

**UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
QUARTERLY REGULATORY AND ENFORCEMENT REPORT
April 1, 1999 to June 30, 1999**

EXECUTIVE SUMMARY

This is the Food Safety and Inspection Service's (FSIS) Quarterly Regulatory and Enforcement Report. Although this report focuses on regulatory and enforcement actions taken, it is important to recognize that this is only one aspect of the Agency's work. The Agency's main purpose is to protect public health by achieving compliance with laws and regulations. For example, the data indicate that plants operating under Hazard Analysis and Critical Control Point (HACCP) Systems have a 96 percent compliance rate for this reporting period.

The report provides a summary of the regulatory and enforcement actions, including those under the Pathogen Reduction/HACCP regulations, FSIS has taken to ensure that products that reach consumers are safe, wholesome, and properly labeled. FSIS inspects products produced in over 6,000 meat, poultry, and egg product plants. Since January 1998, approximately 300 large plants (those employing 500 or more employees) have been operating HACCP Systems with FSIS regulatory oversight. On January 25, 1999, approximately 2,300 small plants (those employing 10 or more, but fewer than 500 employees) began HACCP implementation. Very small plants (those employing fewer than 10 employees or with annual sales of less than \$2.5 million) will phase in HACCP in January 2000.

Publication of this information is another step in the Agency's commitment to openness and transparency in its work to protect the public from adulterated or misbranded meat, poultry, and egg products.

The report is presented in sections that correspond with the category of action. Activities reported within the categories are either pending or experienced new activity during the reporting period. For example, during this quarter, FSIS detained nearly 8 million pounds of product and issued 822 warning letters for violations of law. FSIS also coordinated administrative actions, where regulatory or other authorities were applied in inspected plants, and managed USDA participation in criminal cases pending in Federal courts. These actions, along with the thousands of inspections made each day in plants throughout the country, form strong underpinnings for promoting compliance with food safety laws. Each section of this report is described and reported in more detail as follows:

FSIS ENFORCEMENT PROCESSES
NONCOMPLIANCE REPORTS AND APPEALS
PRODUCT CONTROL ACTIONS
LETTERS OF WARNING
ADMINISTRATIVE ACTIONS
CRIMINAL ACTIONS
CIVIL ACTIONS

FSIS ENFORCEMENT PROCESSES

USDA's Food Safety and Inspection Service (FSIS) is charged with ensuring that meat, poultry, and egg products are safe, wholesome, and properly labeled. FSIS, in cooperation with state counterparts, inspects, monitors, and verifies the proper processing, handling, and labeling of meat and poultry products from the delivery of animals to the slaughterhouse to when the products reach consumers. FSIS, in cooperation with FDA and the states, provides similar coverage for egg products – the processed whole egg ingredients used in manufacturing other foods. (More information concerning egg products inspection and enforcement is provided in the FSIS publication "[Focus on Egg Products](#)" which can be accessed at: <http://www.fsis.usda.gov/OA/pubs/eggprod.htm>). This regulatory oversight generally reflects compliance by the large majority of businesses. However, if FSIS detects problems at any step along the way, it can use a number of product control and enforcement measures to protect consumers.

USDA has traditionally focused much of its effort on the plants that slaughter food animals and process products. USDA ensures that products at these establishments are produced in a sanitary environment in which inspectors or plant employees identify and eliminate potential food safety hazards. These establishments must apply for a grant of inspection from FSIS and demonstrate the ability to meet certain requirements for producing safe, wholesome, and accurately labeled food products. Requirements include meeting sanitation, facility, and operational standards and, through new requirements now being implemented, having preventive systems in place to ensure the production of safe and unadulterated food. Products from official establishments are labeled

with the mark of inspection, indicating that they have been inspected and passed by USDA and can be sold in interstate commerce.

FSIS uses Compliance Officers throughout the chain of distribution to detect and detain potentially hazardous foods in commerce to prevent their consumption and to investigate violations of law. Even if products are produced under conditions that are safe and sanitary, abuse on the way to the consumer, for example, if transported in trucks that are too warm or if exposed to contamination, can result in product that can cause illness or injury. FSIS has recognized a need to spend increasing amounts of its energy on activities to promote safe transporting, warehousing, and retailing of meat, poultry, and egg products, and is moving forward on these efforts.

FSIS also works closely with USDA's Office of Inspector General, which assists FSIS in pursuing complex criminal cases. In addition, many state and local jurisdictions have enforcement authorities that apply to USDA regulated products. FSIS cooperates with these other jurisdictions in investigations and case presentations. FSIS also participates with OIG and the U.S. Department of Justice in monitoring conditions of probation orders and pretrial diversion agreements developed to resolve cases.

In January 1997, FSIS began implementing new requirements in plants that produce meat and poultry. New regulations, entitled "Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems," require that federally inspected meat and poultry plants: (1) develop and implement a preventive HACCP plan; (2) develop and implement Sanitation Standard

Operating Procedures (SSOP's); (3) collect and analyze samples for the presence of generic *E. coli*, and record results; and (4) meet *Salmonella* performance standard requirements. These new requirements are designed to help target and reduce foodborne pathogens. All plants have already implemented SSOP's and, as appropriate, are phasing in the other requirements. All large plants—accounting for most federally inspected meat and poultry sold—must now meet the requirements for HACCP Systems. Approximately 2,300 additional plants began implementing HACCP in January 1999. By the year 2000, HACCP implementation will be complete, even in the smallest plants.

