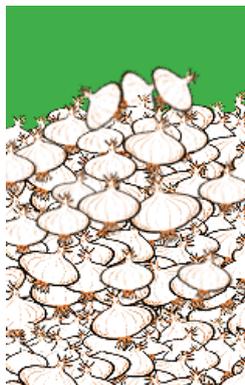




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FDA Fumbles Again On Cantaloupe 'Alert'

The situation regarding cantaloupe, salmonella and Honduras has been getting stranger by the moment.

The FDA started out by issuing an "import alert" regarding cantaloupes produced by Agropecuaria Montelibano:

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FDA WARNS OF SALMONELLA RISK WITH CANTALOUPE FROM AGROPECUARIA MONTELIBANO
The agency detains products from the Honduran manufacturer



*The U.S. Food and Drug Administration has issued an import alert regarding entry of cantaloupe from **Agropecuaria Montelibano**, a Honduran grower and packer, because, based on current information, fruit from this company appears to be associated with a Salmonella Litchfield outbreak in the United States and Canada. The import alert advises FDA field offices that all cantaloupes shipped to the United States by this company are to be detained.*

In addition, the FDA has contacted importers about this action and is advising U.S. grocers, food service operators, and produce processors to remove from their stock any cantaloupes from this company. The FDA also advises consumers who have recently bought cantaloupes to check with the place of



HOT TOPICS





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purchase to determine if the fruit came from this specific grower and packer. If so, consumers should throw away the cantaloupes.

To date, the FDA has received reports of 50 illnesses in 16 states and nine illnesses in Canada linked to the consumption of cantaloupes. No deaths have been reported; however, 14 people have been hospitalized. The states are Arizona, California, Colorado, Georgia, Illinois, Missouri, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Tennessee, Utah, Washington, and Wisconsin.

*The FDA is taking this preventive measure while the agency continues to investigate this outbreak in cooperation with the Centers for Disease Control and Prevention and state partners. Such intervention is a key component of FDA's **Food Protection Plan**.*

The "import alert" was peculiar in several ways. First of all, what in the world is an "import alert"? Do we have something called a "domestic product alert"? What does this term mean?

Second, no consumer in the country and precious few produce clerks would have any idea if their cantaloupes came from a particular grower.

Agropecuaria Montelibano is a major grower and its product is marketed under well known brands such as Dole, Chiquita and Mayan Pride from Central American Produce — perhaps others. Since these are all imported products, there is an importer of record and a customs declaration filed on every shipment. How is it possible that more than 24 hours after the initial FDA statement, there is still no notice issued with brands that might actually mean something to consumers?

Third, what is with this cryptic "based on current information"? What exactly is this information? On what basis did the FDA decide this grower's cantaloupes were unsafe?

Misinformation started spreading quickly. Dole did have cantaloupes from this producer and advised retailers and distributors to hold product — but did not do a recall. But a bunch of websites that were not paying attention picked up information about a Dole recall in February of 2007 and mistakenly **announced** that Dole had done a recall.

This information was picked up on websites, print publications, radio and television. It was a perfect illustration of Mark Twain's admonition that "A lie can travel halfway around the world while the truth is putting on its shoes."

Chiquita explained its position this way: *"Out of an abundance of caution, Chiquita has **withdrawn** (not a recall) cantaloupes grown by the grower-packer referenced in the Import Alert and public advisory from FDA. Chiquita received no calls regarding consumer illness and is not implicated by FDA in the Salmonella outbreak. Chiquita made the decision based on its food safety commitment and to fully support the FDA action."*

Central American Produce emphasized to us its desire to act productively for the trade, and it also was following FDA recommendations to withdraw product from this grower. Yet it pointed out that it wasn't 100% persuaded that there actually was a problem. The company pointed out that Agropecuaria Montelibano was a long-established producer with top food safety credentials.

Agropecuaria Montelibano itself issued a strong statement and made available many documents testifying to the strength of its food safety program:

Public Statement

The U.S. Food and Drug Administration has issued an import alert regarding entry of cantaloupe from Agropecuaria Montelibano, a Honduran grower and packer, because, based on current information, fruit from this company appears to be associated with a Salmonella Litchfield outbreak in the United States and Canada. The import alert advises FDA field offices that all cantaloupes shipped to the United States by this company are to be detained.

