhere in this prospectus, before making an investment decision. If any of the following risks actually occurs, our business, financial condition and results of operations could be materially and adversely affected and the trading price of our common stock could decline, causing you to lose all or part of your investment in our common stock.

Risks Relating to Our Business and Industry

Adverse weather conditions, natural disasters, crop disease, pests and other natural conditions can impose significant costs and losses on our business.

Fresh produce is vulnerable to adverse weather conditions, including windstorms, floods, drought and temperature extremes, which are quite common but difficult to predict, the effects of which may be influenced and intensified by ongoing global climate change. Unfavorable growing conditions can reduce both crop size and crop quality. This risk is particularly acute with respect to regions or countries from which we source a significant percentage of our products. In extreme cases, entire harvests may be lost in some geographic areas. Such adverse conditions can increase costs, decrease revenues and lead to additional charges to earnings, which may have a material adverse effect on our business, financial position and results of operations.

Fresh produce is also vulnerable to crop disease and to pests, which may vary in severity and effect, depending on the stage of production at the time of infection or infestation, the type of treatment applied, climatic conditions and the risks associated with ongoing global climate change. For example, black sigatoka is a fungal disease that affects banana cultivation in most areas where they are grown commercially. The costs to control this disease and other infestations vary depending on the severity of the damage and the extent of the plantings affected. Moreover, there can be no assurance that available technologies to control such infestations will continue to be effective. These infestations can also increase costs, decrease revenues and lead to additional charges to earnings, which may have a material adverse effect on our business, financial position and results of operations.

Our business is highly competitive and we cannot assure you that we will maintain our current market share.

We face strong competition from many companies in all our product lines. In particular, some of our most significant competitive risks include the following:

- some of our competitors may have greater operating flexibility and, in certain cases, this may permit them to respond better or more quickly to changes in the industry or to introduce new products and packaging more quickly and with greater marketing support;

- several of our product lines compete with imports, private label products and other alternatives;

- bidding for contracts or arrangements with retail customers is highly competitive, and the prices or other terms of our contract bids may not be sufficient to retain existing business or to maintain current levels of profitability;

we cannot predict the pricing or promotional actions of our competitors or whether those actions will have a negative effect on us; and

global economic conditions or trade disruptions may influence the behavior of our competitors in a manner, which may have a negative effect on us.

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There can be no assurance that we will continue to compete effectively with our present and future competitors.

Our earnings are sensitive to fluctuations in market prices and demand for our products.

Excess supply often causes severe price competition in our businesses. Growing conditions in various parts of the world, particularly weather conditions such as windstorms, floods, droughts and freezes, as well as diseases and pests, are primary factors affecting market prices because of their influence on the supply and quality of product.

Although the perishability of fresh produce varies to a certain degree by item (for example, bananas will typically keep fresh in cold storage for longer than lettuce), fresh produce is, as a general matter, highly perishable and must be brought to market and sold soon after harvest. The selling price received for each type of produce depends on all of these factors, including the availability and quality of the produce item in the market, and the availability and quality of competing types of produce.

In addition, general public perceptions regarding the quality, safety or health risks associated with particular food products could reduce demand and prices for some of our products. To the extent that consumer preferences evolve away from products that we produce for health or other reasons, and we are unable to modify our products or to develop products that satisfy new consumer preferences, there will be a decreased demand for our products. However, even if market prices are unfavorable, produce items which are ready to be, or have been, harvested must be brought to market promptly. A decrease in the selling price received for our products due to the factors described above could have a material adverse effect on our business, financial position and results of operations.

Our earnings are subject to seasonal variability.

Our earnings may be affected by seasonal factors, including:

- the seasonality of our supplies and consumer demand;
- the ability to process products during critical harvest periods; and
- the timing and effects of ripening and perishability.

Although banana production tends to be relatively stable throughout the year, banana pricing is seasonal because bananas compete against other fresh fruit that generally comes to market beginning in the summer. As a result, banana prices are typically higher during the first half of the year. Our fresh vegetables business experiences some seasonality as reflected by higher earnings in the first half of the year.

We are subject to the risk of product contamination and product liability claims.

