

**Testimony by Gary M. Rodkin
Chief Executive Officer, ConAgra Foods, Inc.
Before Subcommittee on Oversight and Investigations
Committee on Energy and Commerce
U.S. House of Representatives
February 26, 2008**

Good Morning Mr. Chairman and Members of the Committee. My name is Gary M. Rodkin, and I am the Chief Executive Officer (CEO) for ConAgra Foods, Inc. (ConAgra Foods). Thank you for the invitation to testify today about the safety of our nation's food supply. I became ConAgra Foods' CEO in October of 2005 and, during my tenure, we have made food safety a top priority throughout our company. We fully agree with the Committee's objective of ensuring that our nation's food supply is among the safest in the world.

ConAgra Foods is one of North America's leading packaged food companies, serving grocery retailers, as well as restaurants and other foodservice establishments. Popular ConAgra Foods consumer brands include: Chef Boyardee, Egg Beaters, Healthy Choice, Hebrew National, Hunt's, Marie Callender's, Orville Redenbacher's, PAM and many others, including Peter Pan and Banquet. We operate more than 100 manufacturing facilities in 30 states, as well as facilities in several international locations.

I am pleased to be able to report back to the Committee on progress made with our Peter Pan peanut butter since our Senior Vice President for

Operations testified before you in April of last year, and how we have responded to new challenges with other products. I want to assure you how seriously we take our food safety responsibilities and that this is a top priority throughout our company. As the CEO of a company whose core mission is to provide consumers with safe, nutritious and wholesome food, the very possibility that one of our products could cause anyone harm is the very last thing that I would want to happen. I want to reiterate how truly sorry we are for any harm that our recalled peanut butter or pot pie products may have caused any consumer.

Today, I want to convey three main messages to the Committee. One, ConAgra Foods has followed through on our commitments made here last spring regarding steps needed to resume production of our Peter Pan peanut butter by creating a state-of-the-art manufacturing facility in Sylvester, Georgia. In fact, that plant successfully resumed operations in August 2007. Two, ConAgra Foods addressed a completely different type of food safety concern with our Banquet and store brand pot pies in October 2007. We have since resumed operations after making enhancements to that product line. And three, ConAgra Foods has undertaken a complete revamping and modernization of our food safety practices company wide, with the benefit of outside experts and the full commitment from all our food safety program managers. Our foremost goal is to prevent food safety problems from occurring, but should they ever occur, we will continue to act quickly and responsibly to protect consumers and make any needed safety improvements.

Throughout this process, we have cooperated with the Committee's investigation and will continue to do so. Let me now describe these three points in greater detail.

1. ConAgra Foods has followed through on its commitments to this Committee by making its peanut butter manufacturing plant in Sylvester, Georgia a state-of-the-art facility before resuming operations in August 2007.

When ConAgra Foods testified before this Committee in April 2007, we committed to addressing the suspected causes of the contamination at our Sylvester, Georgia facility that manufactures Peter Pan peanut butter, and to implement significant changes in the plant, including new, state-of-the-art machinery, technology, and designs throughout the facility. We further committed, prior to resuming operations, to obtain an independent review by an expert third-party and seek the concurrence of the Food and Drug Administration (FDA) as to the adequacy of the measures implemented. We have met each of these commitments, and our Sylvester plant resumed operations in August 2007 as a state-of-the-art facility.

Specifically, with the assistance of our outside experts, we took the following steps:

a. We made a significant capital investment (approximately \$40 million) to substantially upgrade the Sylvester facility. This included: (1) installation of a new

roaster; (2) installation of a new roof; (3) physical separation and segregation of raw material and finished product areas and activities (each with dedicated employees and equipment) to minimize possible cross-contamination; (4) dedicated equipment wash rooms for raw and finished areas; (5) upgraded air flow systems; and (6) enhanced quality control systems supported by additional quality personnel.

b. We enhanced both the frequency and sensitivity of our environmental and finished product testing programs for this facility, and assigned responsibility for sample testing to an independent, accredited laboratory.

As we made these changes, we kept FDA informed of our progress. Once the plant was fully operational, FDA conducted a multi-day, on-site inspection of the Sylvester facility and was satisfied with the overall condition of the facility. We believe that we have created an industry-leading, state-of-the-art facility for manufacturing peanut butter. We have also used this process as a springboard to assess and improve our food safety operations throughout the company.

2. ConAgra Foods responded quickly to a government finding in October 2007 that its Banquet and store brand pot pies had been implicated in a salmonella outbreak and has implemented necessary steps to improve the safe consumption of this “ready-to-cook” product.

In October 2007, we faced a very different kind of food safety challenge with our Banquet and store brand pot pies produced at our Marshall, Missouri plant which manufactures, among other products, pot pies in the turkey, chicken

and beef varieties. Unlike peanut butter which is sold to consumers as a “ready-to-eat” product, pot pies are sold to consumers as a “ready-to-cook” product, meaning the product needs to be fully cooked prior to consumption. This cooking process, whether in a conventional or microwave oven, further assures the safety of the product by effectively killing any bacteria that may possibly be present. We were therefore surprised to learn from the United States Department of Agriculture (USDA) that this product line had been implicated in a salmonella outbreak.

