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Description of document: **First few pages of each final report of 29 United States Department of Agriculture (USDA) Office of Inspector General (OIG) investigations, 2001 – 2008**

Requested date: 04-December-2008

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Source of document: USDA, Office of Inspector General  
Room 441-E Jamie Whitten Bldg - Legal Staff  
1400 Independence Avenue SW  
Washington, DC 20250-2308  
Email: [FOIASTAFF@oig.usda.gov](mailto:FOIASTAFF@oig.usda.gov)  
Fax: (202) 690-6305

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UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF INSPECTOR GENERAL

Washington D.C. 20250



**JAN 29 2010**

Subject: Log No. 09-00042

This letter is in response to your request dated December 4, 2008, pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, sent to the Department of Agriculture's (USDA) Office of Inspector General (OIG). You requested a copy of the closing memoranda and the first 25 pages of the final report for 30 of OIG's closed investigations.<sup>1</sup>

In conversation with Assistant Counsel Michael Ching on January 8, 2010, you agreed to revise your request to encompass only the Reports of Investigation (ROIs) for these cases. Enclosed, please find records relating to your request. We are releasing 161 pages from the case files listed in your request. However, pursuant to FOIA, 5 U.S.C. § 552, certain information has been redacted as it is exempt from release. In accordance with 5 U.S.C. § 552(b)(6), and (b)(7)(C), the names, initials, signatures, and identifying information of individuals were withheld because release of this information could reasonably be expected to constitute an unwarranted invasion of personal privacy.

Please find a brief explanation of the exemptions enclosed.

You have the right to appeal the decision by OIG to withhold information by writing to the Inspector General, U.S. Department of Agriculture, 1400 Independence Avenue SW., Jamie L. Whitten Building, Suite 441-E, Washington, D.C. 20250-2308. Your appeal must be received within 45 days of the date of this letter. The outside of the envelope should be clearly marked "FOIA APPEAL."

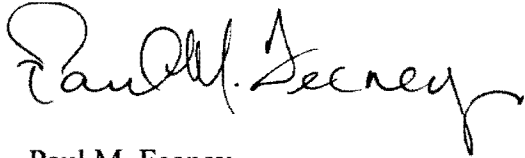
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<sup>1</sup> Upon review of your request, we found that case SF 2418-0016 was listed twice so the number of cases listed was 29 rather than 30.

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For information about OIG, please refer to our Web site at [www.usda.gov/oig/home.htm](http://www.usda.gov/oig/home.htm).  
Should you have any questions or need additional information, you may contact the  
FOIA Servicing Center at (202) 720-5677.

Sincerely,

A handwritten signature in black ink, reading "Paul M. Feeney". The signature is written in a cursive style with a large, stylized "P" and "F".

Paul M. Feeney  
Deputy Counsel

3 Enclosures:  
FOIA Request  
Exemptions list  
161 pages of documents

## FOIA EXEMPTIONS

Exemption 2 (5 U.S.C. § 552(b)(2)): permits agencies to withhold documents which relate “solely to the internal personnel rules and practices of an agency.”

Exemption 3 (5 U.S.C. § 552(b)(3)): incorporates the disclosure prohibitions that are contained in various other federal statutes. Broadly phrased so as to simply cover information “specifically exempted from disclosure by statute.”

Exemption 4 (5 U.S.C. § 552(b)(4)): allows Federal agencies the discretion to withhold “... trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential...” the release of which could be competitively harmful to the submitter of the information; which could impair the government’s ability to obtain similar necessary information in a purely voluntary manner in the future; and, which could affect other governmental interests, such as program effectiveness and compliance.

Exemption 5 (5 U.S.C. § 552(b)(5)): allows the agency the discretion to withhold “...inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency.” The purpose of this exemption is to protect the deliberative process by encouraging a frank exchange of views. In addition, this exemption protects from disclosure attorney-work product and attorney-client materials.

Exemption 6 (5 U.S.C. § 552(b)(6)): allows Federal agencies the discretion to withhold information the disclosure of which would “...constitute a clearly unwarranted invasion...” of individual privacy and might adversely affect the individual and his/her family.

Exemption 7 (5 U.S.C. § 552(b)(7)): protects from disclosure “records or information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information

(A) could reasonably be expected to interfere with enforcement proceedings,

(B) would deprive a person of a right to a fair trial or an impartial adjudication,

(C) could reasonably be expected to constitute an unwarranted invasion of personal privacy,

(D) could reasonably be expected to disclose the identity of a confidential source, including a State, local, or foreign agency or authority or any private institution which furnished information on a confidential basis, and, in the case of a record or information compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, information furnished by a confidential source, would disclose techniques and procedures for law enforcement investigations or prosecutions, or

(E) would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law, or

(F) could reasonably be expected to endanger the life or physical safety of any individual.”

Exemption 8 (5 U.S.C. § 552(b)(8)): protects matters that are “contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions.”

Exemption 9 (5 U.S.C. § 552(b)(9)): covers “geological and geophysical information and data, including maps, concerning wells.



s.(b)(6)  
s.(b)(7)(C)



**UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Northeast Region  
Beltsville, Maryland*



**REPORT OF INVESTIGATION**

**FILE NUMBER:** HY-3330-0017

**DATE:** February 1, 2008

**TITLE:** MECKLENBURG COUNTY, VA COCKFIGHTING  
South Hill, VA

**CASE TYPE:** Animal Fighting

**SPECIAL AGENT:** [REDACTED]

Richmond, VA

**APPROVED BY:** [REDACTED]  
BRIAN L. HAASER  
Special Agent-in-Charge

**Distribution:**

- 1 – Deputy Administrator for Marketing and Regulatory Programs – Business Services, APHIS, Washington, DC
- 1 – Human Resources Division, APHIS, Riverdale, MD
- 1 – Associate General Counsel, Regulatory and Marketing, OGC, Washington, D.C.
- 1 – Director, Investigative and Enforcement Services, APHIS, Riverdale, MD
- 1 – Assistant Inspector General for Investigations, OIG, Washington, D.C.
- 1 – File

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This investigation was conducted to determine if a cockfighting establishment was operating in South Hill, VA. The investigation was initiated by the Mecklenburg County Sheriff's Office, with assistance rendered by the U.S. Department of Agriculture (USDA), Office of Inspector General (OIG).

**FIGHTING COCKS OR OTHER ANIMALS – 3.1-796.125, CODE OF VIRGINIA**  
**ILLEGAL GAMBLING – 18.2-326, CODE OF VIRGINIA**  
**MAINTAINING A COMMON NUISANCE – 4.1-317, CODE OF VIRGINIA**

Investigator, Mecklenburg County Sheriff's Office, advised the following:

In August of 2006, [REDACTED] was informed of an establishment located in South Hill, VA that had cockfighting derbies every Sunday. [REDACTED] was also given a videotape of an actual fight at the location. The cockfighting took place at [REDACTED] South Hill, VA. The building was barn-like with a fenced area in the middle where the cockfights took place. There were bleachers around the fenced area. There were also various out-buildings and trailers on the property that housed the roosters before and after fights.

On Sunday, August 6, 2006, [REDACTED] performed surveillance of the property. [REDACTED] watched a man establish a point of entry to collect money for general admission, various vehicles enter the property, individuals removing roosters from vehicles and placing them throughout the property in cages, and people drinking alcohol. He heard generators running, people cheering, and roosters crowing. After all of the people left the property [REDACTED] looked inside the building and saw dead roosters and severely injured roosters.

On November 26, 2006, December 3, 2006, and December 10, 2006 he observed additional activity on the property related to cockfighting such as the vehicles arriving, a man collecting money at the entrance, and dead or dying birds after the fight. On December 10, 2006 [REDACTED] also observed a dying bird with a silver razor hook attached to its leg.

On December 18, 2006, three undercover police officers entered the establishment. They paid an entry fee of \$20 each. The officers witnessed cockfighting and gambling between spectators.

On January 21, 2007, USDA-OIG agents, to include a member of the OIG Emergency Response Team (ERT), participated in the execution of a search warrant on the property (Exhibit 1). There were 119 people at the event and 126 roosters were quarantined at the facility. State and Federal veterinarians tested the birds for avian influenza and other transmissible diseases. All of the tests results were negative. The birds were held at the facility until they were ordered destroyed by the court.

The investigation revealed that the following individuals were responsible for organizing and operating the cockfights:

[REDACTED]

[REDACTED] was the [REDACTED] was charged with Permitting Gambling on the Premises, Maintaining a Common Nuisance, and Failure to Appear. [REDACTED] was fined \$1,050 and paid \$137 in court costs (Exhibit 2).

[REDACTED] was the person who paid the employees and helped organize the cockfights. [REDACTED] was charged with Cockfighting. [REDACTED] was fined \$500 and paid \$66 in court costs (Exhibit 3).

[REDACTED] was the [REDACTED] at the cockfights. [REDACTED] was charged with Cockfighting and Accessory to Gambling. [REDACTED] was fined \$500 and paid \$66 in court costs (Exhibit 4).

**Agent's Note:** Proceeds from the entry fees were split three ways between [REDACTED] and [REDACTED].

The man who established the point of entry and collected admission fees was [REDACTED] and [REDACTED] paid [REDACTED] \$100-150 per week to collect the money at the gate. [REDACTED] was charged with Cockfighting and Accessory to Gambling (Exhibit 5). [REDACTED] was fined \$500 and paid \$76 in court costs.

[REDACTED] assisted [REDACTED] with collecting money at the gate. [REDACTED] was also paid \$100-150 per week. [REDACTED] was charged with Accessory to Gambling and Cockfighting. [REDACTED] was fined \$500 and paid \$66 in court costs (Exhibit 6).

In addition to the cockfight organizers, there were 114 additional people in attendance at the cockfight on January 21, 2007 who were arrested and released on summonses. They were all charged with Cockfighting and ordered to pay fines and court costs.

The day of the search warrant there were a total of 119 individuals arrested. The investigation resulted in the subjects being ordered to pay \$57,550 in fines and \$8,350 in court costs, and \$40,583.01 was seized during the search warrant.

\* \* \* \* \*



UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL

Northeast Region

Suite 2-2230

5601 Sunnyside Avenue, Stop 5300

Beltsville, Maryland 20705-5300



s.(b)(6)

s.(b)(7)(C)

**REPORT OF INVESTIGATION**

**FILE NUMBER:** HY-3330-0013

**DATE:** March 15, 2006

**TITLE:**



**CASE TYPE:** Animal Fighting

**SPECIAL AGENT:**

Salem, NH

**APPROVED BY:**



BRIAN L. HAASER  
Special Agent-in-Charge

**Distribution**

- 1 – Deputy Administrator for Marketing and Regulatory Programs, APHIS
- 1 – Director, Personnel Policy and Partnership Division, OHCM
- 1 – Associate General Counsel, Regulatory and Marketing, OGC
- 1 – Director, Investigative and Enforcement Services
- 1 – Assistant Inspector General for Investigations, OIG
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### SYNOPSIS

This investigation was conducted to determine if [REDACTED] and other unidentified individuals were engaged in the breeding of pit bulls for the purpose of fighting, and the sale of pit bulls based on their potential for fighting. [REDACTED] was active in breeding and selling pit bulls from November 1994 through November 2000.

This investigation found no conclusive evidence that [REDACTED] is actively involved in breeding pit bulls, or actively involved in fighting pit bulls.

### BACKGROUND

Illegal dog fighting in the United States is primarily conducted with American Staffordshire Terriers, commonly known as pit bulls. Illegal dog fighting encompasses a number of individuals who include a promoter who typically owns or controls the fight location, the handlers who are responsible for handling the dogs during a fight, a referee officiating the fight, and spectators who attend fights and may gamble on the outcome of the fight. A "Serious (Professional) Dogfighter" is defined by the Humane Society of the United States as those individuals who take great pride in breeding, training, and fighting their own dogs. They operate on a national, sometimes international, level and are often featured in underground publications on a regular basis. They are generally well informed about humane organizations, police investigation techniques, and local law enforcement personnel. The fights they participate in are usually high-stakes matches featuring experienced fighting dogs with established bloodlines.

Dogs involved in animal fights are typically put through a rigorous diet and exercise program referred to as "The keep." The keep is performed usually four to six weeks prior to a scheduled fight. Training typically involves running the dogs which can involve the use of catmills or treadmills, bite and tear strengthening using spring poles or flirt poles, and increasing fighting experience through controlled matches with more experienced fighting dogs, known as "bumps" or "rolls." The keep also may involve strict dietary guidelines that may or may not include dietary supplements in the animal's diet.

"Underground" magazines such as THE SPORTING DOG JOURNAL are sold by yearly subscriptions and delivered by U.S. Postal Service and private shipping companies. These magazines report fight results both nationally and internationally in "code." These fight listings include the names of the owners matching the dogs, the dogs being matched, the sex and weight of the dogs, the referee of the match, and any included description of the fight. These listings do not disclose the exact date of an organized fight nor do they disclose the location in which a fight took place.

HY-3330-0013

**ANIMAL FIGHTING VENTURE PROHIBITION-7 U.S.C. §2156(a)(b)**

On December 8, 2004, USDA-OIG received information from the Humane Society of the United States (HSUS) in regard to a website with the web address www.dawnrestdogs.org. Research conducted using the internet domain name www.dawnrestdogs.org, based on records kept by the internet website www.networksolutions.com, shows that E. [REDACTED] is the [REDACTED] of the internet website [REDACTED] and the address associated with the website is located at [REDACTED] (Exhibit -1).

A review of the website discovered that the [REDACTED] of the website is [REDACTED] identifies [REDACTED] as [REDACTED] on the website. [REDACTED] website includes information regarding different types of "KEEPS" for the purpose of training a dog to fight, and different types of "RULES" for organized dog fights (Exhibit - 2).

Based upon the information provided on the website, [REDACTED] specializes in the select breeding of American Staffordshire Terriers, commonly known as pit bulls. [REDACTED] was previously located at [REDACTED] and is now currently located at [REDACTED] (See Exhibit - 2).

The website, [REDACTED] also includes pictures of pit bulls, identified as being owned by [REDACTED] using training equipment coinciding with training dogs to fight. [REDACTED] website also includes (See Exhibit - 2):

- a link to the sale of puppies and other dogs by [REDACTED]
- a link to different methods of conditioning (Keeps) for preparing a dog for a fight
- a link to various pit bull fighting rules
- a link to supplies associated with housing, feeding, and training pit bulls
- a link to the pedigrees of [REDACTED] bred dogs
- additional links that contain information about pit bulls

On July 1, 2004, an interview of [REDACTED] and [REDACTED] was conducted. The [REDACTED] are the [REDACTED] current home at [REDACTED]. The [REDACTED] stated that the [REDACTED] residence was designed and built for approximately \$250,000. [REDACTED] stated that [REDACTED] paid them in either cash or money orders, and it was not out of the ordinary to receive payments of \$10,000 to \$15,000 in cash from [REDACTED]. The [REDACTED] also provided the RA with a VHS tape labeled, "Inspection of [REDACTED] House 8/31/00."

HY-3330-0013

A review of this tape on July 1, 2004 revealed that [REDACTED] had approximately 19 dogs, appearing to be pit bulls, on the property at the time of the recording. The VHS tape also revealed that [REDACTED] had approximately 15 metal kennels inside of the basement of the residence. There were approximately 16 pit bulls outside of the house and 3 pit bulls inside the basement of the residence.

On August 16, 2004, an interview of [REDACTED] was conducted. [REDACTED] is [REDACTED] and has on occasion visited the [REDACTED] home. [REDACTED] stated that [REDACTED] does have a treadmill designed specifically for dogs in the basement of [REDACTED] home in Sebago, ME as well as metal kennels inside of the basement. [REDACTED] stated that [REDACTED] has never seen [REDACTED] train any of the dogs on the property, [REDACTED] has never seen an animal fight at the [REDACTED] residence, nor has [REDACTED] shown [REDACTED] any pictures or videos depicting animal fighting.

On August 25, 2004, a review of copies of the underground animal fighting publication, THE SPORTING DOG JOURNAL, was conducted. These copies included editorial pages, advertisements, and fight listings all with references to the name(s) [REDACTED] and [REDACTED]. This review revealed from the March-April 1995 issue through the November-December 1999 issue of the SPORTING DOG JOURNAL, 27 references to [REDACTED] were found in fight listings that were published in the magazine.

The fight listings include the names of dogs involved in those particular fights. Pictures of dogs, found on the website, [REDACTED] include captions with the names of the dogs seen in those pictures. Thirteen dogs, named in the SPORTING DOG JOURNAL fight listings, correspond with pictures found on the website [REDACTED] (Exhibit - 3).

These fight listings also include the names and/or nicknames of the individuals involved in those particular fights. Pictures of individuals, found on the website, [REDACTED] include picture captions with names and nicknames of the individuals seen in those pictures. Nine individuals pictured on the website, [REDACTED] correspond with particular fight listings that were found in the SPORTING DOG JOURNAL (Exhibit - 4).

On September 8, 2004, an interview of [REDACTED] and [REDACTED] was conducted. The [REDACTED] are [REDACTED] of [REDACTED] stated that since [REDACTED] moved into the home in Sebago, ME in 2000, there have been adults knocking on the door of the [REDACTED] residence looking for the [REDACTED] residence. [REDACTED] stated that this type of event typically happens once per month. [REDACTED] stated that [REDACTED] assumes that [REDACTED] is running an animal breeding business based upon the number of individuals looking for [REDACTED] residence and the number of dogs located on the property.

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HY-3330-0013

On October 26, 2004, an inspection of the [REDACTED] property was conducted by Animal Control Officer [REDACTED]. This inspection revealed that [REDACTED] had 27 pit bulls on the property. [REDACTED] had only 10 of these pit bulls properly licensed at the time. [REDACTED] also had metal kennels inside the basement of the property, a sterilization unit used for sterilizing syringes and needles inside of the basement, a treadmill inside of the basement, and food and nutritional supplements for the pit bulls inside of the garage. A copy of [REDACTED] inspection report is listed as Exhibit - 5.

[REDACTED] noted that the pit bulls located at the property appeared to be in good shape and had good temperaments. [REDACTED] informed [REDACTED] that, in the past, [REDACTED] used the sterilization unit to vaccinate his dogs and [REDACTED] was keeping the sterilization unit and treadmill as antiques.

On November 18, 2004, an interview was conducted of [REDACTED] the [REDACTED] located at [REDACTED] ME. DR. [REDACTED] stated that [REDACTED] has a network of contacts throughout the United States that ships dogs to. [REDACTED] stated that the [REDACTED] try to screen the people that they sell their pit bulls to. [REDACTED] provided the RA with copies of 79 Health Certificates for 87 pit bulls that have been shipped via airline by [REDACTED]. Attached is a summary of those health certificates (Exhibit - 6).

On November 18, 2004, an interview was conducted of [REDACTED] [REDACTED] was contacted by [REDACTED] in response to the kennel inspection conducted by [REDACTED] traveled to the [REDACTED] residence in order to [REDACTED] several of their pit bulls. [REDACTED] noted that the pit bulls [REDACTED] observed were capable of breeding but none showed signs of recent breedings. [REDACTED] noted that the dogs had good temperaments and none showed signs of scarring, open wounds, or any mistreatment.

On September 7, 2005, an interview was conducted of [REDACTED] [REDACTED] stated that [REDACTED] has not bred pit bulls since 2002-2003. [REDACTED] has advertised the sale of dogs through the internet, however, [REDACTED] has not sold any via the internet. [REDACTED] currently has 26 dogs on [REDACTED] property, and all of the dogs are registered with the town of Sebago, ME. [REDACTED] stated that [REDACTED] learned about training methods, for dogs, through research on the internet and books about the subject. [REDACTED] stated that [REDACTED] previously owned a treadmill for [REDACTED] dogs, but has since disposed of it. [REDACTED] stated that [REDACTED] has never been to an animal fight, has never placed one of [REDACTED] dogs in an animal fight, has never trained a dog for an animal fight, or sold a dog with the intention that the dog be placed in an animal fight.





**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Northeast Region*  
*Beltsville, Maryland*



**REPORT OF INVESTIGATION**

**FILE NUMBER:** HY-2434-0094

**DATE:** October 6, 2006

**TITLE:**

Lisbon, NY

**CASE TYPE:** Violation of the Federal Meat Inspection Act

**SPECIAL AGENT:**

Syracuse, NY

**APPROVED BY:**

BRIAN L. HAASER  
Special Agent-in-Charge

**Distribution:**

- 3 – Deputy Assistant Administrator, Program Evaluation, Enforcement and Review, FSIS
- 2 – Assistant Administrator, Office of Program Evaluation, Enforcement and Review, FSIS
- 1 – Associate General Counsel, Regulatory and Marketing, OGC
- 1 – Assistant Inspector General for Investigations, OIG
- 1 – File

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### SYNOPSIS

This investigation was conducted to determine if [REDACTED] of [REDACTED] Lisbon, NY, slaughtered downer cows in violation of the Federal Meat Inspection Act.

The investigation disclosed that [REDACTED] did accept for slaughter three cows, two of which were determined to be downer cows in violation of the Federal Meat Inspection Act. The Food Safety and Inspection Service (FSIS), United States Department of Agriculture (USDA) is considering withdrawing his custom slaughter exemption.

### BACKGROUND

9 CFR 309.2(b) states in part that downer cows, or "non-ambulatory disabled livestock, are livestock that cannot rise from a recumbent position or that cannot walk, including, but not limited to, those with broken appendages."

### VIOLATION OF THE FEDERAL MEAT INSPECTION ACT 21 USC 601

[REDACTED] Investigator, FSIS, Albany, NY, was interviewed and provided records which in part showed the following:

Since early 1997, [REDACTED] has owned [REDACTED] jointly with [REDACTED]. [REDACTED] is a custom slaughter facility which does not conduct any retail sales and only slaughters animals for local farmers' personal consumption. [REDACTED] advised because [REDACTED] does only custom slaughter, it is exempt from USDA inspection. [REDACTED] is subject to New York State Department of Agriculture and Markets (NYAM) inspection.

In late November 2005, USDA, FSIS officials inspected a slaughter facility located near [REDACTED]. A person at the plant who requested that [REDACTED] identity be withheld complained to FSIS that downers were being slaughtered at [REDACTED].

On December 8, 2005, [REDACTED] met with [REDACTED] and notified [REDACTED] of the FSIS regulations and requirements pertaining to the [REDACTED] operation. [REDACTED] also told [REDACTED] of the new regulations that "downer animals" could not be slaughtered for human consumption.

On March 14, 2006, [REDACTED] Inspector, NYAM, notified FSIS, that [REDACTED] completed a review of the [REDACTED] facility and observed several "downer carcasses" at [REDACTED]. During [REDACTED] visit [REDACTED] interviewed [REDACTED] who admitted to slaughtering "downer animals" on occasion. [REDACTED] advised [REDACTED] that if an animal "could not stand on its own", it should not be slaughtered for human consumption.

On March 17, 2006, [REDACTED] with the assistance of [REDACTED] FSIS, visited [REDACTED] and detained three carcasses that appeared to be "downers". During the visit [REDACTED] stated to [REDACTED] that the three carcasses were "downers" and provided [REDACTED] with copies of the animals' owner instruction sheets.

[REDACTED] FSIS, was interviewed and provided records which showed in part the following:

A review of records showed that the "downer" animals found at [REDACTED] were owned by local farmers. An examination of the animals revealed that the first carcass, owned by [REDACTED] had two broken legs; the second, owned by [REDACTED] had a broken back and the third, owned by [REDACTED] had one broken leg. He confirmed that the [REDACTED] and [REDACTED] animals were "downer cows" by definition but that the [REDACTED] cow would have been able to rise from an incumbent position and thus not a "downer."

[REDACTED] was interviewed and provided a signed sworn statement which stated in part:

The cow that [REDACTED] slaughtered for [REDACTED] had been jumped on by another cow then got stuck under a divider bar. The animal had one injured rear leg and could not be saved.

On March 13, 2006, [REDACTED] called [REDACTED] who came to [REDACTED] farm on March 14, 2006. [REDACTED] shot and gutted the cow on [REDACTED] farm. [REDACTED] took the dead animal to [REDACTED] facility for slaughter. [REDACTED] did not intend to sell the beef cow's meat but was going to use it for [REDACTED] personal consumption.

[REDACTED] signed a "Notice of Detention (FSIS 8080-1)," "Notice of Termination of Detention" (FSIS 8400-1), and Voluntary Destruction form (FSIS 8080-4) allowing FSIS to destroy the meat detained at [REDACTED]

[REDACTED] was interviewed and provided a signed sworn statement which stated in part:

The cow [REDACTED] slaughtered for [REDACTED] had gotten stuck in a feed bunk, causing a pipe to push on her back injuring the animal. On March 16, 2006, the animal could not get up and [REDACTED] called [REDACTED] who came to [REDACTED] farm and shot and gutted the cow on [REDACTED] farm. [REDACTED] took the dead animal to [REDACTED] facility for slaughter. [REDACTED] did not intend to sell the beef cow's meat but was going to use it for [REDACTED] personal consumption.

[REDACTED] signed a "Notice of Detention (FSIS 8080-1)," "Notice of Termination of Detention" (FSIS 8400-1), and Voluntary Destruction form (FSIS 8080-4) allowing FSIS to destroy the meat detained at [REDACTED]

██████████ was interviewed and provided a signed sworn statement which stated in part:

The cow that ██████████ slaughtered for ██████████ had broken her back leg when she got it stuck between a cement wall and a metal pipe. ██████████ called ██████████ who advised that nothing could be done for the leg.

On March 10, 2006, ██████████ called ██████████ who came to ██████████ farm on March 11, 2006 and shot and gutted the cow on his farm. ██████████ took the dead animal to ██████████ facility for slaughter. ██████████ did not intend to sell the beef cow's meat but was going to use it for ██████████ personal consumption.

██████████ signed a "Notice of Detention (FSIS 8080-1)," "Notice of Termination of Detention" (FSIS 8400-1), and Voluntary Destruction form (FSIS 8080-4) allowing FSIS to destroy the meat detained at ██████████

██████████ Heuvelton, NY, was interviewed and stated in part:

██████████ concluded from ██████████ examination of ██████████ cow, that the cow "absolutely could have walked." Her back leg was shattered, so ██████████ could not put a cast on it. She was a "perfectly healthy" cow which would have "run passed you if you tried to catch her."

Agent's Note: Due to the confirmation from ██████████ and ██████████ that ██████████ cow could have risen from an incumbent position it was not by definition a "downer" and the meat could be returned to ██████████ for ██████████ consumption. ██████████ signed a Personal Consumption form (FSIS 8080-6). The meat from ██████████ cow was the only meat returned by FSIS for consumption. The meat from the ██████████ and ██████████ cows was destroyed.

██████████ was interviewed and provided a sworn statement which stated in part:

██████████ did not sell any meat products from ██████████ to restaurants or retail stores. ██████████ slaughtered and processed meat carcasses owned by local farmers, for their own consumption. A check of ██████████ records showed that approximately 1 year ago (2005), ██████████ slaughtered and processed a beef animal with a broken leg. The meat was donated by the animal's owner, ██████████ to a church in Canton, NY. The church paid ██████████ for ██████████ services.

██████████ believed that on or about December 1, 2005, ██████████ may have told ██████████ that "downers" could not be slaughtered for human consumption.

did remember that on or about March 14, 2006, did advise that if a beef animal could not stand up on its own without assistance, the animal could not be slaughtered for human consumption.

was interviewed and provided a sworn statement which stated in part:

In early December 2005, one of young beef heifers broke one leg and could not get up. asked Canton, NY, if the church wanted the heifer to feed the needy. accepted offer and called who came shot and gutted the animal at farm and transported it to for slaughter.

was interviewed and provided a sworn statement which stated in part:

coordinated the for the The Program offers free meals, donations accepted, to the public. In December 2005, was asked by if the wanted beef from one of heifers for the meal program. He contacted who agreed to process the heifer. A few days later, picked up about two-hundred pounds of meat for which gave a check from the in the amount of \$115.75. This was the first time meat was donated to the Program.

As of March 22, 2006, there were fifteen pounds of the meat remaining. stated that would take this meat home for personal consumption and signed a Personal Consumption form (FSIS 8080-6).

This case was discussed with Assistant United States Attorney Northern District of New York, who declined the case for prosecution.

\* \* \* \* \*

### SYNOPSIS

This joint investigation with the Federal Bureau of Investigation (FBI) was conducted to determine if [REDACTED] formerly employed as the [REDACTED] in Seoul, Korea, misused Market Access Program (MAP) funds provided by the U.S. Department of Agriculture (USDA), Foreign Agricultural Service (FAS) and engaged in a conflict of interest by awarding contracts funded by FAS and USMEF to a public relations company known as [REDACTED] which was owned and operated by [REDACTED]

The investigation revealed that [REDACTED] and [REDACTED] were the [REDACTED] of [REDACTED] in [REDACTED] position as the [REDACTED] in Seoul, Korea, employed [REDACTED] for the purpose of providing marketing services to USMEF, to include arranging the lease of commercial space to house a USMEF training facility known as the Meat Education and Research Center (MERC). As such, the investigation revealed that [REDACTED] submitted a fraudulent lease for the MERC to USMEF, which resulted in the overpayment of MAP funds to [REDACTED] in the amount of \$204,529.20.

### DETAILS

In August 2003, the Office of Inspector General (OIG) was notified regarding several issues associated with [REDACTED] which were identified by USMEF, to include alleged conflict of interest and misuse of USMEF funds intended for the lease of a residence for [REDACTED]. According to the information developed by USMEF, [REDACTED] reportedly awarded USMEF contracts to a public relations company known as [REDACTED] which [REDACTED] and [REDACTED]. Additionally, [REDACTED] allegedly misused advance funds provided by USMEF for the purpose of leasing a residence in Seoul, by purchasing a residence in violation of USMEF housing regulations. In so doing, [REDACTED] submitted a fraudulent lease document to USMEF, which resulted in USMEF remitting \$120,000 to [REDACTED] on September 30, 2002, representing the lease payments for [REDACTED] residence for the period October 1, 2002 through September 30, 2004. Based on the information developed, USMEF terminated [REDACTED] employment on September 17, 2003.

In November 2003, USMEF commissioned a forensic audit conducted by Grant Thornton International, which confirmed that [REDACTED] engaged in a pattern of misconduct while employed as the [REDACTED] in Seoul, Korea, to include the misuse of MAP funds. As a result of the findings of the forensic audit, it was determined that between 1998 and 2003, [REDACTED] awarded USMEF contracts totaling \$4,154,743.12 to a public relations company known as [REDACTED] of which [REDACTED] was also determined to be directly involved in the operation of [REDACTED]. Additionally, the forensic audit confirmed that [REDACTED] misused the housing allowance provided by USMEF as a down payment on a property. The Grant Thornton International report of findings is attached as Exhibit 1.

In conjunction with the FBI, an investigation was conducted which focused on [REDACTED] misuse of MAP funds. According to figures provided by USMEF, between October 1, 1998 and June 30, 2003, a total of \$1,629,436.36 in MAP funds were used to pay for the USMEF contracts awarded to [REDACTED] with \$103,279.14 in MAP funds being used to pay administrative fees to [REDACTED] (Exhibit 2). However, the investigation was unable to determine that the rates charged by [REDACTED] were excessive or that the contracted work was incomplete or substandard. There was no evidence to suggest that the services paid for by USMEF were not provided or were unreasonable in cost.

Agent's Note: The criminal investigation conducted by OIG and the FBI primarily focused on MAP funds paid to [REDACTED] by USMEF for the lease of commercial space for the MERC.

According to USMEF voucher reports, the following amounts and corresponding MAP expenses were remitted to [REDACTED] for the payment of rent for the MERC:

Date of Payment	Description of Payment	Payment Amount (Korean Won)	MAP Expense (U.S. Dollars)	Exhibit Number
April 27, 2000	Rent advance payment (April 2000 to April 2001)	154,000,000	\$139,585.55	3
April 17, 2001	Rent advance payment (April 2001 to April 2002)	154,000,000	\$115,876.60	4
April 18, 2002	Rent advance payment (April 2002 to April 2003)	177,100,000	\$134,485.37	5
April 18, 2003	Rent advance payment (April 2003 to April 2004)	177,100,000	\$145,881.38	6
	TOTAL	662,200,000	\$535,828.90	

Agent's Note: The MAP expense in U.S. dollars for the annual payment of rent varied from year to year based on the exchange rate in effect at the time of the payment.

For purposes of this report, KRW=Korean Won and USD=U.S. Dollar

USMEF determined the existence of two separate leases for the MERC, and obtained copies of the leases for the time period April 2002 through April 2004. The true lease, entered into by [REDACTED] with the [REDACTED] revealed the actual financial terms of the agreement (Exhibit 7). The second lease agreement was presented by [REDACTED] to USMEF in order to obtain advance funding for the lease payments at an inflated rate (Exhibit 8).

The following table summarizes the estimated payments remitted to KRSC by [REDACTED] for the payment of monthly rent and maintenance fees.

Agent's Note: The actual payment information was not available and the figures contained in the following table are estimates based on the terms of the contract between [REDACTED] and [REDACTED]. While the aforementioned contract pertains to the time period April 2002 through April 2004, the assumption is made that similar terms were in effect during the duration of the MERC lease.

Month/Year	Description of Payment	Payment Amount (KRW)
May 2000	Rent and Maintenance	8,730,000
June 2000	Rent and Maintenance	8,730,000
July 2000	Rent and Maintenance	8,730,000
August 2000	Rent and Maintenance	8,730,000
September 2000	Rent and Maintenance	8,730,000
October 2000	Rent and Maintenance	8,730,000
November 2000	Rent and Maintenance	8,730,000
December 2000	Rent and Maintenance	8,730,000
January 2001	Rent and Maintenance	8,730,000
February 2001	Rent and Maintenance	8,730,000
March 2001	Rent and Maintenance	8,730,000
April 2001	Rent and Maintenance	8,730,000
May 2001	Rent and Maintenance	8,730,000
June 2001	Rent and Maintenance	8,730,000
July 2001	Rent and Maintenance	8,730,000
August 2001	Rent and Maintenance	8,730,000
September 2001	Rent and Maintenance	8,730,000
October 2001	Rent and Maintenance	8,730,000
November 2001	Rent and Maintenance	8,730,000
December 2001	Rent and Maintenance	8,730,000
January 2002	Rent and Maintenance	8,730,000
February 2002	Rent and Maintenance	8,730,000
March 2002	Rent and Maintenance	8,730,000
April 2002	Rent and Maintenance	8,730,000
May 2002	Rent and Maintenance	10,077,000
June 2002	Rent and Maintenance	10,077,000
July 2002	Rent and Maintenance	10,077,000
August 2002	Rent and Maintenance	10,077,000
September 2002	Rent and Maintenance	10,077,000
October 2002	Rent and Maintenance	10,077,000
November 2002	Rent and Maintenance	10,077,000
December 2002	Rent and Maintenance	10,077,000
January 2003	Rent and Maintenance	10,077,000
February 2003	Rent and Maintenance	10,077,000
March 2003	Rent and Maintenance	10,077,000
April 2003	Rent and Maintenance	10,077,000
May 2003	Rent and Maintenance	10,077,000
June 2003	Rent and Maintenance	10,077,000
July 2003	Rent and Maintenance	10,077,000
August 2003	Rent and Maintenance	10,077,000
September 2003	Rent and Maintenance	10,077,000
	TOTAL	380,829,000



During the time period April 2000 through September 19, 2003, when the contract with [REDACTED] was terminated, [REDACTED] paid a total of 380,829,000 KRW to [REDACTED] representing rent and maintenance. Additionally, [REDACTED] paid a security deposit in the amount of 200,000,000 KRW in April 2000.

The following currency conversion calculations were conducted using the exchange rate, which was used by Grant Thornton International at the time of the forensic audit (\$1 USD = 1149.5 KRW)

Rent and Maintenance	380,829,000 KRW	\$331,299.70 USD
Security Deposit	200,000,000 KRW	\$173,988.69 USD

As previously illustrated, during the time period April 2000 through April 2004, USMEF paid a total of 662,200,000 KRW/\$535,828.90 USD to [REDACTED] representing advance rent payments. Additionally, USMEF paid a security deposit in the amount of 44,000,000 KRW/\$39,881.58 USD in April 2000.

Agent's Note: The security deposit in the amount of 44,000,000 KRW/\$39,881.58 USD, paid to [REDACTED] by USMEF, did not involve MAP funds.

In terms of the rent and maintenance payments, there is a difference totaling 281,371,000 KRW/\$204,529.20 USD between the amount of rent and maintenance paid by [REDACTED] to [REDACTED] and the amount paid by USMEF to [REDACTED]. This represents that amount of fraud involving MAP funds.

Agent's Note: Another issue which arose during the course of the investigation involved Value Added Tax (VAT) paid by USMEF to [REDACTED] for services rendered. Under the Korean Value Added Tax Law, a business entity is required to issue a VAT statement to every buyer. The business entity making the sale is required to report the VAT collected to a National Tax Service by quarterly tax return.

According to the results of the Grant Thornton International forensic audit, approximately \$308,988.98 in MAP funds were collected from USMEF to pay VAT to [REDACTED]. At issue was whether [REDACTED] remitted the VAT to the Korean tax authorities or converted the funds to their own use. It could not be determined whether [REDACTED] properly reported VAT collected from USMEF to the Korean National Tax Service.

According to the FBI, they conducted interviews of potential witnesses residing in Korea in order to determine the nature of the testimony they could provide against [REDACTED] as well as their willingness to travel to the U.S. in the event that [REDACTED] was criminally prosecuted. As a result of the interviews, it was determined that key witnesses against [REDACTED] were unwilling to participate in a criminal prosecution effort. In addition, key documents within the care and control of Korean banks and the Korean Government, including documentation related to the payment of VAT, could not be obtained for use in the investigation.

As a result of the unavailability of witnesses and documents, this matter was declined for criminal prosecution by the U.S. Attorney's Office for the District of Columbia and the U.S. Attorney's Office for the District of Colorado, Denver. Additionally, the Civil Division of the U.S. Attorney's Office for the District of Columbia deferred a civil prosecution in favor of administrative remedies, which are available to recover MAP funds from USMEF.

