Welcome and thank you for standing by.

At this time all participants will be in a listen-only mode. During our question and answer session, please press star-1 on your touchtone phone.

Today’s conference is being recorded. If you have any objections you may disconnect at this time.

I would now like to turn the call over to Ms. Julie Zawisza. Ma'am, your line is open.

Thank, you.

Welcome ladies and gentlemen. I'm Julie Zawisza, Assistant Commissioner for Public Affairs with the Food and Drug Administration.

And we’re very happy that you could join us this afternoon for an update on the contaminated pet food investigation and the animal feed investigation.

I have with me several senior officials with the FDA and the USDA, and I will introduce them in a moment to you.
The format is for this afternoon will be some opening remarks from our speakers and then we will take your questions.

Our speakers for today are Captain David Elder, Director Office of Enforcement with FDA’s office of regulatory affairs. Our speaker from the USDA who we’re delighted to have today is Mr. Kenneth Peterson, Assistant Administrator for field operations with the Food Safety and Inspection Service.

We also have with us Dr. Daniel McChesney, the Director of the Office of Surveillance and Compliance with our center for veterinary medicine here with FDA.

And finally, we have Dr. David Acheson who is the Chief Medical Officer in our Center for Food Safety and Applied Nutrition.

We’d that I’d like to turn it over to Captain Elder for some opening remarks. David?

David Elder: Thank you, Julie.

Good afternoon. We’re very pleased to provide you with this update this afternoon, and we’d like to welcome on the call Ken Peterson, Deputy Administrator for the Food Safety and Inspection Services USDA.

We’re working very closely with USDA on some agricultural aspects of the contaminated pet food issue.
Today, we notified state authorities that (unintelligible). Today, we notified state authorities that swine, that adulterated products will not be approved to answer this food supply.

Based on information currently available, FDA and USDA believe the likelihood of illness after eating such pork is extremely low. However, the agencies also believe it’s prudent to take this measure.

As you know, we determined that a shipment of rice protein imported from China was contaminated with melamine and melamine-related compound. Product was offloaded during the week of April 2, 2007 by Wilbur-Ellis, importer and distributor of agricultural products in the Pacific North West.

The rice protein was used in the production of pet food, and a byproduct of pet food was used to produce animal feeds.

As was mentioned, the contaminants in question include melamine and melamine-related compound, including cyanuric acid. The combination of which is a potential source of concern in relation to human and animal health.

Scientist took research indicates that melamine alone at detected level is not human health concern. However, no scientist today or exist who has obtained the effects of combining melamine and melamine-related compound.

Therefore, determination has not yet been made, regarding the safety of the products.

I’d like to turn it over to Ken Peterson for some remarks now, please.

Kenneth Peterson: Okay. Thank you. This is Dr. Peterson, Assistant Administrator with FSIS.
As you’ve just heard, because the animal feed in question was adulterated, USDA can not rule out the possibility that food produced from animals fed this product could also be adulterated.

Therefore, should be that animal be presented for slaughter, USDA can not place the market inspection on any food that’s produced from these animals, in these swines.

The USDA is offering to compensate producers who use a nice swine that was fed the adulterated feeds. FDA has authorized to use Section 32 funds to restore these farmers purchasing power.

USDA is also offering the expertise and assistance of the animal and plant health inspection service personnel in carrying out any depopulation activities to ensure that animals are euthanize and disposed off in accordance with federal state and local laws.

And we’ll turn it back to FDA.

David Elder: Thank you Dr. Peterson.

FDA and FSIS are coordinating with state authorities in eight states with the adulterated feed is known to have been purchased. Eight pork producers in the state of California, Kansas, North Carolina, New York, Oklahoma, South Carolina, and Utah, are known to have purchased the feed.

These combined operations involved approximately 6000 hogs. All of the animals are currently being held under state quarantine in California, North Carolina, and New York.
In Kansas, Oklahoma, South Carolina, and Utah, producers agreed to hold the animals until further notice.

Authorities are also in contact with the feed mill in Missouri that might have received adulterated feed.

Dr. Peterson?

Julie Zawisza: Thank you. That was Captain Elder.

Kenneth Peterson: Okay, Dr. Peterson with USDA.

The pork and pork products derived from these animals that were fed the adulterated feed will also be destroyed.

In California and Utah, pork from federally inspected plant is being retained at the federal plant, under FSIS authorities.

In South Carolina, a state inspected plant is voluntarily holding swine that were fed the adulterated feed product.

FSIS, FDA, and state authorities are in the process of determining whether any meat from animals that were fed the adulterated products has entered commerce.