This report provides a summary of the regulatory and enforcement actions, including actions that address the Pathogen Reduction/HACCP regulatory requirements, FSIS has taken to ensure that products that reach consumers are safe, wholesome, and properly labeled. The Agency recognizes that this report is a snapshot in time of a dynamic process. Some information will be out-of-date by the time this report is published (approximately one month after close of reporting period), and more current information will not be included. For example, many matters shown as under appeal will have been resolved by the time this report is published. Other actions could be appealed or closed after this reporting period. This information will be updated on a quarterly basis and made available to the public through future reports.

NONCOMPLIANCE REPORTS AND APPEALS

FSIS inspection program personnel perform thousands of inspection tasks and procedures each day to determine whether or not inspected plants are in compliance with regulatory requirements. Each time inspection program personnel make a non-compliance determination they complete a report explaining the nature of the regulatory action. They notify plant managers of problems by

a written Noncompliance Report (NR) or, in plants that have not yet implemented HACCP, a Process Deficiency Record (PDR). NRs and PDRs document noncompliance determinations that occur in the plant's sanitation and other controls and notify the plant that it must take action to remedy a problem and prevent its recurrence. If this is done, the plant will continue to operate without interruption. Problems reported on NRs and PDRs vary from minor labeling discrepancies to serious breakdowns in food safety controls. When deficiencies occur repeatedly or when the plant fails to prevent adulterated product from being shipped, FSIS takes action to control products and may take an action to withhold or suspend inspection.

As of June 30, 1999, approximately 300 large plants (plants with 500 or more employees) and approximately 2,300 small plants (plants employing 10 or more, but fewer than 500 employees) operated under HACCP-based inspection. Approximately 3,400 very small plants operated under traditional inspection. Because monitoring and documentation requirements in the two systems differ, the number and type of NRs and related appeals for HACCP plants cannot be accurately compared to the number and type of PDRs and related appeals for traditional plants. Plants can appeal NRs, PDRs, and other inspection decisions at various levels in the Office of Field Operations, within FSIS. FSIS has emphasized that appeals are both expected and appropriate to resolve legitimate disagreements. FSIS encourages plants to make their appeals in a timely manner. A tracking system for monitoring industry appeals became operational on May 11, 1998.

Table 1a provides numbers of NRs and PDRs issued by FSIS inspection personnel between April 1, 1999 and June 30, 1999. During this period, FSIS performed 1,115,001 inspection tasks

at non-HACCP plants and 766,433 at HACCP plants. **Table 1b** shows the number of appeals and the dispositions of the appeals filed at traditional (non-HACCP) plants and at HACCP plants, from April 1 to June 30, 1999.

Table 1a. Process Deficiency Record and Noncompliance Report Totals

PDR/NR Totals

PDRs Issued (4/1/99-6/30/99)	10,225
NRs Issued (4/1/99-6/30/99)	29,354

Table 1b. Appeals of PDRs and NRs (4/1/99 – 6/30/99)

Number of Non-HACCP Plants Filing Appeals 7

Appeal of PDR Granted	Appeal of PDR Denied	Appeal of PDR Pending	Total PDRs Appealed
1	3	3	7

Number of HACCP Plants Filing Appeals 80

Appeal of NR Granted	Appeal of NR Denied	Appeal of NR Pending	Total NRs Appealed
43	139	41	233

(Total exceeds 80 because some plants filed multiple appeals.)

PRODUCT CONTROL ACTIONS

FSIS takes product control actions to gain physical control over products when there is reason to believe they are adulterated or misbranded. The actions ensure that those products do not enter commerce or, if they are already in commerce, that they do not reach consumers.

In official establishments, FSIS inspectors may retain products whenever there is evidence of unwholesomeness, or if products are adulterated or mislabeled. FSIS inspectors condemn animals for disease, contamination, or adulteration to prevent their use as human food. Figures for condemnations for livestock for the reporting period are as follows: FSIS inspected 18,507,427 livestock carcasses, of which 40,051 carcasses were condemned. FSIS inspected 1,130,211,157 poultry carcasses, of which 13,034,327 carcasses were condemned.

Detentions

After products are distributed from plants, FSIS Compliance Officers detain any that may be adulterated or misbranded. FSIS then has 20 days to request a Federal court to seize the product (see Civil Actions). **Table 2** provides the number of detentions and the pounds of product involved in these actions for meat and poultry, reported in total and by FSIS District Office, for this quarterly reporting period. Most detentions result in voluntary disposal of the product and do not require court seizures.

**Table 2. Detention Summary
(4/1/99 — 6/30/99)**

Detentions

Total number of detentions by FSIS 314
 Total pounds of product detained 7,995,319

District	Detentions	Pounds Detained
ALAMEDA, CA	31	143,185
ALBANY, NY	20	401,592
ATLANTA, GA	19	251,937
BELTSVILLE, MD	13	71,605
BOSTON, MA	4	259,330
BOULDER, CO	10	42,258
CHICAGO, IL	5	2,732
DALLAS, TX	22	37,575
DES MOINES, IA	63	201,079
JACKSON, MS	7	871,459
LAWRENCE, KS	22	5,182,655
MADISON, WI	7	18,594
MINNEAPOLIS, MN	6	27,612
PHILADELPHIA, PA	5	29,215
PICKERINGTON, OH	10	4,838
RALEIGH, NC	13	356,046
SALEM, OR	13	15,244
SPRINGDALE, AR	<u>44</u>	<u>78,363</u>
Totals	314	7,995,319

Recalls

A recall is a voluntary action by a firm to remove adulterated, misbranded, or suspect products from distribution. FSIS cannot require recalls but can recommend and monitor those that occur.