\* \* \* \* \*



**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Northeast Region*  
*Beltsville, Maryland*



**REPORT OF INVESTIGATION**

**FILE NUMBER:** HY-2434-81

**DATE:** October 13, 2004

**TITLE:**

Augusta, ME 04332

**CASE TYPE:** Adulterate/Alter Product

**SPECIAL AGENT:**

Salem, NH

**APPROVED BY:**

BRIAN L. HAASER  
Special Agent-in-Charge

**Distribution:**

- 3 – Assistant Deputy Administrator, District Enforcement Operations,  
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- 1 – File

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### SYNOPSIS

This investigation was conducted to determine if [REDACTED] knowingly sold and transported adulterated and misbranded meat products in commerce in Maine, Massachusetts, and Connecticut.

The investigation disclosed that [REDACTED] had altered and/or edited Food Safety and Inspection Service (FSIS) accredited laboratory results relating to fat and added water content. Specifically, [REDACTED] failed to disclose the existence of non-complying FSIS accredited laboratory results, which are subject to FSIS review.

Information has been obtained and developed during this investigation that cannot be released and has been deleted from this report.

### BACKGROUND

The Federal Meat Inspection Regulations (MIR) limits the amount of fat, added water, or fat plus-added water that may be present in cooked sausage. §319.180 of the MIR states, "Frankfurter, frank, furter, hot dog, wiener, Vienna, bologna, garlic bologna, knockwurst, and similar cooked sausages are comminuted, semi-sausages prepared from one or more kinds of raw skeletal meat or raw skeletal muscle meat and raw or cooked poultry meat, and seasoned and cured using one or more of the curing agents in accordance with §318.7©(4) of this chapter. They may or may not be smoked. The finished product shall not contain more than 30% fat. Water or ice, or both, may be used to facilitate chopping or mixing or to dissolve the curing ingredients but the sausage shall contain no more than 40% of a combination of fat and added water."

The United States Department of Agriculture (USDA), FSIS, inspection program employees are responsible for ensuring that cooked sausage products are in compliance with regulatory requirements and that no adulterated or misbranded products are distributed for sale.

### SELLING AND TRANSPORTING MISBRANDED AND ADULTERATED MEAT PRODUCT

21 U.S.C. §§610, 611

FALSE STATEMENTS 18 U.S.C. §1001

This case was initiated based on a report (Exhibit 1) dated April 12, 2001, received from USDA, FSIS, Compliance and Enforcement, Field Operations, District Enforcement Operations (FSIS Compliance), indicating that [REDACTED] knowingly sold and transported adulterated and misbranded food products in commerce in Maine, Massachusetts, and Connecticut.

Exhibit 2, prepared by FSIS Compliance, details [REDACTED] organizational structure.

On September 1, 2000, [REDACTED] was issued a new Grant of Inspection (Exhibit 3). The Grant of Inspection was revised to update for change of corporate

officers and added DBAs. In [REDACTED] Application for Federal Meat, Poultry, or Import Inspection (Exhibit 4) dated June 12, 2000, [REDACTED] expressly agreed to conform strictly to the applicable Federal law and regulations pertaining to meat inspection, poultry inspection, or the importation of meat and poultry products, including, the Meat Inspection Act (MIA) (21 U.S.C. § 601, et. seq.) and the regulations governing the MIA at 9 C.F.R. Part 301, et. seq.

Discussions with and records provided by FSIS, Field Operations, [REDACTED] Augusta, ME revealed the following:

USDA, FSIS Inspection employees are responsible for ensuring that cooked sausage products are in compliance with regulatory requirements and that no adulterated or misbranded products are distributed for sale. It is the establishment's responsibility to control the process through monitoring and to ensure that the finished products are in compliance with the regulatory requirements. Two inspection approaches are used to ensure that the finished products are in compliance with the fat, fat-plus added water, or added water regulatory limits. These inspection approaches coupled with process observations are Lot inspections and a Quality Control (QC) or Total Quality Control (TQC) System. The end result is supposed to be the same; the product is in compliance with the regulations.

[REDACTED] implemented a QC program entitled, "Partial Quality Control Program for §319.180 Cooked Sausages for Fat and Added Moisture, Version 3.3, February 25, 1992," (PQCP) as their methodology to ensure compliance with the regulations. FSIS accepted this PQCP on April 7, 1992, with the provision that the Fat Plus Added Water limits be at least equal to the FSIS Directive 7130.3. [REDACTED] PQCP was amended on September 10, 1992 and March 25, 1996. [REDACTED] PQCPs and the FSIS letters acknowledging acceptance of the PQCPs are shown in Exhibit 5. Under this option, if an establishment wants to do their own monitoring for fat, fat-plus added water, or added water in their cooked sausage products, they may develop an effective quality control program or system. When an establishment has a quality control program or system to verify the control of fat, fat-plus-added water, or added water compliance in cooked sausage products, FSIS inspection's responsibility does not cease. The inspection program employee will take samples as directed on the procedure schedule. This is done to determine if the establishment's program or system is ensuring that the product process meets regulatory requirements. Sample selection and submission procedures are the same as those for lot inspection.

The inspection program employees are to verify that the process control limits prescribed in the QC program or system is met, and if not, the establishment has taken action to correct the situation. To determine if the control limits are met, they evaluate the inspection sample results and compare it to the establishment's sample result(s) from the corresponding shift's production. If the inspection sample exceeds the establishment's process control sample, there is a procedure to follow.

██████████ PQC (Exhibit 5) was designed to, "produce fat and moisture controlled cooked sausage products (M.P.I. Regulations Sec.319.180) that consistently yield zone 'A' analytical results. The methods for achieving consistent control are detailed in this program. The basic process involves analyzing raw materials, making preblends from these raw materials, analyzing the preblend and making finished products with the proper fat and moisture corrections that the preblend analysis dictates products then confirms compliance with USDA control limits for fat and added moisture."

██████████ PQC sets out the corrective action to be undertaken if there is a running average violation or if testing on an individual sample results in a Zone "E" violation. According to ██████████ PQC, the FSIS Inspector-in-Charge (IIC) will receive a weekly summary of preblend and finished product analysis.

FSIS Compliance (Exhibit 1) initiated an inquiry on or about June 28, 2000, after being notified of irregularities at ██████████ plant in Augusta, ME. The inquiry was initiated based on a report by FSIS Inspection that ██████████ may be falsifying records subject to USDA review. The reported irregularities involved draft and edited FSIS accredited laboratory results on fat and added water controls for ██████████ cooked sausage products.

FSIS Compliance collected samples in the market of ██████████ consumer products to determine total fat and added water contents for compliance with consumer and standards of identity. A summary of the testing results on the compliance samples and the FSIS laboratory findings is attached as Exhibit 6. In total, of the twenty eight (28) consumer compliance samples obtained in the market June 29, 2000 and August 30, 2000, FSIS Compliance determined sixteen were found to be beyond the forty percent fat and added water limitation in the FSIS Standards of Identity for Cooked Sausage Products. FSIS Compliance determined that ██████████ sold adulterated and misbranded product in commerce in Maine, Massachusetts and Connecticut.

FSIS Compliance obtained a statement (Exhibit 7) from ██████████ Consumer Safety Inspector, USDA, FSIS. In the statement, ██████████ stated substantially as follows:

On June 24, 2000, ██████████ was verifying ██████████ Operational Sanitation Reports in the Quality Assurance Office. As ██████████ entered the Quality Assurance Office ██████████ observed a computer generated lab report 1899 (Exhibit 8) dated Friday June 23, 2000, on top of a stack of records on the QA Manager's desk. ██████████ Laboratory is an accredited FSIS Laboratory and ██████████ is aware that USDA uses these results for determining compliance and company control. On lab report 1899 the word, "Draft" was handwritten on both pages of the report. On lab report 1899, under the category "Finished Products," under the category (AW) Added Water, and Fat + AW hand circle entries identifying the product and noncompliance were observed. ██████████ gave the plant's program a chance to work.

On June 26, 2000, ██████████ entered the office of ██████████ and asked for two weeks of the frankfurters fat and added water FSIS accredited lab reports. ██████████ provided ██████████ lab reports dated June 5, 2000 and

earlier. [REDACTED] asked again to see the lab reports for the prior week. [REDACTED] stated that a piece of equipment failed and that a person was coming to repair it. On June 28, 2000, [REDACTED] asked [REDACTED] for the last week of test results for fat and added water. [REDACTED] stated that the results had not been printed out yet. On June 28, 2000 he asked [REDACTED] if [REDACTED] had a finished product lab report. [REDACTED] provided [REDACTED] lab report 1899 (Exhibit 9) dated June 23, 2000. [REDACTED] compared it to the lab report 1899 dated June 23, 2000 with the "Draft" lab report 1899 obtained from the QA Office. [REDACTED] found that all the non-complying results [REDACTED] observed that were circled on the "Draft" Lab Report 1899 had been deleted and the report provided by [REDACTED] that was initialed as submitted and approved, showed only test results that were in compliance.

During approximately the last year, [REDACTED] has observed these draft lab reports with circles approximately 10 to 20 times. [REDACTED] reviewed [REDACTED] QA retention records. The review revealed that [REDACTED] had not retained any finished lots for tightened acceptance for their cooked sausage products based on their test results. A review of their rework sheet revealed no products were reworked for fat or total fat plus water violations.

During subsequent interviews with [REDACTED] stated substantially as follows:

When [REDACTED] first saw the draft lab report 1899 (Exhibit 8) on the desk in the QA Office it looked odd to [REDACTED] because [REDACTED] never saw a lab report with the word draft on it and a zone violation. FMIR Section 319.180 states that cooked sausage can have up to 30% or not more than 40% fat and added water. The numbers on draft lab report 1899 should have triggered some corrective action. [REDACTED] saw a 44 and [REDACTED] knows that is a Zone E violation. That means [REDACTED] needs to take corrective action based on their written program (Exhibit 5). They need to retain the product, or get it back, rework it, relabel it or condemn it. They are then put on tightened acceptance criteria and they have to hold each day's production until they get four consecutive Zone A test results. This process costs money and is inconvenient. None of these events took place. [REDACTED] does not recall any bad results. [REDACTED] never retained product for fat and added water violations. That is not normal, no matter how good a company is. [REDACTED] was picture perfect. Shortly after the FSIS Compliance investigation, [REDACTED] started showing fat and added water violations. They started getting worse results. When they select a sample, they now retain the product until they get the results. Prior to this the product was released before the results were known. They do this to avoid recall.

FSIS Compliance conducted a team interview on November 8, 2000 (Exhibit 10) to determine if [REDACTED] could explain the differences between the market samples obtained by the agency and the company's FSIS accredited lab results showing no problem. [REDACTED] Plant [REDACTED] and [REDACTED] had no explanation as to why the FSIS accredited lab results (obtained during the market survey) were different from [REDACTED] FSIS accredited lab results appearing in their reports. [REDACTED] stated that [REDACTED] lab report was a final report and did not use any draft report of any kind. On November 8, 2000,

FSIS Compliance also obtained records from [REDACTED] FSIS Compliance also requested that the [REDACTED] query [REDACTED] computer for a summary of all lab reports starting with the first part of calendar year (2000). These records were also provided to FSIS Compliance on November 8, 2000.

On December 6, 2000, FSIS Compliance returned to [REDACTED] to conduct additional interviews with [REDACTED] and [REDACTED]. They were shown copies of the draft record and the falsified altered record with the non-complying results removed. [REDACTED] still denied any knowledge of these records. In a room, in the presence of [REDACTED] stated that [REDACTED] was the author and the originator of both of these records. [REDACTED] further stated that [REDACTED] was aware that the altered record was subject to USDA review. She indicated that both the draft and final official report were provided to [REDACTED] [REDACTED] provided a signed sworn statement (Exhibit 11).

On December 8, 2000, FSIS Compliance interviewed [REDACTED] stated that [REDACTED] could not remember bringing back any cooked products for corrective action for fat and added water violations. [REDACTED] indicated he took no corrective action on finished product.

On or about December 4, 2000, and other dates, FSIS Compliance Officer [REDACTED] conducted various verification and clarification interviews regarding a flow chart (Exhibit 12) with approximate elapsed time of standard operating events for [REDACTED] fat and water control on their cooked sausage products. This flow chart, which was confirmed by FSIS Inspector-in-Charge [REDACTED] revealed that finished product results were not known at the time of shipping of these products. None of these individuals could recall when cooked sausage products had been held or recalled or making any correction for fat water violations.

Records and discussions with [REDACTED] USDA, FSIS Accredited Laboratory Program, revealed that JORDAN'S, utilizing the name [REDACTED] became a USDA accredited laboratory in December 1993. They were removed from the program on February 20, 2001 for nonpayment of the \$1,500 accreditation fee for the year 2001. FSIS records showed that [REDACTED] laboratory analyzed five Official (FSIS Inspector generated) samples in the year 1999 and eight samples in 2000. They do not have any records on other samples analyzed by the laboratory.

According to FSIS Directive 10.630.1, an accredited laboratory is defined as a private analytical laboratory that has met the requirements for accreditation specified in Sections 318.21 and 381.153 of the MPI Regulations and hence, at an establishment's discretion, may be used in lieu of an FSIS laboratory for analyzing official regulatory samples.

[REDACTED] was interviewed (Exhibit 13) on December 19, 2001. [REDACTED] stated substantially as follows:



was hired by [REDACTED] which was bought out by [REDACTED] was a [REDACTED] at [REDACTED] from March 2000 through April 2000. [REDACTED] left [REDACTED] because she disliked the job because the training was atrocious, the condition of the equipment was unsafe and dangerous, the hours were bad and the whole environment was "yucky." [REDACTED] described [REDACTED] as a stressful, horrible place to work.

[REDACTED] was [REDACTED] but [REDACTED] did not train [REDACTED] did not know that the [REDACTED] laboratory was a USDA accredited laboratory until she received a sample to test under the Accredited Laboratory Program. To do the fat and added water test for [REDACTED] samples she used the CEM fat extractor. When the sample came in to be tested for the USDA accredited lab program, [REDACTED] was told [REDACTED] had to use the Gold fiche method of testing. No one there knew how to do a test using the Gold fiche method. [REDACTED] hunted for a manual or instructions. [REDACTED] figured it out. The Gold fiche method is more time consuming and more accurate. This method was only used to test the USDA samples for the USDA accredited laboratory program.

[REDACTED] was never given USDA requirements or told why [REDACTED] was doing the testing. [REDACTED] never really knew what was acceptable and what was not acceptable. [REDACTED] found a book about it, but no one ever told [REDACTED] to look at it, know it or comply with it. No one there knew what [REDACTED] or [REDACTED] was doing. [REDACTED] learned about the fat and added water requirements from FSIS Inspector [REDACTED] never told [REDACTED] about USDA fat and added water tests or other tests. [REDACTED] explained that [REDACTED] had to plug the laboratory results into the computer and print out the results. [REDACTED] then explained that [REDACTED] had to review the results and look for certain values that exceeded a certain number [REDACTED] believed the number to be 40 or 40 something - [REDACTED] could not recall the exact number, but it was on a cheat sheet on the computer). [REDACTED] told [REDACTED] values that exceeded that value were not good. [REDACTED] was never told why these values were not good.

[REDACTED] noted all test results in her lab worksheet by hand. [REDACTED] would then input the data into the computer in a lab report. [REDACTED] would print the report and circle any lab results whose value was outside the range indicated on the cheat sheet. [REDACTED] would write the word "DRAFT" across this report. [REDACTED] would put these draft reports on [REDACTED] desk everyday after [REDACTED] shift.

[REDACTED] would get the draft and final laboratory reports when [REDACTED] was out. [REDACTED] started two days before her and he had no idea what they meant. [REDACTED] was the person who was aware of the information in the draft reports. The draft reports went on [REDACTED] desk and the final reports went on [REDACTED] desk and on a filing cabinet for distribution to the individuals in the chain of distribution.

The hot dogs are the product that was causing the troubling test results. The draft reports were not saved in the computer because [REDACTED] would delete the lines that contained the

results that were not in compliance. The draft lab reports were handled differently from the final reports in that they were only provided to [REDACTED] and not the other individuals in the chain of distribution. [REDACTED] did not know the FSIS Inspector was required to be made aware of any results. [REDACTED] was aware that the FSIS Inspector could look at them. [REDACTED] was not aware of the consequences of a test result that was not in compliance. [REDACTED] performed laboratory tests where the results were not in compliance with USDA regulations. All her test results were reported in [REDACTED] worksheets. No product was ever retained, recalled, or reworked because of a fat and added water test result while [REDACTED] was there.

On February 20, 2002, [REDACTED] voluntarily transferred three zip disks, one central processing unit containing two hard drives that [REDACTED] believed to be crashed and one Microsoft Access Manual to USDA, OIG for data recovery and analysis. These items were transferred to the USDA, Great Plains Region, Computer Forensic Unit. The Computer Forensic Unit, for technical reasons, was unable to recover any useful data from the items transferred.

The case has been accepted for prosecution by the United States Attorney's Office, District of ME.

On December 22, 2003, [REDACTED] plead guilty to one a count Information charging her with Obstruction of Justice in violation of 18 USC §1505. On April 15, 2004, [REDACTED] was sentenced in United States District Court, Bangor, ME. [REDACTED] was sentenced to six months imprisonment, followed by 2 years of supervised release, and ordered to pay a \$3,000 fine and a \$100 special assessment fee.

\* \* \* \* \*



**UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Northeast Region  
Beltsville, Maryland*



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**REPORT OF INVESTIGATION**

**FILE NUMBER:** HY-2418-0016

**DATE:** April 27, 2007

**TITLE:**

Ephrata, Pennsylvania 17522

**CASE TYPE:** Product Tampering

**SPECIAL AGENT:**

King of Prussia, PA

**APPROVED BY:**

\_\_\_\_\_  
BRIAN L. HAASER  
Special Agent-in-Charge

**Distribution:**

- 2 – Deputy Assistant Administrator, Program Evaluation, Enforcement and Review, FSIS
- 1 – Assistant Administrator, Office of Program Evaluation, Enforcement and Review, FSIS
- 1 – Administrator, Grain Inspection, Packers and Stockyards Administration
- 1 – Associate General Council, Regulatory and Marketing, OGC
- 1 – Assistant Inspector General for Investigations, OIG
- 1 – File

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**A0000044\_45-000000**

### SYNOPSIS

This investigation was conducted to determine who had tampered with chicken product by inserting a chemical used in rodenticide into U.S. Department of Agriculture (USDA), National School Lunch Program (NSLP) donated commodity chicken.

This investigation, conducted jointly with the U.S. Food and Drug Administration (FDA), Office of Criminal Investigation (OCI), did not identify the individual(s) responsible for inserting pellet shaped material containing a chemical used in rodenticide, into a 10 pound plastic bag of chicken fajita strips. This product was being used at the EPHRATA MIDDLE SCHOOL, 9571 Hammond Avenue, Ephrata, Pennsylvania 17522.

### FEDERAL ANTI-TAMPERING ACT - 18 U.S.C. § 1365; 21 U.S.C. 321

### DETAILS

A review of [REDACTED] Coal Township, Pennsylvania, records showed the following:

[REDACTED] Stillmore, Georgia (GA), provided various school districts in Pennsylvania with 709 cases (21,270 lbs) of processed fully cooked dark chicken fajita strips under production code 8-19-06, lot number C3319. On September 19, 2006, the Ephrata Area School District received 13 cases (390 lbs) of NSLP donated commodity chicken.

[REDACTED] Ephrata Area School District, was interviewed (Exhibit 1), and provided the following:

On November 30, 2006, [REDACTED] Ephrata Middle School, notified [REDACTED] that [REDACTED] cafeteria employee, Ephrata Middle School, had found blue/green pellets, possibly mouse/rat poison, in a partially used bag of chicken fajitas. [REDACTED] reported that none of the product had been served to the Ephrata Middle School students or staff. [REDACTED] instructed [REDACTED] to destroy any chicken fajitas wraps that had been made using the product, clean everything and start over. [REDACTED] instructed [REDACTED] to retain the remaining contaminated chicken fajitas, the original plastic bag, label, and box.

On November 30, 2006, she contacted [REDACTED], and told [REDACTED] they had found a partially used bag of chicken fajitas that may have been contaminated with mouse/rat poison. [REDACTED] also notified [REDACTED] Food Distribution Representative, Pennsylvania Department of Agriculture (PDA), who faxed a complaint form for [REDACTED] to complete. [REDACTED] completed the form and faxed it back to [REDACTED]

A review of Ephrata School District records confirmed that on November 30, 2006, [REDACTED] had notified the PAD, Bureau of Food Distribution, that they had found blue/green pellets in one partially used bag of chicken fajita product.

[REDACTED] Cafeteria Employee, EPHRATA MIDDLE SCHOOL, was interviewed (Exhibit 2), and provided the following:

On November 8, 2006, [REDACTED] took a 10 pound bag of frozen fajitas out of a box from the walk in freezer at the Middle School. [REDACTED] removed approximately four (4) pounds of frozen chicken fajitas from the bag. [REDACTED] put the four (4) pounds of frozen chicken into another plastic bag and sealed it with a twist tie. The product was placed in the Middle School walk in refrigerator to thaw. The four (4) pounds of chicken was used for Caesar Salad on November 13, 2006.

[REDACTED] put a piece of masking tape on the original bag and, marked it November 8, 2006, the date the bag was opened and the weight, six (6) pounds of the remaining frozen chicken fajitas. [REDACTED] sealed the bag by using a twist tie.

On November 29, 2006, [REDACTED] took the original bag of the remaining six (6) pounds of chicken fajitas out of the walk in freezer and placed the product in a 2 inch steel pan. The chicken fajitas were placed in the refrigerator to thaw. The steel pan was clean and dry, free of dirt or foreign material. She had not seen any blue/green pellets in the pan.

On November 30, 2006, [REDACTED] prepared 39, 8 inch chicken fajita wraps. [REDACTED] used an ice cream dipper to measure out two (2) ounces of chicken for each wrap. None of the wraps contained any blue/green pellets. None of the wrap bags contained any foreign material, and were not colored blue/green. The ice cream dipper and work table were clean, none of these items contained any blue/green pellets or foreign material.

[REDACTED] then discovered some chicken strips that were blue in color along with several blue/green pellets in the clear plastic bag. This occurred after [REDACTED] used approximately three quarters of the six (6) pounds of chicken. [REDACTED] stopped preparing the chicken fajitas wraps and notified [REDACTED] immediate supervisor, [REDACTED]. They both examined the remaining two pounds of chicken. Some of the chicken pieces were blue/green in color. Some of the chicken had blue/green pellets in the meat. There were also some blue/green pellets lying in the bag. When the chicken thawed it caused some of the pellets to melt. This caused a blue/green color to appear on some of the chicken pieces. The pellets looked like it could be mouse/rat poison. [REDACTED] did not have a key to the freezer or refrigerator. [REDACTED] is the only person who had a key for both the freezer and refrigerator.

██████ was interviewed (Exhibit 3), and provided the following:

On September 22, 2006, ██████ received 4 cases (boxes) of frozen chicken fajitas, according to her records. The total weight of the 4 cases (boxes) was approximately 120 pounds.

On November 13, 2006, 4 pounds of chicken fajitas was used for chicken Caesar Salad. The chicken used on the Caesar Salad came from the same bag, which was later discovered to contain blue/green pellets. ██████ never received any reports that anyone reported, they had gotten sick, because they had eaten the chicken Caesar Salad on November 13, 2006.

On November 29, 2006, ██████ took out the remaining 6 pounds of chicken fajitas and placed the product in the walk-in refrigerator to thaw. On November 30, 2006, ██████ took out the 6 pounds of chicken and prepared approximately 39 chicken fajitas wraps. This is when ██████ noticed that the remaining two pounds of chicken fajitas still in the bag contained blue/green pellets. ██████ notified ██████ about the incident.

██████ examined the product and also noticed that some of the pellets appeared to have bled into the chicken meat. The blue/green pellets appeared to look like mouse/rat poison. ██████ notified ██████ who instructed ██████ to destroy all the ingredients and the chicken fajitas used to make the chicken fajitas wraps.

The remaining two pounds of chicken fajitas, which contained the blue/green pellets, the original plastic bag, label and shipping box, were delivered to ██████ who was located at the EPHRATA HIGH SCHOOL.

On November 29, 2006, ██████ still had 30 pounds of chicken fajitas left in her inventory. On November 30, 2006, the 20 pounds of chicken fajitas was used for the Middle School salad bar. On November 30, 2006, the last 10 pounds of chicken fajitas was taken out of the Middle School walk-in freezer and placed in the walk-in refrigerator to thaw. On December 1, 2006, the remaining 10 pounds of chicken was used for the Middle School salad bar.

██████ alone decided to use the remaining 30 pounds of chicken fajitas for the Middle School salad bar on both November 30, 2006 and December 1, 2006. ██████ did not receive any reports that any of the Middle School students or staff had become sick, because they had eaten the chicken fajitas salad.

██████ is the only person at the Middle School who has a key for both the walk-in freezer and refrigerator. When ██████ is on leave ██████ the ██████ for the Middle School is in-charge. To gain access to both the walk-in freezer and refrigerator ██████ uses the hidden keys. The keys are hidden in ██████ locked office in a plastic box, within a plastic bucket under ██████ desk.

On December 14, 2006, [REDACTED] Program Investigator, Food Safety and Inspection Service (FSIS), Program Evaluation Enforcement and Review (PEER), and Office of Inspector General (OIG) Special Agents visually inspected the remaining 8 cases (240 pounds) of frozen USDA donated commodity chicken at the Ephrata High School. None of the bags of chicken appeared to contain any blue/green pellets.

On December 14, 2006, [REDACTED] collected the 2 pounds of cooked frozen chicken product that contained the blue/green substance from Ephrata. [REDACTED] subsequently submitted it to the FSIS Eastern Laboratory in George for testing (Exhibit 4).

A review of the FSIS Laboratory Report (Exhibit 5), showed that a sample of the submitted product had tested positive for Coumafuryl (Fumarin), a rodenticide poison. The sample was then forwarded to the FDA for confirmation.

A review of the FDA Laboratory Report (Exhibit 6), for the sample forwarded from the FSIS Laboratory confirmed the presence of Coumafuryl (Fumarin).

On January 9, 2007, [REDACTED] State Regulatory Affairs and Document Services, [REDACTED] North Carolina provided the following information:

Coumafuryl had been marketed under 122 different product names. The products were cancelled between 1987 and 1991, with a last date for sale for existing stocks being in 1991. The chemical Coumafuryl is no longer manufactured domestically or internationally at any of their manufactured sites.

On January 11, 2007, [REDACTED] Special Reviews and Reregistration Division, Environmental Protection Agency (EPA), Washington, D.C., provided the following information:

[REDACTED] was the sole manufacture of the formula intermediate of Fumarin. The formulation intermediate was then distributed to various companies which then produced and distributed the end product under countless names. For example: "Ready-To-Use Rat and Mouse Killer", "Red Torpedo Use-As-Is-Rat Killer," etc.

During the period December 14, 2006 and March 2, 2007, 14 additional employees from Ephrata School District were interviewed (Exhibit 7). None of the employees interviewed could provide any pertinent information or the identity of the individual(s) who were responsible for contaminating the USDA donated commodity chicken with rodenticide.

On January 23, 2007, [REDACTED] Ephrata School District, Director of Maintenance, [REDACTED] Middle School Custodian, and [REDACTED] Middle School Baker were interviewed and advised that the EPHRATA MIDDLE SCHOOL was very loose with its keys and accountability was nonexistent. They did not provide any other useful information.

On December 19, 2006, [REDACTED] and [REDACTED] Program Investigators, FSIS, USDA, and the Reporting Agent (RA), visually inspected 42 cases (1,260 lbs) of frozen chicken, Lot# C3319, at [REDACTED] Coal Township, Pennsylvania. None of the bags of chicken appeared to contain any green pellets.

From January 4, through January 12, 2007, [REDACTED] Program Investigators, FSIS, USDA, visited 26 Pennsylvania schools and, visually inspected 88 cases plus partials, for a total of 90 cases of frozen chicken, Lot # C3319, produced by [REDACTED] Stillmore, GA, on August 19, 2006 (Exhibit 8). None of the bags of chicken appeared to contain any green pellets.

On February, 27, 2007, [REDACTED] PDA, [REDACTED] Federal State Supervisor, Poultry Program, Procurement Branch, Agriculture Marketing Service, (AMS), USDA, [REDACTED] Truck Driver, [REDACTED] Stillmore, Georgia, and the RA were present to witness the transfer and exchange of 140 cases (4200 lbs) of chicken fajitas, lot #3319, from [REDACTED] Coal Township, Pennsylvania, placed under FSIS, USDA seal # C3140911, and loaded onto [REDACTED] Truck #1079., License plate number [REDACTED] and shipped to [REDACTED] Claxton, Georgia.

On March 8, 2007, under FSIS supervision, [REDACTED] denatured the 140 cases of USDA donated commodity chicken. None of the chicken appeared to have been contaminated with rodenticide.

On March 1, 2007, [REDACTED] Ephrata School District, contacted the RA and advised that the Ephrata Middle School Cafeteria Staff found an unidentified bright blue coloring on some TYSON fully cooked chicken.

On March 2, 2007, [REDACTED] and the RA visually inspected 4 cases (160 pounds) of frozen USDA donated commodity chicken, Lot # 3522, at the EPHRATA HIGH SCHOOL. The chicken was produced by TYSON FOOD INC., 110W Freeman, Berryville, Arkansas. None of the bags of chicken appeared to contain any bright blue coloring.

On March 2, 2007, [REDACTED] collected and submitted approximately 1 ½ pounds of chicken containing the unidentified blue coloring to the FSIS Eastern Laboratory in George for testing. (Exhibit 9).

On March 6, 2007, FSIS Eastern Laboratory in George sent the sample to the FDA Laboratory in Cincinnati, Ohio, for testing. (Exhibit 10).

A review of the FDA Laboratory Report (Exhibit 11), for the sample forwarded from the FSIS Laboratory did not confirm the presence of Coumafuryl (Fumarin).



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On March 2, 2007, [REDACTED] and [REDACTED] were interviewed and were unable to provide any pertinent information or the identity of the individual(s) who were responsible for contaminating the chicken with an unknown bright blue color substance.

\* \* \* \* \*



United States Department of Agriculture  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS  
Southeast Region  
Atlanta, Georgia



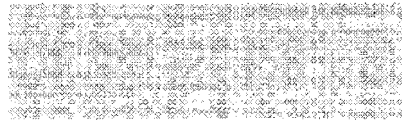
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## REPORT OF INVESTIGATION

FILE NUMBER: AT-2418-0029

DATE: MAY 11 2007

TITLE:



CASE TYPE: Tampering with Consumer Products

SPECIAL AGENT:



APPROVED BY:



Special Agent-in-Charge

Distribution:

- 3 - Assistant Deputy Administrator, Compliance Program,  
Regulatory Programs, FSIS
- 2 - Director, Internal Control Staff, Liaison Officer, FSIS
- 1 - Administrator, Grain Inspection, Packers and Stockyards Administration (GIPSA)
- 1 - Associate General Counsel, Regulatory and Marketing, OGC
- 1 - Assistant Inspector General, OIG-Investigations
- 1 - Special Agent-in-Charge, OIG-Investigations, Atlanta

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18 UNITED STATES CODE § 1375 (A)  
TAMPERING WITH CONSUMER PRODUCTS

This case was initiated as a result of a referral from the U.S. Department of Agriculture (USDA), Food and Safety Inspection Service (FSIS). They had received information that meatloaf processed by [REDACTED] Bailey's Switch, Kentucky, may have been intentionally tampered with by an employee.

Investigation disclosed: [REDACTED] placed one metal staple/clip inside a loaf of meatloaf processed for distribution to SHONEY'S RESTAURANT on January 17, 2007. The meatloaf was recalled from a distributor before it reached the consumer level.

[REDACTED] (Exhibit 1), [REDACTED] Bailey's Switch, Kentucky, stated:

[REDACTED] is the [REDACTED] of [REDACTED] which was established about 1992. They prepare/process chili, bar-b-que, chops (both bone in and bone less), meatloaf, and rib-eyes.

On January 17, 2007, [REDACTED] processed one batch of meatloaf on behalf of SHONEY'S RESTAURANT. It is a proprietary item. There were 238 cases or 3,570 pounds processed. The following employees were present: [REDACTED] and [REDACTED]

The following two employees were not present: [REDACTED] and [REDACTED] drives a truck for [REDACTED] when needed and does not work processing the meat. [REDACTED] was out ill on January 17, 2007, the day the incident occurred.

On Wednesday, January 24, 2007, [REDACTED] told [REDACTED] knew that [REDACTED] had placed metal staples/clips in the meatloaf. [REDACTED] wasn't sure if it was true or not. The next morning, Thursday, January 25, 2007, [REDACTED] sat down with [REDACTED] and [REDACTED] with [REDACTED] present as a witness. [REDACTED] admitted to placing one metal staple in the product. [REDACTED] fired all three employees: [REDACTED] for the tampering and the other two for knowing about it, but not telling [REDACTED] until after the product was shipped. At the meeting with the three employees, [REDACTED] asked [REDACTED] why [REDACTED] did it. [REDACTED] replied it was because [REDACTED] yelled and screamed at them.

On January 25, 2007, [REDACTED] contacted the broker and told them not to serve the meatloaf. The product was valued at about \$5,400. The broker is [REDACTED] Knoxville, Tennessee. [REDACTED] sent a truck to pick up the product on January 25, 2007, from the buyer, [REDACTED]

On February 2, 2007, [REDACTED] and the USDA Inspector searched the product thoroughly and located one package of meatloaf with one metal clip in it. The metal clip is the same as those used to close the bags. It was open (unbent) and was located about one inch into the product at the end where it is sealed. It was not naked to the visible eye. It had been pushed down into the meatloaf.

[REDACTED] started using the metal clips about two months ago. They had processed about four or five batches of meatloaf in that time. Prior to the metal clips, they taped the bags closed. The metal clips are applied using a hand held machine and are clipped one at a time. [REDACTED] trained the employees on how to use the metal clipper. The meatloaf is bagged, clipped, and then frozen. [REDACTED] estimates this event cost [REDACTED] about \$1,200.

[REDACTED] provided a Daily Lot Tracking Form (Exhibit 2), indicating that the meatloaf was processed by [REDACTED] on January 17, 2007, and a Pickup/Delivery Receipt (Exhibit 3), showing the product was shipped to [REDACTED] on January 23, 2007. [REDACTED] also provided a copy of a photograph (Exhibit 4) of the meatloaf in question with the metal clip exposed.

[REDACTED] (Exhibit 5), [REDACTED] employee, Barbourville, Kentucky, stated:

[REDACTED] was employed at [REDACTED] from about July 2006 to January 2007 when [REDACTED] was fired. [REDACTED] is [REDACTED] was not at work on the day in question. [REDACTED] and [REDACTED] were both present. [REDACTED] bragged to [REDACTED] at work on Monday, January 22, 2007, that [REDACTED] had put a metal staple(s) in the meatloaf. [REDACTED] said [REDACTED] put staples in the meatloaf and then laughed. The next morning, [REDACTED] told [REDACTED] what [REDACTED] had told [REDACTED] Two days later, [REDACTED] told [REDACTED] was a smart-aleck. [REDACTED] hated work, hated [REDACTED] and hated all of them. [REDACTED] kept saying [REDACTED] was going to quit and they all kept hoping [REDACTED] would do so.

[REDACTED] (Exhibit 6), [REDACTED] employee, Barbourville, Kentucky, stated:

[REDACTED] was employed at [REDACTED] from about September 2006 to January 2007 when [REDACTED] was fired.

On the Monday after the meatloaf was packed, [REDACTED] overheard [REDACTED] telling [REDACTED] that [REDACTED] had put staple(s) into the meatloaf. [REDACTED] remembers [REDACTED] was leaning over to talk to [REDACTED] never told anyone what [REDACTED] overheard. [REDACTED] said so many things that [REDACTED] didn't know if it was true or not. [REDACTED] would say stuff and then say, 'I'm just kidding'.

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\_\_\_\_\_ and \_\_\_\_\_ were the only employees who worked to prepare the meatloaf. \_\_\_\_\_ worked that day weighing the meatloaf and stapled some, too. \_\_\_\_\_ stapled one bag at a time. \_\_\_\_\_ showed \_\_\_\_\_ how to apply the staples.

(Exhibit 7), Employee, \_\_\_\_\_, Barbourville, Kentucky, stated:

\_\_\_\_\_ has worked at \_\_\_\_\_ off and on for the last 22 years (since \_\_\_\_\_ was present at \_\_\_\_\_ on January 17, 2007, when the meatloaf was made. \_\_\_\_\_ always works at stuffing the plastic bags from the grinder. \_\_\_\_\_ stuffs the bag and then places it on the table. One of the female employees then weighs it and removes or adds by the spoonful, as necessary, and then a second female employee will clip it closed. They were missing one of the female employees that day, \_\_\_\_\_ believes \_\_\_\_\_ started off weighing the product and \_\_\_\_\_ started off closing it and maybe after lunch they switched. \_\_\_\_\_ stayed stuffing; \_\_\_\_\_ did not place any clips on any bags.

They shipped the meatloaf on January 22, 2007. \_\_\_\_\_ found out about the allegation right after the truck went out. \_\_\_\_\_ told \_\_\_\_\_ that \_\_\_\_\_ reckoned that \_\_\_\_\_ had put staples in the meatloaf. \_\_\_\_\_ was upset. \_\_\_\_\_ couldn't believe \_\_\_\_\_ would do it. \_\_\_\_\_ told \_\_\_\_\_ that \_\_\_\_\_ was probably blowing smoke. \_\_\_\_\_ just can't see anybody doing something like that.

There is no way to get a clip into the bag by accident. The bag is closed when it is clipped. There is no way for one to fall in.

