

Peanut Co. owner refuses to testify to Congress

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WASHINGTON – The owner of a peanut company refused to testify to Congress on Wednesday amid the disclosure that he urged his workers to ship bacteria-tainted products, pleading with employees to at least "turn the raw peanuts on the floor into money."

Stewart Parnell, owner of Peanut Corp. of America, repeatedly invoked his right not to incriminate himself before the House subcommittee holding a hearing on a national salmonella outbreak blamed on his company. The outbreak has sickened some 600 people, may be linked to nine deaths — the latest in Ohio — and has led to one of the largest product recalls, with more than 1,800 pulled.

Parnell sat stiffly, his hands folded in his lap at the witness table, as Rep. Greg Walden, R-Ore., held up a clear jar of his company's products wrapped in crime scene tape and asked him if he would be willing to eat the food.

"Mr. Chairman and members of the committee, on advice of my counsel, I respectively decline to answer your questions based on the protections afforded me under the U.S. Constitution," Parnell said.

After repeating the statement several times, he was dismissed from the hearing.

The House panel released e-mails obtained by its investigators showing Parnell ordered products identified with salmonella shipped and quoting his complaints that tests discovering the contaminated food were "costing us huge \$\$\$\$\$\$."

At one point, Parnell said his workers "desperately at least need to turn the raw peanuts on our floor into money." In another exchange, he told his plant manager to "turn them loose" after products once deemed contaminated were cleared in a second test.

Parnell's response to a final lab test showing salmonella was about how much it would cost, and the impact lab testing was having on moving his products.

"We need to discuss this," he wrote in an Oct. 6 e-mail to Sammy Lightsey, his plant manager. "The time lapse, beside the cost is costing us huge \$\$\$\$\$\$ and causing obviously a huge lapse in time from the time we pick up peanuts until the time we can invoice."

Lightsey also invoked his right not to testify when he appeared alongside Parnell before the subcommittee.

The disclosures came in correspondence released by a House Energy and Commerce subcommittee Wednesday during a hearing on the salmonella outbreak that has sickened 600 people, may be linked to eight deaths and has led to one of the largest recalls in history with more than 1,800 products pulled.

"Their behavior is criminal, in my opinion. I want to see jail time," said Jeffrey Almer, whose 72-year-old mother died Dec. 21 in Minnesota of salmonella poisoning after eating Peanut Corp.'s peanut butter. Almer and other relatives of victims urged lawmakers to approve mandatory product recalls and improve public notice about contaminated food.

A federal criminal investigation is under way.

"We appear to have a total systemic breakdown," said Rep. Bart Stupak, D-Mich., chairman of the committee's investigations subcommittee.

After peanut granules made in Georgia were connected to the Salmonella outbreak, Parnell tried to salvage whatever he could from the plant, looking for loopholes in what the government said they could use.

In a Jan. 19 e-mail about a truck with more than 33,000 pounds of raw peanuts, Parnell noted that Georgia agriculture officials are "putting a hold on everything else in the plant" beside what was on the truck.

"Obviously we are not shipping any peanut butter products affected by the recall but desperately at least need to turn the raw peanuts on our floor into money," he wrote. "We have other raw peanuts on our floor that we would like to do the same with."

In another exchange, Parnell complained to a worker after they notified him salmonella was discovered in more products.

"I go thru this about once a week," he wrote in a June 2008 e-mail. "I will hold my breath again."

A laboratory owner told the House panel that the peanut company's disregard for tests identifying salmonella in its product is "virtually unheard of" in the nation's food industry and should prompt efforts to increase federal oversight of product safety.

Charles Deibel, president of Deibel Laboratories Inc., said his company was among those that tested Peanut Corp. of America's products and notified the Georgia plant that salmonella was found in some of its peanut stock. Peanut Corp. sold the products anyway, according to a Food and Drug Administration inspection report.

"It is not unusual for Deibel Labs or other food testing laboratories to find that samples clients submit do test positive for salmonella and other pathogens, nor is it unusual that clients request that samples be retested," Deibel said. "What is virtually unheard of is for an entity to disregard those results and place potentially contaminated products into the stream of commerce."

Deibel said he hopes the crisis leads to a greater role for FDA in overseeing food safety and providing more guidance to food makers.

The company, now under FBI investigation, makes only about 1 percent of U.S. peanut products. But its ingredients are used by dozens of other food companies.