

WRITTEN STATEMENT OF STEVE MENDELL

My name is Steve Mendell. I am the President of the Westland / Hallmark Meat Co. The company is in the business of harvesting and processing beef under the Federal Meat Inspection Act. Until a few weeks ago, my company was viewed as having an excellent record in the areas of humane handling and food safety. We took pride in this record.

In early-February, I was contacted by a Washington Post reporter. The reporter sent me an excerpt of a video taken by the Humane Society. I was shocked. I was horrified. I was sickened. I agree that the actions shown in the video were inhumane and are completely reprehensible. The actions were in blatant violation of company policies and procedures. These policies and procedures were not just documents but were implemented through training and regular compliance audits. The company has always been committed to best practices when it comes to humane handling and food safety.

In 2007, the company passed seventeen outside audits and twelve additional internal audits. The company has been regularly audited by the Audit, Review and Compliance Branch of the USDA. The company also has been regularly audited by Silliker Inc., as well as other independent third-party auditors. The audits were comprehensive. I have attached a few of the more recent audit reports. They are: the November 16, 2007 HACCP Consulting Group Audit Report; the November 21, 2007 Silliker Animal Welfare Audit Report; and the February 1, 2008 V.E. Coiner Independent Review. I ask that these reports be made part of this record. The company received the highest scores in the areas of humane handling of cattle and food safety. The company also requires that all employees undergo extensive training and monthly retraining to ensure compliance with company policies and procedures.

From the video I saw, two employees blatantly violated those policies and procedures. It appears that non-ambulatory cows, known as "downer cows," were pushed with a forklift, were

shocked with an electrical prodder, and had water hoses sprayed in their nose in an effort to get the cows on their feet. As soon as I saw the video, the employees were immediately terminated. Our company has a “zero tolerance” policy for inhumane treatment. The video was apparently taken in October or November 2007. Had I known about the employees’ actions sooner, I would have terminated the employees on the spot.

I want to emphasize though that the activities shown on the video are not a “food safety issue.” The cows shown in the video could not walk, were designated to be euthanized and were not put into commerce. These cows would not have passed USDA inspection to enter the processing line. To put it in practical terms, these cows would not have been physically able to walk up the 90 foot single-file chute that leads to the “knock box” where the processing begins. Instead, these cows appear to have been among the 10 – 15 each day that are euthanized outside the plants in trailers and the pens and that are removed from production because they are non-ambulatory. While these cows should be treated humanely and they were not, these cows were not harvested and they did not enter the food system. They were not slaughtered, ground or sold. They were euthanized and removed.

I also want to emphasize that it would be financial suicide for a company to harvest or process a cow that it believes to be sick. The company does not pay suppliers for the cost of a cow deemed unfit for human consumption and there is therefore no financial incentive to bypass the regulations. A single sick cow that enters production also has the capacity to ruin an entire day’s worth of production. It is for this reason that the company would have no interest in processing a non-ambulatory cow. It is also for this reason that the company strictly complied with post-mortem inspection and quality assurance requirements. After a cow passes the USDA ante-mortem inspection, physically walks up the 90 foot single-file chute and then enters the “knock box,” where the cow is euthanized, the spinal cord and other specified risk material

associated with BSC is carefully removed from the cow. Major organs are also removed and carefully inspected and tested for any sign of illness or disease. The carcass is examined at several quality control stations and then by the USDA inspector. As a result of this post-mortem inspection process, approximately 20 – 30 cows are removed from production each day.

In audit after audit, the USDA, other outside auditors, and our internal audits found negative test results for the presence of E. coli and Salmonella. The audits also reported that the company was complying with humane handling laws and company policies. In February, my management and I examined what steps we could take to ensure that no inhumane handling occurred. We reviewed our policies which are in accordance with the guidelines of Dr. Temple Grandin, a world-renowned expert in humane handling practices. We confirmed that the two fired employees, as well as the Humane Society employee, had participated in extensive training and retraining. We hired Dr. Erica Voogood to ensure that we had best practices. We hired all new employees for our pen areas and a new pen manager. We installed seventeen cameras that would videotape the unloading, pen and chute areas so we could monitor compliance with humane handling practices. We hired a company called Arrowsight Security to review the videotape twenty-four hours a day and seven days a week. Dr. Grandin and Dr. Voogood were also going to review random excerpts of the video once a week.

We were taking all of the steps we could to ensure for USDA, our customers and the public that the inhumane handling shown in the video would never recur. I then received a call from the USDA indicating that a second video had been received – a video which I asked to see, which was not provided and which I have never seen. At the urging of the USDA, however, our company voluntarily recalled all products containing any trace amounts of beef harvested by our company for the last two years. Our company is now the subject of the largest meat recall in U.S. history. To my knowledge, the USDA has not asserted that there is any evidence of

contaminated food or any evidence of any illness. I am not aware that there has ever before been a meat recall of this magnitude where there is no evidence of contaminated food and no evidence of any illness.