Class I recalls involve a health hazard when there is a reasonable possibility that the use of the product will cause serious adverse health consequences or death. Class II recalls involve a health hazard when there is a remote probability of adverse health consequences from use of the product. Class III recalls involve a situation in which use of the product is not likely to cause

adverse health consequences. For current information on recalls, go to the FSIS [recalls](http://www.fsis.usda.gov/OA/news/xrecalls.htm) web page at: <http://www.fsis.usda.gov/OA/news/xrecalls.htm>

Import Inspections

FSIS maintains a comprehensive system of import controls to carry out the requirements of the Federal meat, poultry, and egg products inspection laws to ensure the wholesomeness of imported products. The system of import controls involves two major components: oversight and reinspection. FSIS conducts a rigorous review of an exporting country's controls to ensure they are equivalent to those of the United States, prior to the country's eligibility to export to the United States. Reinspection of meat, poultry and egg products that enter the U.S. is based on statistical sampling and verifies the country's inspection system is working. A product that fails to meet U.S. requirements is refused entry into this country. The product must be re-exported, destroyed or, in some cases, converted to animal food. **Table 3** provides the total number of presented lots and pounds of imported meat and poultry products presented, reinspected, and refused entry during the period from April 1 to June 30, 1999.

**Table 3. Imported Meat, Poultry and Egg Products
(4/1/99 — 6/30/99)**

Presented, Reinspected, and Refused Entry

Meat and Poultry

Number of Presented		Number of Reinspected		Number of Refused Entry	
Lots	Pounds	Lots	Pounds	Lots	Pounds
40,098	879,179,528	8,668	210,349,793	3,872	4,659,377

Egg Products

Number of Presented		Number of Refused Entry	
Lots	Pounds	Lots	Pounds
111	1,380,474.2	0	0,000

LETTERS OF WARNING

FSIS issues letters of warning (LOW) for minor violations of law that are not referred to United States Attorneys for prosecution. FSIS may also issue these warnings when a United States Attorney declines to prosecute a case or bring action against a specific business or person. These letters warn that FSIS may seek criminal action based on continued violations. Letters of warning may be issued to any individual or business, including Federal plants, wholesalers, distributors, restaurants, retail stores and other entities that process, store, or distribute meat and poultry products. **Table 4** shows letters of warning issued by headquarters and by each of the eighteen FSIS District Offices during the reporting period.

**Table 4. Letters of Warning for Criminal Actions
(4/1/99 — 6/30/99)**

Letters of Warning for Criminal Violations

Total number of LOWs issued for violations	822
Number issued by Headquarters	13
District	Number of LOWs Issued by Districts
ALAMEDA, CA	87
ALBANY, NY	101
ATLANTA, GA	55
BELTSVILLE, MD	39
BOSTON, MA	53
BOULDER, CO	62
CHICAGO, IL	31
DALLAS, TX	31
DES MOINES, IA	59
JACKSON, MS	10
LAWRENCE, KS	27
MADISON, WI	70
MINNEAPOLIS, MN	35
PHILADELPHIA, PA	43
PICKERINGTON, OH	9
RALEIGH, NC	11
SALEM, OR	53
SPRINGDALE, AR	<u>33</u>
Total number issued by Districts	809

ADMINISTRATIVE ACTIONS

FSIS inspects meat and poultry products and applies the marks of inspection when inspectors are able to determine that products are not adulterated. FSIS may temporarily withhold the marks of inspection from specific products, suspend inspection, or withdraw a grant of inspection if a plant is not meeting crucial requirements.

Withholding the Marks of Inspection

If a plant fails to prevent preparation and shipment of adulterated products or develops a pattern of noncompliance showing the plant's sanitation or process control systems have failed, the

Inspector-in-Charge notifies plant managers that the USDA mark of inspection is being withheld from some or all of the products in the plant. This action effectively shuts down affected operations, because it is illegal to sell products in interstate commerce that do not bear the USDA mark of inspection. Other non-affected parts of the plant, if any, may still operate.

Suspension of Inspection

FSIS may temporarily suspend inspection if a plant fails to present a corrective action plan to bring the plant sanitation or process control systems into compliance. As with withholding actions, a suspension shuts down all or part of the plant's operations. USDA may hold in abeyance the suspension action if corrections are presented, put into effect, and effectively prevent additional problems. FSIS District Offices have established procedures to monitor and verify activities in plants where the suspension is being held in abeyance.

Notification to Establishments of Intended Enforcement Actions

In April 1998, FSIS established a procedure for notifying establishments of intended enforcement actions related to certain HACCP System inadequacies that have not resulted in actual shipment of adulterated products. Under this procedure, a notice will be issued to an establishment when the Inspector-in-Charge determines that a HACCP System inadequacy has occurred because the establishment has experienced multiple, recurring noncompliances and has failed to implement corrective and preventive measures to prevent a HACCP System inadequacy. The "Notice" informs the establishment that the nature and scope of the noncompliances indicate that their HACCP System is inadequate and, because of the trend of noncompliances, FSIS intends to withhold the marks of inspection and suspend inspection. The

“Notice” explains the basis and references documentation for the intended enforcement action, and provides the establishment an opportunity to demonstrate why a HACCP System inadequacy determination should not be made or that the plant has achieved regulatory compliance.

Withdrawal of Inspection

In some situations, FSIS may decide that it is necessary to withdraw inspection from a plant. In these cases, FSIS withdraws inspection from a Federal plant by filing a complaint with the USDA Hearing Clerk. The plant may request a hearing before an Administrative Law Judge. If the action is based on insanitation, the plant will remain closed while proceedings go forward. In other cases that do not involve a threat to public health, operations may continue. These actions are often resolved by FSIS and the plant entering into a consent decision, which allows the plant to operate under certain specified conditions. Once inspection is withdrawn, a closed plant must reapply to receive Federal inspection.

