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U.S. to Destroy Quarantined Calves as Mad Cow Precaution
Delegation travels to Mexico to update officials on investigation

The U.S. Department of Agriculture (USDA) has decided, as a precautionary measure, to slaughter a group of calves that were quarantined in December following the discovery of a dairy cow infected with bovine spongiform ecephalopathy, also known as BSE or mad cow disease.

During a January 5 news briefing, USDA Chief Veterinarian Ron DeHaven said that approximately 450 bull calves, including one born to the BSE-infected cow in Washington State, would be sacrificed and that no products from the animals would be sold to consumers.

"None of the animals will enter the food chain nor will any of the product from those animals go into a rendered product," DeHaven said.

U.S. officials were still awaiting the results of DNA tests being carried out in Canada and the United States to determine the origin of the infected cow, DeHaven said. Existing documentation indicates that the cow was born in Alberta, Canada, in 1997 and imported into the United States in 2001, USDA says.

Canada's only known case of mad cow disease was reported in Alberta in May 2003.

Meanwhile, a U.S. trade delegation traveled to Mexico January 5 to update officials on the BSE investigation. The delegation includes Undersecretaries of Agriculture J.B. Penn and Bill Hawks. A high-level USDA team visited Japan and South Korea towards the end of December.

Mexico, Japan and South Korea are among the countries that suspended imports of U.S. beef following discovery of the BSE-positive cow.

Following is the USDA transcript of the briefing:

(begin transcript)

U.S. Department of Agriculture
Technical Briefing and Webcast
On BSE with Government Officials

January 5, 2004

ED CURLETT: Hello, I'd like to welcome everybody to today's BSE [bovine spongiform ecephalopathy] update. Today we have Dr. Stephen Sundlof with the Food and Drug Administration [FDA]. We have Dr. Daniel Engeljohn with the Food Safety and Inspection Service [FSIS]. And we have Dr. Ron DeHaven, the chief veterinary officer for USDA [U.S. Department of Agriculture]. Dr. DeHaven will make some opening remarks, and then we'll open it up for questions. We ask that you state your name and affiliation prior to asking your question. And with that, I will turn it over to Dr. DeHaven. Thanks.

DR. DEHAVEN: Thank you, Ed. And happy New Year to everyone.

Just a brief opening statement, update today, and then we'll go to the questions and answers, as Ed indicated.

The first item has to do with depopulation of the bull calf operation. We have made a decision to de-populate those bull calves. Those operations will proceed sometime this week, largely dependent upon logistical issues as well as some weather concerns that exist in the Yakima area. The calves will be transported to a slaughter facility that currently is not being used. We will have animal care experts on hand both at the farm where the calves are loaded, as well as the slaughter facility, to ensure humane treatment and handling of those calves. In total there are approximately 450 animals that will be sacrificed as part of this overall effort. And none of the animals will enter the human food chain; nor will any of the product from those animals go into a rendered product. So, again, none of the materials from those materials will either go into the human food chain, nor will they go into a rendered product.

I would just urge restraint on the part of those in the media, and particularly in the Yakima area. We know that there are a number of reporters that are watching this facility, and we would again request that you respect the privacy and property rights of both the owners of the farm in question, as well as not to interfere with these operations once they get underway.

As far as the DNA testing results, that has been proceeding at both of the laboratories, one in Canada and one in the U.S., and we would hope to have some level of announcement later this week once all of the laboratory tests are completed and analyzed, and comparisons made between the results from the two laboratories. So, again, that is still pending, but work is progressing in the laboratories.

In terms of our trace-out of the 82 animals that presumably entered the United States, including the positive cow, one would be the index cow. Nine others are known to be part of the index herd from which the positive cow departed immediately before she went to slaughter. One is the animal that I mentioned last week, which is on the Mabton dairy operation. And we believe that one still may be in Canada. Nothing new or significant to report at this point on the whereabouts of the other 70 animals. Our epidemiological investigation on those animals continued through the weekend. And while we have made significant progress in terms of tracing where they may have gone subsequent to entering the United States. Nothing confirmed that we can report to you at this point.

