



OPENING STATEMENT
Steve Miller, Chief Executive Officer, ChemNutra
House Committee on Energy and Commerce

Thank you, Mr. Chairman and members of the Committee, for inviting me to testify today on a subject that is so clearly important to many in this nation, the safety of pet food and the food supply in general.

My name is Steve Miller and I'm Chief Executive Officer of ChemNutra. ChemNutra is a small business, headquartered in Las Vegas, Nevada. I am here today with ChemNutra's FDA attorney, Marc Ullman of Ullman, Shapiro and Ullman.

Before I proceed, on behalf of ChemNutra I want to express our support and condolences for pet owners whose pets have fallen ill or died as the probable result of contaminated pet food, as well as pet owners throughout North America who have become fearful about their pets' food following news of the contamination. We also offer our empathy for the difficulties imposed on pet food businesses that were negatively impacted by this situation.

We import high-quality nutritional and pharmaceutical chemicals from China to the United States. Those products come from manufacturers either known to us personally or recommended to us by a number of reputable and well-qualified trading agents with whom we have had long-standing relationships. Our US customers are manufacturers of pet food, and nutritional ingredients who want high quality, the best service, and the most competitive prices.

Until March 8th of this year, ChemNutra had never had an issue or incident with its Chinese manufacturers, all of whom provide certificates of analysis of their products, which is standard operating procedure for U.S. importers. It was on March 8 that ChemNutra first learned that wheat gluten was one of many ingredients Menu foods was investigating as suspect in cat illnesses. That was nearly three weeks, according to Senate testimony, *after* Menu Foods first learned of possible contamination of pet foods.

On that date, March 8th, notwithstanding what we believed to be a remote risk at that time, ChemNutra quarantined and ceased all shipping, sales, and marketing of wheat gluten in our possession, from all sources. On March 16th, Menu Foods issued its first recall and in doing so, made no mention of wheat gluten. In fact, Menu Foods said at that time that it is testing some 20 ingredients, but to date, we have not heard a word about those testing results.

Shortly thereafter, on March 19th, we received a request from the Food and Drug Administration for all documents relating to wheat gluten, to which we immediately and fully complied. However, it wasn't until March 29th that ChemNutra heard for the first time that the FDA had found melamine in its wheat gluten, without quantification as to how much.

Between March 29th and April 1st, I was in China and in communication with the FDA. Upon hearing of the traces of melamine, I spoke with the president of our supplier, XuZhou Anying Biologic Technology Development Co. Ltd, who said he didn't know there was melamine in their wheat gluten or how that could have happened. He promised to look into it and, to this date, has not provided us with additional information despite many follow-up contacts on our part.

On April 2nd, after receiving further information from the FDA, we issued a formal recall of the contaminated wheat gluten. It's important to note that on March 8th, when ChemNutra ceased shipments of its wheat gluten, we had only four customers for that product, one of which was Menu Foods. Prior to any scheduled shipment, customers were made aware that our shipments were stopping.

It has been more than a month since this dreadful issue became manifest. Over this period there have been a raft of surmises and suppositions, but few facts. At this point, the only piece of information of which we can be certain is that melamine was contained in a shipment of wheat gluten we imported through XuZhou Anying Biologic Technology Development Co. Ltd.

However, we at ChemNutra strongly suspect, at this point, that XuZhou Anying Biologic Technology Development Co. Ltd may have added melamine to the wheat gluten as an "economic adulteration" designed to make inferior wheat gluten appear to have a higher protein content. They can sell it to us at the price we would pay for a higher-quality product because the melamine, our experts tell us, falsely elevates the results of a nitrogen-content test used to assess protein content. Melamine is not something that we or, anyone else, including the FDA was ever testing for in the past, though of course we are now.

We have recently been told that there was a prior history of this same kind of economic adulteration related to a similar agricultural commodity about three decades ago, where this commodity was adulterated with urea, another nitrogen intensive additive, which had at the time become inexpensive enough to economically use to fool the protein testing. Subsequently, that commodity has been tested for urea.

I want to thank the committee for this opportunity to tell the ChemNutra story in an unvarnished and factual manner and I hope that my testimony today will help you develop protocols, regulations or laws that will preclude this sort of event from occurring in the future.