The sale of food products for human consumption involves the risk of injury to consumers. Such injuries may result from tampering by unauthorized third parties, product contamination or spoilage, including the presence of foreign objects, substances, chemicals, other agents or residues introduced during the growing, storage, handling or transportation phases. We have from time to time been involved in product liability lawsuits, none of which were material to our business. While we are subject to governmental inspection and regulations and believe our facilities comply in all material respects with all applicable laws and regulations, we cannot be sure that consumption of our products will not cause a health-related illness in the future or that we will not be subject to claims or lawsuits relating to such matters. We have from time to time initiated recalls, including Class I recalls, for issues such as possible contamination of produce with allergens or bacteria, such as salmonella and listeria. For example, most recently in January 2016, we were advised by the U.S. Food and Drug Administration, or the FDA, and the Centers for Disease Control and Prevention, or CDC, that they suspected a multi-state outbreak of listeria monocytogenes was linked to packaged salads produced at Dole Fresh Vegetables,

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Inc. s Springfield, Ohio facility. We responded by immediately ceasing all production activities at the Springfield facility and issuing a voluntary withdrawal followed by a recall of packaged salads produced there. The Springfield facility resumed production after extensive testing and a root cause investigation and analysis, and the recall has been formally terminated. Dole has received notice of several claims of illness (and in two cases, death) potentially relating to this listeria outbreak, and is currently defending against one lawsuit in Ohio federal district court, one in Indiana state court, one in Michigan state court, and one in Ontario, Canada. Each of the pending cases is in the early stages. Dole s insurance is participating in the defense of the litigation and the claims. On April 29, 2016, we were served with a subpoena from the United States Department of Justice, or DOJ, seeking information for its investigation of the listeria outbreak and our Springfield facility. Even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness or injury could adversely affect our reputation with existing and potential customers and our corporate and brand image. Moreover, claims or liabilities of this sort might not be covered by our insurance or by any rights of indemnity or contribution that we may have against others. We cannot be sure that we will not incur claims or liabilities for which we are not insured or that exceed the amount of our insurance coverage.

We may be subject to liability for environmental contamination.

Certain environmental laws, including the Comprehensive Environmental Response, Compensation, and Liability Act in the United States, impose strict and, in many cases, joint and several, liability for the cost of remediating contamination, on current and former owners of property or on persons responsible for causing such contamination. We have been involved in remedial investigations and actions at some locations, and could in the future be required to spend significant sums to remediate contamination that has been caused by us, our predecessors, or prior owners or operators of our properties. Although any such matters are not presently expected to be material, an adverse result in any potential future matter could have an adverse effect on our business, financial position and results of operations.

Currency exchange fluctuations may impact the results of our operations.

We produce over 180 products that are sourced, grown, processed, marketed and distributed in over 75 countries. Our international sales are usually transacted in U.S. dollars and European currencies. Our results of operations are affected by fluctuations in currency exchange rates in both sourcing and selling locations. Although we enter into foreign currency exchange forward contracts from time to time to reduce our risk related to currency exchange fluctuation, our results of operations may still be impacted by foreign currency exchange rates, primarily, the euro-to-U.S. dollar exchange rate. In recent years, the euro-to-U.S. dollar exchange rate has been subject to substantial volatility which may continue, particularly in light of recent political events regarding the European Union, or E.U., including the United Kingdom s referendum to exit the E.U. We estimate that a 10% strengthening of the U.S. dollar relative to the euro would lower operating income by approximately $32.5 million, excluding the impact of foreign currency exchange hedges. Because we do not hedge against all of our foreign currency exposure, our business will continue to be susceptible to foreign currency fluctuations.

Increases in commodity or raw product costs, such as fuel and paper, could adversely affect our operating results.

Many factors may affect the cost and supply of fresh produce, including external conditions, commodity market fluctuations, currency fluctuations, changes in governmental laws and regulations, agricultural programs, severe and prolonged weather conditions and natural disasters. Increased costs for purchased fruit and vegetables have in the past negatively impacted our operating results, and there can be no assurance that they will not adversely affect our business, financial position and results of operations in the future.