USDA may initiate withholding, suspension, or withdrawal actions to limit a plant’s slaughtering or processing, or prevent the plant from operating altogether, based on any of the following reasons related to the PR/HACCP regulations:

- failure to collect and analyze samples for the presence of generic *E. coli* and record test results,
- failure to develop or implement Sanitation Standard Operating Procedures,
- failure to develop or implement a required HACCP plan, or
- failure to meet applicable *Salmonella* performance standard requirements.

In addition, USDA may initiate a withholding, suspension, or withdrawal action for any of these other reasons:

- insanitary conditions,
- inhumane slaughtering of livestock,
- failure to destroy condemned product, or
- interference with inspection personnel.

Tables 5, 6, and 7 list administrative actions (other than actions based on convictions) by establishment, initiated, pending, or closed, for the quarter, along with whether the action is based on an SSOP or HACCP Systems failure, or for some other reason, such as inhumane slaughter. In some plants, FSIS may find more than one basis for taking enforcement action or may take more than one action. For example, the plant has sanitation problems and is not conducting *E. coli* testing, or a sanitation problem occurs more than once. **Tables 5** and **6** list these actions taken at large and small plants now operating under HACCP. **Table 7** lists actions at plants still operating under traditional inspection. A plant is placed in a table dependent upon its size and whether HACCP is implemented. The enforcement action can be for any of the identified reasons. During this period, activity is reported concerning seventy-eight (78) plants. Thirty-four of the actions in these plants were initiated during this reporting period. Twenty-nine actions were also closed by letter of warning or other means during this period.

With regard to suspensions taken at small HACCP plants, **Table 6** also identifies plants where suspension action was taken, but held in abeyance for a 90 day period. Certain small plants failed to fully meet basic regulatory requirements for HACCP implementation, in January, but had demonstrated positive efforts to do so. Given these efforts to comply with the regulations, FSIS allowed plants to complete their HACCP implementation and held the suspension action in abeyance.

Tables 5, 6, and 7 also identify those cases in which an appeal of the withholding or suspension action has been made, along with whether the appeal was granted or the administrative action was sustained (appeal denied). When decisions on appeals have not been made during the period of this report, the appeal is shown as pending and will be reported in the next quarterly report. During this period, a decision was reached concerning one appeal.

**Table 5. Administrative Actions: Large HACCP Plants
(4/1/99 - 6/30/99)**

Administrative Actions Pending or Taken at Large HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
Con Agra Frozen Foods 5287/P-5787 Natchitoches, LA	5/19/99		5/20/99			X		Remains in abeyance.
Culinary Foods 1639/P-880 Chicago, IL			6/28/99			X		On 4/8/99 notice of intended enforcement issued. The FSIS Technical Advisory Group assisted the District Manager with analyzing the plant's response and HACCP plan modifications. On 6/28/99 after obtaining clarification from the plant regarding several technical issues associated with their response, the suspension was held in abeyance. Remains in abeyance.
Dixie Packers 1415M/P-6655 Madison, FL	11/3/98	11/4/98	11/12/98		X			On 4/30/99 suspension case closed with a letter of warning.
Foster Food Products P-6137 Livingston, CA	12/1/98	12/8/98	12/9/98			X		On 5/4/99 suspension case closed with a letter of warning.
Gold Kist Poultry P-1277 Athens, GA			1/13/99			X		On 5/18/99 suspension case closed with a letter of warning. Plant previously received a notice of intended enforcement.
Gold Kist P-40 Ellijay, GA			2/26/99			X		On 4/30/99 suspension case closed with a letter of warning. Plant previously received a notice of intended enforcement.
House of Raeford Farms P-510 Rose Hill, NC			4/23/99			X		On 4/21/99 notice of intended enforcement issued. On 4/23/99 suspension held in abeyance after corrective and preventive measures were received from plant officials. Remains in abeyance

Administrative Actions Pending or Taken at Large HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
IBP Inc. 9268 Wallula, WA					X			On 11/9/98 a notice of intended enforcement issued. On 11/16/98 withholding held in abeyance after corrective and preventive measures were received from plant officials. On 1/8/99 the District Manager informed the plant in writing that no action would be taken at this time, but that FSIS would continue to monitor. This information was inadvertently omitted from the last report. Remains open.
Louis Rich Co. 9070/P-9070 Newberry, SC	7/24/98 8/13/98	7/24/98 7/27/98	7/25/98 8/1/98 8/16/98		X X X			On 5/28/99 suspension case closed with a letter of warning.
Perdue Farms P-19112 Beaver Dam, KY			2/18/99			X		Remains in abeyance. Plant previously received a notice of intended enforcement.
Bil Mar Foods Div. of Sarah Lee 6911/P-261 Zeeland, MI			6/16/99			X		On 5/20/99, following an in-depth FSIS team review and evaluation of the plant's food safety systems, a notice of intended enforcement was issued. On 6/4/99 the plant was requested to clarify certain parts of their written response. On 6/16/99, after receiving the clarifying information, a suspension was held in abeyance. Remains in abeyance.
Southland Foods, Inc. P-7485 Jack, AL	2/2/99		2/2/99			X		On 5/18/99 suspension case closed with a letter of warning.
Tyson Foods, Inc. 622 Monroe, NC	12/23/98		12/23/98			X		On 5/21/99 suspension case closed with a letter of warning.
Tyson Foods, Inc. P-477 Buena Vista, GA		5/13/99	5/17/99			X		On 5/13/99 a suspension was reinstated at the plant. On 5/17/99 suspension was held in abeyance after corrective and preventive measures were received from plant officials. Remains in abeyance.
Wayne Poultry P-1317 Albertville, AL	3/29/99	3/29/99	3/29/99			X		On 5/24/99 plant's appeal of the suspension was denied. On 6/10/99 suspension case closed with a letter of warning.