\_\_\_\_\_ told \_\_\_\_\_ he wouldn't tell anyone. \_\_\_\_\_ told \_\_\_\_\_ not to say anything because \_\_\_\_\_ just figured \_\_\_\_\_ was blowing off. \_\_\_\_\_ had to promise \_\_\_\_\_ wouldn't say anything. \_\_\_\_\_ was very torn up about it. \_\_\_\_\_ called \_\_\_\_\_ that evening and told \_\_\_\_\_ about what \_\_\_\_\_ told him. It is hard for \_\_\_\_\_ to believe somebody would do that. If \_\_\_\_\_ hadn't been there when they found it, \_\_\_\_\_ wouldn't have believed it.

When testing the product for any metal clips, \_\_\_\_\_ job was taking the product off the metal detector after it had been run through and placing it in a box. The metal detector 'red lined' when that one loaf went through.

(Exhibit 8), \_\_\_\_\_, U.S. Department of Agriculture, Food and Safety Inspection Service, Middlesboro, Kentucky, stated:

\_\_\_\_\_ is employed by the U.S. Department of Agriculture as a \_\_\_\_\_ on Patrol. \_\_\_\_\_ job includes inspections at several small plants, including \_\_\_\_\_ called \_\_\_\_\_ on Sunday, January 28, 2007, at home. \_\_\_\_\_ said \_\_\_\_\_ had a problem with an employee who

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AT-2418-0029

had tampered with a product. [REDACTED] told [REDACTED] had already gotten the product back and had it stored on a truck. [REDACTED] told [REDACTED] to tag it and keep it separate.

On February 2, 2007, [REDACTED] helped [REDACTED] set up a procedure to go through the meatloaf. They had four pallets, 238 cases, and 15 pounds per case. There was 3,570 pounds total. On the third skid, about three boxes down, the metal detector went off. They set aside that loaf of meatloaf and finished going through the remaining product. They sent each loaf individually through the metal detector. The location of the clip verified it had been tampered with to [REDACTED]. The clip was not visible to the naked eye. They used a band saw to cut open the loaf. The clip was about 2 inches down into the loaf. At first, [REDACTED] thought the band saw had shot out the clip. They had heard it hit. Then, they looked at the loaf and they could see the indentation in the loaf. They opened up the loaf and the clip was still there.

[REDACTED] (Exhibit 9), [REDACTED] employee, Gray, Kentucky, stated:

[REDACTED] was employed at [REDACTED] from about November 2005 until January 25, 2007. On January 17, 2007, [REDACTED] and [REDACTED] all prepared meatloaf at [REDACTED]. They did not have any certain jobs. [REDACTED] and [REDACTED] took turns weighing and clipping the loaves. [REDACTED] stuffed the bags. They had to add or delete from the bags based on the weight. The ringer is the person who clips the bags closed. [REDACTED] showed [REDACTED] how to use it. It was easy – just common sense. [REDACTED] knew the meatloaf was being prepared for SHONEY'S RESTAURANT.

Yes, [REDACTED] did put one clip in the meatloaf. [REDACTED] thinks it is only one, but is not sure.

[REDACTED] was mad at [REDACTED] and wanted to get [REDACTED] fired. [REDACTED] can't remember why now. It was just petty, silly. [REDACTED] never did this before. [REDACTED] has never done anything to the products they were making before this one time.

[REDACTED] is a good person, but tough on you sometimes. [REDACTED] figured if they found the clip, [REDACTED] would think it was more likely that [REDACTED] would have done it. [REDACTED] is so ashamed. [REDACTED] looks at [REDACTED] kids and realizes some kid or some elderly person could have eaten it. [REDACTED] didn't go to [REDACTED] because [REDACTED] got scared. [REDACTED] told [REDACTED] kind of jokingly and figured she would probably tell [REDACTED] didn't plan it. It was spur of the moment. She wants to make it right. [REDACTED] wants to learn from it. [REDACTED] lied when [REDACTED] asked [REDACTED] about it because [REDACTED] was afraid the [REDACTED] would jump on [REDACTED] when they left.

The U. S. Attorney's Office, Eastern District of Kentucky, Lexington, has agreed to pursue prosecution of this case.

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*United States Department of Agriculture*  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Southeast Region*  
*Atlanta, Georgia*



## REPORT OF INVESTIGATION

FILE NUMBER: AT-3320-0007

DATE: APR 04 2006

TITLE: [REDACTED]

CASE TYPE: Animal Cruelty

SPECIAL AGENT: [REDACTED]

Ft. Lauderdale, Florida

APPROVED BY: [REDACTED]

LOUIS E. HUTTENBACH  
Special Agent-in-Charge

**Distribution:**

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- 1-Director, Investigative and Enforcement Services, APHIS
- 1-Assistant U.S. Attorney, Florida State Attorney's Office
- 1-Assistant Inspector General, OIG-Investigations
- 1-Special Agent-in-Charge, OIG-Investigations

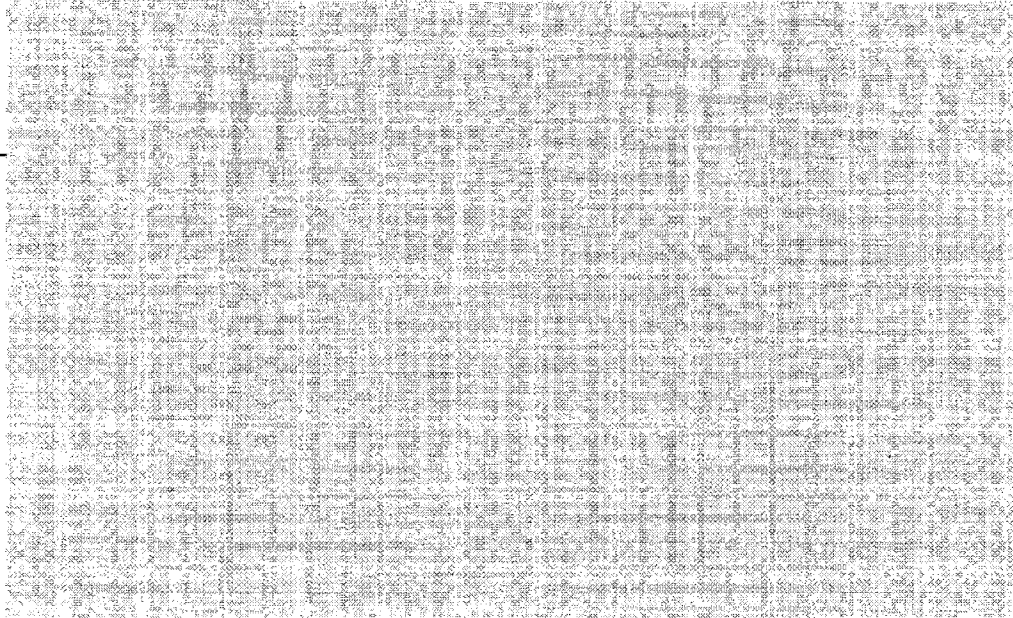
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AT-3320-0007

Title Continued





### SYNOPSIS

The investigation disclosed that [REDACTED] et al. promoted and participated in animal fighting events in the State of Florida. This investigation was conducted jointly with the Seminole Police Department and the Humane Society of the United States (HSUS).

On April 12, 2005, [REDACTED] was arrested and charged with "Animal Baiting /Fighting" in violation of Florida State Statute (FSS) 828.122, and maintaining a gambling house in violation of FSS 849.01. OSCEOLA confessed to participating and hosting a hog versus dog fighting event in October 2004 at [REDACTED] residence located in [REDACTED] Florida.

This case was accepted for prosecution by the Florida State Attorney's Office. Subsequently, the following individuals were also arrested and charged with Florida State Statute 828.122: [REDACTED]

### BACKGROUND

A hog dog rodeo, which is also known as a "catch dog" competition, is a blood sport which consists of American Bulldogs as well as other breeds of dogs attacking wild boars in a closed environment such as a ring or pen. The events are attended by spectators who usually pay an entrance fee. After the dogs are released by their handlers, they proceed to attack the head and ears of the wild boars. Normally, there is one dog against one wild boar. However, if the dog does not aggressively attack the hog, a second dog, which is referred to as a rescue dog, enters the ring and both dogs attack the wild boar. These wild boars are repeatedly attacked by the dogs and suffer multiple wounds and torn body parts. Some of the dogs wear a protective vest to prevent injury from the tusks of the wild boars. However, occasionally the wild boars are able to inflict injuries to the dogs with their teeth. The dog that catches the wild boar the quickest is the winner. Normally, cash prizes, titles and trophies are awarded to the owners of dogs that participate in these events. Some of these events are photographed and recorded on digital video disks (DVD) and are made available for sale.

### FLORIDA STATUTE 828.122- FIGHTING OR BAITING ANIMALS

A review of documents seized during a Federal Search Warrant show that The International Catchdog Association (ICA) was created by [REDACTED]. The ICA provides an environment for individuals to let their dogs "catch" wild boars in an animal pen or ring. The records also show that [REDACTED] and [REDACTED] are listed as ICA Inspectors (Exhibits 1 & 2).

A letter bearing the Southern American Bulldog Coalition (SABC) letterhead dated November 15, 2002, which was seized during the search warrant, disclosed that [REDACTED] and [REDACTED] are the [REDACTED] and [REDACTED] respectively, of the SABC (Exhibit 3).

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AT-3320-0007

On October 9, 2004, the ICA held a hog vs. dog fighting event at the Brighton Seminole Indian Reservation in Glades County, Florida. [REDACTED] consultant, HSUS, and OIG Special Agents [REDACTED] and the Reporting Agent attended this event.

[REDACTED] Special Agent, USDA-OIG, Fort Lauderdale, Florida stated:

[REDACTED] attended a bulldog show on October 9, 2004, at the Brighton Seminole Indian Reservation and identified [REDACTED] and [REDACTED] at the event. [REDACTED] and [REDACTED] spoke with [REDACTED] and [REDACTED] at the dog show. [REDACTED] told [REDACTED] that [REDACTED] wanted to get involved in catch dog events and asked if there would be a catch event that day (Oct 9). [REDACTED] told [REDACTED] that there was going to be a catch event later that evening. [REDACTED] provided a yellow post it, which would grant them access to the catch event.

[REDACTED] and [REDACTED] went to the hog vs. dog event at the Brighton Seminole Indian Reservation that evening and were asked for a "comp card". [REDACTED] showed the yellow post it to the man at the gate and they were given access after paying \$5 each. [REDACTED] observed a pen that was estimated to be 40-50 feet in diameter. There were approximately 70 to 90 spectators. [REDACTED] and [REDACTED] were visible most of the evening. [REDACTED] observed [REDACTED] release his dog on a boar at this event. Each dog that was released into the pen ran full speed, chasing the panicked boar around the pit, until the dog bit onto the boar usually on the face, ears, or other area of the head, cutting the boar and drawing blood. The boar shrieked and squealed loudly and continuously while bitten. Sometimes the dog first bit onto the boar's tail or rear, cutting the boar's flesh while the boar thrashed and squealed loudly. At least once, [REDACTED] observed a bulldog bite onto a boar's testicle ripping one open until its bloody innards were exposed. Each time the dog bit onto the boar's face or head, the dog would not let go. As soon as the dog bit onto the boar's face or head, [REDACTED] counted to three in slow succession and grabbed the boar by its two legs, slammed it onto its side and onto the ground, then quickly jumped full force, knees first onto the boar pinning it down. Then [REDACTED] or another ICA member used a prying tool to pry the jaws of the dog open and remove the dog from the boar.

[REDACTED] observed [REDACTED] and [REDACTED] of [REDACTED] photographing and video recording this event. [REDACTED] disclosed to [REDACTED] that [REDACTED] would be selling DVDs of that night's hog vs. dog event the next day at the dog show arena and that [REDACTED] and [REDACTED] are responsible for the photography and videotaping of these hog dog events.

[REDACTED] HSUS, Mobile, Alabama, stated the following (Exhibits 4 & 5):

observed and in the afternoon on October 9, 2004, at the SABC dog show on the Brighton Seminole Indian Reservation. approached and engaged in a conversation regarding hog vs. dog events. asked if could attend the ICA catch event later that evening. allowed to attend and introduced to advised to waive the \$25 admission price, and gave a "comp ticket," which was a yellow sticky note with the initials of an ICA official and a date on it. This ticket would enable and to gain access to the hog vs. dog event that was going to be held later that night.

At approximately 7:00 p.m., and arrived at the hog vs. dog event held on the Brighton Seminole Indian Reservation. They presented the ticket and were given access to the site. During the event, observed that there were approximately 21 dogs that were allowed in the event. observed on several occasions that the hogs sustained injuries, including a hog that was chased down from behind by a dog, which bit the hog's testicle sack causing a laceration. Almost every hog was bleeding from some part of its body after it entered the ring and was attacked by one or two dogs. also observed a dog that was run over and gored by a hog and another dog had its leg chewed on by a hog that it was attacking. At the end of the event, was introduced to a where the event took place. confirmed that the hogs that were used that night during the competition were and that had caught them in the wild.

During the event, observed release a dog to attack a hog. identified and when they released their dog to attack a hog, through the review of a DVD and digital photos taken by on the night of October 9, 2004. received the comp tickets from and observed as part of the ring personnel. observed in the ring at various times flipping dogs on to the ground, and standing on the dog's head and neck areas. also witnessed standing next to the chute system and directing the chute personnel during the event. made comments to about participation in promoting the Brighton Rodeo Arena event.

On October 10, 2004, paid \$20 to for the purchase of a DVD that would later be mailed to which showed the hog vs. dog event held the previous night.

Exhibit 6 consists of photocopies of the following listed items:

- Page 2 disclosed a photo copy sales order receipt which identifies [REDACTED] as the purchaser of a Hog Pk (i.e. hog package).
- Page 3 disclosed a copy of a mail envelope showing that these items were shipped on December 3, 2004, from [REDACTED] to [REDACTED]
- Page 4 disclosed photo copies of the purchased DVD and CD of the above hog vs. dog event. The title on the front cover of these items is as follows: "The 2004 East Coast Sunshine Showdown ICA Event, October 9, 2004, Brighton, Florida, 2004, International Catchdog Association".

On December 17, 2004, [REDACTED] was interviewed by USDA-OIG and stated (Exhibit 7):

[REDACTED] met [REDACTED] and [REDACTED] in 2003 and began recording the hog vs. dog event on their behalf in 2003. [REDACTED] and [REDACTED] instructed [REDACTED] to sell these DVDs only to the individuals that had a comp card. [REDACTED] has recorded and photographed a total of five shows for [REDACTED] & [REDACTED]. These shows were held in Richburg, South Carolina and Brighton, Florida. [REDACTED] was the [REDACTED] of the October 9, 2004, show in Brighton, Florida, which was sponsored and organized by the East Coast Bulldog Association [REDACTED]. This was the last hog vs. dog event that [REDACTED] recorded for the ICA.

The case was discussed with an Assistant State Attorney (ASA) for the 20<sup>th</sup> Judicial Circuit, Labelle, Florida. The ASA accepted the case for prosecution and suggested that the RA contact the Seminole Police Department. The facts known to the RA were conveyed to [REDACTED] Seminole Police Department, Hollywood, Florida who in turn prepared arrest affidavits and obtained arrest warrants for violation of Florida State Statute 828.122. Subsequently, between April 2005 and January 2006, [REDACTED] were arrested on the above stated charges.

\* \* \* \* \*



*United States Department of Agriculture*  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Southeast Region*  
*Atlanta, Georgia*



## REPORT OF INVESTIGATION

FILE NUMBER: AT-3330-0005

DATE: NOV 15 2007

TITLE:



CASE TYPE: Depiction of Animal Cruelty

SPECIAL AGENT:

Atlanta, Georgia

APPROVED BY:

LOUIS E. HUTTENBACH  
Special Agent-in-Charge  
for Investigations

Distribution:

- 1 - Deputy Administrator for Marketing and Regulatory Programs  
(Liaison Officer), APHIS
- 1 - Human Resources Division, Employee Misconduct Investigations Branch, APHIS
- 1 - Associate General Counsel, Regulatory and Marketing, OGC
- 1 - Director, Investigative and Enforcement Services
- 1 - Assistant Inspector General, Investigations, OIG

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18 U.S.C. § 48 – DEPICTION OF ANIMAL CRUELTY

This investigation was conducted to determine if [REDACTED] was selling videos, through the use of [REDACTED] website, which depicted images of animal cruelty. Additionally, this investigation was conducted to determine if [REDACTED] was selling prescription medication through use of [REDACTED] website. This investigation was worked jointly with the Food and Drug Administration, Office of Criminal Investigations (FDA-OCI).

On January 24, 2005, the United States Department of Agriculture, Office of Inspector General (USDA-OIG), received a video tape from a representative of the Humane Society of the United States. This video tape revealed several dogs engaged in the act of bloody animal fighting. These fights occurred in a pen setting with spectators surrounding the pen and individuals instructing the dogs to fight. The tape, which consisted of 2 hours and 15 minutes of animal fighting footage, was allegedly purchased from [REDACTED] (Exhibit 1).

This website, which also displayed the name of [REDACTED] advertised the sale of dog products such as medications, vaccines, chains and leather products. It also offered dog fighting videos for sale. A review of the above website disclosed telephone numbers, a physical mailing address and an e-mail address of [REDACTED]

On April 8, 2005, the RA sent a money order in the amount of \$30 to [REDACTED]. On April 18, 2005, a DVD was received from [REDACTED]. This DVD contained bloody animal fighting footage. The length of this DVD was approximately 2 hours and 50 minutes.

On June 14, 2006, the RA sent a money order in the amount of \$25 to [REDACTED] for the purchase of another animal fighting DVD. On September 5, 2006, a second DVD was received from [REDACTED]. This DVD also contained bloody animal fighting footage.

On September 25, 2006, the RA sent a money order in the amount of \$175 to [REDACTED] for the purchase of five animal fighting DVDs and five dog collars. On October 26, 2006, five DVDs and five dog collars were received from [REDACTED]. These DVDs also contained bloody animal fighting footage.

On February 15, 2007, a joint search warrant was served at [REDACTED] residence by agents from USDA-OIG and FDA-OCI. During the service of the search warrant, animal fighting DVDs, prescription medication, financial records, a computer hard drive and an image of another computer hard drive was seized.

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s.(b)(7)(C)

AT-3330-0005

The results (Exhibit 3) of the forensic examination of [REDACTED] computer hard drives, as well as the analysis of the other seized items, did not produce any significant evidence of [REDACTED] engaging in the act of selling animal fighting DVDs and prescription medication.

The results of this investigation were presented to an Assistant United States Attorney, Middle District of Georgia, who declined criminal prosecution.

\* \* \* \* \*



**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**OFFICE OF INSPECTOR GENERAL – INVESTIGATIONS**  
**Southeast Region**  
**Atlanta, GA**



## REPORT OF INVESTIGATION

FILE NUMBER: AT-2435-0012

DATE: **AUG 23 2007**

TITLE:

Lantana, FL 33462

(Title Continues)

CASE TYPE: Adulterated and Misbranded Food

SPECIAL AGENT:

Gainesville, Florida

APPROVED BY:

*[Signature]* LOUIS E. HUTTENBACH  
Special Agent-in-Charge

**Distribution:**

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- 2 - Deputy Administrator, Office of Management c/o  
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- 1 - Assistant Inspector General for Investigations, OIG, Washington
- ✓ 1 - Special Agent-in-Charge, Atlanta

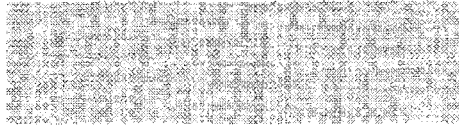
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AT-2435-0012

TITLE CONTINUED



SYNOPSIS

This investigation was conducted to determine whether [REDACTED] knowingly, and with intent to defraud or mislead, introduced adulterated and misbranded poultry and seafood products into interstate commerce.

The investigation disclosed that, under the direction of [REDACTED] the firm knowingly shipped chicken salad, salmon spread, smoked rainbow trout spread, and other food products to several locations throughout the United States and Canada that were contaminated with *Listeria monocytogenes* (LM), and/or were misbranded. The investigation also disclosed that [REDACTED] concealed from the firm's customers that food sold to them was adulterated or misbranded.

FRAUD AND SWINDLES – 18 U.S.C. § 1341  
INTRODUCTION OF MISBRANDED FOOD – 21 U.S.C. § 331

From about April 2003 through December 2003, [REDACTED] (a) devised and implemented a scheme to defraud [REDACTED] customers, and (b) presided over the sale and shipment of food into interstate commerce that was contaminated with LM, a bacterium that can be deadly if ingested by humans (Exhibit 1). An Information filed with the U.S. District Court for the Southern District of Florida (Exhibit 1) provides details relating to these and other allegations, including the following:

From April 2003 through December 2003, [REDACTED] distributed marketing materials to its customers through written brochures and internet advertising. In order to affect the scheme to defraud, these materials misrepresented the Company's policies on food safety and quality assurance.

On six occasions in 2003, [REDACTED] produced and distributed food products that tested positive for LM. [REDACTED] sent samples of the products to outside laboratories, where the presence of LM was confirmed. [REDACTED] was aware that the products already shipped had tested positive for LM, although [REDACTED] did not notify the Company's customers or initiate a recall of the products. [REDACTED] marketed and sold a prepared food labeled as "Smoked Rainbow Trout Spread," when in fact this product did not contain trout.

In May 2007, [REDACTED] executed a plea agreement in which [REDACTED] admitted to engaging in a scheme to defraud customers by selling food that was contaminated with LM, and selling misbranded food (Exhibit 2). In May 2007, [REDACTED] also executed a Consent Decision and Order prepared by FSIS, in which [REDACTED] agreed to several restrictions and conditions relating to future [REDACTED] operations (Exhibit 3).

Additional information was developed during this investigation that cannot be released.

\* \* \* \* \*



*United States Department of Agriculture*  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Southwest Region*  
*Temple, Texas*



## REPORT OF INVESTIGATION

FILE NUMBER: Te-2418-19

DATE: September 1, 2006

TITLE: FORT BLISS COMMISSARY  
Marshal Road, Building 1717, Fort Bliss  
El Paso, TX 79916

CASE TYPE: Product Tampering

SPECIAL AGENT:

El Paso, TX

s.(b)(6)

s.(b)(7)(C)

APPROVED BY:

ABELINO FARIAS, JR.  
Special Agent-in-Charge

**Distribution:**

- 3-Assistant Deputy Administrator, Compliance Program, Regulatory Programs, FSIS
- 2-Assistant Administrator, Office of Program Evaluation, Enforcement and Review, FSIS  
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### SYNOPSIS

This investigation was conducted to determine who was responsible for placing a piece of glass and a razor blade in pork chops and ground beef packaged by FORT BLISS COMMISSARY (FBC), Marshal Road, Building 1717, Fort Bliss, El Paso, TX.

During the investigation, 13 FBC employees were interviewed, and employees directly involved in the packaging of meat products during the specified time period underwent polygraph examinations administered by the Federal Bureau of Investigation (FBI). One employee was determined to be deceptive during the polygraph examination, and another refused to participate. No employee admitted to any wrongdoing. No additional information was received to substantiate the identity of the person responsible for tampering with the meat products at the FBC. As a result, the investigation was terminated.

The investigation was conducted jointly with the FBI and United States Army Criminal Investigations Division (CID), El Paso, TX.

Additional information was obtained during the investigation that cannot be released.

### BACKGROUND

On July 15, 2005, [REDACTED] Supervisory Special Agent, FBI, El Paso, TX, advised the Reporting Agent (RA) that a person reportedly injured their mouth from a piece of glass found in a pork chop that was purchased from FBC, El Paso, TX on or about June 4 and 7, 2005. A second person reportedly found a razor blade in ground beef purchased from FBC on or about June 24, 2005.

According to interviews of the victims, FBC packaged the pork chops on June 4, 2005, and the ground beef on June 24, 2005. As a result, FBC placed a safety notice in the FORT BLISS POST newspaper, "The Monitor," alerting customers to potential problems with pork chops and ground beef packaged by FBC between June 4 and June 24, 2005.

### 18 U.S.C. 1365 – TAMPERING WITH CONSUMER PRODUCTS

A review of the FBC Meat Department work schedule for June 24, 2005, showed that employees [REDACTED]

[REDACTED] were all scheduled to work.

Between July 27 and October 6, 2005, [REDACTED] and [REDACTED] were interviewed individually regarding the incident. During this same period, [REDACTED]

██████████ FBC Meat Department, were also interviewed. In addition, polygraph tests were administered by the FBI to each employee who was determined to have packaged meat on June 24, 2005. During the interviews and polygraph examinations, no employee admitted to tampering with the meat products packaged at the FBC. However, FBC employee ██████████ was determined by the FBI to have been deceptive during the polygraph examination. FBC employee ██████████ refused to take the polygraph examination.

In August 2005, ██████████ Special Agent, FBI, El Paso, TX, informed the RA that a piece of glass had been reportedly found in hamburger meat, which did not appear to be related to the previous incidents. At the request of ██████████ the RA submitted the hamburger meat to the United States Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS), Eastern Laboratory to be tested for glass. The test results obtained from ██████████ Eastern Laboratory, USDA FSIS, Athens, GA, showed that the hamburger meat tested negative for glass particles.

Agent's Note: ██████████ informed the RA that the investigation focused primarily on razor blades found in three separately wrapped packages of hamburger meat, that were wrapped on June 24, 2005, rather than the alleged piece of glass in the pork chop. The alleged piece of glass was better described as a hard piece of charred plastic which could not be determined as an intentional malicious act as the razor blades. In addition, a fourth razor blade was found in the FBC Meat Department on a cutting board. The razor blade was incased in a plastic holder that is used to hold the razor blade while cutting.

The RA determined that no additional complaints regarding the tampering of meat products at the FBC have been referred since the initial claims on or about June and August 2005.

Based on the aforementioned negative investigative results, the investigation was terminated.

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**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**OFFICE OF INSPECTOR GENERAL - INVESTIGATIONS**  
*Southwest Region*  
*Temple, TX*



## REPORT OF INVESTIGATION

s.(b)(6)  
s.(b)(7)(C)

<b>FILE NUMBER:</b>	Te-2418-18	<b>DATE:</b> September 13, 2006
<b>TITLE:</b>	[REDACTED] Pasadena, TX 77506	
<b>CASE TYPE:</b>	Consumer Product Tampering	

**SPECIAL AGENT:** [REDACTED]  
Houston, TX

**APPROVED BY:** [REDACTED]  
*ABELINO FARIAS, JR.*  
Special Agent-in-Charge

### Distribution

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- 1-Special Agent-in-Charge, Temple

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## SYNOPSIS

In response to a referral from the Food Safety and Inspection Service (FSIS), United States Department of Agriculture (USDA), this investigation was conducted to determine who inserted glass into egg rolls manufactured by the [REDACTED] Pasadena, TX.

The investigation disclosed that 11 consumers across the United States bit into glass found in a variety of egg rolls manufactured on November 8, 9, and 10, 2004. Some of those consumers received some form of monetary compensation from [REDACTED] to avoid legal litigation. To date, the investigation has not established the identity of the suspect(s) involved in tampering with these products.

This investigation was conducted jointly with the United States Food and Drug Administration, Office of Criminal Investigations (FDA-OCI), the Federal Bureau of Investigation (FBI), the United States Secret Service (USSS), FSIS, Compliance and Investigations Division, USDA, and other Federal, state, and local law enforcement agencies.

## BACKGROUND

On January 19, 2005, [REDACTED] voluntarily recalled approximately 162,500 pounds of frozen egg rolls that may have contained glass fragments. On February 7, 2005, the company voluntarily expanded its recall to include an additional 191,033 pounds of frozen egg rolls and other frozen food products. State health departments urged people not to eat Pagoda Chicken Egg Rolls, Pagoda Pork and Shrimp & Vegetable Protein Product, or [REDACTED] Gourmet Chicken Egg Rolls because they may contain glass fragments. The Pagoda egg rolls, [REDACTED] egg rolls, and protein product that may have been tampered with were sold at major grocery chains after November 10, 2004 and bore product codes [REDACTED] and [REDACTED].

## DETAILS

The Reporting Agent (RA) coordinated the interviews of 11 consumers nationwide and in substance all of them denied any involvement in tampering with [REDACTED] products. The RA also participated in numerous interviews at [REDACTED]. Approximately 270 employees, mainly of Asian and Hispanic backgrounds, were interviewed with the assistance of Vietnamese, Cambodian, and Spanish interpreters.

In Plant B rolling, first shift, about 25 Vietnamese employees were interviewed by the USSS, FBI, and Houston Police Department (HPD). The RA, with assistance from FSIS, interviewed 15 Hispanic employees in that same plant. None of the employees interviewed provided any credible leads or verifiable evidence to identify who tampered with the egg rolls produced in Plant B.

Agent's Note: The rolling is an area in the plant where the flour sheets are rolled to create the egg rolls.

In Plant C rolling, second shift, about 49 Vietnamese employees were interviewed by USDA, Office of Inspector General and Texas Department of Public Safety (DPS). The RA interviewed about 13 Hispanic employees in that same plant. None of the employees interviewed provided any credible leads or verifiable evidence to identify who tampered with the egg rolls produced in Plant C.

In Plant F rolling, second shift, about 28 Vietnamese employees were interviewed by the FBI and HPD. The RA interviewed about 19 Hispanic employees in that same plant. An employee named [REDACTED] stated that [REDACTED] suspected that a former employee named [REDACTED] tampered with the egg rolls because [REDACTED] saw [REDACTED] in the fryer room on the dates when tampering was suspected. [REDACTED] advised that [REDACTED] was terminated shortly after November 2004.

[REDACTED] SCHWAN, was interviewed and said [REDACTED] had denied [REDACTED] a financial bonus despite the fact that [REDACTED] had worked for most of the year. Over the years, [REDACTED] had worked [REDACTED] way up from the ranks until [REDACTED] became [REDACTED] for Plant F packing.

In Plant F packing, [REDACTED] about 58 employees. The RA interviewed about 31 Hispanic employees, while USSS and DPS interviewed about 20 Vietnamese employees. Most of the employees in Plant F did not suspect [REDACTED] of inserting glass into the egg rolls, although they did feel [REDACTED] was wrongfully terminated.

On February 25, 2005, the RA and FBI Special Agent [REDACTED] interviewed [REDACTED] briefly at [REDACTED] residence. During [REDACTED] interview, [REDACTED] maintained that he was innocent of tampering with the egg rolls and denied any wrongdoing. Subsequently, on February 28, 2005, [REDACTED] submitted to a polygraph examination conducted by the FDA-OCI. The results of [REDACTED] polygraph examination did not show any signs of deception relating to questions about inserting or planning to insert glass into the egg rolls. Accordingly, [REDACTED] was eliminated as a suspect.

On March 15, 2005, [REDACTED] submitted to a polygraph examination conducted by the FBI. Her results showed some signs of deception which caused [REDACTED] to fail the polygraph test. Although [REDACTED] failed [REDACTED] polygraph examination, [REDACTED] continued to assert that [REDACTED] had seen [REDACTED] in the fryer room where the glass fragments were most likely inserted into the egg rolls. [REDACTED] stated that [REDACTED] suspected [REDACTED] was involved in the tampering, but [REDACTED] did not actually see him do anything wrong.

Agent's Note: [REDACTED] resigned from [REDACTED] job shortly after failing [REDACTED] polygraph examination. [REDACTED] explained that [REDACTED] wanted to quit [REDACTED] job so that [REDACTED] could travel to Mexico.

In the maintenance and warehouse department, about 63 employees were interviewed because shortly after [REDACTED] officials announced the egg roll recall, glass fragments similar to the tampered egg rolls were found in a pallet being moved by a forklift operator named [REDACTED]. Most of the employees did not provide any credible information. A few



employees pointed out that [REDACTED] and [REDACTED] could have been linked to the tampering as both had access to the pallets where glass was found

[REDACTED] advised [REDACTED] had been disciplined for [REDACTED] shortly before the tampering occurred.

On February 28, 2005, [REDACTED] and [REDACTED] submitted to polygraph examinations conducted by the FDA-OCI. Both passed their polygraph examinations and were eliminated as suspects.

In February 2005, [REDACTED] provided a copy of a report entitled "GLASS CLAIMS 2005," (Exhibit 1), which showed a summary of each consumer complaint and how each was settled. The compensation to settle ranged from as little as \$15 in coupons to no more than \$2,500.

In February 2005, the RA obtained a copy of a foreign substance examination from the NATIONAL FOOD PROCESSOR ASSOCIATION (NFPA), FOOD PRODUCT TESTING LABORATORY, Washington, D.C., which showed that the fragments found in the egg rolls were consistent with a glass container. The NFPA maintained control of the glass fragments found in the egg rolls.

On March 11, 2005, [REDACTED] Marshall, MN, provided the RA with a copy of a report in which [REDACTED] indicated that the total cost incurred as a result of the egg roll recall was about \$812,282.00. [REDACTED] estimated the total costs would be in excess of \$1.2 million.

During the course of the investigation, to deter employees from tampering with its food products, [REDACTED] installed video cameras in the afore-mentioned plants.

Agent's Note: On January 17, 2005, [REDACTED] facility received a bomb threat via phone. The suspect was not identified.

To date, the reward tip line set up by [REDACTED] has not produced any leads despite a \$25,000 reward for information leading to the arrests of subject(s) involved in the tampering. In the absence of any evidence identifying suspect(s), this investigation was terminated.

\* \* \* \* \*



**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**OFFICE OF INSPECTOR GENERAL – INVESTIGATIONS**  
**Southwest Region**  
**Temple, TX**



## REPORT OF INVESTIGATION

FILE NUMBER:	Te-2418-21	DATE: May 30, 2008
TITLE:	[REDACTED]	
CASE TYPE:	Product Tampering	

s.(b)(6)  
s.(b)(7)(C)

**SPECIAL AGENT:**

[REDACTED]  
Little Rock, AR

**APPROVED BY:**

[REDACTED]  
ABELINO FARIAS, JR.  
Special Agent-in-Charge

### Distribution

- 1-Assistant Administrator, Office of Program Evaluation, Enforcement, and Review (OPEER), FSIS (Liaison Officer), Washington
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A0000044\_76-000000

SYNOPSIS

This investigation was conducted to determine the circumstances surrounding the contamination of poultry at TYSON FOODS, INC. (TYSON), a poultry processing plant located in Clarksville, AR.

This investigation disclosed that on June 6, 2007, [REDACTED] Clarksville, AR, threw two bottles of ink into the chiller at TYSON, contaminating approximately 232,854 pounds of poultry valued at \$199,587. TYSON condemned and destroyed the poultry before it was released for public consumption.

[REDACTED] in a signed sworn statement, confessed to throwing the two bottles of ink into the chiller. [REDACTED] advised that having to work on Thursday, June 7, 2007, irritated [REDACTED] due to the fact that it interfered with [REDACTED] weekend plans.

18 U.S.C. 1365 – TAMPERING WITH CONSUMER PRODUCTS

[REDACTED] TYSON, said (Exhibit 1):

On June 6, 2007, at approximately 3:30 a.m., [REDACTED] received a telephone call at [REDACTED] home from [REDACTED] [REDACTED] advised that [REDACTED] had seen an unknown discoloration in chiller #2 at approximately 1:00 a.m. and as a result, the product had been retained. [REDACTED] further advised that chiller #2 had been restarted and production resumed. [REDACTED] and the Food Safety and Inspection Service inspector on duty conducted subsequent periodic checks and found no problems. [REDACTED] had located a small plastic bottle in chiller #2. At that time, [REDACTED] left [REDACTED] home and went to the plant. Upon [REDACTED] arrival, all of the production lines were shut down and the assistant plant manager was on site trying to determine the source of the problem.

[REDACTED] advised the employees to drain the chillers and put the product on hold. [REDACTED] then requested that [REDACTED] prepare the plant's surveillance system for [REDACTED] review. There are 12 fixed surveillance cameras placed throughout the plant to maintain the safety of the product and prevent theft.

[REDACTED] discovered the surveillance system had recorded a male wearing a red smock and gray ear muffs throwing something into chiller #2. [REDACTED] gathered employees into the conference room that did not fit this description for questioning. Two or three of these employees told [REDACTED] that they had heard fellow employees, [REDACTED] and [REDACTED] joking about urinating in the chiller.

Subsequently, [REDACTED] located and interviewed [REDACTED] At first, [REDACTED] denied any involvement. [REDACTED] then told [REDACTED] about the surveillance tape and said that [REDACTED] was lying when [REDACTED] said that [REDACTED] was not involved.

Later, [REDACTED] confessed to him about throwing two ink bottles into chiller #2. [REDACTED] stated that when [REDACTED] threw the first ink bottle in the chiller [REDACTED] was having a bad day. [REDACTED] had found out that the plant was going to work on Thursday, June 7, 2007. [REDACTED] did not want to work on that day because working would interfere with [REDACTED] plans to go paint balling. [REDACTED] confessed that [REDACTED] threw the second ink bottle into chiller #2 because [REDACTED] felt that TYSON had not done anything to correct the situation (the first ink bottle) and to get TYSON'S attention.

[REDACTED] calculated the total dollar loss to TYSON as a result of [REDACTED] intentional contamination of the 232,854 pounds of poultry in chiller #2 to be approximately \$199,587. The contaminated product was condemned and was trucked to [REDACTED] Scranton, AR, where it was destroyed. None of the contaminated poultry was released for public consumption.

[REDACTED] left the plant after the incident, never returned to work, and was eventually terminated.

[REDACTED] police officer, Clarksville, AR, said (Exhibit #2):

On June 6, 2007, [REDACTED] responded to a call from TYSON concerning adulteration of meat. Upon [REDACTED] arrival, [REDACTED] spoke with [REDACTED], TYSON management, about the situation. [REDACTED] advised that [REDACTED] Fayetteville, AR, TYSON's outside security company, was interviewing [REDACTED] advised [REDACTED] that [REDACTED] had confessed to throwing two bottles of ink into chiller #2.