Our company is ruined. We cannot continue. Approximately two hundred and twenty company employees have lost or are about to lose their jobs. The financial impact affects just not our company but many others. Because our company supplies beef that is commingled with other meats and put into commerce, the financial impact of the two employee's actions and the recall is devastating. For instance, our company sold approximately \$80,000 of beef to a customer. Because that beef was commingled in the customer's products, that customer has suffered millions of dollars of damages. Hundreds of thousands of pounds of meat have been destroyed. I cannot estimate the total amount of financial loss, except to say that it is in the hundreds of millions of dollars.

The conduct appearing in the one video I saw is sickening. That is not the company I know. I agree with everyone who is shocked and horrified by the video. At the workplace and at home, I have received dozens of calls not just from reporters but from persons yelling, screaming, making death threats, and saying that they are praying for us to suffer and die like the cows. My employees have suffered emotionally. My family has suffered. I know that this Committee was upset that I did not appear before you earlier in response to the invitation sent a few weeks ago. I sincerely apologize. It has been a chaotic time for me, my company and my family. I know that this Committee deserves the respect of witnesses. I appreciate the opportunity to speak with you today.



4022 Nicholas Court
Fairfax, Virginia 22033
(703) 385-1989 FAX: (703) 385-9175
Web Site: <http://HACPCG.COM>
EMail: Savager@Prodigy.net OR
HACPCG@AOL.com

Westland/Hallmark Foods, LLC
13677 Yorba Avenue
Chino, California

HACCP Consulting Group, L.L.C.
4022 Nicholas Court
Fairfax, VA 22033

November 16, 2007

Conducted By:
John Miller
Vice President

Please understand that the analysis, statements, recommendations, advice, or suggestions provided in this report are based on scientific literature and wide industry acceptance. Neither the analysis, statements, recommendations, advice, nor suggestions provided shall be construed as a guarantee to prevent damage, spoilage loss, accidents, or injury resulting from their use. Furthermore, the use of analysis, statements, recommendations, advice, or suggestions included in this report is not an assurance that a person or organizations is proficient in their use as included. The use of analysis, statements, recommendations, advice, or suggestions included in this report is not to be construed as taking any responsibility for damage, spoilage, loss, accident, or injury resulting from such use. Nor are the analysis, statements, recommendations, advice, or suggestions to be construed as assuring current or future compliance with either US, Food and Drug (FDA) or USDA, Food Safety and Inspection Service (FSIS) regulations as The HACCP Consulting Group (HCG), L.L.C., has no control over what actions are taken by the client based on the content of this report.

REVIEW SUMMARY

On November 13 and 14, 2007 an on-site assessment was performed at Westland/Hallmark Foods, LLC, hereafter WHMC, Federal Establishment 336, located at 13677 Yorba Avenue, Chino, California by the HACCP Consulting Group (HCG), L.L.C. The review was performed at the request of Westland/Hallmark Foods Management. The focus of the review was to ensure that Establishment 336 continues to be in compliance with the regulatory requirements of Code of Federal Regulations 9, specifically parts 310.22, 313, 416 and 417 as well as the company's written programs. The results of the review are as follows:

OVERVIEW

Westland/Hallmark slaughters and fabricates approximately 500 beef animals per day on one production shift. The beef cattle that are slaughtered and fabricated are from domestic stock only and the company maintains documentation to support the origin of the animals. The company is an approved supplier to the Federal School Lunch Program. As such the company is subject to ongoing audits by AMS. WHMC has in place a well developed Quality Management System that includes Training Programs for employees, Prerequisite programs to support the Food Safety System through ongoing internal company audits, and procedures for monitoring the systems that are in place. Management uses the monitoring results to track and identify trends in the facility that may impact upon the safety and quality of the products.

HUMANE HANDLING PROCEDURES

WHMC has a well designed Humane Handling Program in place to ensure that live animals that are received for slaughter and fabrication are treated in a manner conducive to the tenets of established humane handling practices. The program is designed using guidelines developed by Dr. Temple Grandin of Colorado State University. Live animal haulers that bring cattle to the facility are required to read WHMC rules for unloading animals. Their understanding of the requirements is documented by the company. In addition, all plant employees that work with live animals are provided with training in Humane Handling practices. During a review of the live animal unloading and holding pen practices, the animals were unloaded properly with a minimum amount of stress, placed in holding pens that were clean, and provided with sufficient water. There was no evidence of crowding and minimal vocalizing by the cattle. The pens, including fencing, appeared to be in good repair. The company inspects the pens on a daily basis to ensure that the enclosures remain in good repair and do not have any obstructions or other deficiencies that could cause harm to the animals. The results of the review are documented.

WHMC has a written procedure for ongoing maintenance of the stun guns. Each stun gun is identified, inspected daily, and replaced if they are not operating properly. The personnel performing stunning of cattle are trained and monitored during slaughter operations. Results of the monitoring are recorded.

SPECIFIED RISK MATERIALS

All animals slaughtered and fabricated by WHMC are considered to be thirty months of age or more. As such all parts of the animal that are considered to be SRMs are removed during processing and disposed of. The company has an intensive written procedure for removal and handling of these materials. The lone exception to the procedure is one consignee that receives beef arm chucks under seal from WHMC and bones them under their own in house procedures. A “Chain of Custody” is maintained for these products during transfer from WHMC to the consignee.

