Motion Studied To Remand $68-Million Poultry Suit

A U.S. district court judge took under consideration here Tuesday a motion to remand to a state court a $68-million lawsuit brought by Holly Farms Poultry Industries Inc. of Wilkes County involving charges that its poultry was contaminated by chicken feed containing a foreign substance.

Judge Eugene Gordon said he had not decided whether the suit should be heard in a federal court or a state court. Holly Farms has asked that the suit be returned to Wilkes Superior Court, where Holly Farms filed it against Monsato Corp. and others.

Monsanto is the principal defendant because Holly Farms is seeking a judgment for $56 million against it. The defendants had the case transferred to the federal court.

GORDONSGGESTED that lawyers for both sides agree upon a date within the next 10 days for an inspection of the fish meal plant in Wilmington which Holly Farms contends produced the feed in question.

Holly Farms contends that some of its chickens and eggs were contaminated by liquid polychlorinated biphenyl (PCB) which leaked into fish meal that was being processed for chicken feed. As a result, Holly Farms said, it was forced to destroy thousands of chickens and eggs.

Besides Monsanto, other companies named as defendants are East Coast Terminals Inc., owner of some warehouses at Wilmington; South Pacific Protein Associates Inc., which leased a portion of a warehouse in which the questioned fish meal was treated; Wilbur-Ellis Co., and International Proteins Corp., identified as the seller of the fish meal.

Holly Farms charges that leakage in a pasteurizing device in the Wilmington warehouse caused the fish meal to be contaminated in "late winter or early spring" of last year.

Three of the defendants have filed answers in which they deny Holly Farms' charges. They are Monsanto, South Pacific Protein and International Protein.

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