If this has occurred, FSIS will work with state and industry to initiate any appropriate followup action.

And we’ll turn it back to FDA.
David Elder: Thank you.

And just a couple of other comments before we open it for questions. We are very pleased and proud to be working so closely with FSIS. We are continuing our effort with FSIS to trace the adulterated feed.

If any additional producers are identified who fed the adulterated products to animals, they too will be offered compensation by USDA for depopulation.

And with that, Julie, I turn it back to you.

Julie Zawisza: Thank you, David. Thank you, Dr. Peterson.

Ladies and gentlemen at this time, we like to open up the line to your questions. And may I ask that you ask one question only because we have a lot of people on the line today with a lot of questions. And also please state your name and affiliation.

Coordinator: Thank you.

If you like to ask a question, please press star-1 on your touchtone phone. You will prompt to record your name.

To withdraw your question, press star-2. Once again, to record your name, please press star-1.

Our first question comes from (Maryanne Balko). Ma'am your line is open.

(Maryanne Balko): Thank you.
Can you clarify how many pork products have answered or have been consumed by humans because some in California at least have been? And why the distinction between commercial food supply?

And if people are asking have humans consume this, what's the answer, and then what's the risk of people who may have consumed the product that came from the - that were picked consume some of those adulterated pet food?

Julie Zawisza: Who should answer that question?

Kenneth Peterson: Okay. This is Dr. Peterson, and I’ll start with the food products.

Or speaking for federal plants, we’re not aware but we’re of course investigating as I said where there any products from animals have gone into commerce. We need to kind of backup a little bit.

Where as - as it was mentioned by FDA, there as far as we know today and towards the ends of this investigation as I understand it.

About 6000 hogs were potentially fed the feeds, and we have no reason to believe there's anywhere near that number that even may have gone to slaughter plants.

The national slaughter number for swine is over 100 million, so that’s the context.

For these - the California situation that I'm aware of, it doesn’t involve a federal plant. It involved some either custom producers or state plant and any of those products wouldn’t, didn’t I understand it go into what we call
commerce. Meaning anybody can buy them, they went back to the individual farmer who bought that product, who brought that animal to the custom process facility. That’s the information we have.

But as far as federal slaughter and any of these animals coming to federal slaughter plant, again, we’re not aware of plants that have gone, products that’s gone into commerce, but we’re working with FDA to find any of these farms, where the animals consume the feed, did any of those swine actually go to slaughter.

Julie Zawisza: Thank you. Next question.

Coordinator: Our next question comes from (Elizabeth Wise). Your line is open.

(Elizabeth Wise): Hi. Thank you for taking my call.

I had a question on the melamine and melamine-related chemical. Can you be a little more specific the way in which cyanuric acid is related to melamine? And was it only found in the rice protein concentrates? Has it turned up at all in the wheat gluten?

Julie Zawisza: Dr. McChesney will take that one. Thanks.

Daniel McChesney: It’s in the family with melamine and it’s been detected in the rice protein concentrate. And our lab people have gone back and tested some of the wheat gluten samples, previously that all has been tested for melamine and found cyanuric acid in some of those samples also.

Julie Zawisza: Thank you. Next question.
Coordinator: Thank you. Our next question comes from (Andrew Bridges). Your line is open.

(Andrew Bridges): Hi. It’s (Andrew Bridges) at (AP).

Does not approve to any of the food supply mean it will be - it is illegal to sell these hogs? Is that the same thing? And while these 6000 hogs then be slaughtered and disposed of in that field?

Kenneth Peterson: Yeah. They won’t be slaughtered. They will be humanely euthanized on the farms and not allowed to enter any food channels.

(Andrew Bridges): Okay.

Julie Zawisza: That was Dr. Peterson.

(Andrew Bridges): It isn’t illegal to sell them then?

Kenneth Peterson: Well, then they're not eligible, you know, as they said from the USDA perspective and from the Food Safety Inspection services.

We’re not in the position to apply the market of inspection on these products, on any of the animals that we know that consume these feeds.

So if they bring them to the slaughter plant, they're not going to go anywhere. And so it’s much more prudent to deal with them on the farm and that’s what the compensation provision we (unintelligible) about.

(Andrew Bridges): Thank you.
Julie Zawisza:  Next question please.

Coordinator:  Our next question comes from Richard Read. Sir, your line is open.

Richard Read:  Thank you. Rich Read with The Oregonian.

Can you explain a little more in detail what the interaction between the melamine and the cyanuric acid could actually do?