[REDACTED] placed [REDACTED] under arrest and transported [REDACTED] to the Clarksville Police Department, Clarksville, AR. [REDACTED] read [REDACTED] rights. [REDACTED] waived [REDACTED] rights, signed a wavier form, and decided to answer questions without a lawyer present. [REDACTED] provided a signed sworn statement in which [REDACTED] said [REDACTED] went to work on June 6, 2007, at approximately 10:00 p.m. Upon [REDACTED] arrival, [REDACTED] was told that [REDACTED] shift would be working on Thursday night (June 7, 2007). [REDACTED] advised that having to work on Thursday irritated [REDACTED] due to the fact that it interfered with [REDACTED] weekend plans.

[REDACTED] advised that during one of [REDACTED] trips back to the cooler, [REDACTED] started thinking about a conversation that [REDACTED] had with [REDACTED] at WAL-MART about a week ago. [REDACTED] said that [REDACTED] and [REDACTED] had discussed how funny it would be to toss a toy balloon into the chiller and watch it float down.

[REDACTED] advised that [REDACTED] had mentioned filling the balloon with ink and [REDACTED] asked [REDACTED] why [REDACTED] would do that. [REDACTED] stated that when the balloon busted, they would have to shut down the line in order to deal with the problem and the employees would possibly get off of work.

While [REDACTED] was walking back from the chiller, [REDACTED] a bottle of ink sitting at a work station where finished products were stamped. [REDACTED] admitted that [REDACTED] had [REDACTED] thought fresh in [REDACTED] mind, picked up the bottle of ink and tossed it into

the chiller. [REDACTED] advised that approximately a minute after throwing the ink into the chiller, [REDACTED] pointed out the discoloration of the water to [REDACTED] supervisor and several employees because [REDACTED] felt guilty. [REDACTED] supervisor told [REDACTED] at that point that the ink would not harm any of the products inside the chiller. [REDACTED] advised that [REDACTED] went back to work and then went on break.

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Upon [REDACTED] return to work from break, [REDACTED] checked the water inside the chiller and found that it was dark grey in color. [REDACTED] noticed that employees were still hanging the chickens anyway. [REDACTED] admitted that at that time [REDACTED] felt like what [REDACTED] had done could be hazardous to the public and since [REDACTED] supervisor had not done anything about the first ink bottle, [REDACTED] grabbed a large bottle of ink and tossed it into the chiller.

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[REDACTED] then told the same supervisor that the water inside the chiller was black again. [REDACTED] advised that [REDACTED] was hoping the supervisor would shut down the line. [REDACTED] explained that [REDACTED] wanted the line shut down at this point because [REDACTED] was concerned for the public.

[REDACTED] interviewed [REDACTED] about [REDACTED] intentional contamination of the chiller. [REDACTED] denied any involvement in [REDACTED] actions.

The facts associated with this investigation were discussed with a Deputy Prosecutor, Johnson County, Clarksville, AR, who agreed to prosecute.

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**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**OFFICE OF INSPECTOR GENERAL - INVESTIGATIONS**  
*Southwest Region*  
*Temple, TX*



## REPORT OF INVESTIGATION

FILE NUMBER:	Te-2418-20	DATE: September 20, 2007
TITLE:		
CASE TYPE:	Product Tampering	

SPECIAL AGENT:   
Temple, TX

APPROVED BY:   
ABELINO FARIAS, JR.   
Special Agent-in-Charge

### Distribution

- 1-Assistant Administrator, Office of Program Evaluation, Enforcement, and Review (OPEER), FSIS, Washington
- 1-Director, Internal Control Staff, FSIS (Liaison Officer)
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- 1-Assistant Inspector General for Investigations, OIG, Washington
- 1-Special Agent-in-Charge, Temple

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### SYNOPSIS

This investigation was conducted to determine the origin of a capsule containing an unidentified substance [REDACTED] alleged was in a can of Hormel Chili with Beans.

The investigation showed it was unlikely this type of capsule would survive the canning process intact. In addition, the investigation showed there were no other similar reports from consumers regarding capsules in Hormel Chili with Beans.

[REDACTED] provided the capsule [REDACTED] claimed to have found in a can of Hormel Chili with Beans to the Reporting Agent (RA) for analysis and initially answered questions. However, [REDACTED] declined to sign a sworn statement and declined the RA's request for subsequent interviews.

### BACKGROUND

On November 27, 2006, [REDACTED] filed a complaint with the San Antonio Metropolitan Health District alleging that he found a capsule in a can of Hormel Chili with Beans purchased at the Wal-Mart located at 8315 F.M. 78, Converse, TX 78109. This complaint was later forwarded to the United States Department of Agriculture (USDA), Food Safety and Inspection Service (FSIS), Office of Field Operations, Dallas, TX.

On December 12, 2006, Dr. [REDACTED] USDA, FSIS, Office of Public Health, determined that no similar complaints had been entered into the Consumer Complaint Monitoring System during the previous 12 months. Dr. [REDACTED] referred the matter to the USDA, FSIS, Office of Program Evaluation, Enforcement, and Review (OPEER), Compliance and Investigations Division (CID).

On December 19, 2006, Investigator [REDACTED] USDA, FSIS, OPEER, CID, San Antonio, TX, contacted [REDACTED] USDA, FSIS, Eastern Laboratory, Athens GA, who advised [REDACTED] it was not possible for a capsule to survive the retort process to which the cans are subject.

On December 19, 2006, [REDACTED] interviewed [REDACTED] who maintained that the capsule came from the can of Hormel Chili with Beans. [REDACTED] refused to provide either the can or the capsule to Investigator [REDACTED]

This case was conducted jointly with the USDA, FSIS, OPEER, CID, and the United States Food and Drug Administration (FDA).

### 18 U.S.C. 1365 - TAMPERING WITH CONSUMER PRODUCTS

On December 28, 2006, [REDACTED] Wal-Mart, Converse, TX, told the RA that [REDACTED] from the San Antonio Metropolitan Health District met with [REDACTED] regarding a consumer complaint alleging a capsule was found in a can of Hormel Chili with Beans purchased in the store. The lot number did not match any of the remaining cans, so there

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Te-2418-20

was no need to remove any product from the shelf. There were no additional complaints and the store was not contacted by the complainant directly or through representation. There was no loss to WAL-MART.

On December 27, 2006, the RA recovered a capsule and an empty can of Hormel Chili with Beans from [REDACTED] who said (Exhibit 1):

[REDACTED] discovered the capsule in [REDACTED] bowl on November 27, 2006, at about 2:30 a.m. while eating a meal [REDACTED] had just prepared. No one else was awake at the time the incident occurred.

[REDACTED] mixed the contents of the can of Hormel Chili with Beans with shredded cheese and the pulverized crumbs left in the bottom of a bag of tortilla chips in a bowl. [REDACTED] heated these items in the microwave oven. The bag of pre-shredded cheese was new and had not been opened. [REDACTED] also heated a potato in the microwave oven. Once the potato was cooked, [REDACTED] mixed it with the chili, cheese, and chips. Once the meal was heated and mixed to [REDACTED] liking, [REDACTED] sat at the counter next to the computer and started to eat.

After [REDACTED] had eaten some of the meal, [REDACTED] poked what he believed was a bean with his fork. To [REDACTED] surprise, the fork did not penetrate the bean. [REDACTED] picked up the item [REDACTED] thought was a bean and discovered that it was actually some sort of capsule. As [REDACTED] was examining the capsule, some brown powder fell on the counter. The capsule finally broke as [REDACTED] continued to examine it, so [REDACTED] placed the pieces on the kitchen counter.

[REDACTED] believed the capsule was in the can Hormel Chili with Beans because [REDACTED] was pretty sure [REDACTED] would have seen it if it had been in either the bag of cheese or the chips. [REDACTED] used to work in the [REDACTED] and is accustomed to being awake very early in the morning. [REDACTED] was not sleepy when the incident occurred. [REDACTED] did not know how the capsule got into the bowl where [REDACTED] found it. No one else was awake when [REDACTED] found the capsule.

Near the end of the December 27, 2006, interview [REDACTED] gave consent for the investigators to look around the kitchen where the meal was prepared. A bottle of Lysine capsules was discovered on top of the refrigerator. The Lysine capsules were similar in size and general appearance to the subject capsule [REDACTED] reported came from the can of Hormel Chili with Beans. [REDACTED] advised the RA it was a vitamin supplement [REDACTED] took and provided the RA with two capsules.

[REDACTED] initially agreed to meet with the RA and provide a signed sworn statement. However, during the December 27, 2006, interview, [REDACTED] advised the RA and Investigator [REDACTED] that [REDACTED] had just [REDACTED] the previous day and [REDACTED] needed to return to the hospital. It was agreed to meet the following day at which time [REDACTED] would review and sign [REDACTED] statement.



Te-2418-20

On December 28, 2006, the RA and Investigator [REDACTED] returned to [REDACTED] residence as agreed but no one answered the door. The RA spoke with [REDACTED] via cellular telephone later that same day. During this telephone conversation, [REDACTED] was less than cordial and advised the RA that [REDACTED] was still at the hospital and did not have time to meet the RA or review and sign [REDACTED] statement. In addition, [REDACTED] said [REDACTED] was not signing any statement until [REDACTED] attorney reviewed it, but declined to provide his attorney's name. Finally, [REDACTED] advised that [REDACTED] had cooperated with the investigation by providing the capsule and the empty can, and [REDACTED] had already told the RA everything that had happened, so there was no need to meet again.

Special Agent [REDACTED] FDA, San Antonio, TX, advised the RA that the FDA Forensic Chemistry Center could compare the samples obtained from [REDACTED] but would not be able to determine if the capsule in question did in fact come from the can of Hormel Chili with Beans as alleged.

A comparison (Exhibit 2) conducted by Dr. [REDACTED] Organic Branch, Forensic Chemistry Center, FDA, Cincinnati, OH, showed the two capsules from the bottle located on top of the refrigerator were not consistent with the capsule allegedly found in the can of Hormel Chili with Beans.

The investigation was terminated due to the negative results mentioned above.

\* \* \* \* \*



**United States Department of Agriculture**  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
**Great Plains Region**  
**Kansas City, Missouri**



**REPORT OF INVESTIGATION**

**FILE NUMBER:** KC-2418-15    **DATE:** June 15, 2007

**TITLE:**            Unknown Persons  
                      Casey, Iowa

**CASE TYPE:**     Animal Enterprise Terrorism

**SPECIAL AGENT**

[REDACTED]  
Des Moines, Iowa

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**APPROVED BY**

[REDACTED]  
**JAMES L. MENDENHALL**  
Special Agent-in-Charge

**Distribution**

2-Assistant Administrator, Office of Program Evaluation,  
Enforcement and Review, FSIS  
1-U.S. Attorney, Des Moines, Iowa  
1-Associate General Counsel, Regulatory and Marketing, OGC  
1-Acting Assistant Inspector General-Investigations, OIG  
1-File

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### SYNOPSIS

Investigation was conducted to determine if someone intentionally poisoned feeder cattle belonging to ██████████ Casey, Iowa.

Investigation determined that the insecticide Dyfonate was intentionally put into the bed of a feed truck prior to feed components being loaded. After the feed components were added, the feed mix was fed to the ██████████ cattle. Approximately 162 head of feeder cattle were poisoned, and ultimately either died or were destroyed.

Investigation has yet to determine who may have intentionally poisoned the ██████████ cattle.

### BACKGROUND

This investigation was conducted in concert with the State of Iowa's Department of Public Safety, Director of Criminal Investigation (DCI), and the Adair County Sheriff's Office, Greenfield, Iowa. The details of the investigation are highlighted in a DCI Report of Investigation (Exhibit 1). A summary of the report follows.

#### ANIMAL ENTERPRISE TERRORISM – Title 18 U.S.C. § 43

On April 9, 2006, ██████████ for ██████████ started ██████████ morning routine feeding operation at the ██████████ farm by pulling the feed truck out of the machine shed and driving to the feed loading area. ██████████ loaded and mixed the "finishing feed ration" which was fed to most of the ██████████ feeder cattle. The ingredients were dumped into the bed of the truck and then mixed together with a horizontal mixing auger mounted in the bed of the truck.

██████████ loaded high moisture corn from a silo and a molasses supplement from another storage tank, and then activated the auger to mix the two ingredients. ██████████ then added dry distiller's grain and chopped hay from two nearby piles, using an end-loader to lift the ingredients and dump them into the truck bed.

Agent's Note: The mixing auger does not contact the bottom of the truck bed or the sides, but the addition of the chopped hay acts as a sweep between the auger and the bed surface.

██████████ drove the feed truck, with the auger still running, approximately 2.25 miles from ██████████ residence to the eastside feedlot. There were two separate feedlots, one on the west side of Jordan Avenue and another further east. The east feedlot was divided into four pens. ██████████ dumped the first load of feed into the feed bunk for the first three pens. ██████████ then returned to ██████████ farm and mixed another load. ██████████ returned and fed the fourth pen.

At the time ██████████ made the second run, ██████████ did not observe any apparent problems with the cattle in pens one through three. ██████████ made a third trip, this time to the feedlot on the west side containing pens five and six. These pens were located at a lower elevation than the first four pens obstructing his view of pens one through four on the east side. ██████████ then left the area to mix and deliver feed to two other nearby feedlots.

returned to the first four pens with a different feed mixture for a separate pen of cattle. At that time, observed the cattle in the first three pens staggering and dropping to the ground. Approximately 3 hours had passed from the time had completed feeding the first three pens of cattle and his discovery of the sick animals. contacted who instructed to contact the veterinarians.

At least 162 head of feeder cattle died from ingesting the contaminated feed.

and responded to the feedlot and diagnosed the case as likely the result of organophosphate poisoning. They immediately began treating all of the cattle that were still alive, both those with and those without the symptoms of having been poisoned. The success of the treatment confirmed the doctors' diagnosis. They also noted that the feed from the first load smelled very strongly of insecticide. Only the first load of feed had the odor of insecticide. The veterinarians searched for bags, labels, containers, or any other physical evidence of the presence of an insecticide at the feedlot or at farm, but found nothing.

Several samples of feed were collected from each of the three loads of feed. These, along with tissue samples and rumen contents from several dead animals, were delivered to the Veterinary Diagnostic Laboratory at Iowa State University at Ames, Iowa, for analysis.

Laboratory analysis of the feed samples from pens one through three identified the toxin as fonofos and the product as Dyfonate. Dyfonate was marketed as an agricultural insecticide and was used primarily on corn to control corn bores, rootworm and other pests

Agent's Note: Recent genetic improvements in insect-resistant corn, combined with the extreme toxicity of fonofos, resulted in discontinued production of Dyfonate in approximately 1992, and was removed from EPA's registry of approved chemicals in 1998.

Laboratory analysis showed traces of fonofos in the second load of feed from pen four, but there were no visible adverse effects in the cattle.

identified a and/or a as possible suspects. and each denied that they poisoned the feeder cattle.

Investigation has yet to determine who intentionally poisoned the feeder cattle.

The United States Attorney's Office, Southern District of Iowa, has expressed an interest in prosecuting this matter should the investigation identify the person(s) responsible for poisoning the cattle.

\* \* \* \* \*



**United States Department of Agriculture**  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
**Great Plains Region**  
**Kansas City, Missouri**



**REPORT OF INVESTIGATION**

**FILE NUMBER:** KC-2434-0082

**DATE:** December 31, 2007

**TITLE:**




**CASE TYPE:** Misbranded Product (Smuggling)

s.(b)(6)  
s.(b)(7)(C)

**SPECIAL AGENT:**

Lakewood, Colorado

**APPROVED BY:**

 **JAMES L. MENDENHALL**  
Special Agent-in-Charge

**Distribution**

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Enforcement and Review, FSIS
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### SYNOPSIS

This investigation was conducted to determine if [REDACTED] smuggled CHIMEX brand prepackaged meat product, a product of Mexico, into the United States in violation of the Federal Meat Inspection Act (FMIA).

Investigation disclosed that on March 19, 2007, the Colorado Department of Revenue, discovered 38 packages of CHIMEX brand bologna belonging to [REDACTED] during an inspection and subsequent consent search of a commercial truck shipment at the Port of Entry, Cortez, Colorado.

[REDACTED] said [REDACTED] purchased the CHIMEX bologna in El Paso, Texas, from an unknown individual and [REDACTED] was taking the product to Utah to [REDACTED] family members to sell the product for profit.

[REDACTED] Smuggling Interdiction and Trade Compliance (SITC), Animal Plant Health Inspection Service, United States Department of Agriculture (USDA), Aurora, Colorado, was contacted by the CSP on March 20, 2007. [REDACTED] took custody and destroyed 38 packages of CHIMEX seized by CSP. The CHIMEX brand bologna that was seized is illegal to import into the United States because it has been found to contain micro organisms linked to hog cholera.

[REDACTED] Supervisory Compliance Investigator, Office of Program Evaluation, Enforcement and Review (OPEER), Food Safety and Inspection Service, USDA, Alameda, California, said that based on the information available [REDACTED] believed the product seized from [REDACTED] was misbranded and in violation of FMIA.

### SALE, TRANSPORTATION, AND OTHER TRANSACTIONS (MISBRANDED PRODUCT) – 21 U.S. CODE §§ 601 (n) 12, and 610 (c)

On March 19, 2007, [REDACTED] Officer, Colorado Department of Revenue, Cortez, Colorado, discovered a large plastic box containing prescription pills during an inspection and subsequent consent search of a commercial truck shipment at the Cortez Port of Entry (Exhibit 1). [REDACTED] contacted the Colorado State Patrol (CSP).

[REDACTED] CSP, Durango, Colorado, in an investigative summary said (Exhibit 2), that in the cab of the truck on the driver's side [REDACTED] observed a white Wal-Mart grocery bag containing a large amount of white and green boxes. [REDACTED] lifted one of the boxes and observed it contained Pentrxyl. Under the WAL-MART bag and in the sleeper section of the truck [REDACTED] counted 38 packages of CHIMEX brand bologna. [REDACTED] found the CHIMEX in a cardboard box and in every storage shelf within the sleeper berth of the vehicle. The CHIMEX was seized.

CSP Troopers [REDACTED] (Exhibit 3) and [REDACTED] (Exhibit 4), Durango, Colorado; and [REDACTED] CSP, (Exhibit 5), Durango, Colorado, assisted in the search of the vehicle and the seizure of the CHIMEX bologna.

██████████ CSP, Durango, Colorado, in an investigative summary said (Exhibit 6), that ██████████ interviewed PASILLAS-COSSIO who claimed ownership of the CHIMEX meat product. ██████████ told ██████████ that ██████████ had purchased the bologna from an unknown individual in El Paso, Texas. ██████████ had asked ██████████ if ██████████ could ride along with ██████████ on ██████████ trip to Utah. ██████████ said that ██████████ purchased the CHIMEX bologna for ten dollars per package. ██████████ was taking the items to Utah to supply to family members for sale and distribution. ██████████ planned to sell the product for two to three dollars more than what ██████████ paid for it. ██████████ the driver of the truck, said that the items did not belong to ██████████ and were owned by ██████████ passenger and ██████████

Agent's Note: ██████████ was also identified as the owner of 90 boxes of Pentrexyl Ampicilina and 37 boxes of Amoxil, both manufactured in Mexico and was not approved for importation or distribution in the United States.

██████████ said (Exhibit 7) that ██████████ was contacted by CSP on March 20, 2007. CHIMEX is illegal to import into the United States because it has been found to contain micro organisms linked to hog cholera. ██████████ released the CHIMEX to ██████████ and ██████████ destroyed the product.

Agent's Note: ██████████ contacted SITC in El Paso, Texas, and requested ██████████ be entered into the Department of Homeland Security's Treasury Enforcement Communication System database. Due to the alert ██████████ was questioned when ██████████ entered the El Paso, Texas, Port of Entry, in July 2007. During the inspection of ██████████ vehicle it was determined that ██████████ failed to declare 60 lbs. of CHIMEX product found in ██████████ vehicle.

██████████ said (Exhibit 8) that based on the information provided by ██████████ Special Agent, Office of Criminal Investigations (OCI), U.S. Food and Drug Administration, Mission, Kansas, in ██████████ letter to the U.S. Attorney's Office dated June 26, 2007 (Exhibit 9) and the photographs provided by ██████████ of the seized CHIMEX product (Exhibit 10), ██████████ believed the product seized from ██████████ was misbranded and in violation of FMIA. The illegal importation of CHIMEX is a threat to both human and animal health, due to the threat of hog cholera infection.

This investigation was conducted jointly with FDA's OCI and the USDA's OPEER.

An Assistant U.S. Attorney, District of Colorado, Durango, Colorado, has expressed a prosecutive interest in this case.

\* \* \* \* \*



**United States Department of Agriculture**  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Great Plains Region*  
*Kansas City, Missouri*

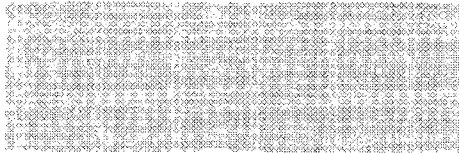


**REPORT OF INVESTIGATION**

**FILE NUMBER:** KC-2434-83

**DATE:** August 1, 2008

**TITLE:**



s.(b)(6)  
s.(b)(7)(C)

**CASE TYPE:** Adulteration of Meat Products

**SPECIAL AGENT:**



Lincoln, Nebraska

**APPROVED BY:**



JAMES L. MENDENHALL  
Special Agent-in-Charge

**Distribution**

- 1-Assistant Administrator, Office of Program Evaluation Enforcement,  
and Review, FSIS, Washington, D.C.
- 1-Assistant Inspector General for Investigations, OIG

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### SYNOPSIS

This investigation was conducted pursuant to the discovery by the Food Safety and Inspection Service (FSIS), United States Department of Agriculture (USDA), of mislabeled, misbranded, adulterated meat products being sold by [REDACTED] Des Moines, Iowa. The [REDACTED] told FSIS that [REDACTED] purchased goat and lamb meat from [REDACTED] Dodge, Nebraska. The meat was in bags bearing the USDA mark of inspection.

[REDACTED] said [REDACTED] plant is a custom exempt facility with no current USDA inspection. [REDACTED] acknowledged that [REDACTED] had used bags left in [REDACTED] plant by the previous occupant, bearing the USDA mark of inspection and identifying the product as beef and the processor as [REDACTED]

### DETAILS

[REDACTED] Des Moines, Iowa, said (Exhibit 1) that [REDACTED] purchased goat and lamb meat on three occasions from [REDACTED]

[REDACTED] said [REDACTED] did not notice the bags of meat [REDACTED] bought were labeled Premium Black Angus Beef, [REDACTED]. However, [REDACTED] noticed the bags said USDA Inspected and Passed. Some of the bags also had a handwritten letter 'L' or 'G' on them to indicate the meat was either lamb or goat.

[REDACTED] said [REDACTED] had not received any customer complaints about the meat [REDACTED] bought and sold from [REDACTED]

[REDACTED] Dodge, Nebraska, said (Exhibit 2) [REDACTED] occasionally works for [REDACTED] cutting meat. [REDACTED] said [REDACTED] saw two boxes of [REDACTED] bags in [REDACTED] plant and was involved in cutting and placing meat in these bags.

[REDACTED] said [REDACTED] takes the meat and delivers it to [REDACTED] customers and the customers names are on tags attached to the carcasses inside the plant. [REDACTED] said the names [REDACTED] saw on the product were those of individuals not businesses.

[REDACTED] Dodge, Nebraska, (Exhibit 3) admitted that [REDACTED] had sold meat packaged in bags left at [REDACTED] plant by the former occupant. [REDACTED] said the bags were labeled [REDACTED] had the mark of inspection, and contained a completely different meat product.

[REDACTED] said [REDACTED] now uses clear plastic bags and stamps [REDACTED] product "Not for Sale".

This case was discussed with an Assistant U.S. Attorney, District of Nebraska, who declined prosecution in this matter.

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**United States Department of Agriculture**  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
**Great Plains Region**  
**Kansas City, Missouri**



**REPORT OF INVESTIGATION**

**FILE NUMBER:** KC-3301-70    **DATE:** August 5, 2003

**TITLE:**                    Misabeled Vaccine  
                                Center for Veterinarian Biologics, APHIS  
                                Ames, Iowa

**CASE TYPE:**            False Statements/Misconduct

**SPECIAL AGENT:** [REDACTED]  
                                Des Moines, Iowa

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**APPROVED BY:** [REDACTED]  
                                *DLH* DALLAS L. HAYDEN  
                                Special Agent-in-Charge

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SYNOPSIS

This investigation was conducted to determine if employee(s) of the Center for Veterinary Biologics (CVB), Animal Plant Health and Inspection Service (APHIS), U.S. Department of Agriculture (USDA), Ames, Iowa, mislabeled challenge strains of *Leptospira Interrogans* (Lepto), intentionally destroyed the Lepto "Master Seeds," did not follow Standard Operating Procedures (SOPs) for laboratory tests, and falsified test results.

The investigation determined that the Lepto "Master Seeds" were destroyed sometime between the spring of 1999 and the spring of 2000; that SOPs were not followed; and that CVB employees falsified test results. It is unknown if the mislabeling of the challenge strain of Lepto was intentional or a result of poor laboratory procedure.

CVB, denied that [redacted] destroyed viable "Master Seeds" of Lepto, that [redacted] failed to follow SOPs, and that [redacted] falsified test results.

CVB, denied having any knowledge that employees may not have followed SOPs, or instances of falsified test results.

FALSE STATEMENTS 18 U.S.C. – 1001

[redacted] I (Exhibit 1), [redacted] CVB, said Lepto is a zoonotic disease. CVB maintains "Master Seeds" for several varieties of Lepto. CVB provides to private companies challenge cultures of the maintained varieties of Lepto for use in challenging developed vaccines. The private companies must challenge each batch of vaccine prior to licensing, sale and distribution.

[redacted] said that on a routine basis CVB infects hamsters with the stored varieties of Lepto to ensure that challenge cultures are available and virulent. The initial hamster is infected by use of the "Master Seeds." The virus is then passed from hamster to hamster. To maintain the virulence of the challenge cultures, they cannot exceed 100 passages of the disease through hamsters. Prior to reaching 100, they must start over and infect a hamster using the "Master Seeds." On average, it takes about 300 days to reach 100 passages.

[redacted] said that in January 2003, [redacted] Merial, INC., Athens, Georgia, contacted CVB and informed CVB that Merial had requested and obtained a challenge culture of Lepto variety *L. Pomona*. [redacted] advised that the culture Merial received was labeled *L. Pomona*, but test results revealed that the culture was Lepto variety *L. Canicola*.

[redacted] said that based on the call from [redacted] he directed [redacted] staff to conduct an internal investigation. They discovered the Lepto "Master Seeds" were missing and believed to have been destroyed as early as the spring of 1999.

(Exhibit 2), [REDACTED] CVB, said the standard procedure is to store cultures from the infected hamsters in a semi-solid state as a medium. The "Master Seeds" were stored in liquid nitrogen.

On two different occasions, [REDACTED] saw [REDACTED] CVB, take a Lepto challenge strain out of semi-solid medium and put it into a hamster to bring the passage level back to one. The only way to start a passage level back at one was to go back to the "Master Seeds." [REDACTED] reported observations to [REDACTED] supervisor, [REDACTED] CVB.

[REDACTED] said that sometime between late 1998 or early 1999, [REDACTED] was told by [REDACTED] that [REDACTED] had instructed [REDACTED] to destroy the Lepto "Master Seeds" because [REDACTED] did not need them any more. [REDACTED] told [REDACTED] that [REDACTED] should not destroy the "Master Seeds." Approximately 2 weeks later, [REDACTED] contacted [REDACTED] regarding destroying paperwork dealing with the Lepto "Master Seeds" and the testing associated with them. [REDACTED] told [REDACTED] not to destroy the paperwork.

[REDACTED] said that [REDACTED] also observed other instances in which [REDACTED] failed to follow established SOPs. [REDACTED] routinely guessed on the weight of liver samples from infected hamsters instead of weighing out an exact one gram. [REDACTED] also indicated on paperwork that [REDACTED] had examined the liver samples ensuring sufficient organisms were present, when in fact, [REDACTED] did not examine the sample as prescribed under high power.

(Exhibit 3), [REDACTED] CVB, said [REDACTED] became aware during the fall of 2002 that the "Master Seeds" had been destroyed. [REDACTED] discussed the missing "Master Seeds" issue with [REDACTED] immediate supervisor. [REDACTED] saw no immediate problem, but said they would probably have to replace the "Master Seeds" at some point.

(Exhibit 4), [REDACTED] CVB, said that [REDACTED] was currently responsible for conducting the Lepto challenge culture tests and passages. [REDACTED] was trained by [REDACTED] was under the impression the passage levels of the Lepto challenge cultures passing through hamsters would just keep going. [REDACTED] instructed [REDACTED] to take samples from the semi-solid medium, transfer it back into a new hamster, and start over as the number one passage. [REDACTED] was not told about the importance of the passage levels or what affect the high passage levels would have on the virulence of the organism. When [REDACTED] started working with the Lepto challenge cultures in April 2001, [REDACTED] did not know there were "Master Seeds." The liquid nitrogen tanks were empty

(Exhibit 5), [REDACTED] CVB, stated that as far back as 1995, [REDACTED] became concerned with [REDACTED] laboratory testing procedures. [REDACTED] never appeared as prepared to run laboratory tests involving lab animals as were other lab technicians. The other lab technicians would prepare the cage cart with the appropriate equipment and reagents to take to the animal wing in preparation for running their tests. [REDACTED] did not prepare the cage cart in a similar manner and did not take the appropriate tools needed to conduct the tests with [REDACTED]

said that brought this to the attention of told that knew exactly what was going on and it was none of business what was doing. then took concerns about to CVB. told had complete trust in his department heads and would never question them.

(Exhibit 6), National Veterinary Services Laboratory (NVSL), Ames, Iowa, stated that is responsible for overseeing the Purified Protein Derivative (PPD) Tuberculin confirmatory testing of licensed and unlicensed products as well as the production of reagents used in the testing. USDA, under contract with SYNBIOTICS INC., San Diego, California, through COLORADO SERUM COMPANY (CSC), Denver, Colorado, licenses a tuberculin antigen (TA) used in the Caudal Fold test for the detection of Bovine Tuberculosis (Bovine TB).

said that prior to submitting TA for licensing, CSC tests the bulk quantity for sterility, protein and phenol values, and the specificity index. USDA runs confirmatory tests for sterility, the protein and phenol values, and the specificity index. When CSC sends a sample of TA for testing, it is received by the Biologic Material Processing Section at NVSL. Notification of receipt of a sample is made via e-mails to MARTIN, Chemistry Section at NVSL, and the Biologics Bacteriology Section (BB) at CVB. The Chemistry Section is responsible for running the protein and phenol content tests, while BB runs the specificity index and sterility tests. The protein values are required to determine the dilution factors required for performing the specificity index.

The specificity index requires the use of guinea pigs. The guinea pigs are sensitized with bovis or avium sensitinogens 35 days before running the specificity index. After 35 days, each guinea pig is injected with four dilutions of each tuberculin to be tested. Twenty-four hours later, measurements of skin reactions are taken to calculate the specificity index.

said that approximately 2 to 2 ½ years ago, and NVSL, obtained test results for three avium PPD serials from who was responsible for running the specificity index, to assist them in determining why there were problems with the protein concentrations. They graphed the test results supplied by The graphed results were identical, indicating that all three serial results were the same. advised that it is biologically impossible to have identical results in three consecutive tests.

(Exhibit 7) confirmed that the graphed results were identical. It was impossible for the test results to be identical.

(Exhibit 6) approached with findings. told that it was a coincidence. did not accept explanation and went to regarding findings. told had no authority to look into those types of matters and that did not know what was talking about. also told if looked at those numbers again, referring to the test results of the avium serials, the numbers would be different.

Agent's Note: [REDACTED] was unable to provide the actual test results supplied by [REDACTED] or [REDACTED] or [REDACTED] evaluation of the results. Review of the test results located in the official files of NVSL regarding the same three tests disclosed the test results were not identical.

[REDACTED] said that on February 14, 2001, [REDACTED] sent an e-mail message (Exhibit 8) to [REDACTED] regarding the need to have avium and bovis sensitins evaluated. The sensitins were provided to [REDACTED] for testing. [REDACTED] attempted to contact [REDACTED] on several occasions to get the test results. [REDACTED] eventually left a voice mail informing [REDACTED] the tests had been completed satisfactorily and a written report would be sent to [REDACTED]. The sensitins were sent to CSC. Sometime later, CSC contacted [REDACTED] and informed [REDACTED] they were having problems with the sensitins supplied by NVSL. [REDACTED] had retired by this time and the test results for the sensitins could not be found.

[REDACTED] said that during the fall of 2001, [REDACTED] began a review of the tuberculin testing and noted several inconsistencies. Due to a computer error, not everyone received notice of TA shipment arrivals to be tested. [REDACTED] noted several tests had not been completed as required. The specificity index of two bulk samples was determined and the serials released even though the protein and phenol testing had not been completed. Other tests also had not been completed. [REDACTED] addressed these issues in a letter to [REDACTED] dated December 6, 2001 (Exhibit 9).

[REDACTED] said that during the review to compare the three test results of the avium PPD, a discrepancy with the availability of guinea pigs utilized in the testing was discovered. In an email dated November 20, 2000 (Exhibit 10), [REDACTED] asked [REDACTED] to order guinea pigs for the PPD testing. The animals were ordered by [REDACTED] (Exhibit 11) and were delivered (Exhibit 12) on December 11, 2000.

[REDACTED] prepared a Test Record (Exhibit 13) indicating that guinea pigs were sensitized on December 5, 2000, and that Tuberculin was injected on January 9, 2001. The reactions were read on January 10, 2001. The records indicate that room E-18 was used for these procedures.

The Animal Care And Use Log Sheet (Exhibit 14) for room E-18, which records daily observations for that particular room, does not reflect that any testing had occurred on December 5, 2000, January 9, 2001, or January 10, 2001. An entry on December 19, 2000, shows that 43 guinea pigs were sensitized for PPD by [REDACTED].

[REDACTED] said that [REDACTED] received a memo from [REDACTED] (Exhibit 15) dated January 12, 2001, in which [REDACTED] advised [REDACTED] of the results of [REDACTED] PPD evaluation. [REDACTED] stated in the memo that the guinea pigs were injected on January 9, 2001, and the results were read on January 10, 2001.

[REDACTED] (Exhibit 16) said that during 2000, [REDACTED] was having problems growing the Lepto cultures from the "Master Seeds." [REDACTED] checked the "Master Seeds" for viability and identity. The "Master Seeds" that were still viable were stored in a freezer. [REDACTED] said it was alright to store the "Master Seeds" this way. [REDACTED] did not knowingly go over the 100-passages level as called for in the protocol.

recalled that had asked for worksheets for some of PPD test results, but did not recall stating the test results were identical.

could not explain the discrepancy with the Animal Care And Use Log sheets (Exhibit 14) and what reported on test results (Exhibits 13 and 15). insisted that it was exactly 35 days between when sensitized the guinea pigs until injected them with the PPD antigen.

denied reporting test results did not actually perform or that had ever manufactured or made-up test results.

(Exhibit 17), NVSL, said that prior to in October 2002, was responsible for the care and well being of the various laboratory animals at NVSL. assisted with the Lepto challenge culture transfers through hamsters by selecting and restraining the hamsters. would normally go back to a semi-solid culture to start transfers over when reached 60 to 70 transfers. was having viability problems with the Lepto "Master Seeds" stored in the liquid nitrogen. determined which Lepto cultures from the "Master Seeds" were still viable and discarded the rest. informed regarding this problem.

(Exhibit 18), CVB, stated was the for CVB. section handled the Lepto challenge cultures, PPD, and specificity index testing. supervised up until in April 2001.

said that sometime during 1999 or 2000, one of the safety people, told to quit using the portable liquid nitrogen tanks used to store the Lepto "Master Seeds." took the "Master Seeds" out of the liquid nitrogen and checked their viability. The Lepto strains that were viable were frozen and placed in a freezer for storage. The remaining cultures were discarded by removed the Lepto cultures from the liquid nitrogen tanks prior to informing spoke to with NVSL, regarding storing the "Master Seeds" in the freezer, as opposed to storing them in liquid nitrogen. told that it was acceptable. relied on and to replace the "Master Seeds."

said does not feel that it was critical to stay under the 100-passage level as long as the hamsters showed clinical signs of Lepto. was not aware of any deviation from the SOPs regarding the Lepto challenge cultures.

said that was also responsible for the specificity index testing of PPD antigens and sensitinogens. denied that anyone informed that was dry-labbing test results or that anyone showed any evidence regarding testing the PPD antigens. No one had ever questioned competence.

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was shown the test results regarding the PPD tests performed by [REDACTED] in Room E-18. [REDACTED] said [REDACTED] was not aware of the inconsistencies regarding the dates associated with the testing and availability of guinea pigs. [REDACTED] could not explain the inconsistencies other than the reported dates were wrong. Had [REDACTED] known about this problem [REDACTED] would have investigated.

(Exhibit 19), [REDACTED] NVSL, said that [REDACTED] was aware there was trouble with the "Master Seeds" of the Lepto challenge cultures, but was unaware of any specific plans to re-establish them. [REDACTED] was aware of some allegations regarding [REDACTED] and relied on [REDACTED] to address the allegations.

(Exhibit 20), [REDACTED] NVSL/CVB, said that [REDACTED] did not tell [REDACTED] or [REDACTED] that because of safety issues they needed to replace or remove any liquid nitrogen tanks in which reagents had been stored.

(Exhibit 21), [REDACTED] NVSL, stated that neither [REDACTED] nor [REDACTED] approached [REDACTED] concerning recommendations on storing the Lepto challenge cultures in a freezer.

A review of the SOP regarding the Storage and Propagation of Leptospira Serovars Used in Bacterin Potency Testing (Exhibit 22) revealed that the current SOP is dated June 14, 1999. It is signed by [REDACTED] and [REDACTED] is listed as the [REDACTED]. Paragraph 5 of the SOP establishes three procedures to be used to maintain the Lepto Serovars: hamster passages, storage in semi-solid medium, and storage in liquid nitrogen. Paragraph 5.3 says the back-up cultures of the standard serovars are to be maintained in liquid nitrogen.