All products that are fabricated in the plant are beef that is slaughtered in the facility with the exception of Beef Plates that are purchased from an outside domestic source. That product is fabricated on a dedicated line, identified throughout the processing and packaging, and is not commingled with any other product in the plant. WHMC fabricates product in the boning department in lots of 60 carcasses. The product from each lot is provided with a separate identity throughout processing, packaging, and shipment. In addition, there is a physical time break in the process between lots to preclude any possibility of commingling product from different lots. This allows WHMC to maintain positive product identity if the need should arise.

MICROBIOLOGICAL TESTING

Each Combo of Beef Trim is tested at the end of the Fabrication process using N=60 method of sample collection. The product is sampled for TPC, *coliforms*, *Listeria spp.*, *Salmonella*, and *Escherichia coli O157:H7*. The company testing results that were reviewed were all negative for *E. coli* and extremely low for non pathogenic organisms.

In addition, WHMC has an environmental testing program in place. The various areas of the facility are mapped and color coded for sampling purposes. The results are recorded and graphed on computer for tracking of any positive results. Employee hand tools, garments, and food contact surface equipment is sampled both during pre-operational inspection and during operations. All of the company results that were reviewed showed that the sanitation program is extremely effective. The fabrication department contact surfaces are scrapped and sanitized at mid shift break and showed very low microbiological organism levels.

The company samples one carcass for each 300 animals slaughtered for generic E. coli, Biotype 1 to comply with 9 Code of Federal Regulations (CFR) part 310.25. The sample results have been very good.

SANITATION STANDARD OPERATING PROCEDURES (SSOP)

Slaughter Preoperational Walk Thru

During a pre-op walk thru, the reviewer observed plant employees inspecting equipment and setting up various equipment. The facilities and equipment were clean and employees appeared to have a thorough understanding of sanitation requirements. No deficiencies were observed.

Fabrication SSOP Pre-Operational Walk Thru

Plant employees charged with performing the pre-op inspection in the fabrication department were using proper techniques when inspecting the equipment. Although they were already conducting the inspection and setting up the department for processing, the contact surfaces and surrounding areas of the department appeared to be clean. The employees were using proper handling techniques from a sanitary standpoint when placing product totes and other hand equipment in their respective areas.

HACCP SYSTEM

The HACCP plans are well designed, thorough, and reflect the processes in the plant's operation. The process steps in the flow charts accurately depict the steps in the Hazard Analyses. The Hazard analyses reflect well thought out reasoning and address product flow in the respective operations as they are identified on the flow charts. In addition the plans reflect a well grounded and thorough working knowledge of the principles of HACCP by the plant's food safety team.

WHMC has two validated Critical Control Points (CCP) in the HACCP system. The first CCP is application of Lactic Acid. The acid is applied via a cabinet system at solution strength of up to 5 percent. The other design parameters are a solution temperature of 140 degrees Fahrenheit and pressure of 40 pounds per square inch.

The second CCP is Zero Tolerance. A trained company Quality Control Employee selects 3 carcass sides each hour during production and examines them for identifiable contaminants, fecal, ingesta, or milk.

In addition, lactic acid is also applied to cheek, head and weasand meat and other variety meat items that are harvested during the slaughter process.

WHMC's HACCP plan includes a temperature CCP of carcass surface (44.6 F) in the holding cooler and the fabrication process.

The company employees other processing aids to help ensure the safety of the food products. They utilize three steam vacuum stations in the slaughter process as well as a hot water rinse cabinet that sprays hot water at a temperature of 195 degrees Fahrenheit on each carcass for 12 seconds. One of the three steam vacuums is located at pre-evisceration followed by a pre-evisceration lactic acid spray. Although studies have shown that this helps to reduce bacteria on carcass surfaces, it is not a validated intervention in the HACCP plan. During observation of the slaughter process, the reviewer noted that the person operating the steam vacuum on the lower carcass surfaces was not completely vacuum the lower neck area and front shank areas of the carcasses. Plant management immediately reacted to the observation and instructed the plant employee on proper vacuum techniques.

As a further aid, the company applies Inspexx to each carcass side during carcass breaking process. The acid is applied at a solution rate of two hundred parts per million to the entire surface of each carcass. During the review, the employee applying the inspexx was not applying the material to the upper hock area of every carcass. Plant management immediately provided instruction to the person performing the process

To further emphasize good manufacturing practices or Best Practices, WHMC has an extensive training program for all employees in the facility. Employees working in the slaughter process are trained in animal handling techniques such as proper sterilization of hand tools, including use of a two knife system when making various cuts in the process as well as effective routine cleaning of hands and garments to preclude cross contamination of carcasses.

CONCLUSIONS:

Based on observations gleaned during the review, it is evident that Westland/Hallmark Meat Company has a sound food safety system that goes well above and beyond that which would normally be expected or required from a regulatory standpoint. The company management is rightfully proud of their food safety system and willingly shared information and their internal programs with the HCG.