Daniel McChesney:  This is Daniel McChesney with FDA.

The - that’s one of the things we’re still working on, trying to see how those interactions would go together and if they might increase the toxicity of the melamine.

There is some indication that crystals could be formed as a combination of these two compounds, but we’re still examining the interactions.

Julie Zawisza:  Thank you. Next question.

Coordinator:  Our next question comes from Linda Fuoco. Your line is open.

Linda Fuoco  Thank you. From the Pittsburgh Post-Gazette.

Reference was made to reimbursing - or is it farmers for the hog - is that the farmers or would that processors or packing plant? -- number one -- And number two, do government have to reimburse the farmers? Can anyone then go back to the people who imported these contaminated products or are they liable to pay for any of this cost at all?
Kenneth Peterson: Okay. It’s Dr. Peterson with the USDA.

On the Section 32 provision that I mentioned, the authority is with the secretary of our agriculture to compensate what we call restoring of farmers lost purchasing power.

So it is the actual farmer that was raising these pigs. That’s where the authority, the extent of authority as far as compensation.

So for example in this case, these pigs can not go into market, so we’re offering up to replace the farmers purchasing power and that’s the Section 32 fund.

We’ll leave it at that.

Coordinator: Thank you. Our next question comes from David Goldstein. Sir, your line is open.

David Goldstein: Hi. David Goldstein from 710-KIRO in Seattle.

The live stock feed was adulterated by salvaged pet food. Menu Food has recalled product going back to November 8 of 2006. Is the FDA aware of whether Menu Foods actually sold salvaged pet food into the livestock feed industry during that time?

Julie Zawisza: I'm sorry. Can you repeat that question?

David Goldstein: The question is whether the FDA is aware whether Menu Foods sold salvaged pet foods during the - going back to November 8, during the time that it was producing contaminated food? And whether that made it into livestock feeds?
Julie Zawisza: Give us a second please.

This is David - doctor, or Captain Elder.

David Elder: All right. This is David Elder.

We are tracking all manufacturers who produced pet food from ingredients that were contaminated with melamine or these melamine-related byproducts.

And the practice is differ by each manufacturing facility as to what if anything they sell has salvaged type products for that may or may not go into animal feed.

So just like we are doing with this rice protein concentrate from some of these manufacturers, we have been and continued to trace any other pet food made by Menu or made by other processors with the wheat gluten to follow that trail to see if any may have entered the animal food supply.

Julie Zawisza: Thank you. Next question.

Coordinator: Our next question comes from (Rick Wise). Your line is open.

(Rick Wise): Thank you. I'm wondering on the basis of studies on sick or dead pets. How certain you are at this point that these compound that you're talking about are the culprit compounds, and what your late assessment is of the number of affected pets?

Daniel McChesney: This is Dan McChesney with FDA.
The - we're still working on the toxicity of this compound and how they interact. So we really have no additional information on that. We're continuing to look at that.

And our estimate is still where it was in the previous states in the upper (unintelligible) for animals who are affected. As we've said in the past we're focused mainly on making sure all products that's in commerce is removed from commerce and following up on things like these, recent feeding to hogs.

We're focused - our focus is on that.

(Rick Wise): But to be clear, these two compounds are the ones you're focusing on now to the exclusion of anything else. There are no second or third here suspects chemicals that you're looking into.

Daniel McChesney: We're looking at these two and other metabolics that might are associated with its family.

(Rick Wise): Right.

Daniel McChesney: But those - you're correct. Those are the main view at this time.

(Rick Wise): Thank you.

Julie Zawisza: Thank you. Next question.

Coordinator: Next question comes from Gina Damron. Your line is open.

Gina Damron: Hi, thank you.
I was wondering, when you were going over the list of states that have the hog farms that were feeding this (unintelligible) feed. You mentioned California, North Carolina, South Carolina, New York, Utah. And I think you said Oklahoma. Is Ohio still listed in there as well?

And also California and North Carolina and New York have quarantined the hogs. Have the other states not done that, and why haven’t they done that?

Julie Zawisza: Can you please state your name and affiliation?

Gina Damron: Yes. Gina Damron, Detroit Free Press.

Julie Zawisza: Thank you.

Dr. Peterson, would you like to take that call - that question?

Kenneth Peterson: Sure.

Okay, what we know from the - yes, Oklahoma with that is, as far as - and that was just information from today.

Ohio, as when standard here and FDA can correct this if necessary. That farm given some subsequent investigation received feed before it was from that particular feed mill if you will, before that mill received the contaminated feed.