And then one last item, before we go to the Qs and As [Questions and Answers]. We are dispatching from Washington a high-level team going to Mexico to have discussions relative to trade restrictions imposed by Mexico subsequent to the finding of this positive case. And we have making up that team Undersecretary Bill Hawks from Marketing Regulatory Programs. And he is accompanied by Undersecretary J.B. Penn of the Farm and Foreign Ag [Agricultural] Services.

With that, let's, operator, go to the first question, please.

OPERATOR: Yes, Our first question today comes from Bob Bruin (sp). Please state your affiliation.

BOB BRUIN: Bob Bruin (sp) from Computer World. I'd like to follow up on the national livestock ID system. I'd like to find out where you folks are going to get the funding, if you know what the funding is. Are you going to adhere to the USAIP [U.S. Animal Identification Plan]? And how soon can you get this in operation? USAIP calls for July 2004.

DR. DEHAVEN: This is Dr. DeHaven. In terms of funding for the animal ID program, still yet to be determined in terms of exactly where those monies would come from and the speed with which we implement -- field and implement that whole system certainly is somewhat dependent on the funding. In the meantime, we are still progressing, developing that plan. We have species-specific groups that will be making recommendations on appropriate means of identification of animals based on the species and marketing patterns of those animals. So, for example, with cattle for the most part and animals moved individually, and as we are looking at appropriate means for individual animal ID, largely based on radio frequency ID chip. For other species of animals, such as poultry and swine that largely move in groups or lots, there could be potentially a lot ID as opposed to individual animal ID. Conceptually, ID would be put on the animals at the time that they leave the premises of birth, and would follow those animals through slaughter, with a means of tracking them electronically as they go through concentration points such as feed lots, livestock markets, and of course to slaughter. So work is progressing. We are still evaluating potential sources of funding to fund that project.

Operator, next question please?

OPERATOR: Your next question is from Seth Borenstein. Please state your affiliation.

SETH BORENSTEIN: Seth Borenstein, Knight Ridder Newspapers. Dr. DeHaven, in terms of the 450 animal sacrifice, what's the compensation that the farm owner has gotten? Has that been negotiated already? And who does it come from? And if it's a USDA amount of money, where in the budget does it come from?

DR. DEHAVEN: This is Dr. DeHaven. In fact, we have an indemnity program that is based on fair market value of those animals. So before the depopulation would begin there would be an agreement in terms of what is fair market value of those animals. We would in essence take ownership of those animals prior to the actual depopulation. There are operational funds that have been made available for the indemnity purposes, so those dollars will come out of USDA funds.

Operator, next question please?

OPERATOR: Our next question is from Sally Schuff. Please state your affiliation.

SALLY SCHUFF: Yes, hi, this is Sally Schuff. I'm with Feedstuffs. My question is there's been quite a bit in the news media about the possibility of the U.S. being termed "BSE free." Is that in fact a possibility? And, as a follow up, can you tell us how soon you knew after the cow was diagnosed that she might have been a Canadian cow?

DR. DEHAVEN: This is Dr. DeHaven. In terms of whether or not the U.S. would be declared as BSE free is just simply way too premature to make that kind of determination, and for the most part while we may or may not make that declaration, if

we would it would be up to each importing country who might import animals or products from the U.S. to do their own risk assessment and make that evaluation. Clearly at the appropriate time in the future we would be presenting a packet of dossier to the OIE [Office of International Epizootics], the international standard-setting body, requesting country categorization. But, again, any efforts in that regard would be way premature at this point to make that declaration.

Clearly our efforts to trace this particular animal as well as any other animals that might have come with her from the index herd -- or, excuse me, the birth herd -- would be critical in terms of our being able to, at whatever point in the future, being able to make some kind of determination -- or making our case, if you will, in terms of a BSE free status for the U.S.

And I'm sorry, the second part of your question again?

SALLY SCHUFF: The second part of my question was: How soon after the diagnosis of this BSE cow in the U.S. were you aware that she was a Canadian cow, or had at least a Canadian ear tag?