The price of various commodities can significantly affect our costs. For example, the price of bunker fuel used in shipping operations, including fuel used in ships that we own or charter, is an important variable component of transportation costs. In addition, fuel and transportation costs are a significant component of the price of much of the produce that we purchase from third parties, and there can be no assurance that we will be able to pass on to our customers the increased costs we incur in these respects.

The cost of paper is also significant to us because some of our products are packed in cardboard boxes for shipment. If the price of paper increases, and we are not able to effectively pass these price increases along to our customers, then our operating income will decrease. Increased costs for paper have in the past negatively impacted our operating income, and there can be no assurance that these increased costs will not adversely affect our business, financial position and results of operations in the future.

We face risks related to our former use of the pesticide DBCP.

We formerly used DBCP, a nematocide that was used on a variety of crops throughout the world. The registration for DBCP with the U.S. government was cancelled in 1979 based in part on an apparent link to male sterility among chemical factory workers who produced DBCP. There are a number of pending lawsuits in the United States and other countries against the manufacturers of DBCP and the growers, including us, who used it in the past. The cost to defend or settle these lawsuits, and the costs to pay any judgments or settlements resulting from these lawsuits, or other lawsuits which might be brought, could have a material adverse effect on our business, financial condition or results of operations. For more information, see Business Legal Proceedings DBCP Cases and Note 17 to our consolidated financial statements for the fiscal year ended December 31, 2016.

The use of herbicides, pesticides and other potentially hazardous substances in our operations may lead to environmental damage and result in increased costs to us.

We use herbicides, pesticides and other potentially hazardous substances in the operation of our business. We may have to pay for the costs or damages associated with the improper application, accidental release or the use or misuse of such substances. Our insurance may not be adequate to cover such costs or damages or may not continue to be available at a price or under terms that are satisfactory to us. In such cases, payment of such costs or damages could have a material adverse effect on our business, financial condition or results of operations.

We face other risks in connection with our international operations.

Our operations are heavily dependent upon products grown, purchased and sold internationally. In addition, our operations significantly contribute to the economies of many of the countries in which we operate, increasing our visibility and susceptibility to legal or regulatory changes. These activities are subject to risks that are inherent in operating in foreign countries, including the following:

- foreign countries could change laws and regulations, or impose currency restrictions and other restraints;
- the risk that the government may expropriate assets;
- the potential imposition or implementation of burdensome tariffs and quotas;

political changes and economic crises may lead to changes in the business environment in which we operate;

international conflict, including terrorist acts, could significantly impact our business, financial condition and results of operations;

economic sanctions may be imposed on some countries, which could disrupt the markets for products we sell, even if we do not sell into the target country;

the suspension of imports of one or more products we sell, which could disrupt the markets for those products in other countries;

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- dependency on leases and other agreements;
- economic downturns, political instability and war or civil disturbances may disrupt production and distribution logistics or limit sales in individual markets; and
- the difficulty in adhering to various anti-corruption laws and regulations.

Global capital and credit market issues could negatively affect our liquidity, increase our costs of borrowing and disrupt the operations of our suppliers and customers.

We depend in part on stable, liquid and well-functioning capital and credit markets to fund our operations. Although we believe that our operating cash flows, access to capital and credit markets and credit facility will permit us to meet our financing needs for the foreseeable future, there can be no assurance that continued or increased volatility and disruption in the capital and credit markets will not impair our liquidity or increase our costs of borrowing. Our business could also be negatively impacted if our suppliers or customers experience disruptions resulting from tighter capital and credit markets.

Terrorism and the uncertainty of war may have a material adverse effect on our operating results.

Terrorist attacks and other acts of violence or war in the United States or abroad may affect the markets in which we operate and our operations and profitability. From time to time in the past, our operations or personnel have been the targets of terrorist or criminal attacks, and the risk of such attacks impacts our operations and results in increased security costs. Further terrorist attacks against the United States or operators of U.S.-owned businesses outside the United States may occur, or hostilities could develop based on the current international situation. The potential near-term and long-term effect these attacks may have on our business operations, our customers, the markets for our products, the U.S. economy and the economies of other places in which we source or sell our products is uncertain. The consequences of any terrorist attacks, or any armed conflicts, are unpredictable, and we may not be able to foresee events that could have an adverse effect on our markets or our business.