So they’ve received it from some firm but in investigation, it’s predated any exposure. And so the concerns from that farm didn’t pan out.

Gina Damron: Uh-huh.
Kenneth Peterson: The quarantine and the whole is - there is some official quarantine and certain phase as you know, and FDA listed those states.

In the other states, there is some holes on the animals that’s really a state in local issue as far as how to exercise control, but those animals are under control, and they're not receiving into certain slaughter chain until we get this information out in the compensation in the (federal) information.

Gina Damron: Thank you.

Julie Zawisza: Thank you. Next question.

Coordinator: Next question is from (Alison Aubrey). Your line is open.

Ms. (Aubrey), please check your mute button. Your line is open.

Julie Zawisza: Let’s go to the next question there, and if she gets back in the queue, would you put her please.

Coordinator: Thank you.

Our next question comes from Abigail Goldman. Your line is open.

Abigail Goldman: Good afternoon. Abigail Goldman with the LA Times.

Can you update us on where you are and find as the - as far as the investigation in China? The last press conference you talked about obtaining the warrants or the letters that you needed.
Have you gone to China? Have you had people in those factories? And if what are the (unintelligible)?

Julie Zawisza: We have Dr. Murray Lumpkin here who is the head of Office of International Programs, and I'm going to ask her to take first. But would you mind repeating it because we have a little technical interference here. I didn’t catch everything.

Abigail Goldman: Yes. I said, where - basically where are you in the process? Or do you have people in those factories? What are you finding? How many factories are you in versus how many you’ve requested to go in, et cetera? Just bring us up-to-date in general.

Murray Lumpkin: Hi. This is Murray Lumpkin. We have received from the Chinese government these documents that we need in order to get pieces for our people to go over. Our people are at this point ready to go over.

We are working with our Chinese Authorities. They have been in the plants doing the inspection at this point time that they wish to do.

One of the things that we know is that our in country colleague have obvious in-country expertise on sales, marketing business relationship. And often having the original inspections done there bringing a tremendous amount of information that we can use when we go in.

So we are expecting to have our people in China in the very near future. And we’ll be working with our counter part in China on what they have found and then doing our own inspections there also.

Julie Zawisza: Thank you Dr. Lumpkin.
Next question please.

Coordinator: Next question comes from Alex Pulaske. Sir, your line is open.

Alex Pulaske: Hi, this is Alex Pulaske with Oregonian.

Dr. McChesney you indicated that there was some indication that the interaction of the two that individual - there's (unintelligible) crystals could be formed. Do that mean that potentially could lead to renal failure or something else?

And then secondly, the questions was asked Mr. Peterson whether USDA or the government in some form would go after Wilbur-Ellis for reimbursement and I didn’t here precisely answer that question. I’d appreciate if we could here answer to that.

Daniel McChesney: This is Dan McChesney with FDA. That’s correct. The crystal formation in the kidneys could lead to mechanical damage to the kidney, resulting to kidney failure.

Alex Pulaske: Okay. Thank you.

Kenneth Peterson: Dr. Peterson here. So what I mentioned the secretary’s authority, we mentioned that it was extended to compensating farmers.

Alex Pulaske: Uh-huh.

Kenneth Peterson: At main porter would not be in our view of the farmer so they're not be eligible for compensation.
Alex Pulaske: I'm sorry, sir. The question was if federal government is reimbursing farmers, and it tends to be the fault of some other party, whether its Wilbur-Ellis or some importer, are you going to seek repayment of those funds from that importer of this contaminated feed?

Kenneth Peterson: Okay. No, that’s not our intention. These are separate funds and this is the type of purpose that we would use them for.

Alex Pulaske: Thank you.

Julie Zawisza: Thank you. Next question.

Coordinator: Thank you. Our next question comes from (Mary Frigis). Your line is open.

(Mary Frigis): Hi. Good afternoon. Thanks for taking my call.

Do you have a sense of how much money might be spent on the compensation on that process to the farmers?

David Elder: At this point, no. We need to get on around how many and then what's the value in all this stuff. But we don’t have a value - we don’t have a dollar value at this point.

(Mary Frigis): You don’t know how many farmers there are that might be…

David Elder: Well, we listed the eight producers.

(Mary Frigis): Okay. Uh-huh.
David Elder: Of interest and then the upto 6000 hogs, and then of course we need to make sure that those hogs that actually ate the contaminated feeds because they're eligible for compensation.

(Mary Frigis): Okay.

Julie Zawisza: Next question please.