In addition, the FDA has contacted importers about this action



and is advising U.S. grocers, food service operators, and produce processors to remove from their stock any cantaloupes from this company. The FDA also advises consumers who have recently bought cantaloupes to check with the place of purchase to determine if the fruit came from this specific grower and packer. If so, consumers should throw away the cantaloupes.

There is currently a multi-state outbreak of Salmonella Litchfield. CDC reports 58 cases in 16 states (California, Colorado, Georgia, Missouri, New Jersey, New York, Ohio, Oklahoma, Oregon, Tennessee, Utah, Washington, Wisconsin, Arizona, Illinois, and New Mexico) and Canada having culture-confirmed Salmonella Litchfield infections with matching PFGE patterns since January 10, 2008. The serotype is characterized as uncommon. Based on findings of a case-control study, CDC concluded a statistical association between consumption of cantaloupe and illnesses, and requested that FDA initiate a trace back.

The FDA is taking this preventive measure while the agency continues to investigate this outbreak in cooperation with the Centers for Disease Control and Prevention and state partners.

Even though we do not question the CDC study conclusion that relates cantaloupe and illnesses, we do question the incrimination of our company because:

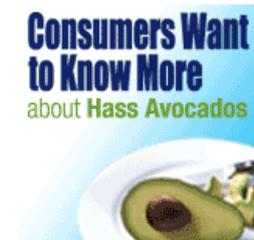
1. The incrimination is solely based on the trace back of two cases. By common sense, a trace back will never be reliable considering the fact that inventories are constantly moving at all levels of the supply chain and it is impossible to guarantee that the consumed cantaloupes were actually ours. And it is even more questionable with so few cases being studied.
2. The incrimination is missing the most important factor, which is a positive sample of our melons with a culture-confirmed Salmonella Litchfield with matching PFGE patterns. FDA has not performed any tests on our shipments and has not come to our farm to take any samples.
3. At the moment we have 6 entries in process of examination with FDA prior notice codes: 080076921702, 0076821451, 080077397691, 080077397816, 080077544831, 080077161835.

We assume that the FDA will sample these shipments and perform appropriate tests. We will closely follow these results and inform you accordingly.

4. We feel completely confident that all results will be negative and that our melons are not the ones that have created the problem based on the fact that there are a total of 113 specific salmonella analyses performed on our cantaloupes at independent certified laboratories that picked the samples themselves from December 22, 2007 to March 13, 2008 and a total of 24 specific salmonella analyses of packinghouse water, irrigation water, land, packing personal; done from the 12th of December 2007 to March 14, 2008. The results of all the analyses have been negative. It seems unlikely that any contamination would not have been identified in all these recent analyses.

You have honored us by being our customers, many of whom go back since we started 30 years ago. Most of you and your costumers have visited our operation and know the amount of effort and dedication that every one of us put in to every detail. It is no accident that we have gained your confidence and the confidence of so many of your customers. The most important supermarkets and fresh-cut processors in the US, the UK and Europe buy our products. Every one of them has specific needs and requests, and we have managed to comply with them. This is what has allowed us to perfect our agricultural, packing, and cooling practices.

Besides complying with the customers' own audits, we have been working with third-party auditors for many years, our last



audit was done from the 15th to 22nd of January 2008 and our scores are as follow:

Santa Rosa Farm
Good agricultural practices 97%
Good manufacturing practices 96%

Montelibano Farm
Good agricultural practices 99%
Good manufacturing practices 98%

In addition, we are also certified under the GlobalGAP norm.

It's still too early to quantify the damage of this precipitous action by the FDA, but it could mean bankruptcy and leaving up to 5,000 hardworking people jobless.

