Hy-Line CHICKS

WALLACE HATCHERY, INC.
P. O. BOX 20004 • ST. PETERSBURG, FLORIDA 33702 • PHONE 546-2478

September 15, 1971

Mr. T. Dale Sims
Employers Commercial Union Companies
1438 West Peachtree Street, N. W.
Atlanta, Georgia 30309

Dear Dale:

I am enclosing a copy of my August 20 letter to Ray Jones, a copy of which you may already have received from Ray, but I wanted to be sure that you had it for your files. Note that this letter indicates total loss to Wallace Hatchery through August 15 of $13,355.18, through the use by our chickens of feed secured from Crystal Farms containing PCB.

On or about September 1, 1971 I talked with you by phone, and indicated that Wallace Hatchery was showing on its books a depreciated value of the flock of chickens in question located on the Gullett farm at Duluth, Georgia, of $31,557.69, making a total loss, had we destroyed the flock in question on that date, of $44,912.87. As you know, we are incurring additional losses on a daily basis, however we are doing everything possible in an effort to reduce the ultimate loss from the flock.

We have been in contact with three poultry veterinarians, all of whom I believe are associated with state agencies in one capacity or another, seeking their advice as to disposition of this flock. It has been recommended that we at this time again send samples of eggs and body fat to qualified laboratories for PCB analysis. Should the analysis come back with a minimal PCB level, we would in all probability be able to salvage the flock. If, however, the samples come back with high levels of PCB, it will be apparent that the rate of depletion will not be sufficiently fast to make the flock suitable for further use. Therefore the recommendation of these veterinarians will in all probability be that the flock be destroyed. We, of course, will follow their recommendations.

We should have information relative to the results of these tests sometime during the week of September 27. I will pass it on to you at that time.

You might be interested in an update on additional costs which have accrued since August 15 on an actual and estimated basis through September 19, 1971:

1. Feed from Crystal Farms August 20, 24,000 lbs. $720.00.
2. Feed from Crystal Farms Sept. 8, 24,384 lbs. 887.58
3. Contractor payments:

   Gullet, week ending August 22 604.03
4. Estimated contractor payment to Gullet through week ending August 19 601.75

These additional costs total $2813.36. When added to the $44,912.87 accrued through August 15, it now totals $47,726.23.

Should you have questions concerning any of these charges, I will be glad to provide detailed information. In the meantime let me know if you have any recommendations concerning ways in which we may minimize further loss in this flock.

Sincerely,

Thos. B. Chesnutt, Jr.

TBC/jb
cc: Mr. Ray Jones
Mr. Richard O. Jacobs

MONS 089152