Coordinator: Our next question comes from Jim Kiertzner. Sir, your line is open.

Jim Kiertzner: Thank you. Jim Kiertzner with WDIV TV in Detroit.

I think this was asked earlier and I may have missed the answer or didn’t get answered. Do you have a total number of pets either killed or sustaining some sort of injury from the pet food contamination, what figures to do you have confirmed at this point?

Daniel McChesney: This is Dan McChesney from FDA.

What I've previously said I believe in respond to the Washington Post question was that we can send the (high) teams, maybe 17 or 18 that we have confirmed.

But again, that’s not our focus. Our focus is to remove product that was contaminated, contained either wheat gluten or rice concentrate from commerce so we don’t involve other animals or get into other parts of the supply system.

Jim Kiertzner: At some point will make account, take account of the number of dogs, cats involved?
Daniel McChesney: I don’t know. We’ve had - well, we've had many thousand calls from consumers, and we are looking at that but I'm not sure we will ever come up with a final number here. It’s just - that is something we can never get there.

Jim Kiertzner: Thank you.

Julie Zawisza: Thank you.

Sorry for the interruption. Will you finish (unintelligible)?

Jim Kiertzner: Yes. Thank you.

Julie Zawisza: Okay. Sorry about that. Next caller please.

Coordinator: Our next question comes from (Alan Gurga) your line is open.

(Alan Gurga): Yes. Moving from the topic of what compensation could be or what companies might owe farmers. There’s also the question of do have these companies that after the product call, according to (Steven Sunloft), these pet food companies salvaged the discarded pet foods by turning it into hog feed. Thus taking something that wasn’t acceptable for the pet supply and toss it putting it to the human supply.

I'm wondering if there's any criminal possibility to this, or what sort of regulations may have been broken that you may need to investigate?

David Elder: This is David Elder. That has not happened. Recall pet food has not been into animal feeds, for hogs, or any other animals.
What we’re talking about in terms of salvaged food, it basically what was produced at the time lots of pet foods was produced but didn’t quite meet standard to get into a pet food bag. It may have been crushed. It may have been dust. It may have been parts that fell on the floor during manufacturing production that didn’t make it into pet food. That is the salvage product that we’re talking about that is gathered up by pet food manufacturers and sent to places like salvagers or farmers for use in animal feeds. It is not recalled products that was salvaged then turned into animal feeds.

Julie Zawisza: Thank you. Next question please.

Coordinator: Next question comes from (Liv Osley). Your line is open.

(Liv Osley): Hi. Thank you. This is (Liv Osley) with (unintelligible) News. In the South Carolina, the officials here are saying that the feeds at the farm involved tested negative from melamine, but the hog urine tested positive.

I'm wondering if this means that the feeds they’ve been eating had been contaminated longer that the lead resulting in some of these swine already in the human food chain? Or is there some other explanation?

David Elder: This is David Elder again. I mean, it’s hard to speculate what some of the reasons behind that could be. The contamination certainly isn’t homogenous throughout the products, so there - a sample of feed could have been tested negative, but a sample down the line a little bit could’ve tested positive. It’s hard to speculate on that reason.

We believe that the dates of the contamination are clear and the food produced in that time is adulterated, whether it was used as pet food or whether it’s used
in animal feeds. And just can’t really speculate on what you perceived as an inconsistency.

Julie Zawisza: Next question please.

Coordinator: Our next question comes from Daniel Goldstein. Your line is open.

Daniel Goldstein: Hi. It’s Daniel Goldstein with Bloomberg.

I'm wondering if you can elaborate a little bit on the feed mill in Missouri which you mentioned may have also have some contaminated feeds.

What does that (seasonal) producers have the chance of the chemical might have gotten into the chicken and cattle feed as well?

David Elder: We’re still tracking that down and that’s preliminary at this point. I'm not prepared to talk about that. But maybe during the next call or we get information that’s confirmed before the next call, we could get it out.

Daniel Goldstein: So you can’t rule that out, that chicken-cattle feed may have been adulterated?

Daniel McChesney: This is Dan McChesney. I'm not sure we can rule out chicken feeds because as David say, we’re still investigating.

But all of these, if this is in fact close to pet food products, and had a neat product in it, it could not go to cattle feed under the BMC regulation.

Daniel Goldstein: Right.
Daniel McChesney: So if some, we feel pretty confident that none of these is gone to cattle feed. It’s just not a counter practice in that industry.

Daniel Goldstein: There's (unintelligible) rule.

Daniel McChesney: Yes.

Daniel Goldstein: Okay.

