Hormel Salami Recalled In 'Voluntary' Program After Illness Reports

Agriculture Unit Says 100,000 to 200,000 Pounds Are Involved; 11 'Incidents' of Sickness Cited

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The Agriculture Department said Hormel & Co. is cooperating in a "voluntary" retail-market recall of its vacuum-packed sliced Genoa Salami.

The move came after 11 "incidents of illness attributed to the product" were reported, the department said.

A staff member of the department's consumer and marketing service estimated that the recall will affect 100,000 to 200,000 pounds of salami. The 11 cases of illness turned up in Chicago; East Liberty, Pa., Pensacola and Miami, Fla., and Minnesota.

The department said the victims suffered nausea, diarrhea and other symptoms of gastric upset caused by enterotoxin, a substance produced by the staphylococcus bacteria that are normally present in small amounts in all animals, including man.

During the one or two days when salami meat is permitted to "ferment" at room temperature as part of the production process, naturally produced acids normally prevent any buildup of staph populations. This apparently failed to occur in the case of some Hormel salamis, an Agriculture Department biochemist said.

Most of the staph population is killed off during the 50 to 60-day drying period that follows fermentation, but the enterotoxin produced by the bacteria remains in the meat. As little as 0.000035 ounce of the waste substance can make an adult ill, but the symptoms usually don't last longer than 24 hours and often are mild enough that many instances go unreported to health authorities.

Last week the department announced a similar recall action involving salami produced by Armour & Co.

Reporting on its investigation of poultry possibly contaminated by polychlorinated biphenyls, or PCB, the department also stated that initial chemical tests showed no prohibited levels of the chemical present in chicken carcasses prepared for market. Some of the birds sampled from processing plants in 10 Southern states showed traces of PCB, but in all instances the chemical was below the ceiling of five parts per million established by the Food and Drug Administration.

The department has sent a total of 600 birds to government laboratories for analysis and also is monitoring tests of hundreds of additional birds by the poultry industry.

The PCB alert was instituted earlier this month after the department and the FDA learned that PCP had leaked into fish meal produced by a Wilmington, N.C., plant and that the meal, in turn, was blended into an estimated 800,000 tons of chicken feed.

Arkansas and Indiana have been eliminated from the list of states where chicken flocks are believed to have been given contaminated feed, but the remaining states—North and South Carolina, Georgia, Alabama, Florida, Delaware, Tennessee, Kentucky, Virginia and Mississippi—are heavy poultry producers.

SEC Revokes License Of Allied Bond-Share, Bars Firm's President

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — The Securities and Exchange Commission revoked the broker-dealer registration of Allied Bond & Share Inc., Indianapolis, for alleged violations of antifraud and other provisions of federal securities laws.

The commission also barred the company's president, Hubert Leroy Wettschurack, from association with any broker or dealer.

The action was based on a consent agreement whereby the firm and Mr. Wettschurack agreed to the findings of violations and to the imposition of sanctions solely for the purpose of the SEC and any other administrative proceedings.

The SEC said it found that in trading various securities between Sept. 1, 1970 and May 1971 the concern and its president violated federal securities laws in that they "charged prices not reasonably related" to the prevailing market price or to the cost to Allied and that it obtained "unreasonable" fees and markups.

It also found that the firm "willfully violated," and that Mr. Wettschurack "willfully aided and abetted violations," of net capital requirements between Oct. 31, 1969, and May 1971. The SEC alleged that the firm engaged in securities transactions when its aggregate indebtedness exceeded 2,000% of its net capital, and when it didn't have minimum capital of $5,000.

Also during that period, the SEC found that Allied "willfully aided and abetted" by Mr. Wettschurack, violated record keeping and reporting requirements in that they failed accurately to keep certain books and records and to file an annual financial report on time.

From May 1, 1970, to May 1971, according to the SEC, the company also "willfully aided and abetted" by Mr. Wettschurack, failed promptly to amend its application for registration as a broker-dealer to reflect resignations of an officer and certain directors.

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