DR. DEHAVEN: Well, I would remind you that the confirmation was received on December 23rd. And so it was a number of days -- I want to say three or four days where we had some definitive paper trail back to Canada. We knew early on that she had a tag in her ear that was consistent with what tags are applied in Canada. But it wasn't until three or four days later that we had actually established with our Canadian colleagues some paper trail, which would suggest that she had been in, or come from Canada. And, as you will recall, we had the age discrepancy issue, which we think we have subsequently resolved. So it was four or five days, and again I would remind everyone that in the middle of that we had Christmas; and for the Canadians we had Boxing Day. So we were working through weekends and holidays to come to that determination. And I think we announced that to the media very shortly after having seen those documents and establishing a paper trail.

Next question, operator?

OPERATOR: Our next question comes from Leah Beth Ward. Please state your affiliation.

LEAH BETH WARD: Yes, Yakima Herald Republic. Explain to us what led you first to Eastport, Idaho, as the port of entry, and then to Oroville, Washington. And does that at all change your confidence in the source of the cow?

DR. DEHAVEN: This is Dr. DeHaven. There was more than one health certificate involved, and I can't -- I don't have the specific records that led us initially to Eastport, Idaho and then subsequently to Oroville, Washington, but I think it's a matter of having multiple documents. And while we have preliminary information, and as I said repeatedly our primary line of inquiry takes us back to a dairy herd in Alberta, Canada, and we know that the animal ended up in the herd in Mabton, Washington, the exact route on how she got between those two points was in question, initially because of multiple documents that had some conflicting information. So I think the most relevant points are that we at least have a primary line of inquiry that would take us back to what we at least at this point in time think is the likely birth herd. We know where she ended up. We know what

animals accompanied her. So those are the most important pieces of information -- not the exact port from which she entered the U.S. So the short answer to your question is no, it really doesn't shake our confidence in terms of our tracing ability as it relates to this investigation.

Operator, next question please?

OPERATOR: The next question is from Beth Gorman (sp). Please state your affiliation.

BETH GORMAN: Hi, Beth Gorman from the Canadian Press. Dr. DeHaven today is the deadline for public comment on reopening the border to Canadian live cattle. When do you expect to have or to see some kind of a decision on that? And will those public comments be reopened at some point in the future?

DR. DEHAVEN: This is Dr. DeHaven. Thanks for the question. Indeed our public comment period on the proposed rule does close today. We have at this point decided that we will not take any action at this point on that proposed rule, pending the outcome of the epidemiological investigation. After we have all of the relevant information from that investigation, as well as the consideration of the comments that are received by the close of business today, then at the appropriate time in the future we'll make a decision on how to proceed from there. And that decision obviously has not been made yet. Whether it would proceed to a final rule, proceed with the new proposal; proceed with an additional comment period on the existing proposal. There's been no limit in terms of the options that might be considered, or at what point we would make those determinations. We'll make that decision subsequent to completing this epidemiological investigation, and take all of that relevant information into account when we decide on how to proceed with the proposed rule.

Next question, please, operator?

OPERATOR: Okay, next question comes from Elizabeth Weise. Please state your affiliation.

ELIZABETH WEISE: Yes, It's Elizabeth Weise with USA Today. Just a background question on the DNA testing. Seeing as you're testing the sire's semen and the offspring, is there a percentage of likelihood that you found the right cow, or is it 100 percent? Is it somewhere below that?

DR. DEHAVEN: This is Dr. DeHaven. In terms of what will be disclosed in the DNA testing could be anywhere in between I think the range that you said, and most likely a probability rating. Without getting too technical, in doing the DNA testing what they are looking at is specific points along the DNA chain, and looking for similarities between the different samples that have been submitted, and based on the number of points along that chain that are similar between the different samples; then attaching a probability to that. So it won't be -- more than likely will not be something that we can absolutely 100 percent guarantee, but rather as you are suggesting some probability based on the numbers of points along the DNA molecule where there are identical results, or where the molecule is identical between the different samples.

We are, as you said, running a number of samples, the two most important of which would be the DNA from the semen from what we think is the sire of the infected cow, as

well as DNA from the brain of the positive cow. But we also have gotten samples from progeny from the cow in question, as well as semen from sires from those progeny.

Operator, next question?

OPERATOR: Our next question comes from Harry Siemans (sp). Please state your affiliation.

HARRY SIEMENS: Yes, this is Harry Siemens, and I'm from Farm Watch, the Manitoba Cooperator. If indeed that cow is identified as being from Canada that obviously raised our cow number with BSE from one to two. Does that in your opinion raise our risk level a substantial amount? I know it's 50 percent, but what do you have on -- what's your take on that?