Julie Zawisza: Thank you. Next question.

Coordinator: Next question comes from Debbie Turner. Your line is open.

Debbie Turner: Thank you. This is Debbie Turner with CBS News.

As it relates to pet, so you're confident that you have confiscated and contained all of the known melamine adulterated or contaminated, whether wheat gluten, rice protein concentrate.

And should we expect any additional voluntary recalls among pet foods in the coming days or weeks?

David Elder: Hi, this is David Elder again.

There was a recall announced today involving the rice protein concentrates. It was announced Chenango Valley Foods. And this announcement, it covered the product Smart-Pack, products produced by, marketed by the firm Smart-Pack that we mentioned during the last call on Tuesday of this week. And it includes additional products distributed by firm called Foster&Smith.
These again were associated with the contaminated rice protein concentrate. We aren’t aware of any other potential recall at this time involving either pet food produced from contaminated wheat gluten or from contaminated rice protein concentrate.

As we say time and again, the investigation is open. We continue to follow the trail. But we don’t have anything else that we expect to emerge. However with the caveat, the inspection is ongoing and we are going to follow the trail till it ends.

And if another recall emerges through that investigation, that’s what will be necessary to continue to protect animal health and we will make sure that we do that as expeditiously as we can.

Julie Zawisza: Thank you, Dave.

I'm going to ask callers to speak very clearly and loudly into microphone or into your phones or headsets. We’re having just a little bit of trouble hearing you. Some of you are very soft.

Next question please.

Coordinator: Our next question comes from (Dirga Henderson). Ma'am, your line is open.

(Dirga Henderson): Hi. Thanks for doing this, and thanks, Julie, sometimes I get soft.

I want to re-ask (Rick’s) question about whether melamine truly I the cost for the harm for this animals in light of China’s position that melamine is - they have no firm evidence that showed melamine was the direct cause of the poisoning and death of the pets.
Daniel McChesney: This is Dan McChesney from FDA. I think what I would say to that is that we know in the original (fallibility) trial back in early March, end of February and early March, that when we saw animals that were died as result of eating this food or he become sick. There was melamine in the food. There was melamine in the urine, and in some cases, melamine was found in the kidney.

So while I'm not sure you can say there's direct link, they’ll show you a very strong association.

Since that time we've learned about other contaminates or by products of the melamine process that are in there, cyanuric acid. And so I think that’s, you know, lead us to consider other possibilities besides melamine, but melamine is surely associated with the deaths of thee pets.

Julie Zawisza: Thank you. Next question.

(Dirga Henderson): Thank you.

Coordinator: Our next question comes from (Steve Case). Sir, your line is open.

(Steve Case): This is a question I believe for Dr. Peterson. Has the USDA received any indications so far from any (unintelligible) international trading partners that any of them might temporarily suspend you as pork imports as a result of these contaminations?

David Elder: No. We don’t have - don’t have any information with that effect.

(Steve Case): Thank you.
Coordinator: Our next question comes from Chris Clayton. Sir, your line is open.

Chris Clayton: This is Chris Clayton with DTN in Omaha and I'm king of following up on (Steve Case’s) question.

Now because part of the testing may appear to be positive, part might be negative, China doesn’t seem to agree that this product was the cause. Whey hasn’t (been their) agency, US agency taking the stand off go ahead and putting a hold or band on some of these imports until the investigation moves further along?

David Elder: Hi. This is David Elder.

I didn’t hear the media affiliation. Could you repeat that?

Chris Clayton: I'm with DTN. We’re an agricultural news service, based in Omaha.

David Elder: Okay, thank you.

The action that FDA has taken does far involving Chinese imports is we have two what we call detention without physical examination which is an import alert. The result of it essentially prohibits the importation products that have strong believe to be in violation of our laws.

Those two important alerts relate to products that would be coming in from the firm Xuzhou which was associated with the wheat gluten, and (Ben Zu) which is associated with the rice protein concentrates.
So no products from those firms will be coming in to this country. Additionally, we have set criteria to perform 100% sampling of other similar ingredients coming in from China that are intended for animal food.

And I think at this point, it would be a good idea for me to ask Dr. David Acheson from our Center for Food Safety and Applied Nutrition to discuss other proactive steps that we are taking in this area.

Dr. Acheson?

David Acheson: Sure. Thanks. This is David Acheson from Center for Food Safety.

We went over this briefly on the last conference call on Tuesday but let me just reiterate.

Because we know that the melamine and melamine-related compound were in the wheat gluten and the rice protein concentrate, we’re about to initiate a proactive surveillance assignment focused on two major features.

