



INQUIRY

Swift Beef Company, Establishment 969G
Export of Ineligible Beef to Japan

MARCH 25, 2009

EXECUTIVE SUMMARY

A shipment from Swift Beef Company, Establishment 969G, 555 South Stuhr Road, Grand Island, Nebraska, 68802 (SWIFT) to Japan containing nine boxes of beef sweetbreads, not described in the Health Certificate no. MPH 103014 was commingled with beef products shipped from the United States. Consequently, Japan suspended import procedures for products originating in this establishment and requested a report from the United States Department of Agriculture (USDA) resulting from a detailed inquiry of this incident.

This inquiry concluded that beef sweetbreads packed into nine boxes were incorrectly weighed and labeled as beef tongues and included in a shipment of product exported to Japan. The inquiry revealed that the establishment's management controls were inadequate to prevent non-conforming product from commingling with beef products that were eligible to export to Japan. The misspack occurred when employee(s) were packaging A 40 beef tongues for Japan at the Main Offal room, and did not verify the contents of the box before applying the label resulting in nine boxes containing sweetbreads being incorrectly labeled as Beef Tongues.

The Quality Assurance Manager for SWIFT revised the standard operating procedure for segregating tongues. The A 40 beef tongues for Japan would be packaged in a separate room and on dedicated equipment. As an additional step to strengthen revised procedures, Quality Assurance personnel will be present 100% of the time when A40 beef tongues for Japan are produced and will monitor the process of the A 40 beef tongues for export to Japan. QA will verify that 100% of the contents of all boxes match the product label. Quarterly internal audit was revised to include a specific point to verify that the new procedures of packaging A 40 beef tongues for Japan are being conducted on the dedicated A 40 Cryovac scale printer in the Offal Palletizing room. Employee training has been conducted to reinforce and verify employee understanding of the proper procedures for handling beef products for export to Japan.

Corrective actions have been implemented by SWIFT and verified by USDA to ensure that adequate controls are in place to prevent, detect or mitigate any recurrence of an incident of this type.

PURPOSE

The United States department of Agriculture (USDA) has conducted an inquiry into the operations of Swift, in order to assess events surrounding its inclusion in a shipment to Japan of a nine boxes of beef sweetbreads. The sweetbreads were ineligible beef products, were not listed on the export certificate, and were not on SWIFT's approved list of products for export to Japan.

BACKGROUND

The export of U.S. meat products to other countries is facilitated by the activities of three separate but interdependent entities:

- 1) the U.S. meat and poultry industry,
- 2) USDA's Food Safety and Inspection Service (FSIS), and
- 3) USDA's Agricultural Marketing Service (AMS).

The U.S. meat industry is responsible for the slaughter of healthy animals and preparation of food products that are wholesome, properly labeled, and not adulterated. In addition to meeting U.S. food safety standards, the industry must meet all requirements imposed by importing countries. Both U.S. food safety requirements and the trade requirements of importing countries must be met before a product can be certified by USDA for export from the United States.

FSIS is responsible for the inspection of meat and poultry products and the certification of products for export to other countries. FSIS Directive 9000.1, Revision 1, "Export Certification," published March 1, 2006, provides an in-depth description of these responsibilities. The primary regulatory role of FSIS is to make critical determinations that meat and poultry products are not adulterated and meet all U.S. food safety standards for sale in domestic or international commerce. This regulatory activity is complete when FSIS applies the USDA mark of inspection. However, additional verifications are necessary after inspection is complete in order for FSIS officials to execute certifications of product for export.

AMS is responsible for developing EV Program standards to ensure that establishments certified for export can meet the additional requirements of

importing countries. These programs are approved and monitored by AMS for a fee, which is paid by participating establishments.

The combination of a USDA mark of inspection and an AMS EV Program provide assurance that U.S. meat and poultry products offered for export may be certified as meeting all U.S. food safety standards and importing country trade requirements.

RESULTS OF INQUIRY

USDA conducted an inquiry to determine whether the procedures and actions of Swift complied with U.S. export certification requirements and the import requirements of Government of Japan.

Results are as follows:

- The probable root cause of the misbranded beef sweetbreads was that SWIFT had weak controls on packaging. SWIFT procedures and prior personnel training did not prevent employees from exposing eligible beef products into work areas and equipment without sufficient safeguards to prevent commingling.
- The inquiry revealed that the misspack occurred when employee(s) were packaging A40 beef tongues for Japan at the Main Offal room, and did not verify the contents of the box before applying the label resulting in nine boxes containing sweetbreads being incorrectly labeled as Beef Tongues.
- SWIFT had a standing procedure for packing Japan tongues on the A 40 Cryovac and scale/printer machine in the Offal Palletizing room. However, it did not specify that this was the only room and equipment that could be used and SWIFT employees were not sufficiently raised awareness of it.
- Based upon the label information on the mislabeled product, it was determined that the boxes in question were scaled in the offal room and not on the A 40 Cryovac and Scale/Printer located in a separate room normally used for A 40 beef tongues for Japan as a standing procedure. Employees deviated from the standing procedure to save time by processing the tongues on the more efficient Cryovac machine in the Main Offal room instead of the slower machine used in the Offal Palletizing room. The deviation from the standing procedure contributed to the miss-pack.
- All beef tongues eligible for export to Japan from that production day have been re-inspected by SWIFT Quality Assurances Department, all products but the nine boxes were found to be acceptable, and no misbranded meat food products were found.