Our operations and products are highly regulated in the areas of food safety and protection of human health and the environment.

Our operations are subject to a broad range of foreign, federal, state and local environmental, health and safety laws and regulations, including laws and regulations governing the use and disposal of pesticides and other chemicals, all of which involve compliance costs. These regulations directly affect day-to-day operations and, to maintain compliance with all of the laws and regulations that apply to our operations, we have been and may be required in the future to modify our operations, purchase new equipment or make capital improvements. Changes to our processes and procedures could require us to incur unanticipated costs and/or materially impact our business. Violations of these laws and regulations can result in substantial fines, penalties or sanctions. In some circumstances, we may recall a product, voluntarily or otherwise, if we or the regulators believe it presents a potential risk. There can be no assurance that these modifications and improvements and any fines, penalties and recalls would not have a material adverse effect on our business, financial position and results of operations. In addition, we have been and in the future may become subject to lawsuits alleging that our operations and products caused personal injury or property damage.

As a producer and distributor of food products, we are subject to the laws and regulations in the jurisdictions where our facilities are located and where are products are distributed. In particular we are subject to the Federal Food, Drug and Cosmetic Act, as amended by the Food Safety Modernization Act, or FSM Act, which is enforced by the FDA.

The FDA has the authority to regulate the growing, harvesting manufacture, including composition and ingredients, processing, labeling, packaging import, distribution and marketing and safety of food in the United States. The FSM Act, enacted in January 2011, significantly enhances the FDA s authority over various aspects of food regulation. For example, the FSM Act granted the FDA mandatory recall authority

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when the FDA determines there is a reasonable probability that a food is adulterated or misbranded and that the use of, or exposure to, the food will cause serious adverse health consequences or death to humans or animals. While the FDA has been active in implementing the requirements of the FSM Act through issuance of regulations designed to result in a reduction of the risk of contamination in food manufacturing, the full impact of the FSM Act is not yet known, and we cannot assure you that it will not materially impact our business. Regulatory agencies in other jurisdictions have similar authority to address the risk of contamination or adulteration, and to require that contaminated products be removed from the market. The failure to comply with these laws and regulations in any jurisdiction, or to obtain required approvals, could result in a ban or temporary suspension on the production of our products or limit or bar their distribution, and affect our development of new products, and thus could materially adversely affect our business and operating results. In addition, the United States Department of Agriculture, or the USDA, regulates the import and export of certain fruits and vegetables into and from the United States, and the USDA also imposes growing, manufacturing and certification requirements for certain products labeled with organic claims. Failure to obtain necessary permits or otherwise comply with USDA regulations and requirements could result in a ban or temporary suspension of the import or export of our products into or from the United States, or our ability to grow, manufacture or market our products as organic, and thus could materially adversely affect our business.

We are subject to transportation risks.

An extended interruption in our ability to ship our products could have a material adverse effect on our business, financial position and results of operations. Similarly, any extended disruption in the distribution of our products could have a material adverse effect on our business, financial position and results of operations. We rely on third-party stevedores to load and unload our products at our port locations and third-party trucking companies to transport our products to and from our port locations, and these third parties are therefore a source of transportation risk. While we believe we are adequately insured and would attempt to transport our products by alternative means if we were to experience an interruption due to a strike, natural disaster or otherwise, we cannot be sure that we would be able to do so, or be successful in doing so, in a timely and cost-effective manner.

Events or rumors relating to the DOLE brand could significantly impact our business.

Consumer and institutional recognition of the DOLE trademarks and related brands, and the association of these brands with high-quality and safe food products, are an integral part of our business. The occurrence of any events or rumors that cause consumers and/or institutions to no longer associate these brands with high-quality and safe food products may materially adversely affect the value of the DOLE brand name and demand for our products. We have licensed the DOLE brand name to several affiliated and unaffiliated companies for use in the United States and abroad. Acts or omissions by these companies, over which we have limited control, may also have such adverse effects.

A portion of our workforce is unionized and labor disruptions could decrease our profitability.