If you have any questions, please feel free to contact me at: 916-996-0285

Sincerely,

**John H. Miller VP
HACCP Consulting Group, L.L.C.
9346 Winding River Way
Elk Grove, California 95624**

Attachment:

Attached is a list of the programs associated with the plant's Quality Management System (QMS)

QUALITY MANAGEMENT SYSTEM CONTINUOUS IMPROVEMENT OBJECTIVES

A Quality Management System (QMS) has been developed to ensure that the high quality products that are produced and supported by their HACCP, SSOP's , Prerequisite Programs and GMP's are consistently achieved, by evaluating each program and their supporting sub-categories as a cohesive and supporting unit. WHMC has been able to monitor and improve their general operations by ongoing and documented planned improvements.

WHMC is able to prepare, execute and augment their operations by reviewing monthly internal GMP audit reports, pre-operational, operational and maintenance logs. In-house audits are used as a proactive tool to monitor, correct and assign improvements to noted deficiencies/deviations as well as plant operations, programs, employee practices and the physical condition of the facility. Committee members review pertinent collective documents which results with planning, creating and implementing documented corrective actions including applicable preventive measures in order to prevent reoccurrences.

A quorum has been established and applied to the QMS members for individual responsibility and accountability in order to ensure that total and consistent conformity is met. Copies of each audit, including noted

deviations, planned corrective actions, and completed corrective actions are forwarded to pertinent Department Personnel as well as upper management. All generated audits are filed in chronological order for any needed future references.

The entire facility is reviewed on a monthly basis or sooner if needed. Plant audits involve facility walkthroughs, reviewing specific areas such as; the integrity of the each buildings infrastructure with regards to sanitation, applicable daily QC documents, equipment maintenance, humane handling and worker practices.

Reviews by committee members of past documented audits, including pertinent pre-operational and operational deficiencies, and Non-compliance records cited by the USDA are conducted. In addition Committee Members collectively and accurately measure deviations that were corrected at set time tables as well as the most recent deviations that were noted during each post audit. All corrected areas are individually reviewed and verified in a series of planned documented plant meetings.

The monitoring of their food safety systems is of the utmost importance. QC personnel who are assigned to monitor, record and review records are trained on an annual basis or sooner if needed. This training includes the following categories:

- ❑ Basics of HACCP, SSOP, GMP's & Pre-requisite Programs**
- ❑ Monitoring of CCPs as prescribed by the HACCP System, (Including scientifically established critical limits);**
- ❑ Corrective Action(s) procedures in the event that critical limits have not been met.(Which includes corrective action plan(s), (Form 417.3 FSIS/USDA)**
- ❑ Procedures and records of calibration;**
- ❑ HACCP documents are consistently signed and dated;**
- ❑ Verification of HACCP, SSOP & Prerequisite Systems which is kept for a minimum of one (1) year;**
- ❑ Pre-operational Sanitation Checklist;**
- ❑ Daily Pre-operational Sanitation Deficiency Report;**
- ❑ Operational Sanitation Checklist;**
- ❑ Daily Operational Sanitation Deficiency Report;**
- ❑ Hooks For Laborers;**

- ❑ **Personal Hygiene Log;**
- ❑ **Temperature Checklist of Sterilizers;**
- ❑ **Lactic Acid Solution Monitoring Report;**
- ❑ **Inspexx 200 Solution Monitoring Report;**
- ❑ **Quad DS Solution Monitoring Report;**
- ❑ **Quad DS Solution Mix – Hand Held Sprayers – Monitoring Form;**
- ❑ **Inspexx 200 Solution Mix – Hand Held Sprayers – Monitoring Form;**
- ❑ **Quad DS Floor Sprayer Report;**
- ❑ **Daily Calibration Check & Verification;**
- ❑ **Production Report for Harvesting, (Zero Tolerance, Lactic Acid Intervention, Product Temperature Stage)**
- ❑ **Production Report For Raw Not Ground Meat Products (Product Temperature Stage Monitoring);**
- ❑ **Production Report For Raw Not Ground Beef Products, (HACCP);**
- ❑ **Mid-Shift Wet Clean-Up;**
- ❑ **Meat CO2 Injector Monitoring Checklist;**
- ❑ **Storage Cooler Ambient Temperature Monitoring;**
- ❑ **De-boning Cooler Ambient Temperature Monitoring;**
- ❑ **Monitoring of SRM's;**
- ❑ **Government/Commercial On-Line Inspection of Boneless Beef;**
- ❑ **Daily Pre-Shipment Sanitation Cargo Bay Inspection;**

The areas that are evaluated by Committee members are;

- ❑ **HACCP, (Awareness concerning revisions, etc.)**
- ❑ **SSOP's, (Awareness concerning revisions, etc.)**
- ❑ **Pre-Requisite Program**
- ❑ **GMPs, (Pest Control, Employee Practices)**
- ❑ **Plant Defense Program**
- ❑ **Exterior Audit Results (Dry storage & VersaCold exterior freezer)**
- ❑ **Microbiological Training/Test results/Evaluations, (In-house & Out-house)**
- ❑ **Recall Exercises**
- ❑ **Product Integrity Control/Continual Improvement**
- ❑ **Return Product Control**
- ❑ **Cold Chain Management of Storage Product Control**
- ❑ **Dry Storage Control, (Including Material Rotations, Guarantee's, etc.)**
- ❑ **BSE Control Points**
- ❑ **Animal Welfare Controls**