Paragraph 5.1.4.10 states in part that the passage level of any leptospiral isolate should not exceed 100 times in hamsters. Paragraph 6 deals with record keeping and states records should be maintained to keep an accurate count for all leptospiral isolates.

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**United States Department of Agriculture  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS  
Great Plains Region  
Kansas City, Missouri**



**REPORT OF INVESTIGATION**

**FILE NUMBER:** KC-2438-3

**DATE:** October 30, 2008

**TITLE:** INTERNATIONAL DEHYDRATED FOODS INC.  
3801 E. Sunshine Street  
Springfield, Missouri 65809

**CASE TYPE:** Falsification of Poultry Products Shipping Certifications

**SPECIAL AGENT:** [REDACTED]

Kansas City, Missouri

**APPROVED BY:** [REDACTED]

*for* JAMES L. MENDENHALL  
Special Agent-in-Charge

**Distribution**

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and Review, FSIS, Washington, D.C.

1-Assistant Inspector General for Investigations, OIG

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SYNOPSIS

This investigation was conducted to determine if INTERNATIONAL DEHYDRATED FOODS, INC. (IDF) made false statements on poultry shipper's certifications for poultry products that were exported.

FALSE STATEMENT IN POULTRY SHIPPER'S CERTIFICATES – 21 U.S.C. § 458(c)(5)

On October 24, 2008, IDF was charged with a one count criminal Information alleging a False Statement in Poultry Shipper's Certification (Exhibit 1). On that same day, they entered a guilty plea (Exhibit 2) to the Information.

On October 24, 2008, they were ordered to pay a \$250,000 fine, ordered to pay \$77,282 in restitution for investigative cost reimbursement and a \$400 special assessment (Exhibit 3).

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United States Department of Agriculture  
**OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
Western Region  
San Francisco, California



## REPORT OF INVESTIGATION

FILE NUMBER:	SF-2418-11	DATE:	November 19, 2004.
TITLE:	[REDACTED]		
CASE TYPE:	Tampering with meat food product at federally inspected plant (Golden Crown Foods, Inc.)		

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SPECIAL AGENT: [REDACTED]  
Diamond Bar, CA

APPROVED BY: [REDACTED]  
*for* MICHAEL J. JANIGA  
Special Agent-in-Charge

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### PREDICATION

On December 5, 2003, the United States Department of Agriculture (USDA), Food Safety and Inspection Service (FSIS) notified the USDA, Office of Inspector General (OIG) that they had received information from [REDACTED]

[REDACTED] regarding a food tampering at their facility. According to an internal investigation revealed that an employee had thrown foreign objects into their food product during manufacturing.

On December 5, 2003, [REDACTED] advised FSIS that they had issued a voluntary recall of the meat dumplings that were suspected to contain foreign material (Exhibit 1).

On December 8, 2003, FSIS issued a *Recall Notification* on the same meat dumplings covered in [REDACTED] voluntary recall (Exhibit 2).

### DETAILS

#### TITLE 18, UNITED STATES CODE, SECTION 1365 TAMPERING WITH CONSUMER PRODUCTS

[REDACTED] was interviewed and stated the following concerning foreign objects found in [REDACTED] food products:

Sometime around November 2003, [REDACTED] received a telephone call from an individual claiming that [REDACTED] had found foreign objects in [REDACTED] food [REDACTED] had bought. A [REDACTED] employee visited [REDACTED] and obtained the foreign objects and wrote down [REDACTED] summary in Chinese.

In another instance, an individual in Hayward, California reported finding two pieces of foreign material in dumplings [REDACTED] had purchased. A [REDACTED] demo employee contacted the individual and collected the glass from them and mailed it to the [REDACTED] office in Industry, California.

[REDACTED] explained that employees at [REDACTED] wrote the notes to document when victims called them to report foreign objects in their food. Some notes were written during telephone conversations while others were written during visits to local victims. Some of the victims did not provide [REDACTED] with the foreign objects found in their dumplings.

[REDACTED] hired [REDACTED] a private investigator, to conduct an internal investigation into the alleged food tampering. According to [REDACTED] findings, [REDACTED] employee, admitted that [REDACTED] threw foreign material into food during processing.

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Based on [REDACTED] findings, [REDACTED] notified FSIS on December 5, 2003, and issued a voluntary recall. The recalled items were stored at a cold storage facility in Vernon, CA.

Agent's Note: FSIS issued *Recall Notification Report 062-2003* (Exhibit 2) on December 8, 2003, in response to [REDACTED] voluntary recall.

The meat [REDACTED] used to make their dumplings was purchased from [REDACTED] located in Kansas City, Missouri.

[REDACTED] calculated [REDACTED] loss due to the recall and food tampering at \$21,732.48. He used the following formula to reach the figure: 9 pallets x 88 cases per pallet x \$27.44 per case = \$21,732.48.

Agent's Note: [REDACTED] provided pieces of foreign material to the RA for evidence and also provided a copy of an alien registration and social security card belonging to [REDACTED]

[REDACTED] was interviewed and provided the following information regarding the alleged tampering with [REDACTED] food products:

When the first customer called to report finding glass in [REDACTED] dumpling, [REDACTED] thought it was a prank call in order to get money from the company. [REDACTED] realized it was a serious problem and not a prank after a [REDACTED] employee visited the customer and recovered the glass.

On November 10, 2003, about the time the second or third customer called to report glass in their food, [REDACTED] found glass in the company clothes dryer. [REDACTED] explained that [REDACTED] provided its employees with smocks to wear while in the food manufacturing area, all of which were washed and dried at the company after each shift. [REDACTED] recalled the piece of glass appeared similar to the glass customers found in the [REDACTED] dumplings they had purchased. This discovery prompted him and [REDACTED] to hire [REDACTED] to conduct an internal investigation.

[REDACTED] told him that [REDACTED] a [REDACTED] employee, did not pass a polygraph test and that [REDACTED] later admitted [REDACTED] threw objects into the food. [REDACTED] worked as a machine operator while employed at [REDACTED] had full access to all portions of the facility including the open areas where food products were manufactured.

[REDACTED] thought [REDACTED] issued a product recall after [REDACTED] provided [REDACTED] with the final results of [REDACTED] investigation. [REDACTED] had written down the lot numbers from the packages containing the tampered with food products. Based on the lot numbers, [REDACTED] was able to determine the dates of manufacture and the employees that worked during that time period. [REDACTED] also kept invoices for ingredients used in the products in which the glass was found. [REDACTED]

consulted with FSIS inspector [REDACTED] who suggested he issue a voluntary recall. [REDACTED] and [REDACTED] decided when and how much product would be recalled.

[REDACTED] ordered additional items to replace their recalled dumpling products. Additional items included packaging from Taiwan and meat from [REDACTED] which was shipped from Nebraska. These extra items were purchased with company profits because their insurance did not cover financial losses of the company.

[REDACTED] witnessed the destruction of the recalled products at a site in Fontana, California. The packages were crushed until they were deemed unsuitable for resale or consumption.

[REDACTED] was interviewed and stated the following:

In October and November 2003, customers called [REDACTED] to report finding very small pieces of glass in [REDACTED] food products they had purchased. [REDACTED] showed an envelope from a victim in Hayward, California that contained a complaint letter and some small pieces of clear glass wrapped individually in tissue. The glass appeared similar to a fragment of glass, approximately one square centimeter in size and clear in color. Some of the victims reported to [REDACTED] that they discovered glass while cooking and others actually felt the glass in their mouths.

Around this time period, glass was found in a clothes dryer lint tray at [REDACTED]. The glass in the dryer raised enough suspicion to begin an internal investigation. [REDACTED] was currently inspecting all recalled products for foreign material and had not found any to date.

[REDACTED] was interviewed and stated the following:

[REDACTED] received a call from [REDACTED] after [REDACTED] discovered glass in their dryer lint tray. [REDACTED] was hired to conduct an internal investigation at [REDACTED] to determine if any [REDACTED] employee was involved with food tampering. [REDACTED] conducted pre-test interviews and polygraph tests of [REDACTED] employees during the first week of December 2003.

During a post-test interview, [REDACTED] a [REDACTED] employee, admitted that [REDACTED] spit in and threw minimal amounts of gravel and plastic into food. [REDACTED] denied throwing glass into the food products.

[REDACTED] said [REDACTED] tampered with the food at [REDACTED] because the manager fired a couple of [REDACTED] close friends, one of whom was a manager. [REDACTED] said employers made false claims, such as the one involving the glass pieces in the food, so that they could avoid paying Christmas bonuses to their employees. [REDACTED] added that everyone at [REDACTED] tampered with the food, but declined to provide names of employees.

He later discovered during a routine check that [REDACTED] social security number belonged to another individual.

Agent's Note: [REDACTED] provided the RA with a copy of the polygraph results (Exhibit 3).

[REDACTED] Walnut, California, provided the following information regarding the discovery of a foreign object in [REDACTED] manufactured dumplings [REDACTED] had purchased:

On an unrecalled date, he bit into a cooked dumpling and felt a hard object. [REDACTED] took the object out of his mouth and discovered what appeared to be a clear, pea-sized piece of glass. Only one piece was discovered. A part of the object contacted [REDACTED] teeth and [REDACTED] almost swallowed the object. No bleeding or other injuries resulted from the incident. [REDACTED] was glad [REDACTED] found the object before [REDACTED] children did.

[REDACTED] bought the dumplings from an Asian food market in Rowland Heights. The dumplings were filled with ground pork and vegetables, packaged in plastic bags and frozen. It was a very common brand and product found in Asian markets. [REDACTED] could not recall when the product was bought, but believed [REDACTED] knew the approximate time frame.

[REDACTED] called the dumpling manufacturing company on the same day [REDACTED] discovered the object. The manufacturer's name and telephone number was listed on the package. [REDACTED] no longer had the original package, but showed the RA a similar package of frozen dumplings he recently bought that listed [REDACTED] as the manufacturer.

Sometime later, someone from [REDACTED] visited the [REDACTED] home and refunded them approximately \$5.00 per package for the remainder of their dumpling packages. [REDACTED] would know the name of the person who provided the refund.

[REDACTED] was interviewed regarding the purchase date of the dumplings. [REDACTED] provided the following information:

[REDACTED] bought the dumplings from the [REDACTED] in Rowland Heights in either December 2003 or January 2004, but was not sure about the time period. [REDACTED] discovered the foreign object in [REDACTED] dumplings soon after the purchase.

[REDACTED] was the name of the person from [REDACTED] who visited her at home and took the foreign object found in the dumplings.

Agent's Note: [REDACTED] stated [REDACTED] visited individuals who discovered foreign objects in their [REDACTED] dumplings in November 2003, before the recall date of December 5, 2003. [REDACTED] remembered visiting [REDACTED] at [REDACTED] home before the recall date, contrary to [REDACTED] recollection that [REDACTED] bought the dumplings in December 2003 or January 2004.

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Los Angeles, California, provided the following information regarding the discovery of a foreign object in [REDACTED] manufactured dumplings [REDACTED] had purchased:

Sometime last year [REDACTED] bit into a piece of cooked pork dumpling, FORTUNE AVENUE BRAND, and felt a solid object inside. [REDACTED] removed from [REDACTED] mouth what appeared to be a piece of glass. [REDACTED] could not recall the size of the object, but the piece of dumpling also contained smaller additional fragments of the same object. [REDACTED] suffered no injuries from the object, but [REDACTED] almost swallowed it.

She told her mother of the incident and her mother called the dumpling manufacturer to report what had happened. The manufacturer's name and telephone number was on the dumpling package.

At a later date, a manager from the dumpling manufacturing company visited the [REDACTED] home to see the object. [REDACTED] was not home for the visit, but another family member was present. As an apologetic gesture, the manager gave the family member some cookies. [REDACTED] threw away the object soon after the manager's visit.

[REDACTED] believed the dumplings were bought from the [REDACTED] in the San Gabriel area.

Monterey Park, California, provided the following information regarding the discovery of a foreign object in [REDACTED] manufactured dumplings [REDACTED] had purchased:

[REDACTED] bit into a piece of pork and vegetable dumpling and an object inside the dumpling simultaneously. [REDACTED] first thought it was a piece of bone the size of the nail on [REDACTED] ring finger. After removing the object from [REDACTED] mouth to see it, [REDACTED] realized it was possibly glass. The object hurt [REDACTED] teeth and [REDACTED] was scared that the object might have inflicted a cut in [REDACTED] mouth, but [REDACTED] found no injuries.

[REDACTED] told [REDACTED] cousin, [REDACTED] about the discovery of the foreign object, and [REDACTED] called the dumpling company's telephone number listed on the dumpling package the following day. Someone from the dumpling company came out and visited [REDACTED] and refunded her \$10.00 in exchange for the remaining dumplings.

The dumplings that contained the foreign object came from one of five packages she bought sometime in November 2003 from the [REDACTED] Monterey Park, California, for a total of \$10.00. [REDACTED] discovered the object in December 2003 after it sat in [REDACTED] freezer for several days or weeks.

Soon after the person from the dumpling company visited [REDACTED] either [REDACTED] or [REDACTED] threw the foreign object away. [REDACTED] provided the RA with a disk containing photographs (Exhibit 4) [REDACTED] took of the foreign object and the package it came from. [REDACTED] added that [REDACTED] was still frightened about the incident.

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[REDACTED] Fremont, California, provided the following information regarding the discovery of a foreign object in [REDACTED] manufactured dumplings [REDACTED] had purchased:

[REDACTED] purchased three packages of the FORTUNE brand frozen dumplings from the [REDACTED] Milpitas, CA. [REDACTED] could not remember the exact date but recalled that [REDACTED] bought them last year in 2003.

[REDACTED] cooked one package of dumplings that consisted of meat product filling inside the dumpling. [REDACTED] bit into a hard object that was pea-sized and looked like a piece of glass.

[REDACTED] called the telephone number on the package and the company sent a person to collect the three packages. There was no other action taken.

[REDACTED] Fremont, California, provided the following information regarding the discovery of a foreign object in [REDACTED] manufactured dumplings [REDACTED] had purchased:

[REDACTED] purchased three packages of the FORTUNE brand meat filled dumplings from the [REDACTED] Fremont, CA, sometime last year (2003).

[REDACTED] prepared one package of dumplings to feed [REDACTED] children. Luckily, [REDACTED] started eating them first and crunched into an irregular-shaped object. It was the size of a small pea and looked like a piece of glass.

[REDACTED] contacted the producer by calling the telephone number on the package. When no one called or came out to retrieve the dumplings [REDACTED] returned the three packages to the [REDACTED] where [REDACTED] bought them. [REDACTED] also saved the piece of glass and gave it and the other unopened packages to an unknown employee at the [REDACTED] who refunded [REDACTED] purchase costs.

[REDACTED] Legal Department, provided a copy of documents (Exhibit 5) detailing the sales of meat to [REDACTED]. The documents showed meat, which was pork, was shipped from several locations in Nebraska to [REDACTED] in April, May, June, July, August, September, November, and December of 2003.

[REDACTED] Department of Homeland Security, Office of Fraud Detection, stated that [REDACTED] alien number was not valid because the number (80,000,000 series) was used for detained illegal aliens, not alien registration. The same number appeared in an INS database and was assigned in 1980 when someone attempted to enter the United States illegally. In addition, the name [REDACTED] SSN number [REDACTED] birth date [REDACTED] did not cross-reference each other in the INS database.

[REDACTED] Department of Homeland Security, Office of Fraud Detection, provided information that alien number, [REDACTED] which [REDACTED] used, was not legitimate since it had not yet been assigned.

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Special Agent [REDACTED], Social Security Administration, Office of Inspector General, provided the following details regarding [REDACTED] social security numbers:

Negative certification. This number was assigned to a female individual, not [REDACTED]

This number was not valid and had not yet been assigned to anyone.

This number was not valid and had not yet been assigned to anyone.

This number was assigned to an individual not named [REDACTED]

Agent's Note: [REDACTED] provided the number [REDACTED] from [REDACTED] old employment file. [REDACTED] employer after he left [REDACTED]. [REDACTED] provided the number [REDACTED] from [REDACTED] old employment file (Exhibit 6). Investigation further disclosed two other numbers [REDACTED] had used.

The RA took possession of all foreign material purported to have been found in the [REDACTED] manufactured dumplings and submitted the material to the United States Food and Drug Administration (FDA) laboratory for analysis. The FDA performed a composition test of the foreign objects found in the dumplings and the tests determined the foreign objects were glass (Exhibit 7).

The facts associated with this case have been discussed with an Assistant United States Attorney, Central District of California, Los Angeles, who expressed prosecutive interest but reserved final decision following a review of the Report of Investigation.

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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA



## REPORT OF INVESTIGATION

<b>FILE NUMBER:</b> SF-2418-16	<b>DATE:</b> August 14, 2007
<b>TITLE:</b> San Diego, California San Diego County	
<b>CASE TYPE:</b> Product Tampering	

**SPECIAL AGENT:**

San Diego, California

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**APPROVED BY:**

ABELINO FARIAS, JR.  
Special Agent-in-Charge

**Distribution**

3-Deputy Assistant Administrator, Office of Program Evaluation  
Enforcement and Review, FSIS  
1-Associate General Counsel, Regulatory and Marketing, OGC  
1-AIG for Investigations, OIG  
1-File

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prior clearance from the Office of Inspector General, USDA.*

SYNOPSIS

This investigation was conducted in order to determine if employees at [REDACTED] San Diego, California, tampered with consumer products.

Several employees were interviewed and polygraphed, but denied any involvement in the tampering. Although polygraphs showed signs of deception by employees, the investigation could not substantiate that any one specific employee tampered product being produced by the company.

DETAILS

TITLE 18, UNITED STATES CODE, §1365  
TAMPERING WITH CONSUMER PRODUCTS

On or about March 21, 2007, the United States Department of Agriculture (USDA), Food Safety and Inspection Service (FSIS) notified the USDA, Office of Inspector General (OIG) that they had received information from [REDACTED] Owner, [REDACTED] San Diego, California, regarding a potential food tampering incident at his facility.

The following investigation was conducted jointly by Special Agent [REDACTED] Federal Bureau of Investigation (FBI) and SA [REDACTED] USDA, Office of Inspector General.

On March 16, 2007, [REDACTED] a produce distribution company, in business since January of 2000, received a telephone call from a consumer in Orange County, California. The consumer indicated that [REDACTED] 20 year old son had bit into a piece of metal, while eating "Sonoma" packaged salad. The consumer stated that no injuries were sustained. [REDACTED] immediately sent an employee to pick up the piece of metal.

After receiving the piece of metal, which is made out of cast iron and is approximately two inches long and a half inch thick, [REDACTED] contacted [REDACTED] produce distributor. [REDACTED] indicated that [REDACTED] would attempt to ascertain where the metal had originated.

On March 19, 2007, [REDACTED] was notified by one of [REDACTED] packaging line supervisors, who stated that a rusty nail, approximately three to four inches in length, was found in the package of one of the "Fiesta" salad mixes. [REDACTED] re-contacted [REDACTED] and advised [REDACTED] on the nail. According to the line supervisor, only eight employees were working during the time the nail was discovered.

On March 20, 2007, [REDACTED] and [REDACTED] plant personnel manager, [REDACTED] spoke with all 90 of [REDACTED] employees. [REDACTED] and [REDACTED] urged individuals to come forward if they knew who was tampering with the packaged salad and even offered a \$10,000 reward. [REDACTED] contacted the FBI.

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On March 22, 2007, at approximately 11:30 a.m. SA [REDACTED] contacted SA [REDACTED] and at 4:15 p.m. FDA SA [REDACTED] and advised both, telephonically, of captioned matter. On March 22, 2007, at approximately 4:00 p.m., SA [REDACTED] telephonically contacted USSS [REDACTED] and advised him of captioned matter.

Between March 27, 2007 and March 30, 2007, SA [REDACTED] SA [REDACTED] and USDA Investigator [REDACTED] conducted interviews of approximately 30 [REDACTED] employees, to include shift supervisors, managers, and produce distributors. At the conclusion of the interviews, it was determined that seven individuals were potentially deceptive in their responses to the agents and it was believed that these individuals participated in or had knowledge concerning the tampering of [REDACTED] product.

Between April 4, 2007, and April 6, 2007, [REDACTED] employees:

[REDACTED] consented to and were polygraphed by SA [REDACTED]. It was determined that all, except for [REDACTED] were being deceptive towards the questions concerning the product tampering.

On May 15, 2007, SA [REDACTED] met with SA [REDACTED] and SA [REDACTED] to discuss the above case matter. A consensus was reached. Based on the evidence provided, the deceptive interviews, polygraphs, and the general lack of cooperation by the [REDACTED] employees, it can not be determined who, specifically, tampered with the salads. Furthermore, there is the possibility that the pieces of metal were introduced into the salad and the mix, by way of the produce.

On May 31, 2007, SA [REDACTED] and SA [REDACTED] met with [REDACTED] was informed about the lack of conclusive evidence. It was revealed that all the employees, who were potential subjects, are no longer employed with [REDACTED] produce distributor was replaced by [REDACTED] a produce distribution plant, Los Angeles, California. [REDACTED] uses metal detectors in their plant, a new requirement of [REDACTED] has also installed an updated, digital camera system throughout [REDACTED] plant, as well as a metal detector. [REDACTED] has terminated its night shift and is now out-sourcing the creation of the "Sonoma" salad to [REDACTED] a production plant in Vista, California.

Since the changes and re-structuring of personnel and resources, [REDACTED] has had no further problems with their product or employees.

This investigation will be closed without further action by this office.

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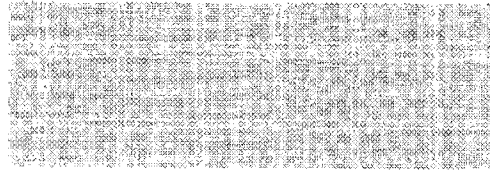
UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL -- INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA

REPORT OF INVESTIGATION

FILE NUMBER: SF-2434-75

DATE: JUL 08 2005

TITLE:



CASE TYPE: Selling Uninspected Meat That Was Labeled As Inspected By USDA

SPECIAL AGENT:

Diamond Bar, CA

APPROVED BY:

MICHAEL J. JAMICA  
Special Agent-In-Charge

Distribution:

3-Assistant Deputy Administrator, Compliance Program,  
Regulatory Programs, FSIS  
2-Assistant Administrator, Office of Program Evaluation,  
Enforcement and Review, FSIS  
1-Associate General Counsel, Regulatory and Marketing, OGC  
1-Regional Attorney, OGC, San Francisco, CA  
1-RIG for Audit, OIG, San Francisco, CA  
1-AIG for Investigations, OIG  
1-SAC, OIG, San Francisco, CA

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## SYNOPSIS

This investigation was initiated in response to a complaint letter received by the Food Safety and Inspection Service (FSIS), United States Department of Agriculture (USDA), Alleging that [REDACTED] and [REDACTED] used an official mark of inspection to label uninspected jerky products as inspected and passed. FSIS stated that they had contacted the [REDACTED] on several occasions since 2001 and explained the requirements of the Federal Meat Inspection Act (FMIA). During a September 16, 2003, meeting with FSIS Program Investigators, [REDACTED] stated [REDACTED] used an establishment inspection number that once belonged to [REDACTED] but did not know [REDACTED] violated the FMIA. [REDACTED] also said [REDACTED] did not recall a meeting in 2001 with Program Investigator [REDACTED] in which he explained the FMIA to [REDACTED] and [REDACTED]. Since August 2003, FSIS had found [REDACTED] sales in the Inyokern and Fullerton, CA areas.

Investigation disclosed that the [REDACTED] knowingly represented their uninspected products as inspected and passed under the FMIA. In addition, the [REDACTED] sold beef jerky products commercially that required inspection under FMIA but which were not.

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## BACKGROUND

Congress enacted the FMIA to protect the welfare of consumers by ensuring that meat and meat food products are wholesome, not adulterated or misbranded, and properly marked, labeled, and packaged. The FMIA provides for the application of uniform standards of sanitation, inspection procedures, and product labeling at all establishments under federal inspection.

FSIS is the public health agency within the USDA and is responsible for ensuring that meat, poultry, and processed egg products are safe, wholesome, and accurately labeled. FSIS enforces the FMIA, the Poultry Products Inspection Act, and the Egg Products Inspection Act, which require Federal inspection of those products as they are prepared for distribution in commerce for use as human food.

## DETAILS

TITLE 21 UNITED STATES CODE 611(a) and (b)  
FORGERY OF AN OFFICIAL DEVICE, MARK, OR CERTIFICATE

TITLE 21 UNITED STATES CODE 610(c)  
SALES, TRANSPORTATION, OFFER FOR SALE OR TRANSPORTATION, IN COMMERCE,  
ADULTERATED OR MISBRANDED FOOD

TITLE 18 UNITED STATES CODE 1341  
FRAUDS AND SWINDLES BY MAIL

[redacted] Desert Hot Springs, CA, was interviewed on October 12, 2004, and provided the following information regarding [redacted] knowledge of the beef jerky:

[redacted] wrote a complaint letter to the USDA (Exhibit 1) regarding [redacted] and [redacted] beef jerky because of possible health and safety issues involved with their production methods. [redacted] never tried the [redacted] beef jerky [redacted] but heard customers complained about it. [redacted] had seen [redacted] beef jerky before and on at least one occasion, noticed it was too moist and had mold on it.

He did not know where or how the [redacted] made their beef jerky, but suspected they made it on their property in [redacted] [redacted] did not know how much beef jerky they produced. [redacted] believed the [redacted] did not have USDA approval to make their beef jerky. [redacted] assumed the [redacted] either used another beef jerky manufacturer's USDA number, or made one up.

The [redacted] were very cautious people and did not invite others onto their property. [redacted] had not seen the [redacted] since approximately January of 2004. He believed [redacted] worked in Ridgecrest at the time and did not think [redacted] was employed.

Agent's Note: The [redacted] has also been referred to as the [redacted] and the [redacted]

[redacted] the [redacted] California, with [redacted] At that time, [redacted] only sold beef jerky made by [redacted] of the [redacted] [redacted] never made beef jerky [redacted] but [redacted] completed the necessary paperwork to get USDA approval for [redacted] to make beef jerky. [redacted] did not know what prompted [redacted] to apply for the USDA approval. [redacted] believed [redacted] became involved with USDA approval for [redacted] beef jerky only after the [redacted] bought the [redacted] from [redacted] After a while, [redacted] got tired of federal inspectors telling [redacted] how to operate [redacted] beef jerky process and ignored their demands, which eventually led to the USDA's revocation of [redacted] license.

[redacted] and [redacted] were friends, but [redacted] never had a business relationship with [redacted] or was involved with the [redacted]

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FSIS Program Investigator, provided the following information regarding the

FSIS received a complaint letter from (Exhibit 1) that alleged the made beef jerky out of a private kitchen in a modified house trailer without USDA inspection and "appropriated" a USDA establishment number that once belonged to lost his approval to make beef jerky when FSIS discovered produced beef jerky without inspection.

While conducting a program investigation into the complaint, obtained a letter the sent to select businesses in the Ridgecrest area to promote their (Exhibit 2).

In August 2003, he and FSIS Program Investigator found offered for sale at several retail markets in the Lake Isabella area. A check with the FSIS Alameda District Office confirmed that Federal Establishment Number 17842 on the packages of jerky was not assigned to a federally inspected firm. (Exhibit 3) (According to USDA Establishment Number 17842 had been assigned to owner of the and detained samples of the beef jerky products (Exhibit 4), some with their sales receipts, from thirteen stores. The thirteen stores were the

Market owners/managers provided statements and receipts (Exhibit 5) regarding their purchases. Product disposal forms were completed and signed by the owners/managers and they voluntarily removed and destroyed the beef jerky.

On August 28, 2003, and went to the residence to speak to them about their production and sale of federally uninspected beef jerky. They encountered two individuals at an entrance gate, a and a He asked the woman if she was and the replied was not; was asked the if was and the replied was not; was After being denied access through a closed gate to leave a business card on the front door, and contacted of the to ask if knew the described as having and a which fit the description of the they had met at the entrance gate. did not provide a description of but said was and that was an older man with a

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On September 16, 2003, [REDACTED] and FSIS Program Investigator [REDACTED] reviewed the [REDACTED] production site. The [REDACTED] provided a tour of their facility. In a signed statement (Exhibit 6), [REDACTED] stated [REDACTED] did not know [REDACTED] violated the FMIA by producing beef jerky without USDA inspection and applying the invalid establishment inspection number 17842 on the packages. [REDACTED] said the number originally belonged to [REDACTED] which was once owned and operated by [REDACTED]. [REDACTED] explained the FMIA to the [REDACTED] and reminded them that [REDACTED] explained the FMIA to them in a 2001 review (Exhibit 7). [REDACTED] replied [REDACTED] did not recall the 2001 review. [REDACTED] completed a *Review and Compliance Record* (Exhibit 8) subsequent to the September 16, 2003 review.

[REDACTED] was interviewed on September 28, 2004, and provided the following information regarding the [REDACTED] beef jerky production:

[REDACTED] owned the [REDACTED] from 1974 to around 1989, when [REDACTED] it to [REDACTED] and [REDACTED] received a USDA number to produce and sell beef jerky around the time the [REDACTED] he [REDACTED] from [REDACTED] completed most of the application with help from [REDACTED] obtained a USDA number for beef jerky production. [REDACTED] could not remember [REDACTED] USDA assigned establishment number.

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Before [REDACTED] obtained a USDA number, [REDACTED] made beef jerky for the [REDACTED] to sell at the [REDACTED] [REDACTED] also sold some of [REDACTED] beef jerky to local stores. [REDACTED] did not know he needed a USDA number until a USDA compliance officer informed [REDACTED] the beef jerky needed to be regulated. [REDACTED] applied for a USDA number after [REDACTED] discussion with the compliance officer and continued to make beef jerky with [REDACTED] assigned USDA number until the USDA revoked it. [REDACTED] continued to make the beef jerky after the number was revoked. On July 22, 2004, USDA compliance officers ordered [REDACTED] to stop making beef jerky. [REDACTED] agreed to comply with their order because [REDACTED] did not want to violate [REDACTED] probation and go back to jail.

[REDACTED] thought [REDACTED] made up a USDA number to make [REDACTED] own beef jerky. [REDACTED] even tried to give the number to [REDACTED] but [REDACTED] refused it because [REDACTED] heard it was not valid.

[REDACTED] did not help the [REDACTED] with their [REDACTED] labels, formula, production, or USDA number. However, [REDACTED] had previously given [REDACTED] the formula for [REDACTED] jerky when [REDACTED] worked with [REDACTED] on the [REDACTED] venture. The [REDACTED] did not pay [REDACTED] for the use of [REDACTED] labels, USDA number, or formula even though [REDACTED] gave [REDACTED] the formula to [REDACTED] when they worked together. [REDACTED] did not give the [REDACTED] labels and [REDACTED] did not know where they got their labels.

was shown letters addressed to [redacted] from [redacted] dated April 8, 2003, July 23, 2003, and September 7, 2003. In response to the letter, dated April 8, 2003 (Exhibit 9), [redacted] stated [redacted] asked if [redacted] could lease the beef jerky production facility at the [redacted] [redacted] did not ask that [redacted] make the beef jerky for [redacted] [redacted] stated [redacted] did not agree to the request because [redacted] no longer trusted [redacted] In response to the letter, dated July 23, 2003 (Exhibit 10), [redacted] stated [redacted] asked [redacted] for permission to use the [redacted] [redacted] to make beef jerky. [redacted] stated [redacted] refused [redacted] request. In response to the letter dated September 7, 2003 (Exhibit 11), [redacted] stated [redacted] mentioned to [redacted] that [redacted] USDA number was invalid. [redacted] said [redacted] did not give [redacted] permission to use [redacted] number. The number [redacted] used was [redacted] fake number.

Agent's Note: A letter from [redacted] that was addressed to [redacted] (Exhibit 12), dated May 20, 2003, included a statement that they [redacted] were busy making jerky and the business was going well. The letter was not shown to [redacted] due to its unavailability at the time of the interview. In a telephone conversation, [redacted] stated [redacted] did not know [redacted] made jerky at the time the letter was written because he was in jail. [redacted] did not respond to the letter in writing or in conversation with [redacted]

[redacted] was interviewed and provided the following information regarding his knowledge of the [redacted] beef jerky:

In the fall of 2002, [redacted] began making [redacted] in [redacted] home. [redacted] sold [redacted] beef jerky to stores in the area and on the Internet. [redacted] did not know if there was ever an agreement between [redacted] and [redacted] to use the [redacted] smokehouse to produce [redacted] or if [redacted] was involved with the [redacted] jerky production.

[redacted] knew [redacted] needed a USDA license for [redacted] because [redacted] applied for a USDA license approximately 8 or 9 years ago (when [redacted] and [redacted] were married) to sell [redacted] beef jerky to other stores. [redacted] made beef jerky for the [redacted] without USDA inspection until someone warned the [redacted] they needed a USDA inspection and license to conduct their operation.

Agent's Note: [redacted] mailed the RA a copy of USDA Form 7234-1, *Application for Approval of Labels, Marking or Device* (Exhibit 13), which indicated that USDA Establishment Number 17842 was assigned to [redacted] [redacted] noted that the Form 7234-1 appeared to indicate that [redacted] was under inspection at the time and the form was not the initial application for USDA Establishment Number 17842.

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The [redacted] continued their partnership with [redacted] after [redacted] applied and received a USDA license (Establishment Number). The license was in [redacted] name, but the [redacted] actively helped [redacted] get the license and sell [redacted] jerky. The [redacted] sold beef jerky at the [redacted] and to other stores.

Approximately three years ago, a USDA inspector, name unrecalled, told [redacted] to stop beef jerky production and sales immediately because the USDA license (for Establishment Number 17842) had been revoked approximately two years earlier. [redacted] did not know the USDA license had been revoked until the day of the USDA inspector's visit. [redacted] had not followed USDA requests to correctly maintain the federal license and the [redacted] eventually lost it. When [redacted] confronted [redacted] about the revoked license, [redacted] said [redacted] did not know what had happened.

[redacted] did not know if the [redacted] applied for a license for their [redacted] but [redacted] suspected the [redacted] license number stamped on their package was the [redacted] original license number.

[redacted] Ridgecrest, CA, was interviewed and provided the following information regarding [redacted] purchase of the [redacted] beef jerky:

[redacted] first became aware of [redacted] after [redacted] read an advertisement for it in a local paper. It stated that the [redacted] jerky was back for sale.

The [redacted] was similar to the beef jerky [redacted] made when [redacted] was married to [redacted]. The [redacted] product was called [redacted] and the [redacted] product was called [redacted]. [redacted] thought [redacted] was more like cooked meat rather than beef jerky because of its high moisture content. [redacted] remembered the [redacted] beef jerky had an inspection number stamped on its package. [redacted] did not know if the number on the [redacted] beef jerky was valid, or if it was the same number [redacted] used for her [redacted]. [redacted] was not aware of any complaints about [redacted].

On the [redacted] first visit to the store, [redacted] told [redacted] their beef jerky was for sale again. [redacted] bought their regular and hot teriyaki-flavored beef jerky.

[redacted] remembered when the [redacted] was pulled from shelves because it had an invalid USDA number. This recollection prompted [redacted] to ask [redacted] if her new [redacted] was inspected by the USDA and was okay for sale. [redacted] replied it had an inspection number stamped on their product and it was okay for sale. [redacted] did not explain to [redacted] how the [redacted] was produced or how it received federal approval.

thought the [redacted] lived in [redacted] but [redacted] did not know where they produced their beef jerky. [redacted] also did not know if another person or business helped to produce [redacted]

The [redacted] visited the store 1-2 times a week for a couple of months to restock [redacted] beef jerky supply. The [redacted] personally delivered their beef jerky and never mailed it to her. [redacted] only dealt with [redacted] during their visits to the store.

After a couple of months of selling [redacted] and [redacted] visited [redacted] store to inform [redacted] could no longer sell [redacted] because it was a non-federally inspected product. The product was removed from its display and the inspectors watched as [redacted] destroyed the product by soaking it in bleach.

[redacted] reimbursed [redacted] with a check for the destroyed product. [redacted] explained to [redacted] did not know what was going on and thought [redacted] USDA license was okay. [redacted] had not heard from the [redacted] since being reimbursed.

[redacted] Ridgecrest, CA, was interviewed and provided the following information regarding [redacted] purchase of the [redacted] beef jerky:

[redacted] came into [redacted] shop one day and provided samples of [redacted] new [redacted] [redacted] pointed at the USDA number on the beef jerky package and asked [redacted] had to jump through hoops to get the license for the beef jerky. [redacted] replied [redacted] did. [redacted] sold [redacted] some teriyaki, original, and hot-flavored beef jerky, and provided a display rack for the products. This was [redacted] only purchase from the [redacted]

The [redacted] did not tell [redacted] how they made their beef jerky. [redacted] asked why the package did not have an expiration date, but [redacted] avoided the question and told [redacted] to call when [redacted] wanted to order more product. The [redacted] delivered their product personally by vehicle.

[redacted] took the [redacted] off [redacted] shelf when a friend told [redacted] the [redacted] made their beef jerky in their back yard and the USDA number they used was a very old number that belonged to [redacted] did not think [redacted] helped the [redacted] with their [redacted] The [redacted] did not reimburse [redacted] for [redacted] purchase of their beef jerky.

[redacted] Kernville, CA, was interviewed and provided the following information regarding [redacted] purchase of the [redacted] beef jerky:

[redacted] and [redacted] visited the [redacted] in May or June of 2002 to promote and sell their beef jerky, which [redacted] thought was named [redacted] [redacted] told [redacted] their beef jerky was up to code and pointed out the USDA stamp on their

package. [REDACTED] explained it was common for people to try to sell their products to the local stores in the same manner as the [REDACTED]

[REDACTED] said [REDACTED] the [REDACTED] near where [REDACTED] lived in [REDACTED] and made their beef jerky there. Neither of the [REDACTED] explained how the jerky was made or where they bought the ingredients. [REDACTED] did not think [REDACTED] was affiliated with another business.

