Testimony of Duane Mangskau Production Representative Hillandale Farms of Iowa, Inc.

House Energy and Commerce Subcommittee on Oversight and Investigations

Hearing on Safety of the Nation's Food Supply

September 22, 2010

Mr. Chairman, Dr. Burgess, and other Subcommittee members, my name is Duane Mangskau, and I am Hillandale Farms of Iowa, Inc.'s production representative. I grew up in Minnesota and upon graduation from high school spent nearly 13 years working on a family farm with my father and brother in Ellendale, MN. In the late 1980's I entered college to study business administration. While completing my studies in 1991, I learned about feed and poultry production while working for an independently owned grain and feed company.

After graduation, I continued working with feed and poultry flocks with a farmer's cooperative located in Oakland, MN. Based upon my knowledge of poultry flocks, I was invited to manage production for the Interstate Value Added ("IVA") farmer's cooperative when its construction began in 1998. I served as the production manager and later the General Manager of operations at the IVA facility in West Union, Iowa until it was purchased in December of 2007.

I left the West Union facility in March 2008 and returned at the request of Hillandale Farms of Iowa, Inc. in March of 2010. I now serve as Hillandale's production representative at the West Union facility.

It will probably help our discussion today if I define a few industry terms. When I talk about egg production, I mean the first of three steps in getting eggs to our customers. Egg production encompasses every aspect of farming and raising the hens up until the eggs are ready for processing. The next step, egg processing, involves cleaning, grading, and packaging eggs. The final phase, which involves marketing and distribution, has traditionally been Hillandale's area of expertise.

In order to get fresh quality eggs to market, Hillandale must be able to rely on good production and good processing. From 2008 until recently, Hillandale relied upon Wright County for production in Iowa.

In its 50 years of existence, I believe that Hillandale Farms, while not perfect, historically has had a record and reputation for supplying the nation with safe, quality eggs.

In fact, to the best of my knowledge, Hillandale Farms had never been involved in a recall—until three weeks ago—when the FDA told us that 7 people had become ill from Salmonella at a Mexican restaurant that received Hillandale Iowa eggs. There are many other potential sources of Salmonella contamination in restaurants, and we were, to be honest, shocked by the allegation. During the prior four months we had shipped about 170 million

eggs from Iowa, and it was difficult to understand why FDA was saying our eggs were responsible for 7 people sick at one restaurant.

The recall has, however, forced Hillandale to take a hard look at our operations, and will, in the long run, make our operations better.

On August 20, we voluntarily recalled the relevant eggs, diverted all other eggs from those facilities to breaking facilities, and we have been cooperating with the FDA, state officials, our customers, and this Subcommittee ever since.

And even if the source of the Salmonella illness is never confirmed, where we have fallen short in Iowa we are committed to improving our operations. At Alden, where Hillandale Farms has no ownership interest, we have terminated our marketing relationship with its owner, Wright County, because we were disappointed with the test results there.

At the West Union facility, we have redoubled our safety efforts and fully addressed all of the issues identified in the FDA's 483 report. We would like to emphasize, however, that NO egg from West Union has tested positive for SE.

Nonetheless, Hillandale has retained the former Associate Commisioner of Foods at FDA and the former head of food safety at several Fortune 200 companies including HJ Heinz, Campbell's Soups and Tricon Restaurants to conduct an intensive assessment of food safety at our West Union facility

and offer recommendations. You have our commitment that we will implement any and all of those recommendations.

Moreover, Hillandale Farms will continue to cooperate with all governmental officials, including the Subcommittee, and I look forward to answering any questions that you may have.

Thank you.

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