DR. DEHAVEN: This is Dr. DeHaven. I think it's too early to make that kind of determination, because there's too many other factors that we don't yet have -- or too many other pieces of information that we don't yet have in terms of what would be, if any, epidemiological link between those two cases. And you know the closer the epidemiology might be in terms of linking those two situations could result in different conclusions being drawn, or I should say the level of epidemiological connection or lack thereof could have a significant bearing on our overall evaluation of the prevalence of the disease in Canada, which of course is important.

Having said that, I would just echo what I have been saying in terms of the fact that the two markets between the U.S. and Canada we know are highly integrated. Second, we know a lot about the firewalls and safeguards that had been in place both in the United States and Canada. So all of those things would be taken into consideration as well.

HARRY SIEMENS: Do you think it matters to Japan as far as it being from Canada or the U.S.?

DR. DEHAVEN: I wouldn't at this point speculate with regard to what Japan -- or speak on behalf of what Japan may think at this point.

MR. CURLETT: This is Ed Curlett, and I would ask that everyone keep their questions just to one. We've got a lot of people on the call, so we want to try to get in as many as we can. So, thanks. And, operator, next question please?

OPERATOR: Okay, next question is from Marion Aka (sp). Please state your affiliation.

MARION AKA: Hi, I'm from CNN. And if you could just clarify, because I missed the top because I was disconnected, where the depopulation will take place, what exactly the relationship is to the index cow? And my question is I know that the food from or meat from that cow never entered the food chain. What about the saw, the equipment that was used to cut up the index cow. Has that been removed? Since prions can't be sanitized off, you made a point to make clear that where the depopulation will take place will be in a currently unused facility. But what about the facility that originally chopped up the index cow? How is it not being spread that way?

DR. DEHAVEN: This is Dr. DeHaven. I'll take your first question, and defer to Dr. Engeljohn from FSIS for the second question. Actually I didn't by intent state an exact

location where the depopulation will take place. The calves will be loaded from their current location, the calf feeding operation. They will then be moved to a location, which is a slaughter plant that is not currently being used, where they will be properly euthanized. So just out of the interest of ensuring lack of interference with our operation, as well as the privacy and property rights of the owners of those different facilities, we are not going to disclose the exact locations.

MARION AKA: But it's --

DR. DEHAVEN: Dr. Engeljohn, do you want to take the second question?

DR. ENGELJOHN: Yes. This is Dr. Engeljohn with the Food Safety Inspection Service. With regards to the slaughter and processing of the animal, this was an animal that was initially identified as a suspect, so it was handled specially in the sense that it was handled separately from the other cattle that were processed that day.

But with regard to overall sanitation, we know from the best available science and expert opinion that good sanitation is our best preventative measure that we have in place of prevention of cross-contamination. And so we have sanitation occurring in that plant for which we monitor well. We also know that on that particular day that we did in fact monitor the sanitation there as well. So we have confidence that the sanitation was effective.

MR. CURLETT: Operator, next question please?

OPERATOR: The next question comes from Scott Kilman. Please state your affiliation.

SCOTT KILMAN: Scott Kilman with the Wall Street Journal. Dr. DeHaven, in the first part of your presentation it was hard to hear, so I was going to ask really two questions -- one a clarification. Did you say whether the cattle, the bull calves, the brains of those bull calves, would be tested for BSE? And then my question is: Why are the precautions that Secretary Veneman announced last week different from what the FSIS was considering in their thinking paper a year ago? If I remember, the FSIS was talking about targeting cattle that were 24 months. And last week we heard a lot about 30 months.

DR. DEHAVEN: This is Dr. DeHaven. I'll take your first question, and then again refer to Dr. Engeljohn for response to the second part of your question. In terms of testing the brain, we know from the science and the research involved with this particular disease that it doesn't show up -- the prion doesn't show up, and therefore tests would not be positive, even in infected animals, until typically after 30 months of age. And in fact the most accepted and broadly quoted studies being done in Britain would suggest that even in animals experimentally infected with a high dose, you don't find the prion or the infectious agent even in brain tissue until typically at the earliest 32 months of age. So there would be no purpose in testing all of these animals, because even in the unlikely event that there had been maternal transmission to this single bull calf, the calf would not test positive at this point in time.