The [REDACTED] emphasized their beef jerky's freshness in quality-sealed bags. Their beef jerky was packaged in bags and in round containers that were displayed on a rack supplied by the [REDACTED]. When [REDACTED] bought their original, pepper, and teriyaki-flavored beef jerky, [REDACTED] did not think to check for proper federal inspection or USDA stamping.

The [REDACTED] always drove to the [REDACTED] to deliver their beef jerky. [REDACTED] knew the [REDACTED] sold their beef jerky to other businesses, but [REDACTED] did not know if the [REDACTED] mailed beef jerky to them.

Agent's Note: On September 4, 2003, USDA Compliance Officers [REDACTED] and [REDACTED] visited the [REDACTED] to perform an inspection of their products. In the inspection, packages of non-federally inspected [REDACTED] were observed and detained.

About a month after USDA inspectors removed the beef jerky from [REDACTED] store, [REDACTED] told [REDACTED] was working to get the proper permit to sell their beef jerky. [REDACTED] gave him a check to fully reimburse [REDACTED] for [REDACTED] beef jerky purchases.

[REDACTED] Anaheim, CA, was interviewed and provided the following information regarding [REDACTED] purchase of the [REDACTED] beef jerky:

While on business in Ridgecrest, [REDACTED] saw a billboard that advertised beef jerky and decided to order some. The jerky was named [REDACTED] and the ad stated it was made locally.

[REDACTED] spoke to a [REDACTED] on the telephone to order the jerky. The [REDACTED] never mentioned that the jerky had USDA inspection approval, and [REDACTED] did not ask because [REDACTED] assumed it was. [REDACTED] never met the people who made the jerky or got their names. [REDACTED] mailed a check to the [REDACTED] to purchase the jerky and [REDACTED] received [REDACTED] order by mail. [REDACTED] gave the envelope the [REDACTED] mailed [REDACTED] with the jerky [REDACTED] purchased to [REDACTED] was shown a copy of the envelope used to mail the jerky to [REDACTED] and [REDACTED] recognized the mailing address on it as [REDACTED] former address and the envelope as the one [REDACTED] received that contained the jerky.

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This was [redacted] only purchase and [redacted] did not receive a reimbursement check from [redacted] for his purchase. [redacted] had not heard from [redacted] since [redacted] order.

[redacted] mailed a sample of [redacted] obtained on August 27, 2003, from the [redacted] in Lake Isabella, CA, to the USDA Eastern Laboratory on September 2, 2003, for analysis. It was analyzed for moisture content. The report (Exhibit 14) concluded the beef jerky had a Moisture Protein Ratio (MPR) of 0.88:1, an amount higher than the allowed 0.75:1 or less by the USDA. The MPR was used in meat product analysis to determine product safety and shelf stability. A MPR higher than 0.75:1 would not be dry enough to categorize meat as jerky.

Agent's Note: According to [redacted] Director, Labeling and Consumer Protection Staff, FSIS, the MPR relates to the typical dryness an industry has achieved in producing products to meet consumer expectations. The MPR is meant to assure that the product has very low moisture content and is shelf-stable. The policy on MPR is found in the USDA, Food Safety Inspection Service, Food Standards and Labeling Policy Book.

[redacted] further stated that [redacted] received, from [redacted] a copy of an order (Exhibit 15) from [redacted] obtained from [redacted] three packages of unopened [redacted] (Exhibit 16) and a copy of [redacted] invoice and mailing envelope (Exhibit 17) showing the jerky was mailed from Inyokern, CA, to Fullerton, CA. On April 12, 2004, [redacted] submitted a sample from one of [redacted] packages to the USDA Western Laboratory for analysis. It was analyzed for listeria, e-coli, salmonella and staph toxins. The report (Exhibit 18) concluded the beef jerky did not have listeria or staph toxins. The sample size was not sufficient for e-coli or salmonella testing, and FSIS did not have additional samples sufficient for additional testing.

The [redacted] moved from their residence in [redacted] and all attempts to locate them for an interview have been unsuccessful.

The facts associated with this case were briefly discussed with an Assistant United States Attorney, Central District of California, Los Angeles, who expressed prosecutive interest but reserved a final decision following a review of the Report of Investigation.

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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA



## REPORT OF INVESTIGATION

<b>FILE NUMBER:</b> SF-3330-06	<b>DATE:</b> August 3, 2007
<b>TITLE:</b>	
"Title Continues"	
<b>CASE TYPE:</b> Depiction of Animal Cruelty	

**SPECIAL AGENT:**

Phoenix, Arizona

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**APPROVED BY:**

ABELINO FARIAS, JR.

Special Agent-in-Charge

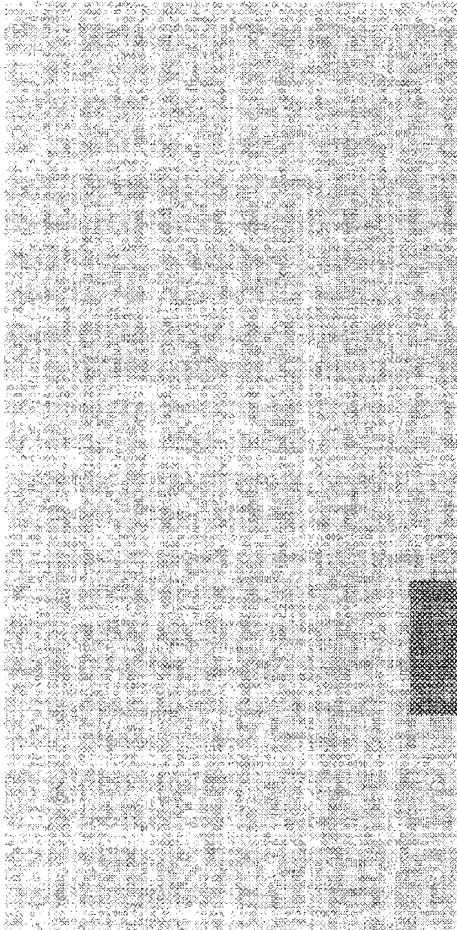
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### SYNOPSIS

This investigation was conducted to determine if [REDACTED] et al., conducted or participated in an animal cruelty event known as hog dogging and created and/or sold Digital Video Disks (DVD) depicting animal cruelty in interstate commerce for commercial gain.

Investigation disclosed that on or about July 30, 2004, [REDACTED] United States Humane Society, Washington, DC, as part of [REDACTED] job, purchased a DVD from [REDACTED]. The DVD was purchased with a United States Postal Service Money Order from [REDACTED] payable to [REDACTED]. The DVD was shipped from [REDACTED] in Northridge, California, through the United States Postal Service to [REDACTED] in Silver Spring, Maryland.

On or about August 1, 2004, [REDACTED] obtained a Travelers Express money order payable to [REDACTED] in the amount of \$250. The money order contained a notation stating, "Payment for 10 DVDS".

In October 2004, [REDACTED] received a DVD from [REDACTED] by way of the United States Postal Service. The package stated that [REDACTED] mailed the DVD to [REDACTED] in Silver Spring, Maryland, from Northridge, California. On October 19, 2004, [REDACTED] obtained a money order from the United States Postal Service and sent the money order to [REDACTED].

[REDACTED] stated that [REDACTED] and [REDACTED] conducted a Catch Dog competition called the Arizona Rooter Round Up, on April 3, 2004, and April 4, 2004, at the EZ Ranch, Mayer, Arizona. [REDACTED] filmed the event and produced DVDs of the Arizona Rooter Round Up. [REDACTED] denied purchasing any DVDs, however, evidence showed that [REDACTED] purchased ten DVDs from [REDACTED] with a Money Gram. On May 23, 2005, [REDACTED] pled guilty to Animal Cruelty.

[REDACTED] declined to be interviewed.

[REDACTED] event participant, [REDACTED] did not provide a statement to the Yavapai County Attorney's Office. On August 2, 2005, [REDACTED] pled guilty to Animal Cruelty.

[REDACTED] and [REDACTED] all event participants, have not been interviewed because of pending judicial proceedings in Yavapai County. They all have outstanding Animal Cruelty complaints and warrants in Yavapai County, Arizona.

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[REDACTED] was not interviewed prior to death, [REDACTED]

### BACKGROUND

A hog dog rodeo, which is also known as "Catch Dog" competition, is a blood sport which consists of American Bulldogs as well as other breeds of dogs attacking a wild boar in a closed environment such as a ring or pen. After the dog is released by its handler, it then proceeds to attack the head and ears of the wild boar. Normally, it is one dog against one wild boar. However, if the dog does not aggressively attack the hog, a second dog, which is referred to as a rescue dog, enters the ring and both dogs attack the wild boar.

The wild boar is repeatedly attacked by the dog. Due to these attacks, the wild boar can suffer multiple wounds and lacerations. Normally, the dog wears protective vests to prevent injury from the tusks of the wild boar. However, occasionally the wild boar is able to inflict injury to the dog with its tusks. The dog that is able to catch the wild boar the quickest is the winner. Cash prizes, trophies, and titles are often awarded to the owners of dogs that participate in these events.

### 18 U.S.C. § 48 – DEPICTION OF ANIMAL CRUELTY

[REDACTED] Yavapai County Sheriff's Office, stated (Exhibit 1):

[REDACTED] received information from the Yavapai County Attorney's Office that a hog dog rodeo sponsored by [REDACTED] was going to be held at the EZ Ranch in Cordes, Arizona, on November 5, 2004, November 6, 2004, and November 7, 2004. On November 6, 2004, [REDACTED] and [REDACTED] Yavapai County Sheriff's Office attended the event in an undercover capacity.

[REDACTED] observed pit bull dog owners releasing pit bull dogs on a single hog in a small roping arena. The hog almost always had their tusks cut so the dogs would not be injured. Therefore, the hog did not have any natural self-defense mechanism against the dog attack. On several occasions, they witnessed three or four pit bull dogs released at the same time on one hog. Each dog outweighed the hog by at least 20 to 30 pounds.

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When the pit bull dogs were released, the owners yelled, "Attack". The dogs raced towards the hog and bit it on the neck, shoulder, and side. The dogs bit and shook the hog until the owners intervened. The owners had to use a break stick to pry the dog's jaws apart to free the hog from the bite of the dogs. [REDACTED] saw blood

on the hog from injuries sustained from the dog bites. [REDACTED] also witnessed blood in and around the dog's mouth from biting the hog.

On November 7, 2004, [REDACTED] returned to EZ Ranch with other Yavapai County Sheriff's Deputies. Upon their arrival, they informed the gathering crowd that they had witnessed numerous crimes against animals the day before. The deputies gathered identification on the suspects and vehicles.

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On December 17, 2004, Yavapai County Sheriff's Office served a search warrant on [REDACTED] residence, which was also occupied by [REDACTED] also known as [REDACTED]. Numerous items were seized including 32 Black Russian hogs and approximately 17 dogs to include pit bull dogs.

Yavapai County Sheriff's Office also seized livestock inspection documents from [REDACTED] residence which showed hogs were possibly shipped in from Caldwell, Texas and/or Galt, California. They also seized a DVD depicting hog dog rodeo events. It appeared that the DVD was being marketed on the internet.

The DVD appeared to be a hog dog rodeo filmed at the EZ Ranch, Cordes, Arizona, in April 2004. [REDACTED] appears to be the main facilitator of the event.

On February 3, 2005, in the Justice Court of Mayer Precinct, State of Arizona, County of Yavapai, [REDACTED] was charged with 27 counts of animal cruelty. On May 23, 2005, [REDACTED] pled guilty to Count 1, Animal Cruelty, a Class 1 Misdemeanor, committed on or about April 3, 2004, and April 4, 2004, in violation of, A.R.S. subsection 13-2910(A)(3) and 13-707, 13-802, and 13-902, and Count 19, Animal Cruelty, a Class 1 Misdemeanor, committed on or about November 6, 2004, and November 7, 2004, in violation of, A.R.S. subsection 13-2910(A)(3) and 13-707, 13-802, and 13-902.

On April 1, 2005, in the Justice Court of Mayer Precinct, State of Arizona, County of Yavapai, [REDACTED] was charged with 3 counts of animal cruelty. On August 2, 2005, [REDACTED] pled guilty to Count 2, Animal Cruelty, a Class 1 Misdemeanor, committed on or about November 6, 2004, in violation of, A.R.S. subsection 13-2910(A)(3) and 13-707, 13-802, and 13-902.

On April 1, 2005, in the Justice Court of Mayer Precinct, State of Arizona, County of Yavapai, [REDACTED] was charged with 8 counts of participating in an Animal Cruelty event, a Class 1 Misdemeanor, in violation of, A.R.S. subsection 13-2910(A)(3) and 13-707, 13-802.

On April 1, 2005, in the Justice Court of Mayer Precinct, State of Arizona, County of Yavapai, [REDACTED] was charged with 28 counts of participating in an Animal Cruelty event, a Class 1 Misdemeanor, in violation of, A.R.S. subsection 13-2910(A)(3) and 13-707, 13-802.

On April 1, 2005, in the Justice Court of Mayer Precinct, State of Arizona, County of Yavapai, [REDACTED] also known as [REDACTED] was charged with 2 counts of providing an opportunity for others to participating in an Animal Cruelty event, a Class 1 Misdemeanor, in violation of, A.R.S. subsection 13-2910(A)(3) and 13-707, 13-802.

[REDACTED] was granted immunity from Yavapai County prosecution, by the Yavapai County Attorney's Office in return for [REDACTED] cooperation.

[REDACTED] Officer, Investigation and Enforcement Services, Tempe, Arizona, stated (Exhibit 2):

Blood samples were drawn from the 32 hogs that were seized from [REDACTED]'s residence. Five of the hogs tested positive for the pseudorabies virus. Pseudorabies is a viral disease most prevalent in swine, often causing newborn piglets to die. Older pigs can survive the infection, becoming carriers of the pseudorabies virus for life. Other animals infected from swine die from pseudorabies. Infected cattle and sheep can first show signs of pseudorabies by scratching and biting themselves. In dogs and cats, pseudorabies can cause sudden death.

According to an announcement by APHIS, dated December 17, 2004, the Pseudorabies Control Board declared commercial swine herds in all 50 states to be pseudorabies – free for the first time in history. However, transitional swine herds – any herd with pigs that have exposure to feral or wild pigs – have a risk of becoming infected from contact with an infected animal.

[REDACTED] stated (Exhibit 3):

[REDACTED] met [REDACTED] at the Cactus Classic dog show event in the fall of 2003. [REDACTED] liked a dog named "Titus" that was owned by [REDACTED] eventually received one of Titus' puppies from [REDACTED]

[REDACTED] told [REDACTED] that [REDACTED] would like to organize a Hog Dogging event (hog dog rodeo). However, [REDACTED] could not do it by [REDACTED] and needed help. [REDACTED] agreed to help [REDACTED] organize the event. The original agreement was as follows:

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1. [REDACTED] was to pay for all of the expenses.
2. [REDACTED] arranged for the event judges ([REDACTED], and [REDACTED] no further information). Judges were paid at the event for their traveling expenses.
3. [REDACTED] was to take care of all legal issues.
4. [REDACTED] was to help organize the event.
5. [REDACTED] would build the web page advertising the event.

Originally, [REDACTED] agreed to provide all of the funding for the event. However, as the event got closer, [REDACTED] told [REDACTED] needed help to finance the event and asked [REDACTED] to help pay some of the expenses and [REDACTED] would reimburse [REDACTED]. [REDACTED] ended up paying all of the expenses and he later asked [REDACTED] to pay 50 percent of the expenses. [REDACTED] never paid any money to [REDACTED].

[REDACTED] also convinced [REDACTED] to establish the HERITAGE CANINE HUNTING CLUB as a non-profit organization. [REDACTED] opened a bank account at a Wells Fargo bank under the name of HERITAGE CANINE HUNTING CLUB. The bank account was used to deposit entry fees and pay for event expenses.

A few weeks prior to the April 2004 event, [REDACTED] purchased 30 to 40 wild hogs from [REDACTED] Caldwell, Texas. In March 2004, [REDACTED] and [REDACTED] went to [REDACTED] house and picked up the hogs. [REDACTED] and [REDACTED] stayed at a hotel in Caldwell, Texas, called The Surrey Inn (Exhibit 4).

[REDACTED] paid [REDACTED] \$1,500 cash for the hogs when they picked them up. They loaded the hogs in a stock trailer and hauled them back to [REDACTED] residence in Arizona. [REDACTED] had also previously delivered wild hogs to [REDACTED] prior to the April 2004, event.

The Hog Dogging event was held on April 3, 2004, and April 4, 2004. [REDACTED] competed in the titling/hog catching event and the quick catch event with [REDACTED] dog Rocky. They did not sell liquor at the event, however, after [REDACTED] clarified a technicality [REDACTED] admitted that they did sell beer. None of the wild hogs were seriously injured during any of the events. However, they did kill and eat one of the wild hogs for a hog roast.

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[REDACTED] hunted wild hogs with dogs when [REDACTED] was growing up in [REDACTED]. They trained inexperienced dogs by taking them with experienced dogs on real-live hunts. [REDACTED] has been hunting one time with [REDACTED] dogs and that was with [REDACTED] on the EZ Ranch in Mayer, Arizona. To [REDACTED] knowledge, neither [REDACTED] nor [REDACTED] held a hunting license to hunt the hogs with their dogs. He is not aware of any other time that [REDACTED] had used [REDACTED] dogs for hunting wild hogs.

California, operated the video camera at the hog dogging event. [REDACTED] also made the DVDs that were produced from the April 2004, hog dogging event.

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[REDACTED] did not purchase any DVDs from [REDACTED]. Someone gave [REDACTED] a DVD of the event, however, [REDACTED] could not recall who. [REDACTED] told [REDACTED] that [REDACTED] was going to make [REDACTED] money from the hog dogging event by selling DVDs of the event.

[REDACTED] did not attend the hog dog rodeo in November 2004.

[REDACTED], stated (Exhibit 5):

He raised hog dogs and trapped feral hogs. [REDACTED] first spoke with [REDACTED] sometime in 2003 when [REDACTED] responded to an internet ad he [REDACTED] used to advertise [REDACTED] hog dogs and hogs for sale. [REDACTED] purchased two hog dog puppies from [REDACTED] sometime in 2003.

In October 2004, [REDACTED] traveled to [REDACTED] place in [REDACTED] planned to interview for a job as ranch manager at a ranch near Prescott, Arizona. [REDACTED] could not recall for certain the name of the ranch, but believed it was the EZ Ranch. [REDACTED] was supposed to introduce [REDACTED] to the owner of the ranch. The job did not work out.

[REDACTED] made the trip to Arizona in [REDACTED] Dodge Ram [REDACTED] License Plate number [REDACTED] took [REDACTED] father's stock trailer with [REDACTED] intending to purchase some cattle while in Arizona. The cattle deal fell through and [REDACTED] did not buy any cattle.

[REDACTED] reviewed the Arizona Department of Agriculture Certificate of Veterinary Inspection #198777, dated October 12, 2004 (Exhibit 6). [REDACTED] noted that the date on the form was about the time [REDACTED] made the trip to see [REDACTED] [REDACTED] could not recall seeing the certificate before today and had no idea it existed. [REDACTED] did comment that [REDACTED] had never had more than 32 hogs at one time. [REDACTED] would neither admit nor deny transporting swine to [REDACTED] from Texas.

[REDACTED] did transport approximately 10 hogs in [REDACTED] stock trailer from [REDACTED] residence in [REDACTED] to the EZ Ranch near Prescott, Arizona. [REDACTED] was not willing to discuss how the hogs got to [REDACTED] place.

The ranch was conducting hog trials (hog dogging) while [REDACTED] was there, but [REDACTED] did not watch them.

████████████████████ The Humane Society of the United States, Washington, DC, stated (Exhibit 7):

Part of ██████ job as ██████ with The Humane Society of the United States included researching the internet for web sites that advertised magazines and/or DVDs for sale that depicted animal fighting content. When ██████ found a web site that offered material for sale, ██████ attempted to purchase a copy of the material to observe the content. If the content appeared to violate the current laws, ██████ turned the material over to the appropriate law enforcement authority. ██████ did not resell the material or use it for any personal or commercial purpose

████████ made up the name of ██████ to conduct undercover work for The Humane Society of the United States, a non-profit organization. ██████ established a post office box and an email account under the name of ██████

████████ started communicating with ██████ on a hog dogging message board on the internet. ██████ noticed that the message board was advertising DVDs for sale for an event called the "Rooter Roundup".

████████ emailed ██████ on June 10, 2004, inquiring about purchasing one of the Rooter Roundup DVDs. ██████ told ██████ was supposed to be receiving a shipment any day, however, all of his DVDs were already sold and ██████ should contact ██████ provided ██████ with ██████ email address and suggested ██████ order directly from ██████ since he is the one that put the DVD together.

In June 2004, ██████ contacted ██████ by email and inquired about ordering a DVD of the Rooter Roundup. On June 13, 2004, through email, ██████ told ██████ to send a check for \$30.00 plus \$5.00 to "████████████████████" (Exhibit 8).

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████████ obtained a money order from the United States Postal Service on July 30, 2004, (Exhibit 9) and sent it to ██████. In August 2004, ██████ received a DVD from ██████ through the United States Postal Service. The package stated that ██████ mailed the DVD to ██████ from ██████ (Exhibit 10).

In October 2004, ██████ ordered another DVD from ██████ by email. On Wednesday, October 13, 2004, ██████ responded by email that ██████ would go ahead and send the DVD and cash ██████ check when ██████ received the money. On October 19, 2004, ██████ obtained a money order from the United States Postal Service (Exhibit 11) and sent the money order to ██████. In October 2004, ██████ received a second DVD from ██████ by way of the United States Postal Service (Exhibit 12). The package stated that ██████ mailed the DVD to ██████



stated (Exhibit 13):

In early 2004, [REDACTED] Sierra Vista, Arizona, approached [REDACTED] about conducting field trials for service dogs. The agreement was that [REDACTED] would provide all of the funding; set up the web page advertising the event; and obtain the location to hold the event near Sierra Vista, Arizona. [REDACTED] was just going to help [REDACTED] organize the event. In May 2004, [REDACTED] took over the [REDACTED]

[REDACTED] was unable to secure the location to hold the event at Sierra Vista, Arizona. [REDACTED] made arrangements to hold the event at the EZ Ranch, Mayer, Arizona. Funding was provided by both [REDACTED] and [REDACTED] set up the web page advertising the event.

The hog dogging event, called the Arizona Rooter Round Up, occurred on April 3, 2004, and April 4, 2004, at the EZ Ranch, Mayer, Arizona.

[REDACTED] was an employee of [REDACTED] in California. According to [REDACTED] was brought in to video tape the round up/hunt of two wild hogs that had escaped confinement on the EZ Ranch. However, to [REDACTED] surprise, [REDACTED] taped the Arizona Rooter Round Up. [REDACTED] was not responsible for making the arrangements for having the event recorded. [REDACTED] assumed that [REDACTED] made the arrangements for recording.

[REDACTED] provided [REDACTED] own equipment and operated the equipment during the recording of the event. [REDACTED] recalled that two cameras were used to record the event. [REDACTED] could not recall who operated the other camera. [REDACTED] also produced the DVDs from the video records that he made of the Arizona Rooter Round Up.

[REDACTED] was present at the event and [REDACTED] may have helped SHEARER with the video taping of the event.

After the DVDs were produced from the Arizona Rooter Round Up event, someone, he could not recall who, gave him DVDs of the event. [REDACTED] did not purchase any DVDs. [REDACTED] did not recall sending an Albertsons Money Gram for \$250 with the notation "Payment for 10 DVDs" to [REDACTED] (Exhibit 14). [REDACTED] did not recall the hand written letter addressed to [REDACTED] dated July 31, 2004, stating, "Here is the money we owed you for the DVDs. Thank you for doing such a great job on the DVD. When you can, please give us a copy of all the people who have purchased the DVD from you." (Exhibit 15). [REDACTED] also did not know who wrote the letter.

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Agent's Note: The Money Gram (Exhibit 14) contained what appeared to be the signature of [REDACTED]. The letter (Exhibit 15) also had a copy of the Money Gram receipt attached. The letter with a copy of the Money Gram receipt (Exhibit 15) contained what appeared to be the signature of [REDACTED].

[REDACTED] did not receive a list of people that had purchased DVDs from [REDACTED]. [REDACTED] did not advertise or sell any DVDs related to the Arizona Rooter Round Up.

All of the wild/feral hogs used in the Arizona Rooter Round Up were obtained from [REDACTED]. [REDACTED] did not purchase or bring any wild/feral hogs to Arizona, from Texas, specifically, [REDACTED] Caldwell, Texas.

In March 2004, [REDACTED] was at [REDACTED] residence to hunt wild/feral hogs.

The Certificate of Veterinary Inspection #86D-198777, dated March 12, 2004, (Exhibit 16) was used to transport hogs from his residence to the EZ Ranch, Mayer, Arizona. This certificate was not required to transport the hogs, however, EZ Ranch required a health certificate before they allowed any hogs on the ranch. Later [REDACTED] altered/changed original Certificate of Veterinary Inspection #86D-198777, (Exhibit 6) to reflect different dates of wild/feral hog movement from [REDACTED] place to the EZ Ranch, Mayer, Arizona. [REDACTED] did this so that [REDACTED] could keep records of the hog movement and to avoid the expense involved in obtaining new Certificates of Veterinary Inspection each time [REDACTED] wanted to move hogs.

[REDACTED] declined to be interviewed.

[REDACTED] declined to be interviewed.

[REDACTED] declined to be interviewed.

The United States Attorney's Office will make a prosecutive decision after they have reviewed the Report of Investigation.

\* \* \* \* \*

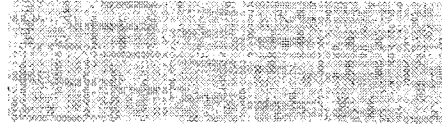
UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL -- INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA

REPORT OF INVESTIGATION

FILE NUMBER: SF-3330-2

DATE: April 29, 2003

TITLE:



CASE TYPE: Illegal Cockfighting Operation and  
Food Stamp Trafficking

"TITLE CONTINUES"

SPECIAL AGENT:



Diamond Bar, CA

APPROVED BY:



*for* DAVID F. DICKSON  
Special Agent-in-Charge

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DETAILSSECTION 597(j) CALIFORNIA PENAL CODE  
ILLEGAL POSSESSION OF GAMECOCKSECTION 10980(g) CALIFORNIA WELFARE AND INSTITUTIONS CODE  
ILLEGAL POSSESSION OF FOOD STAMP COUPONS

This investigation was initiated in response to a request made by the Humane Society of the United States (HUMANE SOCIETY) and the Napa County Sheriff's Department (NAPA SHERIFF) for USDA-OIG participation in a case regarding cockfighting in the unincorporated area of Napa, CA. The specific location was [REDACTED]. The NAPA SHERIFF had received numerous complaints concerning the property, specifically regarding illegal cockfighting activity. In addition, during an October 27, 2002, interview for a local newspaper, property manager (for the above-mentioned property) [REDACTED] told the reporter that [REDACTED] was breeding fighting cocks to sell in Mexico and that [REDACTED] had an "open door policy," inviting anyone who was curious about the property to "pay [REDACTED] a visit." Based on this information, an undercover investigation was initiated.

On November 26, 2002, the Reporting Agent (RA) and an Officer from the Galt Police Department, both acting in an undercover capacity, visited [REDACTED] (henceforth referred to as "the property") in Napa County. The agents made contact with a Hispanic male named [REDACTED] and inquired about purchasing gamecocks for fighting purposes. After sparring several gamecocks to show their fighting prowess, [REDACTED] sold the Agents one gamecock for \$150 in cash (Exhibit 1).

On December 5, 2002, the RA and two Officers from the Galt Police Department, all acting in an undercover capacity, visited the property and made contact with two Hispanic males, [REDACTED] and an individual who called himself [REDACTED] (later identified as [REDACTED]). [REDACTED] advised the Agents that his gamecocks were proven winners and from good bloodlines. After looking at numerous gamecocks, the Agents purchased one gamecock from [REDACTED] and one from [REDACTED]. The Agents paid \$250 in cash and \$130 in USDA food stamps for both gamecocks. [REDACTED] accepted the payment for the gamecocks (Exhibit 2).

On January 23, 2003, the RA and an Officer from the Galt Police Department, both working in an undercover capacity, purchased three more gamecocks from [REDACTED] a.k.a. [REDACTED]. The agents paid \$125 in cash each for the first two gamecocks and \$250 in USDA food stamps for the third gamecock (Exhibit 3).

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On February 22 and 23, 2003, a search warrant was executed at the property. Fifteen persons were arrested and 1,546 gamecocks were seized. In addition, cockfighting paraphernalia was seized, including razor sharp gaffs (knives), sparring muffs, training aids, steroids, syringes, and medical supplies (Exhibit 4).

The Napa County District Attorney's Office has accepted this case for prosecution. The District Attorney used the above-mentioned undercover transactions to establish probable cause in issuing the search warrant for the property. No charges were filed against [REDACTED] [REDACTED] was arrested subsequent to the search warrant and charges were filed against [REDACTED] for illegal possession of gamecocks, possession of fighting implements, and illegal possession of food stamp coupons (Exhibit 5). In addition, the Immigration and Naturalization Service (INS) deported [REDACTED] to Mexico. Of the fifteen subjects originally arrested, charges were filed against fourteen individuals, including [REDACTED] (Exhibit 6).

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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL -- INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA

REPORT OF INVESTIGATION

FILE NUMBER: SF-2437-2

DATE: AUG 18 2006

TITLE: [REDACTED]

CASE TYPE: Importing Prohibited Meat Food Products from Korea into the  
United States

SPECIAL AGENT: [REDACTED]

Diamond Bar, CA

APPROVED BY [REDACTED]

MICHAEL J. JANIGA  
Special Agent-in-Charge

Distribution:

3-Assistant Administrator, Office of Program Evaluation,  
Enforcement and Review, FSIS

1-Assistant Deputy Administrator, Compliance Program,  
Regulatory Programs, FSIS

1-Regional Director, Investigative and Enforcement Services, APHIS,  
Ft. Collins, CO

1 Associate General Counsel, Regulatory and Marketing, OGC

1-RIG for Audit, OIG, San Francisco

1-AIG for Investigations, OIG

1-SAC, OIG, San Francisco, CA

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not to be distributed outside your agency, nor duplicated, without  
prior clearance from the Office of Inspector General, USDA.

This investigation was initiated in response to a referral from the United States Department of Agriculture (USDA), Food Safety and Inspection Service (FSIS). FSIS alleged that

Vernon, CA 90058, imported and sold prohibited non-federally inspected meat food products in violation of the Federal Meat Inspection Act (FMIA). The investigation revealed that imported prohibited meat food products from Korea into the United States, totaling in excess of 27,000 lbs. at a cost of over \$51,000. then sold and distributed the prohibited meat food products to various markets in violations of Title 21, United States Code, Section 610 – Unlawful sale and transportation of a non-federally inspected meat food products, and Title 21, United State Code, Section 620 – Unlawful importation of a misbranded meat food products.

### DETAILS

Records reviewed by the Reporting Agent (RA) during the investigations showed the following:

On January 19, 2004, FSIS Program Investigator observed and detained approximately 109 pounds of Wang Frozen Vegetable Dumplings Hand Made, a product of Korea, which was confirmed by FSIS lab to contain pork antigens, at Mesa, AZ 85202. The product bore no mark of federal inspection and was offered for sale at the store. This product was later destroyed by under the supervision of FSIS. Records reviewed by the RA showed that sold and distributed the prohibited non-federally inspected meat food products to (Exhibit 1).

On May 13, 2004, FSIS Program Investigators and conducted a random review at

Diamond Bar, CA 91765. They observed approximately four pounds of Ottogi Beef Cream Soup packages, a product of Korea, which was confirmed by FSIS lab to contain beef antigens. The product bore no mark of federal inspection and was offered for sale at the store. This product was later destroyed by under the supervision of FSIS. Records reviewed by the RA showed that sold and distributed the prohibited non-federally inspected meat food products to (Exhibit 2).

On July 14, 2004, FSIS Program Investigators and conducted a review of Vernon, CA. They observed and detained s.(b)(6) approximately 270 pounds of Ottogi Beef Curry and Wang Oriental Style Soup Mixes, products of s.(b)(7)(C) Korea, which were later confirmed by FSIS lab to contain beef antigens. The products bore no mark of federal inspection. These products were later destroyed by under the supervision of FSIS (Exhibit 3).

On July 14, 2004, during a joint review with FSIS officials, USDA Animal and Plant Health Inspection Service (APHIS), Plant Protection Quarantine (PPQ), Smuggling Interdiction and Trade Compliance (SITC), Officer observed and detained one case of Wang Frozen Vegetable Dumplings Hand Made at The product was previously observed by FSIS official at Mesa, AZ. This product was later destroyed by under the supervision of APHIS (Exhibit 4).



Import commercial invoices, packing lists, and ingredient lists were provided by [REDACTED] to FSIS officials (Exhibit 5). Based upon the item numbers related to the above products found by FSIS, a review of the records showed that the Wang Frozen Vegetable Dumplings Hand Made product was imported under commercial invoice number KFL-03F03, dated January 24, 2003. The Ottogi Beef Cream Soup was imported under commercial invoice number KFL-03D001, dated January 27, 2003. The Wang Oriental Style Soup Mix was imported under commercial invoice number KFL-03D12, dated February 21, 2003. These products were later sold and distributed to various markets in California and Arizona (Exhibit 6).

Additional records obtained from APHIS and FSIS showed that [REDACTED] had previously violated provisions of the FMIA on three occasions, prior to 2004 (Exhibit 7). These violations involved non-federally inspected prohibited meat food products from Korea that contained pork and beef antigens, which occurred on the following dates: July 14, 2000, June 27, 2001, and July 18, 2002. Subsequently, [REDACTED] sold and distributed one of the beef food products into commerce to [REDACTED] Bellevue, WA 98006. All of these prohibited meat food products were later destroyed by [REDACTED] and [REDACTED] under the supervision of FSIS. As a result, FSIS issued a separate Notice of Warning to both [REDACTED] and [REDACTED] informing them of the violations.

On February 1, 2005, [REDACTED]  
[REDACTED]  
following in substance (Exhibit 8):

According to [REDACTED] knowledge, [REDACTED] did not import beef, pork, or chicken products. [REDACTED] knew that beef products could not be imported from Korea into the United States. He remembered that USDA discovered "soup mixes", which contained beef extracts, at [REDACTED] after they were imported from Korea into the United States. [REDACTED] knew about this incident because [REDACTED] went to pick-up or delivered import documents on one occasion and saw USDA inspectors at [REDACTED] observing the soup mixes. [REDACTED] neither remembered the date nor remembered the name of the USDA officials who were on site at the time.

[REDACTED] was shown a copy of an "EMERGENCY ACTION NOTIFICATION", dated June 27, 2001, in which a USDA inspector issued the notification to him after the inspector found 30 boxes of "Ottogi beef rice porridge" that contained beef extracts. [REDACTED] stated that [REDACTED] notified [REDACTED] at time of the prohibition and that STERICYCLE, INC., a USDA approved facility, destroyed the products.

Records obtained from [REDACTED] showed that during 2003 [REDACTED] imported Wang Frozen Vegetable Dumplings Hand Made, Ottogi Beef Cream Soup, Ottogi Beef Curry, and Wang Oriental Style Soup Mix products in various packaging sizes, totaling in excess of 27,000 lbs. at a cost of over \$51,000 (Exhibit 9).

On February 16, 2006, [REDACTED] a former employee of [REDACTED] stated the following in substance (Exhibit 10):

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knew meat and poultry food products could not be imported into the United States from Korea only because of import issues/problems that arose during employment at . believed there was some confusion at regarding USDA regulations on the percentage of meat or poultry contents in a product before they could legally be imported. said that usually consulted with their customs broker, when there were questions regarding a specific product.

remembered only two incidents, during employment at when they were visited by USDA. These two incidents involved meat food products imported from Korea that USDA found at which occurred in July 2002 and July 2004.

acknowledged that imported the meat food products from Korea into the United States. stated that he did not personally order the products. said that imported 80 percent of their food products from Korea.

The RA attempted to locate and contact , a former employee of who worked as a during the time period in which the above violations occurred, but was unsuccessful.

On April 11, 2006, stated the following in substance (Exhibit 11):

admitted that there were prior food products imported from Korea into the United States by in which there were problems because the products contained meat contents. could neither remember the specific food products that contained meat nor remember how many incidents of prior import violations. knew generally that meat and poultry food products from Korea could not be imported from Korea. "It was common sense," said.

also admitted that and its employee had made a mistake by importing the food products from Korea, which contained beef and/or pork content. However, believed that it was "not a willful mistake."

asked the RA if it was possible to settle the case "out of court" with USDA and how much the penalty will be. It was explained to that it was up to the United States Attorney's Office (USAO) to make the decision later when the investigation is completed. was told that the RA could not promise or guarantee anything and that cooperation will be brought to the attention of the Assistant United States Attorney. was told that it would be best to consult with attorney and discuss the matter with the USAO later if desires to settle the case out of court.

On June 7, 2006, the above case was referred to the USAO, Central District of California, Los Angeles, CA for criminal prosecution and was declined due to lack of prosecutive resources.

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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA



## REPORT OF INVESTIGATION

**FILE NUMBER:** SF-2435-7

**DATE:** December 17, 2007

**TITLE:**



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**CASE TYPE:** Poultry Products Inspection Act Violations

**SPECIAL AGENT:**

San Francisco, California

**APPROVED BY**

JAMES L. MENDENHALL  
Special Agent-in-Charge

**Distribution:**

- 1-Assistant Administrator, Office of Program Evaluation, Enforcement and Review, FSIS
- 1-Administrator, Grain Inspection, Packers and Stockyards, GIPSA
- 1-Associate General Counsel, Regulatory and Marketing, OGC
- 1-Regional Attorney, OGC, San Francisco, CA
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SYNOPSIS

This investigation was conducted to determine if [REDACTED] was slaughtering chickens at an uninspected facility and selling the processed chickens in commerce, in violation of the provisions of the Poultry Products Inspection Act (PPIA).