Administrative Actions Pending or Taken at Large HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
Zacky Farms P-7362 Fresno, CA	12/1/98		12/10/98			X		On 4/28/99 suspension case closed with a letter of warning.

**Table 6. Administrative Actions: Small HACCP Plants
(4/1/99 - 6/30/99)**

Administrative Actions Pending or Taken at Small HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
American Foodservice Corp 2069/P-712 King of Prussia, PA	1/28/99		1/28/99			X		On 4/16/99 suspension case closed with a letter of warning.
A & O Provisions Co. 4085 Brooklyn, NY	6/15/99	6/15/99	6/18/99			X		Remains in abeyance.
Belmont Packing Co. 10238/P-10238 Detroit, MI	6/11/99		6/15/99		X			Remains in abeyance.
Biagio's Gourmet Foods 4222/P-4222 Elk Grove Village, IL			3/30/99			X		On 6/18/99 suspension case closed with a letter of warning. Plant previously received a notice of intended enforcement.
Batlar Enterprises 19301 Sun Prairie, WI		5/21/99					X	Suspension taken for inhumane treatment of livestock. On 5/28/99 operations were allowed to resume after corrective and preventive measures were received from the plant officials. On 6/3/99 case closed with a letter of warning.
Boyles Famous Corned Beef Co. 469 Kansas City, MO	1/25/99		1/25/99			X		On 4/26/99 suspension case closed with a letter of warning. Last report incorrectly stated suspension case closed by letter of warning dated 2/22/99.
Carlton Food Products 1943/P-7058 New Braunfels, TX	2/26/99		3/2/99			X		On 5/10/99 suspension case closed with a letter of warning.

Administrative Actions Pending or Taken at Small HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
Carmelita Provisions Co. Inc. 6053 Monterey Park, CA	5/7/99		5/10/99			X		Remains in abeyance.
Case Farms of Ohio P-15724 Winesburg, OH	10/15/98		10/18/98		X			Remains in abeyance.
Caviness Packing Co., Inc. 675 Hereford, TX	6/25/99		6/25/99			X		Remains in abeyance.
Center State Beef & Veal, Inc. 4021 Cortland, NY	2/25/98		2/25/98	X				On 5/28/99 inspection was voluntarily withdrawn by the plant. Case closed.
City Foods, Inc. 1896/P-19689 Chicago, IL			4/29/99			X		On 4/22/99 notice of intended enforcement issued. On 4/29/99 suspension held in abeyance after corrective and preventive measures were received from plant officials. Remains in abeyance.
Colonel Lee's Enterprises 9211/P-9211 Vernon, CA	1/26/99		1/26/99			X		On 5/25/99 suspension case closed with a letter of warning.
Cornbelt Beef 10173 Detroit, MI	8/26/98		8/28/98		X			On 5/6/99 suspension case closed with a letter of warning.
Cornucopia Inc. 4125/P-4125 Irvine, CA			3/15/99			X		Remains in abeyance. Plant previously received a notice of intended enforcement.

Administrative Actions Pending or Taken at Small HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
Draper Valley Farms, Inc. P-6058 Mount Vernon, WA	6/4/99		6/5/99			X		Remains in abeyance.
Fair Oaks Farms 17479 Pleasant Prairie, WI	3/10/99		3/16/99			X		Remains in abeyance.
Food Service Distributors 6490/P-6490 Spokane, WA	1/26/99		1/26/99			X		On 4/30/99 suspension case closed with a letter of warning.
G & T Meat Co. Inc. 10273/P-10273 Grand Rapids, MI		5/13/99 5/25/99 6/14/99	6/30/99 6/30/99 6/17/99			X X	X	On 5/13/99, following the issuance of a notice of intended enforcement, a suspension was effected due to failure of the plant's HACCP plans for raw ground and raw not ground products. On 5/25/99, a suspension was effected because the plant's HACCP plan for ready-to-eat products did not meet regulatory requirements. On 6/14/99 a suspension was effected due to rodent activity in production areas. In May 99 and June 99 the plant made modifications to its HACCP plans. Remains in abeyance.
Godshall's Quality Meat 9553/P-9553 Telford, PA	2/11/99		2/12/99			X		On 6/17/99 suspension case closed with a letter of warning.
Gold Medal Packing 17965 Rome, NY	2/19/98		2/19/98	X				On 2/22/99 suspension case closed with a letter of warning. This information was inadvertently omitted from the last report.
Imperial Meat Co. 4847/P-4847 Monterey Park, CA	5/12/99		5/19/99			X		On 5/12/99 suspension was held in abeyance for poultry products. On 5/19/99 suspension held in abeyance for meat products. Remains in abeyance.

