

FACTORY FARM OFFENDER

ROSE ACRE FARMS INC.

Rose Acre Farms, Inc.
6874 N. Base Rd.
Seymour, IN 47274
Phone: 812-497-2557
Web Site: <http://www.roseacre.com>

CFO: Tom Biggs, Age: N/A, Salary: N/A

President: Lois M. Rust, Age: N/A, Salary: N/A

COMPANIES (dba): Rose Acre Farms, Good Egg, Nepco Egg of Georgia, LLC.

FORTUNE 500 RANKING: N/A - Privately owned and run by the Rust family since its' founding in 1939.

ANNUAL REVENUE: Annual sales were \$220 million.

NUMBER OF EMPLOYEES: 1,500

HEADQUARTERS: Seymour, Indiana

LOCATIONS: Rose Acre has production facilities in Indiana, Illinois, Iowa, Missouri, and Georgia. They are currently attempting to open a new factory farm in Hyde County, North Carolina. Nepco Egg has a processing plant in Social Circle, Georgia.

BRANDS/PRODUCTS: Rose Acre Farms produces whole in-shell eggs, including white, brown, cage-free, and certified organic, as well as liquid egg products. These products are marketed under the brand names Rose Acre or Rose Acre Farms. Rose Acre Farms also makes SportProtein, a dried egg-white protein powder supplement for athletes and bodybuilders and First Try, a dietary supplement for baby calves. Nepco Egg of Georgia, LLC produces bulk dried egg products for the food industry. The company also engages in soybean processing in Indiana.

POLLUTION VIOLATIONS:

- **Hyde County, NC** - Rose Acre is attempting to open a new chicken factory farm near the Hyde community of Ponzer, but local residents and state environmental and animal welfare organizations are trying to stop it. The state Division of Water Quality is currently in the process of writing a draft permit for the new factory farm, but a public hearing will be called most likely prior to August 2006, before the permits are finalized. The proposed factory farm would be a giant operation housing over four million egg-laying hens. Based on the standard equation that one chicken releases one pound of ammonia per year, the new Rose Acre farm would release an estimated five million pounds of ammonia every year into the local community's air and water supply. Other emissions would likely include over 1,200 tons per year of dander, feathers and other particulate matter. The farm is being protested by the state Sierra Club, Waterkeeper Alliance, Coastal Federation, Conservation Council, Southern Environmental Law Center, Clean Water for North Carolina, Humane Society of the United States, Environmental Defense, and the Pamlico-Tar River Foundation. The groups contend that, at the very least, the farm should be required to obtain a Clean Air Act permit before it could begin operations.

- **Seymour, IN** - In February 2003, the U.S. Environmental Protection Agency cited Rose Acre Farms for allegedly violating federal regulations by failing to apply in a timely manner for a Title V permit required by the Clean Air Act for its soybean processing plant. The company also allegedly installed additional production equipment without the proper permits.

FOOD SAFETY VIOLATIONS:

- **Seymour, IN** - In 2003, the U.S. Department of Agriculture placed restrictions on Rose Acre's chicken farms after several salmonella outbreaks that sickened hundreds of people were traced back to Rose Acre eggs. The restrictions included measures such as pasteurization of eggs, regular cleaning of barns, and testing hens for salmonella. Rose Acre challenged the USDA and demanded compensation under the Fifth Amendment to the Constitution. The Court of Federal Claims agreed with Rose Acre that USDA's salmonella-control regulations went "too far" and required the USDA to pay Rose Acre millions of dollars in compensation.
- **National** - Three separate outbreaks of Salmonella Enteritidis occurred in 1990 that were traced back to Rose Acre Farms eggs. The first outbreak occurred on August 11, 1990 at a brunch wedding party in Versailles, Kentucky. Forty-two guests became ill when they ate eggs benedict with hollandaise sauce. The second outbreak occurred on August 30, 1990 at the Hyatt Regency Hotel in Chicago, Illinois, where approximately 400 people became ill from infected bread pudding. The third outbreak occurred on October 25, 1990 in Tennessee, where seven people became ill when they consumed banana pudding with meringue. Rose Acres was suspected to be the source of an additional fourth outbreak in Asheville, North Carolina on September 22, 1990, but this was never confirmed. In all three of the confirmed outbreaks, the state health departments and USDA obtained samples from the suspected Rose Acre facilities and confirmed the existence of Salmonella Enteritidis in the flocks and on farm and processing equipment. In response to the testing, the respective state health departments also notified Rose Acre that it could no longer distribute, transport or move the chickens, eggs and associated articles in intrastate commerce until the Salmonella Enteritidis outbreak was contained.

PRODUCT RECALLS:

- **National** - Surprisingly, there are no records of any Rose Acre Farms recall on the USDA-FSIS Web site.

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