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Recall forces N.J. meat firm to close doors

77 at Elizabeth plant laid off, 10 will look for source of E. coli taint

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One at a time yesterday, laid-off workers of Topps Meat Co. walked out of the cream-colored factory in Elizabeth, carrying bags and boxes as their employer -- crushed by the second-largest meat recall in history -- shut down after 67 years in business.

"It's closed, no more," Oscar Pachas, a meat packer who worked at the plant to support his two children in Peru, said in Spanish through an interpreter. "Some people worked here for 20 years. It's too hard for everybody."

Topps, a small company that was the nation's largest maker of frozen hamburger patties, went out of business less than a week after it announced the recall of 21.7 million pounds of frozen meat products following reports that 29 consumers in eight states fell ill from E. coli contamination. The company is sued a statement saying the recall had forced it to immediately lay off all but 10 of its 87 employees.

Anthony D'Urso, chief operating officer of Topps, said the company had little choice.

"We sincerely regret the impact this will have on our employees, our customers and suppliers, and the community," he said in the statement. "Most of all, we regret that our products have been linked by public health agencies to recently reported illnesses. We hope and pray for the full recovery of those individuals."

A skeleton crew of workers will remain in Elizabeth to assist federal inspectors in an ongoing investigation into the source of the contamination.

The shuttering of the plant illustrates how a privately held business can operate in obscurity for decades as a major player in its industry, yet be overwhelmed instantly by nationwide product liability.

"The larger picture is that food and consumer product recalls are getting so big and well publicized that companies are finding it increasingly difficult to withstand them," said Gene Grabowski, senior vice president of Levick Strategic Communications, a crisis communications firm in Washington, D.C.

A decade ago, Kraft Foods was forced to spend \$180 million to recall taco shells, according to Grabowski. "That gives you an idea of what it can cost," he said.

Topps and its insurance carriers would still be liable for lawsuits filed by consumers even if the company files for bankruptcy protection from its creditors, according to Tim Duggan, a bankruptcy attorney with Stark & Stark in Lawrenceville. "These suits don't go away," he said.

Officials of the U.S. Department of Agriculture said Thursday the Topps recall was the fifth-largest food recall in history. But that distinction was of little consequence to Vivian Quinones, a single parent who was left thinking about how to support her 7-year-old son after finding out yesterday morning that she was unemployed.

"It was very emotional, it's very sad," she said.

Evelyn Hidalgo, who worked in human resources, carried a box with office items to her car. "The USDA didn't cut us a break," she said. "It's sad because the reputation of this company went down in an instant."

The USDA shut down most of the plant following the recall and ordered plant officials to provide documentation on inspections for an entire year's worth of meat production. A USDA official from the agency's Philadelphia district office entered the plant yesterday, but declined to say what he was doing

there. Inspectors from that office are believed to be checking into suppliers that provided meat to the factory since June.

During a news conference Thursday, USDA officials conceded there was at least an 11-day delay from the time the agency confirmed the first E. coli case until it ordered a much larger nationwide recall of the products made in Elizabeth. Topps initially recalled a relatively small number of frozen hamburgers.

"Sometimes you have multi- state outbreaks," said Richard Raymond, undersecretary for food safety at the USDA's Food Safety and Inspection Service. "It takes a while to tie them all together."

In the wake of the Topps recall, the agency said it will require the nation's 1,500 slaughterhouses and meat-packing plants to certify that they are in compliance with E. coli regulations.

The largest meat recall ever involved 25 million pounds of hamburger that forced Hudson Foods to close its Columbus, Neb., plant in 1997. It later reopened under new ownership.

Oscar Ocasio, director of planning and community development for the city of Elizabeth, said Topps workers would be eligible for re training skills through the Union County Workforce Investment Board. He said he could not gauge how the loss of the small factory would affect the community.

The company, which had been in business since 1940, was purchased in 2003 by Strategic Investments & Holdings, a Buffalo, N.Y., private equity firm. Strategic Investments declined to comment yesterday.

Michele Williams, a Topps spokesman, would only say Topps is a privately held company owned by a group of investors. She declined to make D'Urso available for an interview. She also declined to say whether the company planned to file for bankruptcy protection from its creditors.

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