Administrative Actions Pending or Taken at Small HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
J.P.I. 17557 Barry, Ill	2/19/99		2/19/99			X		On 4/30/99 suspension case closed with a letter of warning.
James J. Derba Co. Inc. 5324 Chelsea, MA	12/15/98		12/16/98		X			On 4/15/99 suspension case closed with a letter of warning.
K. T. Kitchen Inc. 17237/P-17237 Carson, CA	12/18/98		12/18/98		X			Remains in abeyance.
Kayem Foods 7839/P-7839 Chelsea, MA	2/25/99 3/21/99		3/1/99 3/23/99			X X		Both suspensions remain in abeyance.
Koch Foods P-7487 Chattanooga, TN	3/1/99		3/2/99			X		Remains in abeyance.
Kyotaru Oregon Inc. 17830/P-17830 Salem, OR	4/29/99	5/1/99	5/15/99			X		On 5/4/99 suspension expanded to include raw meat and poultry products. On 5/4/99 suspension for raw products was held in abeyance. On 5/15/99 suspension for partially cooked and cooked products was held in abeyance. Remains in abeyance.
Marathon Enterprises 8854 Bronx, NY			3/4/99			X		Remains in abeyance. Plant previously received a notice of intended enforcement.
MBA Poultry, LLC 20251 Tecumseh, NE	4/27/99		4/29/99			X		Remains in abeyance.

Administrative Actions Pending or Taken at Small HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeypance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
New Braunfels Smokehouse 2209/P-975 New Braunfels, TX			5/27/99			X		On 5/21/99 notice of intended enforcement issued. On 5/27/99 suspension held in abeyance after corrective and preventive measures were received from plant officials. Remains in abeyance.
Philadelphia Foods, Inc., 17561/P-17561 Westville, NJ	3/18/99	3/22/99	4/13/99		X	X		Remains in abeyance.
Purity Group, Inc. d/b/a Purity Farms 8890/P-8890 Denison, IA	5/26/99		5/28/99			X		Remains in abeyance.
Rainbow Slaughtering Inc. 6914 Apple Creek, OH	3/17/99		3/19/99			X		On 4/28/99 suspension case closed with a letter of warning.
Redi-Serv Foods, Ltd. 1300A/P-2402 Fort Atkinson, WI	6/14/99		6/16/99		X			Remains in abeyance.
Santa Fe Importers 4118 Long Beach, CA	1/25/99		1/25/99			X		On 4/26/99 plant orally notified that suspension case was closed based on corrective measures implemented.
Smithfield Packing Co. Inc. 382F Kinston, NC		5/20/99	5/26/99			X		On 5/20/99 a notice of intended enforcement was issued. On 5/26/99 plant orally notified that a suspension would be held in abeyance pending review of the plant's response by the FSIS Technical Center. Remains in abeyance.
Southland Bagel Co. 19370/P-19370 Carson, CA	1/25/99		1/25/99			X		On 4/29/99 suspension case closed with a letter of warning.

Administrative Actions Pending or Taken at Small HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action				Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>HACCP</u>	<u>Other</u>	
Sunchef Food, Inc. 19666/P-19666 Vernon, CA	1/25/99		1/25/99			X		On 5/13/99 suspension case closed with a letter of warning.
Supreme Beef Packers, Inc 2228 Ladonia, TX	5/6/99		5/7/99			X		Remains in abeyance.
Thorn Apple Valley 13529 Forest City, AR	12/30/99	12/31/99			X		X	FSIS suspension taken because of SSOP and positive listeria monocytogene (LM) findings. On 4/7/99 District granted a 120 day voluntary suspension to the plant. Plant notified that corrective and preventive measures concerning SSOP and positive LM findings must be provided to FSIS in order to allow inspected operations to resume. FSIS suspension continues to remain in effect.
United Poultry Co. 4887/P-4887 Los Angeles, CA	6/28/99		6/30/99		X			Remains in abeyance.
White Packing Co. 1246/P-1246 Williamston, NC	6/10/99	6/11/99 6/16/99	6/13/99 6/18/99		X X			Remains in abeyance.

**Table 7. Administrative Actions: Non-HACCP Plants
(4/1/99 - 6/30/99)**

Administrative Actions Pending or Taken at Non-HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action			Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>Other</u>	
Bottisti's Pizzeria 4362/P-4362 Amsterdam, NY	12/4/97	12/5/97	12/31/97		X		On 5/25/99 inspection was voluntarily withdrawn. Earlier the plant requested a 120 day voluntary suspension. Case closed.
Bristol Beef 5998 Bristol, CT	6/15/99		6/16/99	X			Remains in abeyance.
Dos Banderas 9269/P-9269 Maywood, CA	8/24/98	8/28/98	9/17/98		X		On 6/17/99 firm was granted a 120 day voluntary suspension. FSIS suspension continues to remain in abeyance.
Fil-Am Specialty Foods, Inc. 4828/P-4828 Los Angeles, CA	6/8/99	6/9/99	6/19/99		X		Remains in abeyance.
Global Food Management Group P-9913 Colton, CA	1/15/99	1/15/99	1/22/99		X		Remains in abeyance.
Grand Champion Foods Inc. 466/P-8884 Norwich, CT	7/21/98		7/29/98			X	On 2/24/99 suspension case closed with a letter of warning. This information was inadvertently omitted from the previous report.
Heid Meat Service 18218 Kaukana, WI	4/22/99	4/23/99	4/27/99		X		Remains in abeyance.
Jones Butchering & Meat Proc. 10176/P-10176 Saranac, MI	5/12/98		5/15/98		X		On 10/29/98 suspension case closed with a letter of warning. This information was inadvertently omitted from previous reports.