- ❑ **New Employee Orientation & Human Resources, (Job Safety Analysis & Descriptions)**
- ❑ **Plant Sanitation Reviews/Correspondence/Hazardous Communication/Working with Chemicals Training**
- ❑ **Business Emergency Contingency Plan**
- ❑ **Preventive Maintenance, (Including Protocols for Trucks & Trailers, Trailer Failure, New Equipment, General Construction)**
- ❑ **Facilities and Practices, (Storage coolers, fabrication, grinding, harvest floor)**
- ❑ **Pest Control Evaluation with Orkin**
- ❑ **Customer Complaints**
- ❑ **Employee Practices/Training, (harvest, fabrication & grinding)**
- ❑ **Exterior areas, (Trash, Cardboard)**

QMSC COMMITTEE MEMBERS

- ❑ Stan Mendell, WMC, Plant Manager
- ❑ Pablo Salas, HMC, Plant Manager, Harvest
- ❑ Tony Cuevas, WMC Quality Assurance, De-boning
- ❑ Gustavo Manzo, HMC, Supervisor, Harvest
- ❑ Martin Laguna, Quality Assurance, Harvest
- ❑ Henry Wong, Grinding Manager
- ❑ Martin Gonzalez, Quality Assurance, Grinding
- ❑ Tony Gonzalez, Shipping & Receiving Supervisor
- ❑ Tony Padilla, Plant Maintenance Lead Supervisor
- ❑ Steve Sayer, Principle

In the event of a 3rd party audit the QMSC would meet to evaluate plant conditions and practices. Noted deviations will be documented with a planned corrective action list created. Specific assigned roles to procure applicable documents involve:

- ❑ Harvest CCP's
- ❑ De-boning CCP's
- ❑ Grinding CCP's
- ❑ HACCP Program
- ❑ SSOP Program
- ❑ GMP Programs
- ❑ Prerequisite Program
- ❑ Animal Welfare Program

- Microbiological Analysis
- Regulatory Directives and Notices
- Non-Compliance Records

Assignment for corrections would be developed and assigned to all applicable documentation listed above. Revised procedures will be noted for accuracy and compliance since the last documented audit. Final audit results were used for among other areas, Employee Training, Planned Improvement Program, Continuous Improvement, Employee Safety Committee, and USDA Weekly Exit Meetings

Animal Welfare Audit BEEF*

for:

**Westland Meat Co/Hallmark Meat
Packing: Chino, CA**

**Report Date
November 21, 2007**

**Audit by
Stacy Riggs**

Silliker, Inc.

*Criteria for this audit are based on "Recommended Animal Handling Guidelines and audit Guide, 2007 edition" published by the American Meat Institute Foundation.

This audit report sets forth Silliker, Inc. ("Silliker") findings and recommendations as of the date herein. Silliker shall not assume any responsibility for the programs and/or facility being audited nor for events or actions occurring prior or subsequent to this audit. Silliker shall not endorse, and hereby expressly disclaims, any liability related to the client carrying out Silliker's recommendations, if any, contained in this report.

This report is furnished solely for the benefit of the above named client in connection with the auditing services indicated above and provided in accordance with "Silliker, Inc. Terms and Conditions for Technical Services". This audit report may not be reproduced or published in full or in part, altered, amended, made available to or relied upon by any other person, firm or entity without the prior written consent of Silliker.

The name of Silliker or its affiliates or any of its employees may not be used in connection with any marketing or promotion or in any publication concerning or relating to the client or its products and services without the prior written consent of Silliker.

The entire content of this audit report is subject to copyright protection. Copyright 2007 Silliker, Inc. All rights reserved. The content of this audit report may not be copied, reproduced or otherwise redistributed other than for use by the client with appropriate reference to all copyright notices stated. Except as expressly provided above, copying, displaying, downloading, distributing, modifying, reproducing, republishing or retransmitting any information, text or documents contained in this audit report or any portion thereof in any electronic medium or in hard copy, or creating any derivative work based on such documents, is prohibited without the express written consent of Silliker. Nothing contained herein shall be construed as conferring by implication, estoppel or otherwise any license or right under any copyright of Silliker, or any party affiliated with Silliker.