In this document you will find:

1. [Cantaloupe microbiological analysis at origin](#)
2. [Cantaloupe microbiological analysis at destination](#)
3. [Packing plant water microbiological analysis](#)
4. [Irrigation water microbiological analysis](#)
5. [Workers hand microbiological analysis](#)
6. [Third party certificates](#)
7. [Honduran government official visits](#)

We have a meeting schedule for Monday the 24th of March at 2:00 PM with the FDA authorities with representative from our company, Honduran officials and our legal representatives. We will keep you posted on the result of this meeting and all new developments.

In addition to the seven documents above, Agropecuaria Montelibano also made available several additional documents [here](#), [here](#), [here](#) and [here](#).

The President of Honduras described the [actions of the FDA](#) as "unjust" and "extreme and imprudent":

The president of Honduras on Sunday dismissed as "unjust" a U.S. alert urging consumers to discard Honduran cantaloupes after a salmonella outbreak sickened 59, saying the U.S. presented no evidence that the bacteria originated in his country.

The U.S. Food and Drug Administration on Saturday warned grocers to remove melons shipped by the Honduran company Agropecuaria Montelibano from their stock and suggested shoppers check with stores to see where recently purchased melons came from. It is also seeking to hold the company's future cantaloupe shipments to the U.S.

Honduran President Manuel Zelaya called the move "extreme and imprudent," noting that the melons were contaminated on their peel, not inside, meaning they may have come in contact with salmonella bacteria after they were shipped.

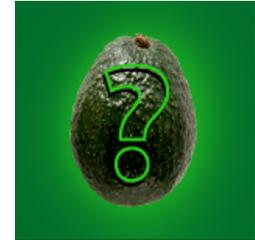
"It's unjust that the (U.S.) has declared a unilateral health alert without any laboratory or clinical tests," he told reporters.

Trade Minister Fredys Cerrato meanwhile called for the FDA to release details of studies it performed on the tainted cantaloupe to prove it was in fact from Honduras — where there has been no corresponding outbreak of salmonella.

"This is causing us direct economic damage," Cerrato told CNN en Espanol on Sunday, noting that 5,000 Hondurans work processing melon, part of a US\$100 million (€65 million) industry centered around the country's southern Pacific coast.

Honduran agriculture experts will meet with FDA officials in Washington on Monday, he said, warning that the U.S. will have to compensate Agropecuaria Montelibano for its losses should the contaminated fruit be found to have other origins.

The FDA confirmed to the Pundit that it had no test results tying melons from Agropecuaria Montelibano to the outbreak but was relying on tracebacks based on consumer memory of what the consumers ate and when as well as survey results



that made the consumption of cantaloupe the common factor among those sick with salmonella.

Of course, these are imperfect tools. Consumer memories can vary and salmonella, which typically is found on the exterior of the melon and affects the flesh only when the knife cuts through, could come in contact with the melons anywhere along the distribution chain.

Even assuming the FDA is correct and this farm's product was the source of the salmonella outbreak, its actions in the "import alert" seem overly broad.

First the Centers for Disease Control **tells us that** there have been no new cases discovered since March 5, 2008:

An investigation that used interviews comparing foods eaten by ill and well persons is showing that cantaloupe from Honduras is the likely source of the illness.

Between January 18 and March 5, 2008, state health departments identified 50 ill persons in 16 states infected with Salmonella Litchfield with the same genetic fingerprint. Ill persons with the outbreak strain have been reported from Arizona (1 person), California (10), Colorado (1), Georgia (2), Illinois (1), Missouri (1), New Jersey (2), New Mexico (1), New York (5), Ohio (1), Oklahoma (2), Oregon (5), Tennessee (1), Utah (5), Washington (9), and Wisconsin (3). In addition, 9 ill persons with the outbreak strain have been reported in Canada. Their ages range from <1 to 93 years; 58% are female. At least 14 persons have been hospitalized. No deaths have been reported.

Salmonella has an **incubation period of 12 to 72 hours** after infection. So if the last person was reported sick on March 5, 2008, any melons sitting around would be over two weeks old and probably more than three weeks old. An FDA spokesperson told us that the reported cases had been following a bell curve so they had tapered off substantially by March 5, 2008 when the last case was reported.

So how does urging consumers to throw out melons that were imported on Friday help them be safe from salmonella tainted melons imported in January or February? This makes no sense.