As of December 31, 2016, approximately 39% of our employees worldwide work under various collective bargaining agreements. We cannot give assurance that we will be able to negotiate these or other collective bargaining agreements on the same or more favorable terms as the current agreements, or at all, and without production interruptions, including labor stoppages. A prolonged labor dispute, which could include a work stoppage, could have a material adverse effect on the portion of our business affected by the dispute, which could impact our business, financial position and results of operations.

Changes in immigration laws could impact the availability of labor to harvest our products and operate our salad manufacturing plants, or the availability of produce purchased from third-party suppliers.

The personnel engaged for harvesting operations typically include significant numbers of immigrants who are authorized to work in the United States. Immigrants who are authorized to work in the United States also make up a portion of the workforce at our U.S. salad manufacturing plants. The availability and number of these workers could decrease if there are changes in U.S. immigration laws. A scarcity of available personnel to harvest agricultural products in the United States could increase our labor costs, increase our product costs or lead to product shortages.

We are subject to risks relating to our information systems.

Our electronic information and our information system assets may be made unavailable, leaked or altered due to a computer security incident, which could adversely affect the results of our operations, and we cannot predict the extent or duration of these incidents.

Although our computer systems are distributed in many geographic areas, they are connected together in a private network. A widespread computer security incident, such as virus infection, may significantly disrupt our operations and business processes. In such a case, we may have to operate manually, which may result in significant delay in the delivery of our products to our customers or damage to the fresh fruit and vegetable products. Our customers could refuse to continue to do business with us and prematurely terminate or reduce existing contracts, resulting in a significant reduction of our operating revenue.

We have intellectual property, trade secrets and confidential business information that are stored in electronic formats that could be leaked to competitors or the public due to computer security incidents, which may result in loss of competitive position and market share. We also have personal confidential information stored in Dole-controlled systems. This information, if stolen or leaked, could result in significant financial and legal risk.

We may be targeted by computer hackers from the internet, from business partners networks connected to our network or from employees, for specific purposes such as financial gain, political or ideological motives or otherwise, simply to damage our reputation, which may result in significant decline in consumer preference for our products in certain geographic regions or globally, and could potentially reduce our market share.

Recovery from any of the above computer incidents could be expensive. Rapidly raising and maintaining higher standards of computer security practices in our business globally may require significant initial investment and higher operating costs, and therefore could negatively impact our operating income.

We could be jointly and severally liable for certain pension obligations of our affiliates, Flexi-Van Leasing, Inc., Castle & Cooke and Pacific Clay.

In addition to the domestic tax-qualified defined benefit pension plan, and unfunded obligations under our foreign defined benefit pension plans, collectively the Benefit Plans, that we sponsor for our employees and retirees, three affiliates of ours, Flexi-Van Leasing, Inc., Castle & Cooke and Pacific Clay, also sponsor tax-qualified defined benefit pension plans covering a portion of their U.S. employees and retirees, or the Affiliate Plans. As of December 31, 2016, the Flexi-Van Leasing, Inc. defined benefit plan was underfunded by approximately $15.2 million, the Castle & Cooke defined benefit pension plan was underfunded by approximately $12.0 million and the Pacific Clay defined benefit pension plan was underfunded by approximately $0.6 million. The Affiliate Plans are subject to the Employee Retirement Income Security Act of 1974, as amended, or ERISA. ERISA, along with certain provisions of the Internal Revenue Code of 1986, as amended, or the Code, require minimum funding contributions to these pension plans, and under ERISA, the Pension Benefit Guaranty Corporation, or PBGC, has the authority to petition a court to terminate an underfunded tax-qualified defined benefit pension plan under limited circumstances. Under ERISA and the Code, we could be jointly and severally liable, together with Flexi-Van Leasing, Inc., Castle & Cooke and Pacific Clay, and other entities in our controlled group for the entire amount of the underfunding, as calculated by the PBGC based on its own assumptions, which might result in a larger obligation than that based on the assumptions used to fund such plans.

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Our defined benefit pension plans are currently underfunded, and we may have to make significant cash payments to the plans, which would reduce the cash available for our business.