Firstly, to raise awareness with manufacturers, be certain of their suppliers are safe and that they know all there is to know about their suppliers to try to minimize the likelihood of a supply problem.

Secondly, we will be obtaining samples from manufacturers and testing them for melamine and melamine-related compound.

The focus on this assignment is a number of protein concentrate including wheat gluten and corn gluten, corn meals, (unintelligible) protein, rice brown, and rice protein concentrate. And again, the focus is on imports from the country of China in relations to those ingredients.
We have no reason to believe that any of those are currently in the human food supply has direct ingredient. We have no reason to believe that anything other than the rice protein concentrate or the wheat gluten have been problem in the United States recently. So this is a proactive plan. And as a sense, the agency is trying to get out ahead of the curve and do the right thing about public health to look for problems head of time.

Julie Zawisza: Dr. Acheson, thank you.

Operator, how many callers do we still have on the line or in the queue?

Coordinator: You have four questions.

Julie Zawisza: Okay. We’re going to try to take all of them.

Coordinator: Our next question comes from Ricardo Zaldivar. Your line is open.

Ricardo Alonso-Zaldivar: Hi. You have Ricardo Alonso-Zaldivar with the LA Times.

And I was wondering if you could explain a little bit more about cyanuric acid. Now, the melamine I understand that’s used in making plastics. And cyanuric acid I think that that’s used in treating swimming pool water. But now how it would’ve gotten into this pet food? Is it - would it have been had it separately, or is it somehow another a byproduct of the processing or a breakdown on melamine? And if you can explain that please?

Daniel McChesney: Well, we have - would love to be able to say, we absolutely knew how it got in because if we did we could all go home.
Ricardo Alonso-Zaldivar: Yeah.

Daniel McChesney: But we don’t know that. But we can say it is a - it’s a nitrogen-rich compound much like melamine.

So the presence of either of those compounds, or both of those compounds, and approaching product would - could serve you increase the appearance - appearance protein level. (Unintelligible) looking at the nitrogen level.

So why it’s in there we still don’t know. We kind of speculate on that (unintelligible).

((Crosstalk))

Ricardo Alonso-Zaldivar: But you call it a melamine-related compound or chemical. And that’s why I'm trying to understand, why do you call cyanuric acid a melamine-related product.

Daniel McChesney: It’s structurally similar.

Ricardo Alonso-Zaldivar: I see.

Julie Zawisza: That was Dr. McChesney.

Ricardo Alonso-Zaldivar: Okay, you're thinking it’s not in anyway kind of like a product of the breakdown or digestion of melamine or anything like that. Its probably would’ve been added separately of the same purposes. Right?

Daniel McChesney: We don’t know. Probably so.
Ricardo Alonso-Zaldivar: Okay. That explains a little bit more. Thank you.

Julie Zawisza: You're welcome. Next question.

Coordinator: Next question comes from (Sander Young). Your line is open.

(Sander Young): Thank you for taking my question.

I wanted to know how much - what's the concentration of melamine that was found in the hog? And what's the risk - I'm not clear on what's the risk to humans. You said the likelihood of illness is low, but to what level is dangerous for human then?

Daniel McChesney: Well, this Dan McChesney. I’ll try what was found in hogs. In the (unintelligible) this is not FDA data but its state data was reported to us. And hog urine that reported in the parts for billion, 50 to maybe 300 or 400 parts per billion, to the low parts per million. And some urine in other animals have enough (unintelligible) of 50 or 60 parts per million.

The - what's the problem effect for humans? I think, maybe I only ask Dr. Acheson to comment on that one.

David Acheson: Sure. This is David Acheson from FDA.

Clearly there are no melamine toxicity studies that have been undertaken in human that we’re aware of. The studies that we’re working from are studies that have been done in rat. Some have been done in other animals.

Those studies would indicate that you nee very high levels of melamine, pure melamine exposure to cause a problem in this animals.
Let’s get higher than we’re seeing in this situation. However, as this has been mentioned on the call, our concern is not just melamine but melamine and the melamine-related compound like the cyanuric acid and others.

So the concern to human is that some of these mixtures maybe more toxic than the melamine alone.

At the end of the day, despite that, the levels that we’re seeing, the likelihood of toxicity to humans is still extremely low, it is extremely remote possibility.

So obviously, in the context of this call, the action that we’re taking is really out of abundance of caution. But overall, we believe the risk to be extremely low to human.