Administrative Actions Pending or Taken at Non-HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action			Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>Other</u>	
Kent Quality Foods, Inc. 5694/P-5694 Grand Rapids, MI	8/6/98		8/11/98		X		On 2/23/99 suspension case closed with a letter of warning. This information was inadvertently omitted from the last report.
Marcelo's Food Service 20599 Pacoima, CA		6/11/99				X	Suspension taken due to intimidation of a FSIS inspector by plant employee. On 6/15/99 operations allowed to resume after corrective measures received from the plant. On 6/28/99 case was closed with a letter of warning.
Montclair Meat Co. 6116/P-6116 Montclair, CA	9/1/98		9/3/98		X		Remains in abeyance.
Morgan Meat Co. 4157 Barstow, CA		4/7/99				X	Suspension taken due to intimidation of an FSIS inspector by a plant employee. On 4/7/99 District Manager removed the suspension after receiving the plant's response. Case closed.
New On Sang Poultry P-9885 San Francisco, CA	4/15/99		4/16/99		X		Remains in abeyance.
Pampang Foods Co. 405A Anaheim, CA	1/7/99		1/15/99		X		Remains in abeyance.
Real Sausage Co. 6844 Chicago, Ill	6/30/99					X	Withholding action taken due to positive findings of listeria monocytogenes. Decision pending.
Saad Wholesale, Inc. 10153/P-10153 Detroit, MI	9/14/98		9/22/98		X		On 4/22/99 suspension case closed with a letter of warning.
United Meat & Deli 10012/P-10012 Detroit, MI	8/12/98		8/20/98		X		On 4/22/99 suspension case closed with a letter of warning.
West Best Foods 6080/P-6080 Las Vegas, NV	4/10/98	4/16/98	4/22/98		X		On 3/26/99 suspension case closed with a letter of warning. This information was inadvertently omitted from the last report.

Administrative Actions Pending or Taken at Non-HACCP Plants [includes actions initiated in prior quarters]

Establishment/ Estab. Number/ Location	Withholding	Suspension In Effect	Suspension In Abeyance	Basis for Action			Appeals and Actions
				<u>E.Coli</u>	<u>SSOP</u>	<u>Other</u>	
West Lake Food Corp. 1627A/P-1627A Santa Ana, CA	7/23/98	7/27/98	8/6/98		X		Remains in abeyance.

Withdrawal for Unfitness

Under the statutes it administers, FSIS also can move to withdraw inspection, after opportunity for a hearing, based on the unfitness of an applicant for, or a recipient of inspection, because of a felony conviction or more than one violation involving food. **Table 8** identifies actions pending or taken (other than outstanding consent decisions) on this basis for this reporting period.

Table 8. Withdrawal for Unfitness

4/1/99-6/30/99

Administrative Actions Pending or Taken for Unfitness [includes actions initiated in prior quarters]

Establishment	Location	Complaint to Deny/Withdraw Inspection	Consent Decision	Actions
Allens Mills Meat Market 9367	Reynoldsville, PA	2/16/99		Complaint to withdraw inspection based on owner's conviction of two misdemeanors for allowing uninspected cattle and swine to enter a federally inspected slaughtering facility and slaughtering and preparing cattle and swine not in compliance with FMIA.
Brestensky Meat Market Inc. and Stephen T. Brestensky 9407	Freeport, PA	1/27/98	6/30/99	Consent Decision reached, which, among other things, requires that the President of the plant be operationally and financially divested from the plant and that the plant develop and implement a method for controlling restricted ingredients in the preparation of fresh sausage.

Thomas Beaver and T&D Meats Lockers, Inc. 15759	Sioux Center, IA	6/1/98	4/1/99	Consent Decision reached, which requires, among other things, that all custom animals slaughtered and meat and meat food products prepared by the plant are wholesome, unadulterated, and marked "not-for-sale."
Center Meat Co. No.7, Inc. & Ricky Johnston 6028/P-4114	Brea City, CA	10/13/98		Complaint to withdraw inspection based on the general manager's felony conviction of grand theft by embezzlement.
Charles Barry Gashel, Fred Gashel and Lee Gashel and Sons, Inc. 9717/P-9717	Claysville, PA	10/13/98		Complaint to withdraw inspection based on plant officials' felony convictions for preparing adulterated pork sausage.
Greenville Packing Co. Inc. 9956/P-9956	Greenville, NY	7/27/98		Complaint to withdraw inspection based on the firm's felony conviction of bribery of public official (FSIS employee). Administrative hearing scheduled for September 29, 1999.

LeBlanc's Cajun Boudin and Food Co. 13512	St. Amant, LA	2/25/99	Complaint to withdraw inspection based on the owner's felony conviction for trafficking in cocaine.
Shannandale Country Market	Claysville, PA	1/12/99	Complaint to deny inspection based on owner's conviction of two misdemeanors for allowing uninspected cattle and swine to enter a federally inspected slaughtering facility and slaughtering and preparing cattle and swine not in compliance with FMIA.
Vanguard Culinary Group, LTD d/b/a Cross Greek Foods, Inc. James G. Stancil and Robert C. Stackhouse 8334/P-8334	Fayetteville, NC	6/7/99	Complaint to withdraw inspection based on plant officials' convictions for selling and transporting adulterated meat products.

Removing Custom Exempt Privilege

The meat and poultry laws exempt certain operations from inspection. Custom exempt businesses slaughter animals or process meat for owners of the animals or products. When insanitary conditions create health hazards, FSIS may remove custom exempt privileges and require the plant to cease operations until sanitary conditions are restored. FSIS can also take action when custom facilities fail to properly label product as "Not for Sale." These businesses have the opportunity to correct violations prior to such actions. There were no new actions this reporting period.

CRIMINAL ACTIONS

If evidence is found that a person or business has engaged in violations of the Federal Meat Inspection Act, Poultry Products Inspection Act, or Egg Products Inspection Act, USDA may refer the case to the appropriate United States Attorney to pursue criminal prosecution. Conviction for a criminal offense can result in a fine, imprisonment, or both. **Table 9** lists criminal actions and criminal cases in categories according to the status of the case, which may be indictment or information issued; pleas, convictions, or acquittals, and sentences rendered during this reporting period.