The investigation determined that [REDACTED] was not slaughtering chickens at any location. [REDACTED] raised chickens and sold them live to individuals who slaughtered the chickens at their residences for their use.

As a result of this investigation, [REDACTED] changed [REDACTED] business practice and substantially reduced the live chicken sales in favor of legally processed chicken sales.

DETAILS

On November 2, 2005, Alameda County Vector Control received a complaint alleging chicken slaughter occurring at a residence located at [REDACTED] Alameda Health Care Services, visited [REDACTED] on November 4, 2005 and November 15, 2005, and found no chickens present on either date (Exhibit 1). On November 18, 2005, [REDACTED] observed live chickens being taken into the [REDACTED] residence kitchen. Live chickens were in boxes on the back porch of the residence.

On November 30, 2005, [REDACTED] revisited the address and identified [REDACTED] to an unknown Asian female who was working in the backyard. Live chickens were present in boxes and cages. The unknown Asian female offered [REDACTED] a live chicken to purchase for \$6 and \$2.50 to slaughter the chicken for [REDACTED] left the scene and completed a report of [REDACTED] findings and observations (Exhibit 2). [REDACTED] office referred the case to California Department of Food and Agriculture, Meat and Poultry Inspection Branch (CDFA).

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Between January 18, 2006, and May 14, 2006, two CDFA Investigators conducted surveillance of the [REDACTED] residence. Alameda County records identified the owner of the residence as [REDACTED] These records also showed [REDACTED] as owner of the residence next door, [REDACTED] Both residences shared the same driveway. California Department of Motor Vehicle records showed that [REDACTED] resided at [REDACTED]

The CDFA Investigator's surveillance revealed an established routine whereby two trucks left a ranch located at [REDACTED] early in the morning and arrived at [REDACTED] residence around 5 a.m. Upon arrival at [REDACTED] residence, several vehicles met the trucks and off-loaded vegetable boxes into their vehicles and departed the area. The Investigators discovered that the vegetable boxes actually contained live chickens. They were able to follow the live chickens to three additional [REDACTED] residences that were in close proximity of [REDACTED] residence.

They also observed slaughtered chickens being picked up at the [REDACTED] location.

CDFA Investigators followed a vehicle from one of the other identified [REDACTED] residences to a local market, [REDACTED] Oakland. There they observed the driver deliver an undetermined number of slaughtered chickens packed in vegetable boxes. Investigators also followed a vehicle from a residence located at [REDACTED] to two restaurants located in San Francisco: [REDACTED] and [REDACTED]. The investigators observed and documented the delivery of vegetable boxes containing an undetermined number of processed chickens to the two restaurants.

On June 9, 2006, OIG agents conducted a surveillance operation at [REDACTED]. The surveillance operation determined that chickens were not being slaughtered at this location. Live chickens were observed being placed in vegetable boxes and loaded onto two trucks. The live chickens were then transported from this location to [REDACTED] residence. Upon arrival at [REDACTED] residence, the trucks were met by numerous unknown individuals who picked up the vegetable boxes containing live chickens and departed the area.

On August 11, 2006, [REDACTED] and [REDACTED] were interviewed following the delivery of live chickens to his residence (Exhibit 3). [REDACTED] stated that [REDACTED] had been in the chicken business for over 20 years. [REDACTED] purchased chicks from [REDACTED] and raised them at the facility located at [REDACTED]. [REDACTED] sold approximately 4,000 to 5,000 live chickens per month to local individuals. [REDACTED] did not sell live chickens to businesses or restaurants. [REDACTED] did not know if any of [REDACTED] customers sold chickens to restaurants or other retail establishments. [REDACTED] did not slaughter chickens, other than for [REDACTED] own use.

[REDACTED] further stated that [REDACTED] neighbor [REDACTED] purchased 400 to 500 live chickens per week from [REDACTED] slaughtered the chickens at [REDACTED] house and sold them to local individuals. Another neighbor, [REDACTED] purchased 300 to 500 live chickens per week from [REDACTED] slaughtered the chickens at the residence location. [REDACTED] did not know to whom [REDACTED] sold [REDACTED] chickens.

Agent's Note: [REDACTED] refused to be interviewed.

[REDACTED] said (Exhibit 4) that [REDACTED] purchased about 30 live chickens three to five times a week from [REDACTED]. Some of the chickens were for [REDACTED] personal use, but most were sold to other people. [REDACTED] did not know it was illegal to sell slaughtered chickens to other people. [REDACTED] agreed to voluntarily destroy the chickens [REDACTED] had recently slaughtered in [REDACTED] basement.

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██████████ said (Exhibit 5) that ██████████ had been purchasing 25 or 30 live chickens twice weekly from ██████████ for about two years. ██████████ slaughtered the chickens at ██████████ residence for use by only his family and friends. ██████████ knew that the slaughtered chickens could not be sold to anyone. ██████████ did not know what ██████████ family and friends did with the slaughtered chickens they got from ██████████

Agent's Note: ██████████ advised during ██████████ interview that ██████████ purchased approximately 50 live chickens per week.

██████████ said (Exhibit 6) that ██████████ purchased 30 to 40 live chickens per week from ██████████ for the past year. ██████████ purchased the live chickens for ██████████ own use and for neighbors and friends. ██████████ did not know if any of his neighbors, friends, or family had a restaurant or business where they sold the chickens ██████████ killed for them.

██████████ was shown photographs of an unknown Asian female. The woman was unloading vegetable boxes containing processed chickens at two different ██████████ located in San Francisco. ██████████ identified the Asian female in the photographs as ██████████

██████████ said ██████████ used ██████████ Toyota pickup to deliver chicken for ██████████. ██████████ paid ██████████ \$20 to deliver the chickens to the restaurants. ██████████ picked up the vegetable boxes containing the processed chickens at ██████████ residence. ██████████ did not know where ██████████ slaughtered the chickens that ██████████ delivered.

Agent's Note: ██████████ said that ██████████ purchased approximately 300 live chickens per week.

██████████ said (Exhibit 7) that ██████████ was ██████████ knew about the chicken deliveries to ██████████ because ██████████ family talked about it often. ██████████ parents, ██████████ got started delivering chickens to the restaurants when they started killing chickens at their home. They used to deliver the chickens they killed at their home to the restaurants, but no longer did so. The chickens they now deliver were from ██████████, and were already killed and packed. ██████████ knew ██████████ as the owner of the farm where the chickens came from. ██████████ brought the killed chickens to ██████████ house, and ██████████ parents picked them up there.

██████████ was asked about two ██████████ checks made out to ██████████ and "██████████" (Exhibit 8). ██████████ did not know why the checks were made out to ██████████ and ██████████. The checks could have been for chickens ██████████ killed and were delivered to the restaurant.

██████████ said (Exhibit 9) that the restaurant had been purchasing chicken from ██████████ for seven years. ██████████ was their only source of chicken. The most recent chicken deliveries were in waxed containers with a label (Exhibit 10) affixed identifying the name

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The label also contained the language "Eviscerated Poultry Processed Under USDA Exemption Permit No. 8107". [REDACTED] made out the payment check to either [REDACTED] depending what [REDACTED] was told by the delivery person.

[REDACTED] provided copies of the check register and corresponding checks for [REDACTED] for the period October 25, 2004 through December 12, 2006 (Exhibit 11). These records showed that the two restaurants purchased \$158,400 worth of chicken on 116 occasions with the payment checks made out to [REDACTED]. These records also showed that three checks totaling \$3,260 were made out to [REDACTED] and [REDACTED] did not know why checks were made out to [REDACTED].

[REDACTED] said (Exhibit 12) that she had purchased whole processed chickens from [REDACTED] for about a year. [REDACTED] store sold up to 1,000 processed chickens a month. The chickens were delivered in vegetable boxes, which were thrown away. [REDACTED] did not know where the chickens were killed, but [REDACTED] told [REDACTED] they were "cleaned by machine".

[REDACTED] provided a box label, invoice, and payment check for the most recent delivery from [REDACTED] (Exhibit 13).

[REDACTED] said (Exhibit 14) that he had sold live chickens to [REDACTED] for over 20 years. [REDACTED] sold [REDACTED] the chicks, and [REDACTED] raised the chickens at his facility in [REDACTED]. As the business grew, [REDACTED] needed more room for [REDACTED] chickens. [REDACTED] did not have any extra capacity in [REDACTED]. About five years ago, [REDACTED] leased, and eventually purchased, the ten acre facility located at [REDACTED]. [REDACTED] moved [REDACTED] operation to this location about the same time. [REDACTED] currently had about 25,000 chickens at the facility. [REDACTED] thought [REDACTED] sold between 8,000 and 12,000 live chickens monthly in Oakland. No slaughtering took place at the Tracy facility.

[REDACTED] said that [REDACTED] purchased chicks from [REDACTED]. The chicks were vaccinated and "debeaked" before they were turned over to [REDACTED]. [REDACTED] paid a deposit on the chicks when they were put on feed and a final payment when the chickens were removed from the barn. [REDACTED] paid for all the expenses in raising the chickens for [REDACTED].

[REDACTED] in a subsequent interview, said (Exhibit 15) that [REDACTED] had sold only live chickens to [REDACTED]. Following the investigation in August 2006, [REDACTED] no longer transported live chickens to Oakland. [REDACTED] requested that the live chickens be sent to [REDACTED] for processing. Chickens that previously were transported to Oakland by [REDACTED] were now being shipped to [REDACTED] three times a week. [REDACTED] contacted [REDACTED] son, [REDACTED] with directions on the number of chickens to be shipped to [REDACTED].

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Once [redacted] delivered the chickens to [redacted] his involvement with the chickens ended.

[redacted] said that [redacted] had no affiliation with [redacted] [redacted] came up with the name when they started sending the chickens to [redacted] [redacted] had received checks made out to [redacted] from [redacted] customers for a long time. It was [redacted] way to get [redacted] the final payment [redacted] was due for the chickens.

[redacted] said (Exhibit 16) that [redacted] contacted [redacted] in September 2006 and asked if [redacted] had the capability to do custom processing for [redacted] business, [redacted] did some processing trials and cost analyses and determined they would do the business. [redacted] was a federally inspected facility that processed different species of fowl for its co-operative members. [redacted] had an exemption to the PPIA for processing fowl "Buddhist Style".

Agent's Note: "Buddhist Style" processing leaves the feet and head attached to the eviscerated bird.

[redacted] said that [redacted] delivered [redacted] chickens to [redacted] three times weekly. These chickens were processed the following day and immediately picked up by [redacted] All [redacted] chickens were processed "Buddhist Style", chilled, and packed 16 per box. [redacted] affixed a box label (Exhibit 10) identifying [redacted] as the source of the chickens.

[redacted] estimated that [redacted] processed an average of 3,500 chickens per week. [redacted] charged [redacted] a flat-rate for the processing, chilling, and packing. [redacted] always paid on time. [redacted] was happy with their relationship.

[redacted] and [redacted] in a subsequent interview, said (Exhibit 17) that [redacted] had been considering ending [redacted] live chicken business for some time, but [redacted] decision was hastened by the August 2006 investigation. [redacted] eventually signed a five year contract with [redacted] to process [redacted] chickens.

[redacted] said (Exhibit 17) that most of the live chicken customers stayed with [redacted] when [redacted] changed to the processed chickens. [redacted] told [redacted] [redacted] could no longer "clean chickens at her house", so [redacted] stopped selling [redacted] live chickens. [redacted] bought fewer processed, than live, chickens from [redacted] Another customer, [redacted] no longer bought chickens from him. It was difficult for [redacted] to get [redacted] customers to change from live to processed chickens. Some small customers still wanted live chickens. [redacted] still brought 200 to 300 live chickens to Oakland per week for customers who wanted them for their own use.

[redacted] said that [redacted] handled the communication and contracts for [redacted] business, [redacted] had been in existence for over 20 years. [redacted] had a five year agreement with [redacted] to process chickens.

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██████████ said ██████████ never sold processed chickens to either ██████████  
██████████ in San Francisco. ██████████ was a  
customer's account. ██████████ told his customers he wanted cash or a check made out to '██████████'  
██████████'. ██████████ turned the checks over to ██████████ as payment for the chickens. ██████████ did  
not know if or where ██████████ customers sold the chickens they purchased from ██████████ Prior to  
processing his chickens at ██████████, ██████████ never sold a processed chicken to anyone.

An Assistant United States Attorney, Northern District of California, Oakland, California,  
declined to pursue this case for criminal prosecution.

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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL -- INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA

REPORT OF INVESTIGATION

FILE NUMBER: SF-2435-4

DATE: February 9, 2001

TITLE:

Bakersfield, CA 93309

CASE TYPE: Distribution of Adulterated Product

"TITLE CONTINUES"

SPECIAL AGENT:

San Francisco, CA

APPROVED BY:

DAVID F. DICKSON  
Special Agent-in-Charge

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TITLE CONTINUED

[REDACTED]  
Bakersfield, CA 93309

[REDACTED]  
Bakersfield, CA 93312

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SYNOPSIS

This investigation was conducted to determine if [REDACTED] and [REDACTED] violated provisions of the Poultry Products Inspection Act and the Federal Meat Inspection Act. The investigation determined that [REDACTED] and [REDACTED] caused USDA commodity poultry and meat products to become infested and damaged by rodents. The adulterated USDA commodities were delivered to school cafeterias for use in the National School Lunch Program.

BACKGROUNDPartners in Nutrition Cooperative (PINCO)

PINCO is a conglomeration of 37 California school districts that joined together in May 1988 under a Joint Powers Agreement to form a purchasing association on behalf of their food service departments. PINCO is a legal entity designed to operate as a USDA commodity purchasing, processing, and storage cooperative. The operational authority of the organization rests with the lead district, Antelope Valley Union High School District, Lancaster, California. The lead district handles all administrative and financial obligations of PINCO. The PINCO Advisory Committee, comprised of one representative from each member district, advises the lead district. Since 1988, membership in PINCO has ranged from 27 to 48 school districts.

The purpose of PINCO is to maintain the direct shipment of USDA commodities authorized by the California Department of Education (CDE), Office of Food Distribution, to one location. Combining the Average Daily Participation (ADP), or the number of meals served at each member district, allows the direct shipment of carload or truckload quantities of USDA point-of-purchase commodities to PINCO or to further processors. The ADP is used to calculate the number of cases, or "fair share," of USDA commodities or finished end products allocated to each member district. Further processing utilizes more than one USDA commodity to create one or more finished end products. Combining the ADP totals of member districts also allows PINCO to maximize each school district's lunch program purchasing power by obtaining a price-break by buying and processing food in large quantities.

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[REDACTED] in 1993 and served as [REDACTED] management offices were located at [REDACTED] Bakersfield, California. [REDACTED] maintained three warehouses: two in Bakersfield and one in Oakland, California. [REDACTED] at the [REDACTED] facilities, was responsible for the day-to-day operation of those warehouses, including sanitation and pest control. [REDACTED] was responsible for all aspects of the warehouse operation, including sanitation and pest control.

\_\_\_\_\_ was instrumental in the formation of PINCO. \_\_\_\_\_ and \_\_\_\_\_ company, \_\_\_\_\_ were contracted to PINCO for the receipt, storage, and delivery of USDA commodity food items used by member school districts in their meal programs. \_\_\_\_\_ warehouses provided frozen and dry storage for PINCO members located in south-central and northern California.

The largest portion of the PINCO food program that \_\_\_\_\_ managed consisted of USDA donated commodities. Truckload quantities of commodities were delivered to \_\_\_\_\_ warehouse directly from the vendor. As part of its management service, \_\_\_\_\_ allocated the fair share of the commodities to each PINCO member school district and maintained their inventories. Each PINCO member's fair share would either remain in storage at a \_\_\_\_\_ warehouse or be sent to a further processor for conversion into another food item. PINCO member school districts planned their meal programs based on their inventories and made food orders directly to \_\_\_\_\_. \_\_\_\_\_ was also contracted by PINCO to deliver the food items. \_\_\_\_\_ maintained a fleet of refrigerated trucks to deliver food orders to specific schools within each PINCO member district.

#### Applicable Statutes

1. Poultry Products Inspection Act - Title 21, United States Code, Sections 451, et seq.
2. Federal Meat Inspection Act - Title 21, United States Code, Sections 601, et seq.

The Poultry Products Inspection Act (PPIA) and the Federal Meat Inspection Act (FMIA) were enacted by Congress to assure that poultry and poultry food products, including turkey products, and meat and meat products that are distributed to the public are wholesome, non-adulterated, and properly marked, packaged, and labeled.

All articles and animals regulated under the Acts are either in interstate or foreign commerce, or substantially affect such commerce (21 U.S.C. Sections 602 and 451). However, effective April 1976, pursuant to section 5(c) of the PPIA and section 301(c) of the FMIA, California was designated as a state in which the requirements of sections 1-4, 6-10, and 12-22 of the PPIA (21 U.S.C. Sections 451-453, 455-459, and 461-467D) and Titles I and IV of the FMIA (21 U.S.C. Sections 601-624, and 671-680) apply to operations and transactions wholly within the state (Title 9, Code of Federal Regulations, Sections 331.2 and 381.221).

#### DETAILS

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On March 21, 1997, USDA's Food Safety and Inspection Service, District Enforcement Operations (Compliance) initiated an inquiry of \_\_\_\_\_ regarding alleged regulatory violations. Although \_\_\_\_\_ is not a federally inspected facility, USDA inspected meat and poultry products used in the National School Lunch Program were suspected of becoming adulterated in storage at \_\_\_\_\_ and then shipped by \_\_\_\_\_ to participating schools. Sufficient evidence was gathered for Compliance to prepare separate Reports of Apparent Violation on \_\_\_\_\_ for the \_\_\_\_\_ facilities and for \_\_\_\_\_ operation.

USDA's Office of the General Counsel referred the Compliance reports on [REDACTED] to two judicial districts of the U.S. Department of Justice for consideration of criminal prosecution (the Eastern District of California in Fresno and the Northern District of California in Oakland).

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In preparation for possible criminal prosecution relating to the [REDACTED] operation, the Eastern District requested additional investigation from the Office of Inspector General. Information developed during the OIG investigation was provided directly to the Assistant United States Attorney (AUSA) assigned to the case. On November 9, 2000, a federal grand jury in Fresno returned an indictment against [REDACTED] for Offering Adulterated Food for Sale or Transportation (Exhibit 1).

An AUSA for the Northern District of California has advised that [REDACTED] will seek an indictment of [REDACTED] for violations of the PPIA and FMIA relating to the [REDACTED] operation.

\* \* \* \* \*

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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL – INVESTIGATIONS  
WESTERN REGION  
SAN FRANCISCO, CALIFORNIA

REPORT OF INVESTIGATION

FILE NUMBER: SF-801-520

DATE: JUL 26 2006

TITLE: Unidentified Subjects  
San Diego County

CASE TYPE: Employee Misconduct

SPECIAL AGENT: [REDACTED]  
San Diego, CA

APPROVED BY: [REDACTED]  
MICHAEL J. JAMIGA  
Special Agent in Charge

Distribution:

1-Director, Law Enforcement and Investigations, FS  
1-Director, Personnel Policy and Partnership Division, OHRM  
1 Associate General Counsel, Legislation, Litigation, and  
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### SYNOPSIS

In June 2005, [REDACTED], a recreational cabin owner on the Cleveland National Forest, sent a letter to the United States Department of Agriculture – Office of Inspector General (USDA-OIG) alleging misconduct involving United States Department of Agriculture Forest Service (USDA-FS) personnel. [REDACTED] alleged that USDA-FS employees engaged in criminal behavior against [REDACTED]. All USDA FS personnel interviewed during the course of this investigation denied any wrongdoing by the USDA-FS.

This case was declined for prosecution by the United States Attorney's Office.

### BACKGROUND

There are 330 recreation residences located within 16 recreation residence tracts on the Cleveland National Forest -- 4 tracts with a total of 85 lots on the Trabuco Ranger District and 12 tracts with a total of 245 lots on the Descanso Ranger District. Those who own the Recreation Residences (holders) own only the improvements situated on the land. The land itself belongs to the United States and is managed by the Forest Service. Use of the land for this particular use (Recreation Residence) is granted via Special-Use Permits. Special-Use Permits for this use are issued for terms up to 20 years. There is no guarantee that a new Special-Use Permit will be reissued at the end of the stated term.

Permit holders are subject to two annual inspections. One fire inspection to ensure that the residence meets fire safety requirements and one permit inspection to ensure that the permit holders are in compliance with the terms of the Special-Use Permit.

Some of the more important conditions included in Recreation Residence Permits are as follows:

1. Special-Use Permits for Recreation Residences are for recreation use only. They may not be used for one's primary place of residence. A holder must have a home elsewhere.
2. Commercial use of or conducting business from a Recreation Residence is prohibited.
3. The area covered by the Special Use Permit, including the improvements, must be maintained in good repair. Improvements are inspected periodically to insure compliance with the terms of the Special-Use Permit.
4. Observance of all applicable Federal, State, and County laws and ordinances is a condition of the Special-Use Permit.
5. Holders pay an annual rental fee for the privilege of using the area covered by the Special-Use Permit.



DETAILS

On September 14, 2005, Reporting Agent (RA) and Assistant Special Agent-in-Charge interviewed [redacted] at their recreational cabin. During the interview, [redacted] related the following:

In 1999, [redacted] purchased Cabin [redacted] located at [redacted] have owned the residence for [redacted] years and understand that the house is their property and the land is property of the USDA-FS. They pay \$1,300 per year for the permit. The contract is for a 20 year lease which expires in [redacted] former [redacted] did not provide [redacted] any manual or guidance when [redacted] signed the agreement. [redacted] owned the cabin for three and a half months before [redacted] got the USDA-FS agreement.

Initially, the [redacted] had no problems with USDA-FS, although the former USDA-FS [redacted] once made a comment that cabin owners are rich people who enjoy a right that others cannot afford. [redacted] reported this incident to the [redacted] feels this may have been the reason [redacted] later had so many problems with the USDA-FS.

In 2002, [redacted] received an envelope through the U.S. Postal System, containing small pieces of trash with [redacted] personal information. The envelope was from the USDA-FS, Descanso Ranger District, Alpine, CA. [redacted] said [redacted] still had the envelope and its content and would provide it to RA.

Agent's Note: In a letter to RA, dated September 21, 2005, [redacted] stated that [redacted] would not provide RA with the documents due to the fact that USDA-OIG was not pursuing a criminal investigation against USDA-FS Personnel.

After that incident, [redacted] had a verbal agreement with the previous I [redacted] that USDA-FS would contact [redacted] before conducting any inspections on his property. [redacted] stated that the USDA-FS has acknowledged this agreement.

On June 9, 2004, [redacted] noticed several cars near [redacted] residence, one was a sheriff vehicle. [redacted] met a USDA-FS officer in the driveway and asked why they were there. The officer told [redacted] they were there to do a fire inspection. The officer told [redacted] that [redacted] had no rights to have chains across the driveway. [redacted] told the officer that [redacted] had not been notified that they were coming to do an inspection. [redacted] did not recall all that was said during [redacted] encounter with the officer, but that the officer kept telling [redacted] had no rights. There were five to seven cars surrounding the residence. The USDA-FS officer was a female with

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She could not recall the officer's name but it was not a common name. She had seen the officer drive by the residence recently.

The [redacted] have spent a year trying to address the problem administratively. No one seems to understand the problem or will admit that there was a problem. The USDA-FS can not see that they were wrong to bring the armed officers to the cabin. [redacted] stated that [redacted] and [redacted] have been emotionally damaged by the event and that a financial settlement "would help with emotional healing." [redacted] feels that the USDA-FS has singled [redacted] out.

[redacted] was due for another inspection in June 2006.

On October 19, 2005, RA interviewed [redacted] USDA-FS [redacted] Cleveland National Forest. [redacted] related the following (Exhibit 1):

As a [redacted] it was [redacted] duty to inspect all recreational residences within the Descanso District. There are two other [redacted] and they usually split the cabins among the three technicians. During the fire inspections, they check to make sure the cabins have a 100 ft. clearance, there is no debris on the roof and no limbs near the chimney, that there is no brush near the propane tank and that the cabin number is visible.

On May 28, 2004, [redacted] conducted a routine fire inspection at [redacted] [redacted] could not access the cabin because the drive way was chained and locked. [redacted] could almost do the inspection from the cabin next door, but could not see one side of the cabin. [redacted] started to walk by the garage to see the other side. As soon as [redacted] stepped a few feet closer, [redacted] came out of [redacted] cabin. In a loud and stern manner, [redacted] asked who [redacted] was and what was [redacted] doing on [redacted] property. [redacted] said that no one had the right to do any inspections on [redacted] property without an appointment. [redacted] apologized and stated that [redacted] was just doing the yearly fire inspection. [redacted] further explained that [redacted] did not make appointments with owners to do fire inspections. [redacted] agreed to check with the office and explained that the permit states that regular inspections are required. [redacted] told [redacted] to leave and stated that [redacted] needed an appointment to do anything on [redacted] lot. [redacted] tried to explain the fire law and complete the inspection, but [redacted] didn't want to listen. [redacted] stated that [redacted] would sue the Forest Service and [redacted] personally if [redacted] did not leave [redacted] property. [redacted] was very rude and intimidating so [redacted] left the property.

Once [redacted] arrived back at the office, [redacted] wrote an incident report and called the Forest Service law enforcement office. [redacted] made arrangements to go back to the property with law enforcement officers. This is standard procedure if there are problems or the resident threatens a Forest Service employee.

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had never been asked to leave a cabin during an inspection. Usually, the owners are not home, and if they are then [redacted] would knock and let them know [redacted] was conducting an inspection.

In June 2004, [redacted] returned to the residence with Forest Service law enforcement officers. There were three law enforcement officers, a county sheriff and [redacted]. The sheriff's officer was parked on the road leading to the cabin. [redacted] USDA-FS Law Enforcement Officer, drove up to the front of the cabin and parked. The other two officers parked near the garage and walked up, but stayed a distance from the cabin.

[redacted] told the law enforcement officer that [redacted] just wanted to finish [redacted] inspection as [redacted] had planned. [redacted] entered the cabin property from the neighboring cabin property and completed [redacted] inspection. [redacted] then notified the law enforcement officers that [redacted] inspection was complete. [redacted] did not see [redacted] on this occasion. As [redacted] was leaving, [redacted] came out and spoke with Officer [redacted]. [redacted] did not hear any of the conversation between M. [redacted] and Officer [redacted].

On December 13, 2005, RA interviewed [redacted] USDA-FS Law Enforcement Officer, Cleveland National Forest. [redacted] related the following (Exhibit 2).

As a Law Enforcement Officer, it was [redacted] duty to enforce all laws on the Cleveland National Forest. [redacted] frequently patrolled areas around the forest and responded to calls for assistance from other USDA-FS employees.

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[redacted] first contact with [redacted] was in June 2004. [redacted] was asked to assist fire prevention with a fire inspection at the [redacted] cabin located on [redacted]. Due to a previous incident, the fire prevention officer did not want to conduct the inspection alone. Since [redacted] was the only law enforcement officer on duty in the area, [redacted] responded to the request for assistance. Another officer, [redacted] heard that [redacted] was going to the [redacted] property and said [redacted] would back [redacted] up. Officer [redacted] had encountered [redacted] in the past and said [redacted] could be very aggressive. There was also a [redacted] patrolling the area who offered [redacted] assistance.

[redacted] approached the cabin while the fire prevention officer finished [redacted] inspection. [redacted] knocked on the door to let them know USDA-FS were there to do an inspection. Since there had been a problem earlier, [redacted] wanted to let them (the [redacted]) know they were on the property. [redacted] came out of the cabin. She tried to keep [redacted] focused on [redacted] while the prevention officer did [redacted] inspection. [redacted] did not recall the specific details of the conversation, but explained to [redacted] that they were conducting a fire inspection, and although the [redacted] owned the structure, the Forest Service owned the land and had the right to be on the land for the purpose of the

inspection. [REDACTED] was very angry. Again, [REDACTED] did not recall exactly what was said, but [REDACTED] believed she would have continued to tell [REDACTED] that USDA-FS had the right to be on the property. As far as she was concerned, it was not an issue; USDA-FS had to conduct a fire inspection and had every right to be on the property at anytime to conduct those inspections. The inspection took no more than 15 minutes.

Law Enforcement Officers [REDACTED] and [REDACTED] were attending a meeting in the area. After the meeting, they came to the [REDACTED] cabin to assist. [REDACTED] and [REDACTED] stayed toward the back of the residence, near the garage and did not have any contact with [REDACTED]

[REDACTED] has not had any contact with [REDACTED] since that incident.

On October 19, 2005, RA interviewed [REDACTED] Cleveland National Forest. [REDACTED] related the following (Exhibit 3).

As [REDACTED], it is [REDACTED] duty to inspect all 245 recreational cabins for compliance with Forest Service regulations. [REDACTED] checks to make sure that they are painted correctly, that there are no extra vehicles on the property, etc.

[REDACTED] met [REDACTED] in August of 2002 when [REDACTED] conducted [REDACTED] first recreational use permit inspection of [REDACTED] cabin which is located at [REDACTED]. [REDACTED] sat at the picnic table and watched as [REDACTED] and [REDACTED] inspected the area around the cabin. [REDACTED] and I [REDACTED] made small talk. There were no problems.

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The [REDACTED] had been notified prior to the inspection that they would be on the property. Generally, USDA-FS does not notify residents of the inspection, but due to a previous incident involving trash on the road, [REDACTED] had been instructed by the [REDACTED] to notify [REDACTED] prior to any inspection. The residents are normally not at home when the inspection takes place. [REDACTED] could do the inspection without disturbing the residents.

In 2003, [REDACTED] conducted another inspection of the property without incident. [REDACTED] did not believe the [REDACTED] were at home at the time of the inspection.

During the 2004 inspection, [REDACTED] came down from the cabin appearing very nervous. [REDACTED] said "my [REDACTED] is in the cabin." At that point, [REDACTED] had completed the inspection of the cabin. [REDACTED] further stated "my [REDACTED] gets upset at the Forest Service." [REDACTED] explained to [REDACTED] about the arroyo toad issue and told [REDACTED] it was okay to do the work they had requested. [REDACTED] accompanied [REDACTED] as [REDACTED] conducted the inspection. Then, [REDACTED] came out of the cabin. [REDACTED] stood on the porch with [REDACTED] hands in [REDACTED] pockets. [REDACTED] told [REDACTED] to leave or he would have [REDACTED]

arrested. The manner in which [redacted] spoke frightened [redacted]. [redacted] didn't know what [redacted] would do if [redacted] responded so [redacted] left.

[redacted] has worked with people in the forest for many years and has never felt threatened like [redacted] did with [redacted] told [redacted] husband "she is just trying to do [redacted] job." In [redacted] opinion, [redacted] was nervous because of [redacted]'s behavior, not because there were Forest Service employees on the property.

In 2005, [redacted] conducted a joint inspection with Fire Prevention. [redacted] attempted to contact the [redacted] to schedule the inspection once via telephone, and sent two certified letters; one to [redacted] cabin, which was refused and one to an alternate address in [redacted] which was undeliverable. Because [redacted] was unable to contact [redacted] went ahead and conducted the inspection. There was no incident and it appeared that no one was in the residence during the inspection.

[redacted] has not had any contact with [redacted] outside of these inspections.

On December 13, 2005, RA interviewed [redacted] USDA-FS Law Enforcement Officer, Cleveland National Forest. [redacted] related the following (Exhibit 4).

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[redacted] first encountered [redacted] after the Cedar fire in October 2003. The USDA-FS had closed [redacted] for safety, however, [redacted] insisted on going up the road. After [redacted] encounter with USDA-FS fire personnel, [redacted] went to the [redacted] cabin and asked for [redacted] [redacted] answered and said that [redacted] was busy. [redacted] explained to [redacted] that the fire personnel were just doing their job and explained to [redacted] that interfering with a federal officer was punishable by a citation, a \$5,000 fine or six months in jail. Although [redacted] could not see [redacted] believed [redacted] was in the cabin at the time.

Sometime in June 2004, [redacted] heard that [redacted] was going to accompany Fire Prevention to the [redacted] cabin to do their annual fire inspection. Given [redacted] previous encounters with the fire personnel, [redacted] was aware that [redacted] could be very aggressive with USDA-FS personnel. [redacted] went to the property to assist Officer [redacted] and Officer [redacted] were returning from a meeting in the area; he was wearing civilian clothes and Officer [redacted] was wearing [redacted] USDA-FS uniform. [redacted] and [redacted] parked in the rear of the residence approximately 20 yards from the cabin. [redacted] could hear [redacted] saying "you can't be here" and "you can't do that." [redacted] could not hear what Officer [redacted] was saying. It appeared that [redacted] was very angry. The conversation appeared to be somewhat heated.

While Officer [redacted] was talking to [redacted] a [redacted] drove by the cabin. The [redacted] stopped in front of the residence on Pine Creek road and waited until the inspection was completed. In

total, there were four USDA-FS employees, Officer [REDACTED] Officer [REDACTED] Officer [REDACTED] and the Fire Prevention officer, at the residence. There were five (four) USDA-FS vehicles at the cabin.

[REDACTED] and [REDACTED] were at the location for about 10-15 minutes and left without incident. During the inspection, [REDACTED] had no contact with [REDACTED] and [REDACTED] stayed by their vehicle the entire time. [REDACTED] has had no contact with [REDACTED] since that incident.

On January 23, 2006, RA interviewed [REDACTED] USDA-FS Law Enforcement Officer, [REDACTED]. During the interview, [REDACTED] related the following (Exhibit 5).

On June 9, 2004, [REDACTED] was working in the Descanso district. Either [REDACTED] or [REDACTED] did not recall which one, asked [REDACTED] to accompany them on a special use permit check. Both [REDACTED] and [REDACTED] told [REDACTED] they had prior incidents with the owner, [REDACTED]. According to them both, [REDACTED] had a problem with the Forest Service in general and that behavior was unpredictable.

[REDACTED] proceeded to the residence with [REDACTED] and [REDACTED]. As they approached, a sheriff's unit came by the residence. [REDACTED] did not know if the unit was requested although they both spoke with the officer. [REDACTED] and [REDACTED] parked their vehicles at the end of the driveway and walked up toward the residence, staying approximately 25 yards away. [REDACTED] made contact with a [REDACTED] at the residence. It seemed that [REDACTED] and the [REDACTED] were having an intense discussion. The conversation started out at a normal tone, but then became somewhat elevated. Although the conversation was elevated, it never escalated to yelling. While [REDACTED] was speaking with the [REDACTED] was watching for animals or any other possible threats to [REDACTED] or the other officers. Officer [REDACTED] told [REDACTED] that [REDACTED] saw a [REDACTED] peeking out the window. The conversation carried on for approximately 10 minutes. Toward the end of the conversation, [REDACTED] recalled hearing the [REDACTED] say "you have no right to be here". [REDACTED] did not hear any other part of the conversation between [REDACTED] and the [REDACTED]. [REDACTED] was more concerned with the safety of the officers present. [REDACTED] and the [REDACTED] finished their conversation and they all left the residence.

[REDACTED] has had no contact with [REDACTED] prior to the encounter in June 2004, or since that date.

A review of the USDA-FS file located in the DESCANSO District office showed that the file contained extensive documentation of all correspondence between [REDACTED] and the USDA-FS, including several requests by USDA-FS to meet with [REDACTED] to resolve the issues with the USDA-FS. Included in the file were the following documents:

1. USDA-FS TERM SPECIAL USE PERMIT, dated March 1, 2000, and signed by [REDACTED] for recreational residences. The terms and conditions attached to the agreement state that "The Forest Service reserves the right to enter upon the property to inspect for compliance with the terms of this permit. Reports on inspection for compliance will be furnished to the holder." The agreement stated that the residence "shall not be used as a full-time residence to the exclusion of a home elsewhere."

2. A letter, dated September 29, 2004, from [REDACTED] to [REDACTED] addressing the June 9, 2004, incident.

3. A letter, dated January 4, 2005, from [REDACTED] specifically addressing behaviors by [REDACTED] that lead to the incident on June 9, 2004.

The address listed on [REDACTED] special use permit, [REDACTED] was found to be a Mail Boxes Etc. and not a physical residence.

This case was declined by the United States Attorney's Office, Southern District of California.

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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL

Northeast Region

Suite 2-2230

5601 Sunnyside Avenue, Stop 5300

Beltsville, Maryland 20705-5300



DATE: August 28, 2008

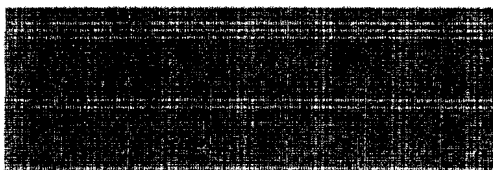
REPLY TO

ATTN OF: HY-3330-0018

TO: Deputy Administrator  
Marketing and Regulatory Programs, APHIS  
Washington, D.C.

s.(b)(6)

FROM: BRIAN L. HAASER  
Special Agent-in-Charge  
for Investigations



SUBJECT: Bad Newz Kennels, Smithfield, Virginia – Animal Fighting

Attached is one copy of our investigative report. As of this date, legal action is not complete. If you believe administrative action should be taken before all criminal and other legal matters are completed, please coordinate that action with Bethanne Marik-Dinkins, Assistant Special Agent-in-Charge, at (212) 264-3507 or [REDACTED] Senior Special Agent, at [REDACTED] in order not to jeopardize this investigation.

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Attachment

cc:

Assistant Inspector General for Investigations, OIG, Washington, D.C.