We have underfunded obligations under our Benefit Plans. As of December 31, 2016, our Benefit Plans liabilities exceeded our Benefit Plans assets by approximately $172.1 million. The funded status of our Benefit Plans is dependent upon many factors, including returns on invested assets, actuarial assumptions, including the level of certain market interest rates and the discount rate used to determine pension obligations. Unfavorable returns on the plan assets, or unfavorable changes in applicable laws or regulations, could materially change the timing and amount of required plan funding, which would reduce the cash available for our business. In addition, a decrease in the discount rate used to determine pension obligations could result in an increase in the valuation of our Benefit Plans obligations, which could affect the reported funding status of our Benefit Plans and future contributions, as well as the periodic pension cost in subsequent fiscal years. ERISA, along with certain provisions of the Code, require minimum funding contributions to our domestic defined benefit pension plan.

As mentioned above, the PBGC has the authority to petition a court to terminate an underfunded tax-qualified pension plan under limited circumstances. In the event our domestic tax-qualified defined benefit pension plan is terminated by the PBGC, we could be liable to the PBGC for the entire amount of the underfunding, as calculated by the PBGC based on its own assumptions, which might result in a larger obligation than that based on the assumptions we have used to fund such plan).

Our future results of operations may be adversely affected by the availability of organic and non-GMO ingredients.

Our ability to ensure a continuing supply of organic and non-GMO ingredients at competitive prices depends on many factors beyond our control, such as the number and size of farms that grow organic and non-GMO crops, climate conditions, changes in national and world economic conditions, currency fluctuations and forecasting adequate need of seasonal ingredients.

The organic and non-GMO ingredients that we use in the production of our products, including, among others, fruits, vegetables, nuts and grains, are vulnerable to adverse weather conditions and natural disasters, such as floods, droughts, water scarcity, temperature extremes, frosts, earthquakes and pestilences. Natural disasters and adverse weather conditions, including the potential effects of climate change, can lower crop yields and reduce crop size and crop quality, which in turn could reduce our supplies of, or increase the prices of, organic or non-GMO ingredients. If our supplies of organic or non-GMO ingredients are reduced, we may not be able to find enough supplemental supply sources on favorable terms, if at all, which could impact our ability to supply product to our customers and adversely affect our business, financial condition and results of operations.

An interruption at one or more of our manufacturing facilities could negatively affect our business, and our business continuity plan may prove inadequate.

We own or lease, manage and operate a number of manufacturing, processing, packaging, storage and office facilities. We could be rendered unable to accept and fulfill customer orders as a result of disasters, epidemics, business interruptions or other similar events. Some of our inventory and manufacturing facilities are located in areas that are susceptible to harsh weather, and the production of certain of our products is concentrated in a few geographic areas. In addition, we store chemicals used in our business, and our storage of these chemicals could lead to risk of leaks, explosions or other events. Although we have a business continuity plan, we cannot provide assurance that our business continuity plan will address all of the issues we may encounter in the event of a disaster or other unanticipated issue. Our business interruption insurance may not adequately compensate us for losses that may occur from any of the foregoing. In the event that a natural disaster, or other catastrophic event, were to destroy any part of any of our facilities, or interrupt our operations for any extended period of time, or if harsh weather or epidemics prevent us from delivering products in a timely manner, our business, financial condition and results of operations could be materially and adversely affected. In addition, if we fail to maintain our labor force at one or more of our facilities, we could experience delays in production or delivery of our products, which could also have a material adverse effect on our business, financial condition and results of operations.

If we lose the services of our key management, our business could suffer.

Our prospects depend to a significant extent on the continued service of our key executives, and our continued growth depends on our ability to identify, recruit and retain key management personnel. We are also dependent on our ability to continue to attract, retain and motivate our personnel. We do not typically carry key person life insurance on our executive officers. If we lose the services of our key management or fail to identify, recruit and retain key personnel, our business, financial condition or results of operations may be materially and adversely impacted.

We may not be able to complete our proposed acquisition of the Dole Plantation or the acquisition may be delayed.