**Table 9. Criminal Actions
(4/1/99 – 6/30/99)**

Criminal Actions

Name	Location	Indictment	Information	Plea	Sentencing	Action Summary
Charles W. Cripps, Owner C & B Foods, Inc.	Ft. Smith, AR			02/18/99	5/13/99	2 misdemeanor counts for aiding and abetting the distribution of adulterated poultry. Fined \$500, \$50 special assessment fee, and placed on probation for 1 year.
Donald M. Johnson, Plant Superintendent C & B Foods, Inc.	Ft. Smith, AR			02/18/99	05/13/99	2 misdemeanor counts for aiding and abetting the distribution of adulterated poultry. Fined \$400, \$50 special assessment fee, and placed on probation for 1 year.
Edward McGovern, former President, U.S. Veal Corporation	Philadelphia, PA				04/05/99	2 misdemeanor counts for sale of misbranded meat. Fined \$5000 and paid a \$50 special assessment fee.
U. S. Veal Corporation	Philadelphia, PA				04/05/99	1 felony count for conspiracy to defraud the U.S. and to sell meat under false or misleading labels. Fined \$5000 and paid a \$200 special assessment fee.
HP Food Supply Chi La, Co-owner, and Huong Ho, Manager	San Jose, CA	01/29/99				5 felony counts for processing poultry products without federal inspection, sale and transportation of adulterated and misbranded poultry products caused poultry products to become adulterated, and caused meat products to become adulterated and misbranded.
Ronald T. Kuhn, former President, Rotunda Packing Company	Dearborn, MI	12/16/98				6 felony counts for selling and transporting spoiled, sour meat and poultry products to retail stores, restaurants, and a correctional facility.
Robert C. Stackhouse (Manager, Cross Creek Foods, Inc.)	Fayetteville, NC			05/26/98		2 misdemeanor counts for storing meat product in a manner as to be contaminated by rodents and water from an overhead refrigeration unit. Fined \$ 3,000 and ordered to pay a \$50 special assessment fee.

Pre-Trial Diversion Agreements

In certain situations, United States Attorneys may enter into pre-trial diversion (PTD) agreements. Under these agreements, the government agrees not to proceed with criminal prosecution if the alleged violator meets certain terms and conditions. The terms and conditions of a PTD are tailored to fit each individual case. A PTD typically lasts twelve months. FSIS monitors these agreements so that we can assist the U. S. attorneys in determining whether prosecution should be re-instituted. If the divertee successfully completes the program, no criminal charges are filed. If, on the other hand, the divertee does not successfully complete the program, criminal charges are reinstated. This report discusses pre-trial diversion agreements in effect since the beginning of FY 1999. Future reports will show any new agreements and any change in the status of previous agreements. There were three pre-trial diversion agreements in effect for this quarter. Two involved the president and the manager of a cold storage facility who agreed to invest personal funds toward facility improvements and perform community service. Another involved the president of a food distributorship who was required to institute effective rodent control. These cases are still being monitored. There was one pre-trial diversion agreement initiated this quarter that involved a firm having approximately two thousand retail stores and fourteen distribution centers nationwide. The firm was responsible for having caused meat to become adulterated, and for distributing the adulterated meat. This firm agreed to implement nationwide food safety and sanitation training programs at all its retail store and distribution center locations.

CIVIL ACTIONS

FSIS also has authority to seek a variety of civil actions in Federal Court.

Seizures

When FSIS has reason to believe distributed products are adulterated or misbranded, the Agency will, through the U.S. Attorney, institute a seizure action against the product. The product is held pending an adjudication of its status. If the court finds that the product is adulterated or misbranded, it will condemn the product. Condemned product is destroyed, sold, or, upon posting of an appropriate bond, returned to its owner to be brought into compliance with the law. Condemned product cannot be further processed to be used for human food. One seizure was initiated by FSIS during this reporting period.

**Table 10. Seizure Actions
(4/1/99-6/30/99)**

SEIZURES

Name	Location	Complaint	Seizures	Action Summary
Ohio Department of Mental Health (custodian of product prepared by former Federal establishment)	Columbus, OH	2/5/99	6/10/99	129,272 of meat and poultry product seized because it had been previously prepared, packed or held under insanitary conditions.

Injunctions

FSIS, through the U.S. Attorney, may request a U.S. District Court to enjoin repetitive violators of the FMIA, PPIA, or EPIA. The Agency seeks injunctions to stop uninspected retail stores from processing products without required inspection for wholesale business or to prevent or restrain other violations of law. There were no injunctions entered during the reporting period. Currently 29 firms are under injunctions.

False Claims Act Violations

The Department of Justice Affirmative Civil Enforcement (ACE) program is used by U.S. Attorneys to recover damages when a violation of law involves fraud against the Federal

government. Under the False Claims Act, the government may recover three times its estimated losses. FSIS typically seeks action under this program for cases involving products, not in compliance, sold to the military, to public schools engaged in the school lunch program, or to other Federal institutions. ACE program actions are generally in lieu of criminal prosecution. There are no new actions to report this reporting period.

FOR MORE INFORMATION:

Media Inquiries:	(202) 720-9113
Freedom of Information Act Requests:	(202) 720-2109
Congressional Inquiries:	(202) 720-3897
Constituent Inquiries:	(202) 720-8594

Consumer Inquiries:	Call USDA's Meat and Poultry Hotline at 1-800-535-4555, 10 a.m. to 4 p.m., Eastern Time In the Washington, DC area, call (202) 720-3333.
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FSIS Web site:	www.fsis.usda.gov
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