File





**UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF INSPECTOR GENERAL-INVESTIGATIONS**  
*Northeast Region  
Beltsville, Maryland*



**REPORT OF INVESTIGATION**

**FILE NUMBER:** HY-3330-0018

**DATE:** August 28, 2008

**TITLE:** BAD NEWZ KENNELS  
Smithfield, Virginia

**CASE TYPE:** Animal Fighting

**SPECIAL AGENT:**

[REDACTED]  
Beltsville, Maryland

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**APPROVED BY:**

[REDACTED]  
BRIAN L. HAASER  
Special Agent-in-Charge

s.(b)(6)

**Distribution:**

- 1 – Deputy Administrator, Marketing & Regulatory Programs, APHIS
- 1 – Assistant Inspector General for Investigations, OIG
- 1 – File

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**TITLE CONTINUED**

MICHAEL D. VICK  
a/k/a "OOKIE",  
"RON MEXICO"  
Smithfield, VA

QUANIS L. PHILLIPS  
a/k/a : "Q"  
Atlanta, GA

PURNELL A. PEACE  
a/k/a: "P-FUNK"  
Virginia Beach, VA

TONY TAYLOR  
a/k/a: "T"  
Newport News, VA

OSCAR ALLEN  
a/k/a: "VIRGINIA O"  
Williamsburg, VA

### SYNOPSIS

This investigation was conducted to determine if MICHAEL D. VICK (VICK), suspended quarterback of the Atlanta Falcons; QUANIS L. PHILLIPS (PHILLIPS); PURNELL A. PEACE (PEACE) and TONY TAYLOR (TAYLOR), all members of a dog fighting organization known as "BAD NEWZ KENNELS", together with OSCAR ALLEN (ALLEN), conspired to operate a dog fighting venture in Surry County, Virginia.

The investigation disclosed that from late 2002 to late April 2007, VICK, PHILLIPS, PEACE, TAYLOR, and ALLEN took part in the purchase and development of the property located at [REDACTED] Virginia, which served as the main staging area for housing and training pit bull dogs in the animal fighting venture and was used for conducting dog fights. They trained and bred pit bulls for participation in dog fighting competitions; traveled to other locations in interstate commerce to participate in dog fights; and sponsored and exhibited dogs in animal fighting competitions in interstate commerce by transporting dogs across State lines.

On July 17, 2007, VICK, PHILLIPS, PEACE and TAYLOR were indicted by a Federal grand jury in a one count indictment charging them with Conspiracy to Travel in Interstate Commerce in Aid of Unlawful Activities and to Sponsor a Dog in an Animal Fighting Venture in violation of 18 United States Code (U.S.C.) Section 371. All subsequently pled guilty and were sentenced to prison terms. On October 24, 2007, ALLEN was charged with Conspiracy to Travel in Interstate Commerce in Aid of Unlawful Activities and to Sponsor a Dog in an Animal Fighting Venture in violation of 18 U.S.C. Section 371. He subsequently pled guilty and received a sentence of probation.

In October of 2007, VICK, PHILLIPS, PEACE, and TAYLOR were charged by the Surry County Commonwealth's Attorney with dog fighting and animal cruelty. Trial in this case is pending.

### BACKGROUND

In 2004, the Surry County, Virginia Sheriff's Office investigated an individual named [REDACTED] for [REDACTED] involvement in an illegal dog fighting operation. The Surry County Commonwealth's Attorney criminally prosecuted [REDACTED] who was subsequently found not guilty.

In November 2005, a confidential informant supplied information to the Virginia State Police that VICK, PEACE, and other members of BAD NEWZ KENNELS were part of an illegal dog fighting operation.

In October of 2006, USDA-OIG was contacted by a Surry County Sheriff's Deputy about conducting a joint investigation of [REDACTED] for illegal dog fighting and narcotics trafficking. During the course of the conversation, it was alleged that [REDACTED] trained pit bulls belonging to VICK, as part of an illegal dog fighting operation. In January 2007, [REDACTED] died of a narcotics overdose.

CONSPIRACY - 18 U.S.C. § 371

This investigation was conducted by special agents from the U.S. Department of Agriculture (USDA), Office of Inspector General (OIG) with assistance from the following agencies: Virginia State Police (VSP), Surry County Sheriff's Office, Federal Bureau of Investigation (FBI), and the American Society for the Prevention of Cruelty to Animals (ASPCA).

STATE SEARCH WARRANT AND INVOLVEMENT

According to the Surry County Sheriff's Office, on April 25, 2007, two State search warrants were executed for narcotics offenses and operating an illegal dog fighting venture at [REDACTED] Virginia. The narcotics search warrant was based on a car stop of [REDACTED] who is [REDACTED]. During the car stop, narcotics were detected by a police dog, trained to detect illegal drugs. [REDACTED] supplied Sheriff's Office personnel with the [REDACTED] address as [REDACTED] residence. Based on this information, a State warrant was obtained for the purpose of searching for narcotics at the [REDACTED] address (Exhibit 1).

During the course of the search warrant, approximately 66 dogs and equipment were found, suspected of being associated with dog fighting activities. As a result, another State search warrant was obtained to seize evidence related to an illegal dog fighting operation (Exhibit 2). During the execution of the two search warrants, 54 pit bull dogs, numerous pieces of dog fighting equipment, veterinary medicines and documents related to the dog fighting operation were seized. Also, small amounts of narcotics and a firearm were recovered.

On April 27, 2007, USDA-OIG was contacted by a Surry County Sheriff's Deputy to request assistance in the illegal dog fighting investigation. At that time, USDA-OIG agreed to assist with forensic analysis associated with the investigation.

On May 21, 2007, the reporting agent (RA) met with Surry County Sheriff's [REDACTED] Surry County Commonwealth Attorney [REDACTED] and VSP personnel at the Surry County Sheriff's Office to discuss the dog fighting investigation (Exhibit 3). [REDACTED] presented an overview of the investigation and provided the names of three individuals who needed to be interviewed, who reportedly had information about VICK and dog fighting, including a confidential informant who was present during dog fights at VICK's property. [REDACTED] also stated that another State search warrant needed to be executed at [REDACTED] to uncover dog carcasses buried on the property and obtain additional forensics evidence. The RA told the group that [REDACTED] could assist with the forensic investigation by using USDA laboratories as well as assisting [REDACTED] with the interviews. It was determined at the conclusion of the meeting that another State search warrant would be sought and the interviews scheduled.

On May 23, 2007, [REDACTED] obtained a State search warrant (Exhibit 4). On this same date, approximately one half hour before the planned execution of the search warrant, Commonwealth [REDACTED] instructed [REDACTED] not to execute the

search warrant. Commonwealth Attorney [REDACTED] stated VICK had reportedly sold the [REDACTED] residence. In addition, Commonwealth Attorney [REDACTED] did not like the wording contained in the May 23, 2007 search warrant and doubted the validity of previously issued search warrants. Several days later the search warrant issued on May 23, 2007 (but never executed) was made public and information was received that items were being removed from the [REDACTED] property.

#### INTERVIEWS CONDUCTED BEFORE FEDERAL INDICTMENTS

On May 23 and June 5, 2007, interviews were conducted of a confidential witness (CW), known as [REDACTED] regarding illegal activities that occurred at [REDACTED] in [REDACTED] Virginia. As a result of the interviews, [REDACTED] hereafter referred to as CW #1, supplied the following information (Exhibits 5 and 6):

VICK owned the property located at [REDACTED] Virginia. CW #1 met VICK in [REDACTED] when PEACE [REDACTED] address. During this time period, a trailer was located on the property with plans to build a house. VICK paid [REDACTED] cash in amounts ranging from \$100 to \$1,000 for [REDACTED]. Thereafter, [REDACTED] when the white brick house was under construction. A person named [REDACTED] built the three black sheds, located in the back of the property. One two story shed was used for the dog fights; a second shed was used for training the dogs and storing the equipment; while the third shed was used as an emergency room for injured dogs. [REDACTED] observed PHILLIPS, TAYLOR, VICK, and PEACE administer medicine by injection to pit bull dogs. [REDACTED] first noticed approximately 30 pit bull dogs on the [REDACTED] property in 2001, when the double wide trailer was located on the property. On one occasion in 2002, [REDACTED] observed PHILLIPS, TAYLOR, VICK and PEACE "rolling" the pit bull dogs (testing the dogs to determine if they would fight). At this time, [REDACTED] asked PEACE what he was doing with the dogs and PEACE responded by saying "you don't want to know." Only VICK, PHILLIPS, TAYLOR and PEACE were allowed in the back of the property where the sheds were located. After the house was completed in 2004, TAYLOR began living at the residence while taking care of the dogs. CW #1 believed that the house was built as a "front" to cover up the dog fighting operation located in the back of the property.

VICK, TAYLOR, PEACE and PHILLIPS formed the dog fighting organization known as "BAD NEWZ KENNELS." They purchased and wore shirts and headbands, displaying the "BAD NEWZ KENNELS" logo, to organized dog fights. All four would assist in the training and fighting of the pit bull dogs. In 2004, TAYLOR was ousted from "BAD NEWZ KENNELS" after having problems with PHILLIPS. VICK agreed with the removal of TAYLOR from the group.

CW #1 observed at least ten organized dog fights at the [REDACTED] address. These dog fights occurred very late at night (i.e., 2 a.m. or 3 a.m.).  
[REDACTED]

During the dog fights, PEACE, PHILLIPS, and TAYLOR charged admission, at a rate of approximately \$20 a person, while VICK stayed upstairs in the shed. VICK was concerned about people seeing him at the dog fights. Before the fights, the pit bull dogs were washed and weighed. CW #1 saw numerous individuals placing bets on the dog fights, including VICK, PEACE, and PHILLIPS. At the fights, CW #1 observed vehicles bearing Out-of-State license plates from Texas, New York, North Carolina, and Maryland.

On two occasions, VICK placed his [REDACTED] dog in the ring and the "BAD NEWZ KENNEL" pit bull dogs caused major injuries to [REDACTED] dog. VICK also placed his [REDACTED] dog in the ring. Both dogs were family pets. VICK, PEACE, and PHILLIPS thought it was funny to watch the pit bull dogs belonging to "BAD NEWZ KENNELS" injure or kill the other dogs.

In March of 2007, [REDACTED] recalled that PEACE and PHILLIPS obtained approximately \$1,700 from Western Union in order to travel to North Carolina for a pre-arranged dog fight. PEACE and PHILLIPS needed the money to rent a van and to place wagers.

In mid-April of 2007, VICK, PEACE, PHILLIPS, and ALLEN were "rolling" dogs at the [REDACTED] property. VICK, PEACE, and PHILLIPS killed approximately seven dogs by hanging and drowning at this time. ALLEN did not take part in the killing of the dogs. VICK, PEACE, and PHILLIPS hung approximately three dogs by placing a nylon cord over a 2 x 4 that was nailed to two trees located next to the big shed. They also drowned approximately three dogs by putting the dogs' heads in a 5 gallon bucket of water. [REDACTED] also observed as VICK and PHILLIPS killed a red pit bull dog, by slamming it to the ground several times before it died, breaking the dog's back or neck. VICK and PEACE instructed [REDACTED] to dig two graves for the dead dogs and VICK paid \$100 for the job. However, [REDACTED] refused to bury the dogs, so PHILLIPS, PEACE and VICK buried the dogs themselves.

On May 30, 2007, an interview was conducted of CW #2 who supplied the following information (Exhibit 7):

CW #2 was involved in dog fighting for the past [REDACTED] years. CW #2 met VICK on least two occasions, beginning in [REDACTED]. [REDACTED] sold three pit bulls to VICK, charging VICK \$1,200, \$900, and \$800 for the animals. At the time of the sale, VICK was accompanied by a person known as "PURNELL" (PEACE).

In early 2002, after the National Football League (NFL) season ended, [REDACTED] and his/her cousin attended a dog fight in Surry County, Virginia. [REDACTED] matched a dog against VICK's dog and bet \$3,000 on the fight. VICK's dog was disqualified because it

jumped out of the ring. [REDACTED] and VICK decided to continue the fight and VICK's dog eventually lost. On VICK's orders, PEACE killed the dog by shooting the animal with a .22 caliber handgun.

On May 31, 2007, an interview was conducted of CW #3 who supplied the following information (Exhibit 8):

CW #3 first met VICK and a person known as "PURNELL" (PEACE) in [REDACTED] at a house in [REDACTED] Virginia, where a pre-arranged dog fight was being held. He/she knew that VICK's kennel was known as "BAD NEWZ KENNELS." The fight had been arranged approximately 6 weeks before, and it was determined that they would have two fights, with a 35 pound female and a 47 pound male. During the first fight, the female dog belonging to [REDACTED] beat VICK's dog and PEACE killed VICK's dog by electrocution. The male dog belonging to [REDACTED] also beat VICK's dog. The losing dog, which appeared to be seriously injured, was placed in the back of VICK's pick-up truck. [REDACTED] observed VICK giving cash to PEACE, which was subsequently given to [REDACTED] when he/she won \$13,000 and \$10,000 as a result of the fights.

On May 31, 2007, an interview was conducted of CW #4 who supplied the following information (Exhibit 9):

In [REDACTED] CW #4 participated in a planned dog fight with VICK and BAD NEWZ KENNELS at VICK's Surry County, Virginia residence. CW #4, along with his/her group, met a person known as "PURNELL" (PEACE) along the road and they followed PEACE to VICK's residence. CW#4 observed the white brick residence, located across the street from a church, and the black sheds on the back of the property. CW #4 met VICK at the residence and they had discussions about [REDACTED]. [REDACTED] had a pre-arranged wager with VICK for \$7,000, and a side bet with PEACE for \$4,000. The two dogs that were fighting were weighed and washed. VICK was involved in this activity. During the fight, PEACE handled VICK's dog while CW #4 handled his/her dog in the ring. The fight lasted over 2 hours and VICK's dog lost the fight. VICK's dog was seriously injured and CW #4 observed PEACE administer medicine intravenously to VICK's dog. Based on the injuries to VICK's dog, CW #4 believed that the dog died. VICK remarked that it was a "good fight" and supplied CW #4 with his telephone number. A few days later, CW #4 was informed that VICK wanted to purchase a dog named "Trouble" which belonged to [REDACTED] for \$15,000. [REDACTED] refused VICK's offer.

On June 28, 2007, TAYLOR was interviewed and supplied the following information describing his relationship with VICK, PEACE, PHILLIPS, ALLEN and others involved with BAD NEWZ KENNELS and the dog fighting operation (Exhibit 10):

In 2001, he took part in the selection and purchase of the property located at [REDACTED]. One of the main reasons he liked the [REDACTED] location, which consisted of 15.7 acres, was that it was remote and would conceal the dog fighting operation from the public. The name "BAD NEWZ KENNELS" was created by

VICK, PEACE, PHILLIPS, and him and referred to their hometown of Newport News, Virginia. From 2002 to 2004, VICK paid him to live on the property, take care of the dogs, and arrange dog fights. During this time period he traveled to North Carolina, South Carolina, Maryland, New Jersey, New York, Alabama, and Georgia, to participate in organized dog fights. He admitted killing numerous dogs after "testing" and after fights by shooting and electrocuting the dogs and then burying them on the [REDACTED] property. In September of 2004, he was told by VICK that he was no longer part of the BAD NEWZ KENNELS operation after having a dispute with PEACE and PHILLIPS.

On July 10, 2007, an interview was conducted of CW #5 who supplied the following information (Exhibit 11):

CW #5 has known PEACE [REDACTED] and has been involved in dog fighting for the past [REDACTED] years. In the dog fighting business, CW #5 dealt with a dog fighter from North Carolina named [REDACTED] who was a friend of PEACE and VICK. [REDACTED] arranged a fight with BAD NEWZ KENNELS, which CW #5 knew was owned by VICK. CW #5 hired another dog fighter to condition his/her dog, a 55 pound male pit bull, for the fight with BAD NEWZ KENNELS. It was determined that the wager on the fight would be \$3,500. Several weeks before the fight, CW #5 traveled to North Carolina and gave [REDACTED] \$1,200 as a forfeit amount (approximately 1/3 of the wager). [REDACTED] was scheduled to be the referee of the fight. In early fall of 2003, CW #5 drove to a pre-determined location where he/she followed an unknown male to the [REDACTED] location. CW #5 noticed a new house under construction and several sheds. The fight occurred in one of the sheds. Before the fight, the dog belonging to CW #5 was weighed and washed. The hired dog fighter handled the dog belonging to CW #5, while PEACE handled VICK's dog. When the fight started, CW #5's dog had the advantage over VICK's dog. CW #5 became excited and yelled out a statement to the effect of "I got you VICK." When CW #5 made the statement, VICK responded by giving a disapproving look. CW #5 was later told that it was not proper to publicly acknowledge VICK. Eventually, the dog belonging to CW #5 lost to VICK's dog due to a leg injury. CW #5 did not have the dog killed.

CW #5 scheduled a second fight in the spring of 2004 with BAD NEWZ KENNELS for a wager of \$10,000. CW #5 paid a \$1,500 forfeiture fee. However, this fight never occurred because CW #5 was arrested.

On August 7, 2007, ALLEN was interviewed and supplied the following information describing his relationship with VICK, PEACE, PHILLIPS, TAYLOR and others involved with BAD NEWZ KENNELS and the dog fighting operation (Exhibit 12):

He retired from New York City Transit and moved to Williamsburg, Virginia, in 1993. During his time in New York City, he became involved with dog fighting. After moving to Virginia, he housed one of his pit bulls at [REDACTED] property. He first met VICK through TAYLOR. In 2001, VICK purchased land in Surry County for the dog fighting operation. TAYLOR was the chief of the operation for VICK and was paid by



VICK for his services. From 2001 to 2003, VICK, PEACE, PHILLIPS and TAYLOR built dog kennels and sheds, and also had a double wide trailer moved onto the property. TAYLOR lived in the trailer and later in the house, which was built in 2004. In 2003, TAYLOR introduced him to VICK, PHILLIPS, and PEACE, and told them that he (ALLEN) was a "good guy" who could be trusted. Also in 2004, VICK, TAYLOR, PHILLIPS, and PEACE began calling their operation "BAD NEWZ KENNELS." They purchased t-shirts and headbands displaying the BAD NEWZ KENNELS logo. He sold dogs to BAD NEWZ KENNELS, including the dogs known as "MAGIC" and "JANE". He remembered traveling to a fight in New Jersey with the BAD NEWZ KENNELS' group and JANE, who was a Grand Champion. The most he ever bet on a dog was \$1,200. The largest bet he ever witnessed was \$25,000.

Approximately 1 week before the first State search warrant in April 2007, he was present at the [REDACTED] property. He, along with VICK, PEACE, and PHILLIPS, "rolled" (tested) approximately eight dogs that day at the two-story black shed. After the testing, he observed a person driving an all terrain vehicle (ATV) with dead dogs stacked in the bed of the ATV. He did not see anyone kill the dogs. However, he heard noises when the dogs were being killed. He did not take any part in killing any dogs.

#### **EXECUTION OF TWO FEDERAL SEARCH WARRANTS**

On June 7, 2007, a Federal search warrant was obtained for the property located at [REDACTED] Virginia. On this same date, special agents from USDA-OIG and VSP executed the search warrant. The following evidence was recovered: 1) DNA samples from eight pit bull carcasses found buried on the property (all eight pit bull carcasses were reburied in same location); 2) pieces of plywood flooring and dry wall covered with dark stains (believed to be canine blood); 3) spent shell casings; 4) clothing containing stains; 5) medicines, syringes and medical supplies; 6) burned carpet; and 7) other equipment and devices related to dog fighting.

Agent's Note: The affidavit for this Federal search warrant remains sealed by the U.S. District Court in Richmond, Virginia.

On July 5, 2007, a second Federal search warrant was obtained for [REDACTED] Virginia. On July 6, 2007, special agents from USDA-OIG, with the assistance of VSP, the Surry County Sheriff's Office, FBI, and ASPCA executed the search warrant. Nine pit bull dog carcasses and two samples of skeletal remains, along with plant material, insects and water samples were recovered.

Agent's Note: The affidavit for this Federal search warrant remains sealed by the U.S. District Court in Richmond, Virginia.

### **FORENSIC & LABORATORY TEST RESULTS**

After the execution of the first Federal search warrant, pieces of plywood were sent to the University of California at Davis for laboratory analysis. DR. [REDACTED] determined the dark stains on the plywood consisted of canine blood.

After the second Federal search warrant, dog bones were sent to DR. [REDACTED] in order to conduct DNA analysis. This test was never completed because all four defendants pled guilty.

Also after the second Federal search warrant, DR. [REDACTED] Forensic Veterinarian, conducted autopsies on the nine pit bull carcasses. DR. [REDACTED] test results substantiated the observations of [REDACTED] regarding the manner of death of the nine pit bulls killed in April 2007, by hanging, drowning, and being slammed to death.

Agent's Note: As of this date, the specifics of DR. [REDACTED] forensic reports remain sealed.

### **INDICTMENT AND OTHER JUDICIAL PROCEEDINGS**

On June 29, 2007, the U.S. Attorney's Office for the Eastern District of Virginia filed a Verified Complaint In Rem (Exhibit 13) to seize 53 pit bull dogs seized from the [REDACTED] property during the execution of the State search warrant. The 53 pit bulls were seized under the authority of 7 U.S.C. § 2156, Animal Fighting Venture.

On July 17, 2007, a Federal grand jury in the Eastern District of Virginia, Richmond, charged VICK, TAYLOR, PHILLIPS, and PEACE with Conspiracy to Travel in Interstate Commerce in Aid of Unlawful Activities and Sponsoring a Dog in an Animal Fighting Venture in violation of 18 U.S.C. § 371 (Exhibit 14).

In July of 2007, all four defendants were arraigned in U.S. District Court for the Eastern District of Virginia, Richmond, and entered pleas of "not guilty." Subsequently, in August 2007, VICK, PHILLIPS, and PEACE pled guilty in U.S. District Court (Exhibits 15, 16 and 17). Each admitted that from 2001 to April of 2007, they conspired to travel in interstate commerce in aid of unlawful activities and to sponsor dogs in an animal fighting venture (Exhibits 18, 19 and 20). They also admitted that in April 2007, at [REDACTED] they killed dogs by various methods, including hanging and drowning. Also in August 2007, TAYLOR pled guilty in U.S. District Court (Exhibit 21) and admitted to traveling in interstate commerce for the purpose of dog fighting from 2001 to 2004 and killing dogs that did not test well or that were injured during fights (Exhibit 22).

Agent's Note: TAYLOR was not involved in the killing of the dogs in April 2007.

On October 24, 2007, ALLEN pled guilty to a one-count criminal information (Exhibit 23). In his guilty plea, ALLEN admitted that he unlawfully traveled in interstate commerce for the purpose of dog fighting, and that, in April 2007, he was involved in the "testing" of dogs at [REDACTED] to determine which dogs were good fighters (Exhibits 24 and 25).

**POST INDICTMENT INTERVIEWS OF VICK, PEACE AND PHILLIPS**

On August 14, 2007 and on October 9, 2007, after agreeing to plead guilty, PEACE was interviewed and supplied the following information (Exhibits 26 and 27):

He had been fighting dogs since 1990 and met VICK in 2000. VICK introduced him to PHILLIPS in 2000. In 2001, VICK purchased [REDACTED] Virginia, for the purpose of conducting a dog fighting operation. He became a part of the BAD NEWZ KENNELS group, which included VICK, PHILLIPS, and TAYLOR. They were all involved in the construction of sheds on the property in 2003, and the single family white brick house in 2004. The sheds were used for training the pit bulls and were where the fights occurred. They knew that dog fighting was illegal. This is why they constructed a picket fence to hide the dog fighting activities from the public and from law enforcement.

In 2002, he, VICK, PHILLIPS and TAYLOR "rolled" (tested) dogs at [REDACTED] to determine if they were good fighters. They would kill the poor fighters by shooting, electrocuting, or drowning them. Almost all of the dogs that they killed were buried on the [REDACTED] property. On occasion, he would want to give away a dog that would not fight. However, VICK stated "they got to go", meaning they needed to be killed. Many times, VICK, PHILLIPS and TAYLOR killed dogs when he was not present. TAYLOR would tell him about the dogs that did not test well and would say "they didn't make it", meaning they were killed.

He recounted the details of several dog fights involving dogs belonging to BAD NEWZ KENNELS, and the gambling which took place during the fights. Some of the fights required the members of BAD NEWZ KENNELS to travel from Virginia to other States for the purpose of attending and participating in pre-arranged dog fights.

In September of 2004, TAYLOR was removed from the BAD NEWZ KENNELS' operation because of a dispute with PHILLIPS and VICK. As a result, he took over TAYLOR's job of looking after the dogs and VICK paid him \$3,000 a month for this work.

In mid-April of 2007, he, VICK, PHILLIPS, PEACE, and ALLEN tested dogs at the [REDACTED] location. He and PHILLIPS did most of the testing of the dogs. This occurred in the large black shed on the property. It took between five and ten minutes

to complete the testing of each dog. They decided to kill the dogs that they deemed not to be good fighters. He and PHILLIPS consequently drowned seven to eight dogs. Additionally, he, VICK, and PHILLIPS hung approximately four dogs with a nylon cord. One dog that did not die from hanging was taken down and drowned in a 5 gallon bucket of water. All of the dead dogs were buried on the [REDACTED] property.

On August 14, 2007, after agreeing to plead guilty, PHILLIPS was interviewed and provided the following information (Exhibit 28):

He met VICK in the seventh grade and they became best friends. They played football and basketball together in middle school and high school. He lived with VICK for several months while VICK was attending Virginia Polytechnic Institute and State University (Virginia Tech), but subsequently returned to Newport News, Virginia, where he worked at odd jobs.

He and VICK first became involved in dog fighting through TAYLOR in approximately 2001, before VICK signed with the Atlanta Falcons NFL football team. TAYLOR was known throughout Newport News and the neighborhood as a dog fighter. He recalled a meeting in 2001 between VICK, TAYLOR and himself at a Newport News barber shop. During this meeting, TAYLOR discussed his love of dog fighting and how they could get started in this business by purchasing, training, and fighting dogs. After this meeting, there were other discussions with TAYLOR about acquiring land in Surry County, Virginia, in order to start the dog fighting business.

In late spring of 2001, TAYLOR located property in [REDACTED] Virginia. VICK purchased the property, which is located at [REDACTED]. TAYLOR's job was to direct the dog fighting operation and VICK's role was to finance the business. The land was cleared and a double wide trailer was moved to the property. In 2002, PEACE became part of the group. TAYLOR lived in the trailer and was paid by VICK to take care of the dogs. In 2003, sheds were constructed on the property, which were later painted black by TAYLOR. The sheds were used to store the dog fighting training equipment, such as slat and tread mills, turn tables, etc. They used live chickens and rabbits as bait when training dogs on the tread mills. In 2004, the trailer was removed and in its place, a white brick single family residence was constructed. Dog kennels with runs were also constructed on the property. TAYLOR continued looking after the dogs and staying in the house until the fall of 2004.

In 2002 and 2003, four pit bulls were purchased in North Carolina; six adult pit bulls and six pit bull puppies were purchased in Richmond, Virginia; a male pit bull named "Tiny" was purchased in New York; and a female pit bull named "Jane" was purchased from ALLEN, who lived in Williamsburg, Virginia.

In the summer of 2002, he, VICK, TAYLOR and PEACE would "roll" or "test" pit bulls, to determine which dogs were good fighters as opposed to those that refused to fight. During these sessions, dogs that did not perform well were killed. You could not give the dogs away, so the only way to get rid of the dogs was to kill them. Dogs were killed by shooting, electrocution, and drowning. TAYLOR would electrocute and shoot dogs. He and PEACE would drown the dogs by placing their heads in a 5 gallon bucket of water. He estimated that he drowned three dogs during this period. VICK also purchased 5 stun guns during this time period.

In 2002, TAYLOR developed the name "BAD NEWZ KENNELS" for the dog fighting operation. "BAD NEWZ" was a reference to Newport News, Virginia, where they grew up. TAYLOR had shirts and headbands made which he, VICK, PEACE, and TAYLOR wore to pre-arranged dog fights.

In September 2004, TAYLOR was removed from BAD NEWZ KENNELS after an incident at a Newport News night club involving the breaking of an expensive gold chain belonging to VICK. After TAYLOR left the group, PEACE cared for the dogs and the property at the [REDACTED] address. VICK paid PEACE for this service.

He recounted the details of several dog fights involving dogs belonging to BAD NEWZ KENNELS, and the gambling which took place during the fights. Some of the fights required the members of BAD NEWZ KENNELS to travel from Virginia to other States for the purpose of attending and participating in pre-arranged dog fights.

In mid-April of 2007 VICK, PEACE, and PHILLIPS "tested" numerous pit bulls at the [REDACTED] property and he estimated that approximately six to eight dogs were killed on that day. He, VICK, PEACE, and ALLEN "tested" pit bulls to determine if they would be good fighters. After the testing sessions, he, VICK, and PEACE determined which dogs should be killed because there was no purpose in keeping dogs that were poor fighters. He, VICK, and PEACE killed the dogs. He and PEACE drowned approximately three dogs in a 5 gallon bucket and he, VICK, and PEACE hung approximately five dogs with a nylon leash, from a 2x4 board nailed to two trees located next to the large "blackened out" building. He and VICK took down one of the dogs that would not die from hanging and tossed the dog to the side. He later hung the same dog until it died. He wore overalls, which were hung in the garage, when he killed the dogs, so he would not soil his clothes. [REDACTED] was doing yard work in the front of the house at the time. PEACE asked [REDACTED] to dig two graves where the dogs could be buried.

On August 14, 2007 and on October 10, 2007, after agreeing to plead guilty, VICK was interviewed and provided the following information (Exhibits 29 and 30):

He grew up in Newport News, Virginia, where he attended high school. He subsequently received an athletic scholarship to play football for Virginia Tech.

He first met PHILLIPS when they attended sixth grade together in Newport News, Virginia and PHILLIPS is his best friend. He first met TAYLOR when he was 11 years old and TAYLOR was 18 years old. As a child he looked up to TAYLOR and it was common knowledge in the neighborhood that TAYLOR owned pit bulls. He first learned that TAYLOR was involved in dog fighting during a 2001 discussion at a Newport News barber shop. This meeting with TAYLOR occurred a short time after the NFL Draft, when he was selected by the Atlanta Falcons NFL football team. TAYLOR told him that "He got the real dogs" and kept these dogs on his [REDACTED] property in Smithfield, Virginia. This discussion first sparked his interest in dog fighting. However, while growing up in Newport News, he remembered seeing numerous unorganized dog fights that occurred in the street and in open lots. He first met PEACE though TAYLOR sometime in 2000 or 2001. He knew that PEACE owned and fought dogs. He also learned that PEACE was involved in selling narcotics. He met [REDACTED] in approximately 2003 and [REDACTED] worked for him cutting grass and doing yard work. He met ALLEN in approximately 2003 through TAYLOR. He drove to ALLEN's residence, in Williamsburg, Virginia, with TAYLOR and PHILLIPS when they purchased "JANE", a female pit bull, from ALLEN.

He purchased his first pit bull while he was attending Virginia Tech in 1999. This pit bull was a female dog that he called "Champagne." Champagne was considered a pet and he never fought this dog. He mated Champagne with a pit bull owned by [REDACTED] [REDACTED] also known as [REDACTED] and Champagne had a litter of puppies. Champagne was seized during the April 2007 search warrant.

In the summer of 2001, TAYLOR discussed purchasing land for the purpose of dog fighting. He, TAYLOR, and PHILLIPS knew that organizing dog fights was illegal. TAYLOR had eight pit bulls, which he kept at his [REDACTED] house. In July or August 2001, TAYLOR found the property, which consisted of approximately 15 acres, at [REDACTED] in [REDACTED] Virginia (Surry County). He never saw the property before the purchase. However, he did speak with the realtor by phone. He spent approximately \$34,000, to purchase the property. The first time he saw the property was with TAYLOR and PHILLIPS in July of 2001. It was TAYLOR's idea to purchase the double wide trailer and place it on the [REDACTED]. The plan was for TAYLOR to live in the trailer and oversee the dog fighting operation. He paid TAYLOR for the service of caring for the dogs.

In 2001, he had approximately 12 dogs. He purchased four dogs from [REDACTED] in North Carolina. He also purchased six dogs and six puppies from a person in Richmond, Virginia. He recalled in 2004, TAYLOR purchased a dog from someone in Texas. These dogs were purchased for dog fighting.

In 2002, PEACE joined the group, which consisted of him, TAYLOR, and PHILLIPS. PEACE brought his dogs from his [REDACTED] property to the [REDACTED] location.

Also in 2002, it was TAYLOR's idea to name the group BAD NEWZ KENNELS. TAYLOR purchased T shirts and headbands, with the logo "BAD NEWZ KENNELS", which they wore to organized dog fights.

In 2002, their group had approximately 30 dogs on the property. They rolled/tested some of these dogs. The dogs that were not good fighters were killed. He observed TAYLOR shoot and electrocute dogs and PEACE hang dogs. He never actually killed a dog.

In the spring of 2003, he paid to have the sheds built on the [REDACTED] property by a person named [REDACTED]. These sheds were used for storage, testing of the dogs, and dog fighting. They stored the slat/tread mills, round table, and other dog training equipment in the sheds. TAYLOR had the sheds painted black and referred to the sheds as "the black hole." In 2005, PHILLIPS made the decision to add the second floor to the big shed. After the completion of the second floor, the dog fights were moved upstairs. A pull down staircase was installed to gain access to the second floor. He (VICK) believed that PHILLIPS felt that this would help hide the operation from law enforcement. In 2004, he had the double wide trailer removed and the white brick house built.

In 2002 or 2003, TAYLOR introduced him to [REDACTED] a well known dog fighter and trainer in Surry County. [REDACTED] built the turn table and slat mill and also did the electrical wiring of the shed. [REDACTED] also attended some of the fights on [REDACTED]. He had a falling out with [REDACTED] when [REDACTED] threatened to burn his house down.

He gave money to PHILLIPS and TAYLOR, some of which was used for the purses in pre-arranged dog fights. On other occasions he would directly supply the money for the purses. When BAD NEWZ KENNELS won the purse, it was split with TAYLOR, PHILLIPS, and PEACE. He could also recall PEACE making side bets during these dog fights.

He had a falling out with TAYLOR in the spring of 2004. The problems started when TAYLOR wanted \$14,000 from him to power wash the house on [REDACTED]. He believes that TAYLOR wanted the money, but had no plans to do the work. TAYLOR was going to split the money with PEACE. There was also a problem that TAYLOR had with PHILLIPS when TAYLOR broke a gold chain belonging to him.

He recounted the details of several dog fights involving dogs belonging to BAD NEWZ KENNELS, and the gambling which took place during the fights. Some of the fights required the members of BAD NEWZ KENNELS to travel from Virginia to other States for the purpose of attending and participating in pre-arranged dog fights.

On or about April 19, 2007, he traveled to the [REDACTED] address to meet his cousin, [REDACTED] to discuss [REDACTED] most recent drug arrest. At this time he observed PHILLIPS, PEACE, and ALLEN in the back of the property testing dogs. They were testing the dogs on the second floor of the big shed. The dogs that did not test well were killed, and he, PEACE, and PHILLIPS decided which dogs would be killed. He helped carry the dogs that were to be killed down from the second floor of the shed. PHILLIPS hung three to four dogs from a 2x4 board, nailed to two trees and PEACE drowned three to four dogs in a 5 gallon bucket of water. While he assisted PHILLIPS and PEACE in the killing of the dogs, he did not actually kill the dogs. He helped PHILLIPS toss several dogs to the side.

[REDACTED] was in the front of the property cutting grass and was paid to dig two graves for the eight dogs, with four dogs being placed in each grave. Based on past circumstances PHILLIPS and PEACE did not like him to do any type of work that could injure him and jeopardize his NFL contract.

Agent's Note: On October 12, 2007, VICK was administered a polygraph examination by the FBI. VICK failed the examination as it related to the killing of the dogs in April 2007. Ultimately, VICK recanted his previous statement wherein he said he was not actually involved in the killing of six to eight dogs on or about April 19, 2007. VICK admitted taking part in the actual hanging of the dogs.

He does not know of any NFL players, besides himself, or any other professional athletes involved with dog fighting.

#### **ASPCA'S EVALUATION OF THE 53 PIT BULLS**

In September 2007, a behavioral assessment of the 53 pit bulls seized by the U.S. Government was conducted by a team of experts assembled by the ASPCA. Based on the outcome of the testing as it related to each dog, decisions were made regarding the ultimate placement of the dogs in sanctuaries and foster homes. Based on the results of the behavioral assessment, one dog was ordered to be euthanized.

#### **SENTENCING OF PHILLIPS, PEACE, VICK, TAYLOR, AND ALLEN**

On November 30, 2007, in U.S. District Court for the Eastern District of Virginia, Richmond, PHILLIPS was sentenced to 21 months imprisonment to be followed by 3 years supervised release. He was also ordered to pay a \$250 fine and a \$100 special assessment (Exhibit 31).

On November 30, 2007, in U.S. District Court for the Eastern District of Virginia, Richmond, PEACE was sentenced to 18 months imprisonment to be followed by 3 years supervised release. He was also ordered to pay a \$250 fine and \$100 special assessment (Exhibit 32).



On December 10, 2007 in U.S. District Court for the Eastern District of Virginia, Richmond, VICK was sentenced to 23 months imprisonment to be followed by 3 years supervised release. He was also ordered to pay a \$5,000 fine, a special assessment in the amount of \$100, and was ordered to pay restitution in the amount of \$928,073.04 for the long term care of 53 pit bulls (Exhibit 33).

On December 14, 2007, in U.S. District Court for the Eastern District of Virginia, Richmond, TAYLOR was sentenced to 2 months imprisonment to be followed by 3 years supervised release. He was also ordered to pay a \$100 special assessment (Exhibit 34).

On January 25, 2008, in U.S. District Court for the Eastern District of Virginia, Richmond, ALLEN was sentenced to 3 years supervised probation and ordered to pay a \$500 fine and a \$100 special assessment (Exhibit 35).

#### **STATE COURT CASES**

In September 2007, VICK, PHILLIPS, PEACE and TAYLOR were charged by a Surry County grand jury with dog fighting and animal cruelty (Exhibit 36). Trial in this case has been continued until such time as the defendants are released from Federal prison.

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