We have signed a term sheet to acquire the Dole Plantation from our related party, Castle & Cooke Properties, Inc., which is expected to be completed mid-2017. The Dole Plantation is one of Hawaii s leading attractions. It provides a variety of activities catering to all ages, including the Pineapple Express Train Tour, the Plantation Garden Tour, the Pineapple Garden Maze and a plantation store. The term sheet has been signed, but the transaction has not closed and may not be completed prior to the closing date of this offering. While we are currently planning to close the acquisition in mid-2017, the closing may in fact be delayed to some future date or the acquisition may not be completed at all. The acquisition is dependent upon the receipt of certain releases from the lenders to the owner of the Dole Plantation. If we fail to receive the required releases or experience other intervening factors, the acquisition of the Dole Plantation may be delayed or may not be completed, and, as a result, our anticipated increase to earnings as a result of the acquisition will be delayed or will not be realized.

Climate change laws could have an impact on our financial condition and results of operations.

Legislative and regulatory authorities in the United States, Canada and internationally will likely continue to consider numerous measures related to climate change and greenhouse gas emissions. In order to produce, manufacture and distribute our products, we and our suppliers, use fuels, electricity and various other inputs that result in the release of greenhouse gas emissions. Concerns about the environmental impacts of greenhouse gas emissions and global climate change may result in environmental taxes, charges, regulatory schemes or assessments or penalties, which could restrict or negatively impact our operations, as well as those of our suppliers, who would likely pass all or a portion of their costs along to us. We may not be able to pass any resulting cost increases along to our customers. Any enactment of laws or passage of regulations regarding greenhouse gas emissions or other climate change laws by the United States, Canada or any other international jurisdiction where we conduct business, could materially and adversely affect our business, financial condition and results of operations.

Technological innovation by our competitors could make our food products less competitive.

Our competitors include other fresh fruit and vegetable producers and major food ingredient and consumer-packaged food companies that also engage in the development and sale of food and food ingredients. Many of these companies are engaged in the development of new plant varieties, food ingredients and other food products and frequently introduce new products into the market. Existing products or products under development by our competitors could prove to be more effective, more resistant to disease or less costly than our products, which could have a material adverse effect on the competitiveness of our products and our business.

We rely on protection of our intellectual property and proprietary rights.

Our success depends in part on our ability to protect our intellectual property rights. We rely primarily on patent, copyright, trademark and trade secret laws to protect our proprietary technologies. Our policy is to protect our technology by, among other things, filing patent applications for technology relating to the development of our business in the United States and in selected foreign jurisdictions. Our trademarks and brand names are registered in jurisdictions throughout the world. We intend to keep these filings current and seek protection for new trademarks to the extent consistent with business needs. We also rely on trade secrets and proprietary know-how and confidentiality agreements to protect certain of the technologies and processes that we use. The failure of any patents, trademarks, trade secrets or other intellectual property rights to provide protection to our technologies would make it easier for our competitors to offer similar products, which could result in lower sales or gross margins.

Our operations are influenced by agricultural policies.

We are affected by governmental agricultural policies such as price supports and acreage set aside programs, and these types of policies may affect our business. The production levels, markets and prices of the grains and other raw products that we use in our business are materially affected by government programs that include acreage control and price support programs of the U.S. Department of Agriculture. Changes in these and other comparable programs, in the United States and elsewhere, could have a material and adverse effect on our business, financial condition or results of our operations.

Litigation and regulatory enforcement concerning marketing and labeling of food products could adversely affect our business and reputation.

The marketing and labeling of any food product in recent years has brought increased risk that consumers will bring class action lawsuits, and that the Federal Trade Commission, or FTC, and/or state attorneys general will bring legal action concerning the truth and accuracy of the marketing and labeling of the product. Examples of causes of action that may be asserted in a consumer class action lawsuit include fraud, unfair trade practices and breach of state consumer protection statutes, such as Proposition 65 in California. FTC and/or state attorneys general may bring legal action that seeks removal of a product from the marketplace and impose fines and penalties. Even when not merited, class claims, action by the FTC or state attorneys general enforcement actions can be expensive to defend and adversely affect our reputation with existing and potential customers and consumers and our corporate and brand image, which could have a material and adverse effect on our business, financial condition or results of operations. The labeling of our products, and their distribution, is also subject to regulation by governmental authorities in each jurisdiction where our products are marketed. For example, the USDA requires compliance with certain growing production and certification requirements as a condition to labeling foods with the word organic or with the USDA organic seal. A failure to comply with labeling requirements could result in enforcement proceedings that could materially affect our marketing and distribution.