(Sander Young): Can I follow up that question? The parts per billion that you send in the urine, what's - is there an acceptable level? You told me what the level is but how much higher is that and what acceptable, or is there acceptable level?

Daniel McChesney: This is Dan McChesney. I’ll try that one.

There are currently, there's no tolerance for any of these compounds, either melamine or cyanuric acid. So because of that, we really can not the likelihood of this is very, very low in the likelihood of any problems resulting in food that contain this as Dr. Acheson said this is really extremely low.

However, we just don’t know when we get these mixtures together. So there is no, really no acceptable level.
Kenneth Peterson: This is Dr. Peterson. We do know from some of our discussion with EPA and other agencies. There is some low environmental level of melamine out and just that large. And so here we’re talking an additional, you know, additive to addition to the feed.

(Sander Young): Thank you.

Julie Zawisza: Thank you. Let’s take the next question.

Coordinator: Next question comes from (Roxanna Haigman). Your line is open.

(Roxanna Haigman): Yes, thank you. (Roxanna Haigman) with (AP) in (unintelligible).

Is the population mandatory, and if not why not?

Julie Zawisza: (Unintelligible) mandatory?

Kenneth Peterson: Yeah, Dr. Peterson with USDA.

No it’s not mandatory, but I think farmers of course are prudent people and they need to look at what they're options are and so they're options are they can go to slaughter.

And that’s not going to be an avenue for those that we, you know, have eaten this feed or that we have strong reason to believe have eaten that feed.

So this is a mechanism to provide them some valid compensation so that they make the right decision in a timely manner that, you know, serves everybody’s interest. But is there some order for them to do it? No.
(Roxanna Haigman): Thank you.

Coordinator: Your next question comes from Linda Fuoco. Your line is open.

Linda Fuoco: Yes. Thank you. Form the Post-Gazette.

Getting back to another recall announced to date, what is the involvement of Foster&Smith which is a mail order catalogue? They’ve got - excuse me. They’ve gotten contaminated food, pet food products into their operation or they part of the recall, or what's their involvement?

David Elder: Hi. This is David Elder.

That was the recall I mentioned I little bit earlier.

Linda Fuoco: Yes.

David Elder: Their involvement is that they are marketers of products that were contract manufactured for them that used contaminated rice protein concentrate.

Linda Fuoco: Do you know how large? It’s a large operation.

David Elder: In the recall note is specific loss manufactured during the time frame of about January through April are identified.

Linda Fuoco: Okay. Thank you.

David Elder: So it’s not all the products that it produced.

Linda Fuoco: Right.
David Elder: It only relates to the chicken and brown rice formular; dog food, chicken and brown rice (adult-like) cat food, and certain (unintelligible) code within that.

So if the press release is not immediately out, it would be out very shortly.

Linda Fuoco: Okay. Thank you.

David Elder: Specific information will be in it.

Julie Zawisza: So it’s David Elder.

Operator, we have time for one more call - I'm sorry, one more question.

Coordinator: Our next question comes from (Alan Garga). Your line is open sir.

(Alan Garga): Yes. This is just a point of clarification on something earlier. The 6000 hogs that are currently quarantined, is it expected that they're all going to be destroyed, if there's some sort of testing for contaminate - feed contamination, and if so, how do you test?

Julie Zawisza: Sorry - Dr. Peterson are you taking that?

Kenneth Peterson: Yes.

Julie Zawisza: Thank you.

Kenneth Peterson: Yes, it is our expectation at the best course of action would be for them to destroy them. Testing out of it and the provisions for test and what does the test means that may come someday, but its not today.
And we don’t know when that - if it even happens, when that will be. So for them to continue feeding these animals, that’s part of the reason we’re (all in) the conversation so they can look at their eyes and can make, you know, prompt decisions.

(Alan Garga): Okay. Thank you.

Julie Zawisza: Thank you.

At this time, I’d like to conclude your briefing this afternoon and thank all of our speakers: Captain Elder, Dr. Peterson from USDA. Thank you once again for helping us out today. Dr. McChesney, Dr. Acheson, and Dr. Lumpkin.

I’d like to thank all of you, invited guests, members of the media, for joining us, and I suspect we haven’t answered all of your questions yet, so we will intend to have regular update as information is available.

And if you have any follow-up questions tonight, please call, FDA and/or USDA. Our number is 301-827-6242, and USDA is 202-720-4623. You probably have our Web site, that’s FDA.gov and USDA.gov. And by now you should have received the joint press release from the two agencies. And we’ll keep you posted, and we very much appreciate your participation today.

Thank you and have a pleasant evening.

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