Nevertheless, we responded quickly. We suspended our pot pie manufacturing and distribution operations immediately upon learning of the outbreak on October 8, 2007. We promptly commenced environmental sampling and testing within the plant, followed by our issuance of a consumer advisory and, ultimately, a voluntary recall of all of our Banquet and store brand turkey, chicken and beef pot pie products. All of these actions were taken in close cooperation with USDA’s Food Safety and Inspection Service (FSIS), which has primary jurisdiction because these pot pies are meat and poultry-based.

Our investigation into the root cause started with extensive laboratory testing of both environmental and finished product samples. Each of our 577 environmental samples tested negative for salmonella. We also conducted 219 laboratory tests of our ingredients, which were also all negative. We undertook testing of 2968 samples of finished product, which yielded 17 positives for the outbreak strain. All of those positives related only to Banquet turkey pot pies from the production dates July 13, 2007 and July 31, 2007.

As noted, because pot pies are a “ready-to-cook” product, salmonella had never been deemed a “hazard” in the context of our Hazard Analysis Critical Control Points (HACCP) plans, and we believe this to be so throughout the industry. Following this incident, however, we revised our HACCP plans to recognize salmonella as a potential hazard and to require Certificates of Analysis from our suppliers demonstrating that all ingredients are free of salmonella. We also instituted finished product testing for salmonella by an independent laboratory. Finally, we have instituted a multitude of process and equipment changes at the plant.

Our investigation also led us to learn a great deal more about microwave ovens and to determine that consumers needed much clearer directions for use on the product labels. In particular, we learned there is both a greater variability in the performance of microwave ovens than we were previously aware, as well as a lack of full understanding with respect to microwave cooking efficacy. Consequently, we made major changes to our on-pack cooking instructions to address these learnings with considerable specificity. These changes include a more prominent statement on the front and side panels that the product “Must Be Cooked Thoroughly. See Back for Directions.” In addition, we have devoted most of the back panel to step-by-step microwave cooking instructions that include: (a) minimum wattage for microwave ovens (1100 watts); (b) proper cooking time (4-6 minutes); and (c) consumer-friendly ways to know when the product is cooked thoroughly, such as the visual cue “Crust is golden brown and steam rises from

filling.” To reinforce these messages, we added safe microwave cooking guidance on our website, conducted a satellite media tour that encouraged news stations to carry a news feature that further educated consumers about safe cooking in microwaves, and provided further training on the subject to our consumer affairs representatives who field calls from consumers.

Moving forward, we have engaged the National Center for Food Safety Technology at the Illinois Institute of Technology (often referred to as the Moffett Center) to undertake cooking tests and research on the use of microwaves to cook frozen foods. We have also engaged the American Frozen Food Institute in the process and have urged the food industry as well as microwave manufacturers to address the cooking issues associated with microwave ovens through improved cooking instructions and clear information regarding microwave oven wattages.

Throughout the investigation, we were in constant communication with the USDA and the Centers for Disease Control and Prevention (CDC). We shared with them on a real time basis all of our test data and the results of our investigative efforts. We worked closely with USDA on improvements that needed to be made. With the concurrence of USDA, we resumed production of our Banquet brand pot pies in November, 2007.

Having now been involved in two very different food safety outbreaks, we are more determined than ever to follow through on our commitment to improve our systems company wide to ensure we are producing safe, wholesome, quality

products, whether they are “ready-to-eat” or need to be further cooked by consumers.

3. ConAgra Foods is conducting a companywide upgrade of our food safety programs and will make continuous improvements to ensure we provide safe food to consumers.

As we reported to the Committee last spring, ConAgra Foods is committed to a company wide process to continuously improve our food safety programs, starting with our hiring of a new Chief Global Quality Officer and the establishment of a Food Safety Advisory Committee. We have since taken the process much further and have undertaken the following steps.

First, we are making a major investment in facility upgrades and in hiring additional quality personnel throughout the company. Specifically, we have earmarked millions of dollars in capital for our facilities for projects that will further enhance the safe manufacture of our products. We also are in the process of hiring an additional 250 quality personnel company wide, primarily to support our enhanced food safety standards at our facilities.

Second, we have made a major commitment to enhanced training in food safety requirements for all of our plant personnel and suppliers. Specifically,

in September of last year, we convened a meeting of every plant manager and every quality manager at our headquarters facility in Omaha to launch an enterprise-wide set of food safety improvements. We are conducting continuous food safety and quality training for all plant employees, company wide. We have also reached out to our co-packers and plan to hold a food safety and quality intervention event with all key supervisors and co-packers in the very near future.

Finally, we are conducting continuous food safety audits across all plants, with a particular focus on: (1) incoming ingredient quality programs; (2) allergen and sanitation programs; (3) foreign material controls programs; and (4) overall infrastructure. By the end of this year, we will have reassessed every HACCP plan across all of our platforms. We have also created within ConAgra Foods a new Microwave Center of Expertise and have begun a review of cooking instructions across all products.

In conclusion, we appreciate the Committee's interest in food safety, and we fully support the Committee's goals. At ConAgra Foods, we have met the commitments we made to the Committee last spring regarding the process to be followed before resuming operations of peanut butter manufacturing at our Sylvester, Georgia facility. We responded quickly to an unexpected outbreak related to our pot pies. And we are well into a company wide process to review and upgrade our food safety programs for our entire business. I want to emphasize that

these improvements are ongoing and will continue. I personally will ensure that we continuously challenge and improve our food safety programs, and make certain that food safety is a centerpiece of our corporate culture.