ANIMAL WELFARE AUDIT: BEEF

Company Name: Parent Company:	Westland Meat Company/Hallmark Packing Company	Audit Date:	November 21, 2007
		Start & End Time:	8:00am - 12:00pm
Plant Address:	13677 Yorba Avenue Chino, CA 91710	Silliker Auditor:	Stacy Riggs 903-243-3101
Primary Contact:	Steve Sayer	Telephone:	909-590-3340
Email:	steve_sayer_westland@yahoo.com	Fax:	909-590-3320
USDA est #:	336	Line Speed:	50 head/hour
Pass/Fail:	Pass	Was religious slaughter performed during the audit?	No
		Was conventional slaughter performed during the audit?	Yes

AUDIT SUMMARY - ANIMAL SURVEY

AMI Core Criteria	Passing Score	Score
Electric Prodding	25% or less prodded	6 %
Vocalization	3% or less (conventional) 5% or less (ritual or with use of head holder)	0%
Slips and Falls	Truck unload - 1% or less falls 3% or less slips In plant - 1% or less falls 3% or less slips	0% 0% 0% 0%
Stunning Accuracy	95% or greater accuracy	97.8%
Bleed Rail Insensibility	100% Insensible	0%
Access to water	Yes, water provided	Yes
Willful acts of Abuse	No willful acts of abuse	No

Auditor Signature:

Stacy Riggs

Stacy Riggs 903-243-3101; stacy.riggs@silliker.com

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

AUDIT SUMMARY

Category	Possible Points	Actual Points	Percentage
I. Livestock Receiving	25	25	100
II. Livestock Condition	10	10	100
III. Handling and Holding	45	45	100
IIII. Observations	30	26	86.7
Total	110	106	96.4

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

Summary of Audit Findings

Critical / Major Areas (Questions scoring a 1 or 2):

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

1.0	A. Livestock Receiving	Rating
1.	Company provides written expectations for humane handling to transporters. Guidelines must be posted or delivered to transporters. (1 element)	5
2.	Trailer should be cleaned regularly to prevent heavy accumulation of feces. Manure should not surpass hooves. Trailers must have slip resistant floors and no potential injury points (broken glass, sharp metal edges, etc.) (3 elements)	5
3.	Ramps and unloading area should be slip resistant with no accumulated manure or standing water. There are no potential injury points (broken gates, sharp metal edges, etc.) in unloading areas. (3 elements)	5
4.	The plant should discourage use of electric prods during unloading of animals. Less than 5% of animals should be electrically prodded. (1 element)	5
5.	Animals that have become non-ambulatory in transport are handled humanely and per company's established procedures. Auditor verifies that procedures require stunning of animal prior to being physically removing from trailer or transport vehicle. (Reason for this verification is it is very unlikely auditor will be able to visually verify an animal being stunned on a transport vehicle.) (2 elements)	5

Possible Points **25**

Actual Points **25**

Comments

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

2.0	A. Livestock Condition	Rating
1.	Facility has an established procedure for animals that become non-ambulatory after ante-mortem inspection. Procedure includes stunning animal prior to dragging it from pens, chutes, or ramps. (2 elements)	5
2.	Any dead-on-arrivals (DOAs) carcasses should be staged out of public view. The facility must keep track of DOAs. (2 elements)	5

Possible Points 10

Actual Points 10

Comments

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

3.0	A. Handling and Holding	Rating
1.	All pens should have slip resistant floors and be cleaned or bedded daily. Manure should not surpass the hoof of the animal, and standing water should not be present. Crowd pen, chutes, restrainer, and knock box areas have slip resistant floors. (Verify maintenance records are being maintained.) (5 elements)	5
2.	Pens, chutes, restrainer area, and knock box should be in good repair with no potential injury points (broken gates, sharp metal edges, broken concrete, etc.) present. There are no potential distractions present or observed in the pens, chutes, restrainer, or knock box area. Distractions could include poor design, poor lighting/shadows, out of place objects, voices/noise, debris, etc. Solid sides should be present on crowd pen and chute sides to prevent distractions. (3 elements)	5
3.	There is a preventative maintenance program in place for the stunning equipment. There must be back-up stunning equipment in the stunning area. Stunning equipment must also be available to the receiving area for downers on trailers and in pens. (3 elements)	5
4.	Plant must have an Emergency Livestock Management Plan. The plan should address potential risks and actions for insuring animal welfare, based on geographic location and climate. The plan should be reviewed at least annually. (3 elements)	5
5.	Holding pens must not be overstocked. Animals should have ease of mobility. Crowd pen should be stocked less than 3/4 full. Crowd pen gate should not be used to push animals. (3 elements)	5
6.	All holding pens must have unrestricted access to potable water. Troughs should be regularly cleaned and water cannot be frozen. Animals must have access to feed if held for over 24 hours. (2 elements)	5
7.	The company's training program must reflect procedures and policies for receiving livestock, condition of livestock, holding and handling, and stunning. Retraining should be done at least annually. Records of training must be maintained. (3 Elements)	5
8.	Company performs animal welfare self-audits at least weekly. Records of the self-audits are maintained. Consistent deviations or observations must have corrective actions completed with timelines. The observations of insensibility, stunning accuracy, electric prod usage, vocalization, and slips and falls must be included in the self-audits conducted. (3 elements)	5
9.	ANY WILLFUL ACT OF ABUSE IS GROUNDS FOR AUTOMATIC AUDIT FAILURE. 1) DRAGGING A CONSCIOUS, NON- AMBULATORY ANIMAL; 2) PURPOSEFUL SLAMMING OF GATES OF LIVESTOCK; 3) PURPOSEFUL DRIVING OF LIVESTOCK ON TOP OF ONE ANOTHER; 4) HITTING OR BEATING AN ANIMAL. (1 element)	5