We are the subject of a number of legal proceedings, investigations and inquiries that could have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations, and could result in additional claims.

We have been or are currently the subject of a number of legal proceedings and civil and criminal investigations and inquiries by governmental agencies, including matters related to DBCP use in the past, product safety and health, product recalls, environmental property damage and personal injury, securities litigation and tax disputes. In addition, the DOJ is currently conducting an investigation in relation to a listeria outbreak at our Springfield Facility. For more information regarding legal proceedings, see, Business Legal Proceedings, below. We are unable to predict how long such proceedings, investigations and inquiries will continue or the full scope of such investigations, but we anticipate that we will continue to incur significant costs in connection with these matters and that these proceedings, investigations and inquiries will result in a substantial distraction of management s time, regardless of the outcome. These proceedings, investigations and inquiries may result in damages, fines, penalties, consent orders or other administrative action against us and/or certain of our officers, or in changes to our business practices, and any such fines or penalties could be greater than we currently anticipate. Furthermore, publicity surrounding these proceedings, investigations and inquiries

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or any enforcement action as a result thereof, even if ultimately resolved favorably for us could result in additional investigations and legal proceedings. As a result, these proceedings, investigations and inquiries could have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations.

We are increasingly dependent on information technology, and expanding social media vehicles present new risks.

The inappropriate use of certain media vehicles could cause brand damage or information leakage. Negative posts or comments about us or our products on any social networking web site could seriously damage our reputation. In addition, the disclosure of non-public company sensitive information through external media channels could lead to information loss. Identifying new points of entry as social media continues to expand presents new challenges. Any business interruptions or damage to our reputation could negatively impact our financial condition, results of operations and the market price of our common stock.

Tax matters, including changes in tax rates, disagreements with taxing authorities and imposition of new taxes could impact our results of operations and financial condition.

We are subject to taxes in the U.S. and numerous foreign jurisdictions where the Company s subsidiaries are organized. Due to economic and political conditions, tax rates in various foreign jurisdictions may be subject to significant change. The future effective tax rate could be affected by changes in our mix of earnings in countries with differing statutory tax rates, changes in valuation of our deferred tax assets and liabilities, or changes in tax laws or their interpretation, including possible U.S. tax reform and contemplated changes in other countries of long-standing tax principles. These and other similar changes, if finalized and adopted, could have a material impact on our income tax expense and deferred tax balances.

We are also subject to regular reviews, examinations and audits by the Internal Revenue Service, or IRS, and other taxing authorities with respect to taxes inside and outside of the United States. Although we believe our tax estimates are reasonable, if a taxing authority disagrees with the positions we have taken, we could face additional tax liability, including interest and penalties. There can be no assurance that payment of such additional amounts upon final adjudication of any disputes will not have a material impact on our results of operations and financial position.

We also need to comply with new, evolving or revised tax laws and regulations. The enactment of or increases in tariffs, including value added tax, or other changes in the application of existing taxes, in markets in which we are currently active, or may be active in the future, or on specific products that we sell or with which our products compete, may have an adverse effect on our business or on our results of operations.

The vote by the United Kingdom to exit the European Union could adversely affect us.

On June 23, 2016, the U.K. held a referendum in which a majority of voters approved an exit from the E.U., commonly referred to as Brexit. Although the referendum was voluntary and not mandatory, the British government has begun negotiating the terms of the U.K. s withdrawal from the E.U. The announcement of Brexit caused significant volatility in global stock markets and currency exchange fluctuations, including a sharp decline in the value of the British pound sterling and the euro as compared to the U.S. dollar and other currencies. The long-term effects of Brexit are expected to depend on, among other things, any agreements the U.K. makes to retain access to E.U. markets, either during a transitional period or more permanently. Brexit could adversely affect European or worldwide economic or market conditions and could contribute to instability in global financial markets. In addition, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the U.K. determines which E.U. laws to replace or replicate. Until the terms and timing of the U.K. s exit from the E.U. become more clear, it is not possible to determine the impact that the referendum, the U.K. s departure from the E.U. and/or any related matters may have on us; however, any of these effects of