

Middlemen in Dog Food Recall to Plead Guilty

Company supplied tainted wheat gluten to pet food manufacturers in 2007 recall.

Posted: June 5, 2009, 5 a.m. EDT

ChemNutra Inc., a Las Vegas-based ingredients broker that supplied tainted wheat gluten to pet food manufacturers that led to the mass pet food recalls of 2007, has agreed to plead guilty to 27 misdemeanor charges of distributing adulterated and/or misbranded food and one felony count of conspiracy to commit wire fraud.

The company and owners, Stephen and Sally Miller, have signed a plea agreement and will formally change their pleas to guilty on June 16 at the U.S. District Court in Kansas City, Mo.

Their trial had been scheduled to begin June 8, and the defense filed court documents confirming the plea change on May 27. Both Millers and the company were named in the indictment that was filed in February 2008.

Terms of the plea agreement have not been disclosed.

The penalty for each misdemeanor could be up to one year in prison and a \$100,000 fine (\$200,000 for the company); the penalty for the felony could be up to five years in prison and a \$250,000 fine (\$500,000 for the company). Restitution could also be ordered.

The charges stemmed from ChemNutra receiving 13 shipments of wheat gluten between Nov. 6, 2006 and Feb. 21, 2007.

The U.S. government claimed that the company and the Millers knew that its Chinese broker had deliberately used inaccurate custom codes to prevent inspection in China. Moreover, the company and the Millers sold the ingredient to pet food makers without acknowledging the fraudulent paperwork.

In addition, the company and Millers distributed misbranded wheat gluten that overstated its protein content (the melamine was added so that the gluten would appear to have higher protein content when tested) and did not disclose the melamine.

The government did not accuse the Millers or ChemNutra of knowing that the wheat gluten had been adulterated with melamine.