- USDA is not aware of other issues such as this in the process of treating eligible offal product in any of the SWIFT Company plants. When the incident occurred, SWIFT held a conference call and discussed the issue in detail with Quality Assurance at their other beef plants to ensure that the QA Department was aware of the issues that led to the suspension from Japan for the misspack. No similar issue has been found in other SWIFT company plants. This issue was an isolated incident which USDA was not aware of that has since been corrected. The SWIFT procedure was thoroughly reviewed and no indication of a systematic problem was identified. USDA has not identified any objective evidence to conclude that this incident was a systematic problem.
- In previous internal audits, there were no findings that contributed to the issue and there were no problems identified relative to the written procedures.
- USDA personnel followed all applicable regulations, directives and notices.

CORRECTIVE ACTIONS

SWIFT has taken actions to correct conditions that caused or contributed to the export of ineligible product to Japan. After the incident happened, SWIFT strengthened their SOP's by revising the Standard Operating Procedure for Segregating A40 beef Tongues to include this specific practice and also to include the requirement that 100% of finished product will be verified by Quality Assurance personnel.

SWIFT corrective actions include the following:

- The Quality Assurance Manager for SWIFT revised the standard operating procedure for segregating tongues directly after this specific incident occurred as a means to address the incident. The revisions to the SOP include:
 - The written procedure specified that the A 40 beef tongues would be packaged in a separate room and on dedicated equipment as a group.
 - To improve the controls for packing of A40 beef tongues for export to Japan, a separate room has been designated for packing A 40 beef tongues for export to Japan. Since the A 40" Cryovac and scale/printer machine is located in a separate room dedicated for Japan A 40 beef tongues, this procedure will ensure the prevention of any future miss-packaging of A 40 beef tongues for Japan. The packaging, sealing and labeling of A 40 beef tongues for Japan will now be conducted in a separate room.
 - As an additional step to strengthen revised procedures, Quality Assurance personnel will be present 100% of the time when A40 beef tongues for Japan are produced and will monitor the process

of selection, bagging, verify the blue poly liner and proper labeling and packaging of the A 40 beef tongues for export to Japan. QA will verify that 100% of the contents of all boxes match the product label.

- A40 beef tongues will only be run on the dedicated equipment in the offal palletizing room. Beef tongue is the only product that the plant is approved through AMS for A40 selection. (**Note:** All Source Verified Age (SVA) Japan products are only run at the beginning of the shift and is completely segregated from non conforming products).
- In the event of an unforeseen reason the dedicated Cryovac machine is broken; all A 40 beef tongues destined for Japan will be held or diverted to domestic production to prevent any further non conformance.
- Relative to the status of the internal auditing system, the establishment revised their quarterly internal audit to include a specific point to verify that the new procedures of packaging A 40 beef tongues for Japan are being conducted on the dedicated A 40 Cryovac scale printer in the Offal Palletizing room.

Additional corrective actions outside of the revised Standard Operating Procedure for Segregating A40 beef Tongues

- Swift has notified all involved plant personnel that the packaging or processing of A 40 beef tongues for export to Japan in the main Offal room is strictly prohibited.
- SWIFT employees were provided supplemental training to reinforce and verify employee understanding of the proper procedures for handling beef products for export to Japan. The training included meetings with the variety meats production and quality assurance personnel discussing the incident that occurred and stressed the importance that eligible A 40 beef tongues for Japan must be processed in the dedicated room for Japan without exception.
- The effectiveness of training will be assessed during the first production run once the plant is re-listed and begins production. Employees will be tested to assess their level of understanding of the requirements for packaging product for export to Japan. The plant has a program in place and will execute the implementation once approved for export to Japan.
- All beef tongues eligible for export to Japan that are currently in cold storage have been re-inspected by SWIFT Quality Assurance Department, all products were found to be acceptable, and no misbranded meat food products were found
- As a means to strengthen current controls, and as an addition to the USDA Graders A40 selection report previously used for identifying conforming A40 beef tongues, SWIFT has implemented a computer generated report that is generated daily and distributed through the

- company e-mail. This report is used as a method to notify all involved employees of Japan production and shows the grade date, slaughter date, carcass ID number and the gang tag number. In conjunction with the current USDA Graders A40 selection report, Quality Assurance will utilize this additional computer generated report to identify the matching pre-harvested tongues to ensure only conforming A40 beef tongues are selected. This was done to strengthen controls and as a continuous improvement to the program. All tongues that were packaged were conforming tongues derived from A40 USDA Certified carcasses.
- Variety meat products for Japan will be identified by using a “blue” poly liner bag inside the box along with the label will be printed in “blue”. By using these “blue” color codes, it will help identify any miss-packed products.
 - USDA has verified that all the corrective actions were completed on November 7, 2008

CONCLUSIONS

USDA conclusions from this inquiry are as follows:

- The ineligible products were inspected and passed by USDA for human consumption and were at the time of export safe and wholesome products fit for consumption in the United States.
- Inclusion of beef sweetbreads in the product labeled beef tongue was an operational deviation resulting from inadequate controls and human errors.
- SWIFT has identified the probable root cause of the incident a failure of SWIFT controls that allowed operational deviations to go unmonitored and human errors to go undetected. Quality Assurance Management will monitor and verify the effectiveness of training once re-listed. Interviews will be conducted with plant employees during the first production run once the plant has been relisted.
- SWIFT has taken effective actions to ensure that this problem will not reoccur.
- The Quality Assurance Manager for SWIFT revised the written standard operating procedure for segregating A 40 beef tongues immediately after this specific incident occurred as a means to address the incident. The written procedure specified that the A 40 beef tongues would be packaged in a separate room on designated equipment as a group.
- SWIFT has provided supplemental training of their personnel and enhanced procedural controls to strengthen product segregation for export to Japan.

- SWIFT will use colored poly liner bags and colored labels to ensure that any potentially miss-packed products are promptly identified and proper action is taken before product is shipped to Japan.
- USDA personnel followed all applicable regulations, directives and notices.