Having said that, just as a precaution, we will be collecting blood samples from the appropriate subpopulation or subgroup of animals that are going to be euthanized, so if we should need to do some DNA testing or other type of testing we would have those materials in the future. But, again, the science would say that to test all of those brains

would not be fruitful, in that you wouldn't expect, even if there had been transmission of the disease, which is unlikely, but even if there had been the animal would not test positive.

Dr. Engeljohn?

DR. ENGELJOHN: Yes, this is Dr. Engeljohn with the Food Safety Inspection Service. On the question about why 30 months in the policy issued last week versus 24 months in the current thinking paper that we issued in February of 2002, the reason is that when we first commissioned Harvard to conduct a risk assessment for us at that time, we were considering a range of months in terms of infectivity to consider. And 24 months was what was modeled back in 1998. We received that report just before February of 2002. And so it was based on the best available information that we had at that time. I think since then, in terms of the international community, 30 months is the marker for which typically is used for modeling age of onset.

MR. CURLETT: Operator, we have time for two more questions.

OPERATOR: Okay, our next question comes from Lauri Struve. Please state your affiliation.

LAURI STRUVE: This is Lauri Struve with the Brownfield Network. And, Dr. DeHaven, my question is on the non-ambulatory rules does include, if I understand it correctly, that does include animals injured in transport. What kind of compensation will producers have for those animals? We could be talking about a 1,200-pound steer that would grade out choice. That's over $1,000.

DR. DEHAVEN: This is Dr. DeHaven. You are right in terms of the fact that animals that might be injured en route to slaughter, if they meet the FSIS definition of non-ambulatory disabled at the time that they are received at slaughter, they would not enter the food chain. We are as we speak developing our surveillance-testing plan, and so I am just not in a position at this point to respond to what if any compensation might go to the owner of such an animal. It's just premature to speculate if that would even happen at all. We are developing the plan, and I can assure you that all of those kinds of considerations will be taken into account as we make those decisions, but no decision has been made yet.

So, operator, last question please.

OPERATOR: Okay, our last question comes from Andy Dworkin. Please state your affiliation.

ANDY DWORKIN: Yes, with the Oregonian. I was wondering in terms of disposal of these cattle once they are taking to the slaughter facility and killed how you guys are going to deal with this. I know at least for chronic wasting some of the states have debated high-temperature incinerators or processing with high alkaline fluids and things. Have you guys figured out what you are going to do with the carcasses yet?

DR. DEHAVEN: And let me clarify you are talking about the bull calves?

ANDY DWORKIN: These are the bull calves, yeah, that you guys are going to depopulate.

DR. DEHAVEN: Well, again, I would go back to the science of the situation. We are talking about one bull calf that we know is from the positive cow. We know that that calf is just slightly over a month in age. We know that the likelihood of the disease being transmitted from the cow to this calf is very remote. And we know that even if the transmission did occur that the infectious agent wouldn't be found in this animal until probably 30 months of age or older. So, one, even if the calf is infected, there would be no infectious agent at this point for which we would be concerned about, and so no reason to go to the extreme measures that you are describing. So we do not plan at this point to do the alkaline digester or any other extreme measure, such as incineration, simply because what we know about the disease and the research of the disease would suggest that those types of measures in this situation are not warranted. Those are the kinds of actions that we would take in a population that would be of the appropriate age and appropriate level of exposure that those would be necessary.

With that, again, before I pass it back to Ed, let me thank everyone for participating, and we will do our best to keep you informed through these kinds of briefings. Ed?

MR. CURLETT: Yes, this is Ed. Just want to let you know for follow-up questions call 202-720-4623. And also from this point forward we are going to be doing these technical briefings on an as-needed basis. As information becomes available to us, we will pass it along. Look for the announcement on the USDA homepage for these technical briefings. So, again, from this point forward we will be doing these as needed. Transcripts will be available on the USDA website. And we will be sending out a note to reporters when those technical briefings will occur. And, with that, I would like to thank everyone again. And thank you very much.

OPERATOR: Thank you. That concludes today's conference call.

(end transcript)