FDA Says Chickens and Eggs Have Had to be Destroyed Already as Result of Meal

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The Food and Drug Administration said Ralston Purina Co. is recalling 800,000 pounds of tainted animal feed that has already caused hundreds of thousands of chickens and millions of eggs to be destroyed.

The agency said the meal contains excessively high levels of polychlorinated biphenyls, or PCBs. In humans, large doses of the substance can cause skin and eye irritations, but the agency said it hasn't had any reports of human reactions from eating foodstuffs tainted by the Ralston Purina incident.

PCBs, which have been used extensively in insulating materials and for other industrial purposes, are being phased out under an Environmental Protection Agency ruling. The Ralston Purina meal was apparently contaminated with them as a result of an April 1977 fire at the company's National Packing Co. plant in Puerto Rico, the FDA said.

The agency said that about 400,000 chickens that ate the tainted tuna meal have been destroyed and that about 15,000 dozen eggs a day have been destroyed since last March 16 because of contamination. It's thought that most of the meal was shipped to Texas and Arkansas, but the FDA said some was also apparently sold to other feed makers for use in their own products.

An FDA spokesman said Ralston Purina told the agency that it knew of the fire at its Puerto Rico facility but hadn't tested for possible PCB contamination. The spokesman said the FDA called the company's attention to the contamination last February.

The spokesman said that it isn't known how widespread the contamination is and that the FDA's investigation is continuing.

In St. Louis, Ralston Purina said all the contaminated fishmeal has been destroyed or withdrawn from the market. The company also said none of the fishmeal in question was used in its Purina Chow animal feeds.

Ralston said that "as soon as" it became aware of the PCB contamination, early last February, it "voluntarily notified the FDA and Agriculture Department and began procedures" to find and dispose of the contaminated fishmeal.

The company also said that it took "corrective measures" immediately to alleviate "any potential problems" and that all affected customers have been informed. A spokesman declined to elaborate on what measures were taken.

Ralston said the customers who received the contaminated product were served by feed brokers and distributors primarily in Texas, Arkansas and Iowa. Isolated shipments also went to southwestern Missouri, California, Mississippi, Alabama, eastern Oklahoma, Minnesota and Idaho, the company said.

Dividend News

Palmer G. Lewis Co. declared a 25% stock dividend and in effect raised its quarterly by retaining its five-cents-a-share cash payout for the new shares. The stock dividend will be distributed May 16 to stock of record April 24 and the quarterly will be paid May 16 to stock of record April 25. The building-materials distributor said it declared the stock dividend "to increase the number of outstanding shares, and, as a result, gain a wider distribution and improved marketability for its stock." The company currently has 881,920 shares outstanding.

Grand Auto Inc. declared a quarterly dividend of 7½ cents a share, payable May 19 to stock of record April 28. The automotive retailer paid its most recent dividend also of 7½ cents a share on Dec. 15 to stock of record Nov. 23. As previously reported, the company omitted its first quarter dividend. Grand Auto has never set a dividend policy. However, with the exception of last quarter, it has regularly paid quarterly dividends over the past three years. The company said it will continue to consider the declaration of dividends at the board's quarterly meetings.

Hawkeye Bancorp. increased the quarterly cash dividend to 16 cents from 15½ cents, payable Aug. 1 to stock of record July 15. The Des Moines, Iowa-based bank holding company also declared a 10% stock dividend payable to holders of record June 30. No payment date was set. The increased cash dividend will be paid on the additional shares to be outstanding as a result of the stock dividend.

American Manufacturing Co.'s directors

Open Interest

Tuesday, April 11, 1978
(Changes from Monday)

WHEAT (CBT): May 0.40, July 14,972, Sept. 5,411, Dec. 5,142, Mar'79, 1,136, May 172, Total: 26,571, Open Int. CORN: May 40,957, July 53,877, Sept. 8,687, Dec. 26,573, Mar'79, 7,042, May 444, Total: 148,137, Open Int. OATS: May 1,601, July 1,311, Sept. 643, Dec. 241, Total 3,815, Open Int. SOYBEANS: May 39,021, July 27,124, Aug.

If your money information low initial investments with no sales

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