Possible Points 45

Actual Points 45

Comments

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

4.0	A. Observations	Rating
1.	SLIPS AND FALLS- UNLOADING: DETERMINE THE NUMBER OF SLIPS AND FALLS DURING UNLOADING AND RECORD PROBABLE CAUSES if any are observed. Count the number of cattle that slip or fall during unloading. In large plants unloading should be continuously observed until 100 animals from three different vehicles are scored. An equal number of animals from each deck should be scored. Vehicles should be scored in the order of arrival at the unloading ramp. In small plants where vehicles are not continuously unloaded, a single vehicle should be scored. If no vehicle arrives, the score sheet is marked unloading not observed. A SLIP IS RECORDED WHEN A PORTION OF THE LEG, OTHER THAN THE FOOT TOUCHES THE GROUND, OR A FOOT LOSES CONTACT WITH THE GROUND IN A NON- WALKING MANNER. A FALL IS RECORDED WHEN AN ANIMAL LOSES AN UPRIGHT POSITION SUDDENLY AND A PART OF THE BODY OTHER THAN THE LIMBS TOUCHES THE GROUND. EXCELLENT = NO SLIPS OR FALLS = 5; ACCEPTABLE = 3% OR LESS SLIPPING OR 1% OR LESS FALLS = 3; NOT ACCEPTABLE = GREATER THAN 1% FALLS OR GREATER THAN 3% SLIPS= 1	5
2.	SLIPS AND FALLS- STUNNING CHUTE AREAS: DETERMINE THE NUMBER OF SLIPS AND FALLS DURING HANDLING IN ANY OF THE FOLLOWING LOCATIONS: CROWD PEN, SINGLE FILE CHUTE, BARN, ALLEYS OR STUNNING BOX. Score a minimum of 50 animals in large plants. A SLIP IS RECORDED WHEN A KNEE OR HOCK TOUCHES THE FLOOR. IN CATTLE STUN BOXES AND THE SINGLE FILE CHUTE, A SLIP SHOULD BE RECORDED IF THE ANIMAL BECOMES AGITATED DUE TO MULTIPLE SHORT SLIPS. A FALL IS RECORDED IF THE BODY TOUCHES THE FLOOR. EXCELLENT = NO SLIPS OR FALLS = 5; ACCEPTABLE = 3% OR LESS SLIPPING OR 1% OR LESS FALLS = 3 ; NOT ACCEPTABLE = GREATER THAN 1% FALLS OR GREATER THAN 3% SLIPS= 1	5
3.	USE OF ELECTRIC PRODS FROM CROWD PEN TO RESTRAINER / KNOCK BOX: MONITOR THE PERCENTAGE OF 100 CATTLE PRODDED WITH AN ELECTRIC PROD AT THE RESTRAINER ENTRANCE. Facilities with two or more single file chutes should be audited, so there is an even distribution of animals observed among all of the single file chutes. If multiple employees are using prods, score 100 animals passing by each employee. Add the percentages together to determine the final score. Note whether or not a prod was used for each animal and the apparent reason for prod use in the comments. ELECTRIC PRODS SHOULD ONLY BE USED WHEN NECESSARY. ELECTRIC PRODS AND ANY OTHER OBJECTS SHALL NOT BE USED ON SENSITIVE AREAS (FACE, ANUS AND GENITAL). ELECTRIC PRODS SHOULD NOT BE USED IN HOLDING AREA OR CROWD PEN. EXCELLENT = 5% OR LESS PRODDED = 5; ACCEPTABLE = 25% OR LESS PRODDED = 3; NOT ACCEPTABLE = GREATER THAN 25% PRODDED = 1	3
4.	VOCALIZATION: MONITOR THE NUMBER OF CATTLE THAT VOCALIZE (PROVOKED BY STRESS OR AGITATION) IN THE CROWD PEN, LEAD- UP CHUTE STUNNING BOX OR RESTRAINER. SCORE A MINIMUM OF 100 ANIMALS IN LARGE PLANTS AND 50 OR AT LEAST ONE HOUR OF PRODUCTION IN SMALLER PLANTS. VOCALIZING ANIMALS IN THE CROWD PEN AND LEAD- UP CHUTE ARE SCORED DURING ACTIVE HANDLING. SCORE AN ANIMAL AS A VOCALIZER, IF IT MAKES ANY AUDIBLE VOCALIZATION. Determine cause for animals that are vocalizing and include in comments. AMI GUIDELINES DEFINE ACCEPTABLE VOCALIZATION AS UP TO 3% FOR CONVENTIONAL SLAUGHTER AND UP TO 5% IN KOSHER OR HALAL OPERATIONS OR ANY OPERATION USING A HEAD HOLDER. EXCELLENT = LESS THAN 1% VOCALIZATION = 5; ACCEPTABLE = 3% or less (conventional) or 5% or less (ritual or with use of head holder) VOCALIZATION = 3; NOT ACCEPTABLE = GREATER THAN 3% (CONVENTIONAL) OR 5% VOCALIZATION (RITUAL OF WITH USE OF A HEAD HOLDER = 1	5

