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Holly Farms Sues For $68 Million

Holly Farms Poultry Industries Inc., of Wilkesboro, has filed a $68-million suit against several companies it claims were responsible for Holly Farms' having to destroy thousands of contaminated chickens and eggs.

The Wilkes County poultry processor said the birds and eggs contained PCB, a chemical potentially toxic to humans.

The suit, originally filed in Wilkes Superior Court, was transferred Wednesday to U. S. District Court in Greensboro at the request of the principal defendant in the action, the Monsanto Co.

Holly Farms alleged the chickens and eggs were contaminated by liquid polychlorinated biphenyl PCB which leaked into fish meal being processed at Wilmington for use in chicken feed. The PCB was being used as a heat exchange fluid in a closed-system pasteurizing device.

Seeking $51 million from Monsanto alone, the poultry processor charged that Monsanto violated its own policy of controlling PCB by selling it to the pasteurizing device's operating firm when it should have known the orders indicted a leakage existed.

Other firms named in the suit were East Coast Terminals, Inc., owner of facilities at the port of Wilmington; South Pacific Protein Association Inc., which leased a portion of a port warehouse in which the pasteurization machine was installed; and the Wilbur-Ellis Co. and the International Proteins Corp. which Holly Farms alleged sold fish meal that had been contaminated.

A total of $5,250,000 is sought by Holly Farms from Wilbur-Ellis and $75,000 from International Proteins. East Coast Terminals, South Pacific Proteins and Monsanto were named in a $6-million claim, and Monsanto alone is named in the $56 million claim.

In general, Holly Farms asserted that it was damaged by "joint and concurring negligence" on the part of the five corporations, including alleged violations of implied warranties that the fish meal was suitable for use in chicken feed.

DURHAM, N. C.
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DEC 9 1971

Poultry Firm Sues Over Feed

GREENSBORO (AP) — Holly Farms Poultry Industries, Inc., is seeking a total of $68 million from several firms, including $56 million from Monsanto Co. alone, as a result of chicken feed contamination.

In the suit, which was transferred Wednesday from Wilkes Superior Court to U.S. District Court at Greensboro at Monsanto's request, Holly Farms said the contamination forced it to destroy chickens and eggs.

The Wilkes County firm said the feed was contaminated with the chemical PCB, or polychlorinated biphenyl, because of a leak at the Wilmington plant that processed the feed. It said PCB is potentially toxic to humans.

Holly Farms did not say how many chickens and eggs it destroyed, but it said the number was enough to seriously damage its business. And it said its "good will was, and is, damaged by the apprehension and fear on the part of the general consuming public that chickens were and are contaminated."

Holly Farms alleges Monsanto sold the PCB in violation of its policy which it should have known the intended use of the chemical indicated there was a leak involved. Other defendants are East Coast Terminals, Inc.; South Pacific Protein Association, Inc.; Wilbur-Ellis Co. and the International Proteins Corp.

East Coast, alleged to be the owner of the facilities involved in the contamination at Wilmington; South Pacific, which leased a part of the warehouse where the leak occurred; and Monsanto are being sued jointly for $6 million. Wilbur-Ellis is being sued for $5,250,000 and is an alleged seller of contaminated fish meal; while International Proteins is being sued for $750,000 for also selling the meal.

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