And why impose an alert against a whole company as opposed to a particular packing house or farm or field? That also makes no sense. If you read the link to third-party certifications, you will find the Primuslabs.com/GlobalGAP certification for Finca (that is farm) Apacilagua, Finca Montelibano and Finca Santa Rosa. Who says that the melons being shipped by the company in March came from the same farm, much less the same field, as the production back in January or February when, theoretically, there might have been a problem? Who says they came from the same packing house?

We commend Agropecuaria Montelibano for its transparency in releasing so much information. From Scientific Analysis Laboratories Ltd. reports done for Dole's subsidiary **JP Fresh** in the United Kingdom to the PrimusLabs.com Good Manufacturing Practices and Good Agricultural Practices and GlobalGAP audits, it is clear this is a company dedicated to world class production and proper food safety practices.

Now that doesn't mean Agropecuaria Montelibano can't have a problem, but the proper announcement would be to urge people not to consume melons imported in January and February in case a few people have some in the freezer or preserved the cantaloupe in some way — not to crush a company and a country and disrupt an industry for no purpose.

We are the first to stand up for the consumer and we are deeply sorry that anyone was sickened from these products at any time. But this is not about helping consumers — the FDA was just too slow for that in this case — this is about the FDA trying to make itself relevant when its role has basically passed.

We commend the President of Honduras for standing up for what is right. We hope he sticks with Agropecuaria Montelibano, and we extend our hope that the company, the country, and the US trade damaged by this unjustified action



should all make a speedy recovery.

One quick take away: It is prudent for legal entities to be as small as possible. If the three farms we mentioned all were separate companies shipping under separate legal entities, the FDA "import alert" would likely not apply to all of them.



Consumers Want to Know More about Hass Avocados



Wal-Mart Announces Product Removal Fee

Not too long ago, we received a letter from a QA executive at an important retailer:

I'm a loyal reader and am in Quality Assurance for H-E-B, a retailer located in Texas and Mexico.

I've been working on our recall system and on improving it. I've heard but been unable to confirm that some of the other retailers (Wal-Mart, Kroger, Albertsons) charge suppliers for recalls. This is a charge in addition to the value of the products removed and not in lieu of discharging any liability.

Do you have any information on this? How much do they charge? Could you have other readers weigh in on this issue?

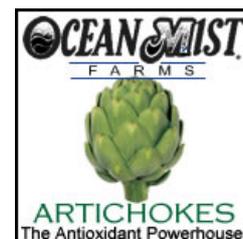
— Richard Parker
H-E-B Quality Assurance Analytical Services
San Antonio, Texas

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- Technorati

Champagne mango



CIRULI BROTHERS



It seemed like a reasonable question, and with the cantaloupe situation certainly top of mind, so we called around a bit to ask about policies. On the foodservice side, it was a pretty easy question. Virtually all foodservice distributors seem to charge suppliers for conducting a recall. These are charges that are in excess of actual costs for product loss, transportation, etc. Essentially, the foodservice distributors are imposing a penalty for the hassle.

We couldn't determine any rhyme or reason as to how the fee was set — for a small recall from a midsize distributor, we were quoted fees from \$5,000 to \$15,000.

Retail seemed more difficult. Although most retailers claimed that their contracts or policies allow them to impose such charges, many report not having done so in the past.

This seems like a timely issue, as Wal-Mart's legal department has recently sent out a piece called the "Product Withdrawal Letter" and it packs quite a punch:

March 4, 2008

Dear Wal-Mart Supplier,

As you may have heard, at last week's Supplier Summit we presented to our supplier partners a new policy on product removals (including recalls and withdrawals). As we described at the Summit, the current version of the standard Supplier Agreement allows for Wal-Mart to recover all costs, including lost sales, associated with a recall of merchandise for any reason, and Wal-Mart intends to begin recouping some of our costs associated with a recall that is the result of a supplier issue.

Our hope is that there is never the occasion to actually collect such withdrawal costs and that we don't have any product removals. But the reality is that when there is a removal due to issues within a supplier's control such as labeling errors,