Possible Points

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

A. Observations

5.	STUNNING ACCURACY (CONVENTIONAL ONLY): PLANNED DOUBLE KNOCKING IS PROHIBITED. IF A NON- PENETRATING CAPTIVE BOLT IS USED, THE ANIMALS SHOULD BE BLED PROMPTLY BUT NO LONGER THAN 60 SECONDS AFTER STUNNING TO AVOID RETURN TO SENSIBILITY. THE FIRST SHOT MUST RENDER THE ANIMAL INSENSIBLE. SCORE 100 CATTLE IN PLANTS WITH LINE SPEEDS GREATER THAN 100 CATTLE PER HOUR. FIFTY CATTLE OR AT LEAST ONE HOUR OF PRODUCTION SHOULD BE AUDITED IN SLOWER PLANTS PROCESSING FEWER THAN 100 HEAD PER HOUR. RECORD PERCENTAGE OF ANIMALS THAT WERE STUNNED TWICE AND PROBABLE CAUSES AND INCLUDE IN COMMENTS. Auditor is to list stunning method used in comments. EXCELLENT = 99- 100% INSTANTLY RENDERED INSENSIBLE WITH 1 SHOT = 5; ACCEPTABLE = 95- 98% INSTANTLY RENDERED INSENSIBLE WITH 1 SHOT = 3; NOT ACCEPTABLE = LESS THAN 95% INSTANTLY RENDERED INSENSIBLE WITH 1 SHOT = 1	3
6.	BLEED RAIL INSENSIBILITY SURVEY: ANY SENSIBLE ANIMAL ON THE BLEED RAIL CONSTITUTES AN AUTOMATIC AUDIT FAILURE. SCORE A MINIMUM OF 100 ANIMALS IN LARGE PLANTS. FIFTY CATTLE OR AT LEAST ONE HOUR OF PRODUCTION SHOULD BE AUDITED IN SLOWER PLANTS PROCESSING FEWER THEN 100 HEADS PER HOUR. IT IS CRITICAL THAT ANIMALS SHOWING SIGNS OF A RETURN TO SENSIBILITY BE RESTUNNED IMMEDIATELY. THERE IS ZERO TOLERANCE FOR BEGINNING ANY PROCEDURES LIKE SKINNING THE HEAD OR LEG REMOVAL ON ANY ANIMAL THAT SHOWS SIGNS OF A RETURN TO SENSIBILITY; however, it is important to complete the audit and note observations about insensibility. Insensibility is characterized by a floppy head, straight tongue hanging out, no righting reflex, eyes are in a blank stare (no eye tracking), no natural blinks occurring. EXCELLENT =100% INSENSIBLE = 5; NOT ACCEPTABLE = LESS THAN 100% INSENSIBLE = 1	5

30

26

Comments

3. Observed three head out of the 50 head observed, prodded, while being moved from the crowd pens to the knock box. Use of electric pod = 6 %

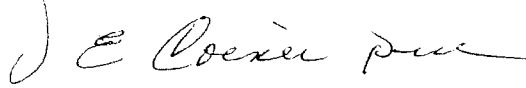
5. Observed one head (#7) double-knocked, out of the 45 head observed knocked during a one hour period. Stunning accuracy = 97.8 %

Items in bold and caps are automatic failure questions if a "1" is scored by auditor.

February 1, 2008

To: Steve Mendell, President
Westland/Hallmark Meat Company
13677 Yorba Avenue
Chino, CA 91710

From: V E Coiner DVM
Meat Consultant



Thank you for asking me to visit your official establishment and provide you with my independent review.

I retired from supervisory positions in USDA's Food Safety and Inspection Service in 1997. I worked for FSIS for 26 years in many parts of the U.S., starting as a Vet Medical Officer at a slaughter plant. Since retirement, I advise and counsel meat firms and provide my independent views based on my substantial experience.

Steve, I have reviewed the records and programs you have at your plant; which Steve Sayer has in place at your plant and these are the best I have ever seen in any plant.

You have excellent records of all of your training programs and ongoing training of all employees.

Your plant has passed numerous audits on humane handling of animals in this plant in the year of 2007 and has no failures; which you should to be very proud of.

You have no failures of E-coli and Salmonella samples; which again shows you have an excellent control over all the harvesting and processing in this plant.

I have also gone through the AM pens and slaughter floor and I see a few windows of opportunities or enhancements, which as we discussed should be initiated at your plant.

- (1) You need to hire an employee to monitor the handling of all the livestock full-time.
- (2) You should eliminate all weak animals from entering your plant premises. I have talked to Donnie Hallmark. You need to make the dairymen and cattle buyers aware of this.
- (3) You also, need to place a hasp and FSIS seal on the old downer door as a further enhancement to prevent any possible way of allowing a weak animal to enter the slaughter floor.

Again, I would like to commend you and all of your employees for the fine job they have been doing at this plant to produce an excellent product for consumer.

If I can be of any assistance to you in the future please call me anytime at 208-373-0669 or 208-863-3399.