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FRIDAY, AUGUST 31, 2001

Late Sports Final

Chicago Sun-Times

MARKET CLOSE

DOW INDUSTRIALS: 9,919.58

171.32

1.7 PCT.

NASDAQ: 1,7091.68

51 40

▼ 2.8 PCT.

S&P 500: 1.129.03

19.53

▼ 1.7 PCT.



MICHIG

Friday, August 31, 2001

HOW 'A.I.' GOT A BOOST ON THE INTERNET

Game that local design firm Three Mountain created to plug it was an online hit; Lazare, Page 67

BUSINESS

ABBOTT GETS OK

Can start marketing joint venture's new antibiotic; Page 65

Lawyer may ask judge to reopen Sara Lee cases

BY SANDRA GUY BUSINESS REPORTER

The Chicago attorney for victims who ate tainted meat from a Sara Lee Corp. plant said Thursday that he may ask a Cook County judge to reopen the cases.

The action follows a U.S. Department of Agriculture report made public this week in which Sara Lee workers and a federal meat inspector allege managers at the plant in western Michigan knew they were ship-

ping tainted meat. Meat from the plant was later linked to a nation-wide outbreak of listeriosis that killed at least 15 people, caused six miscarriages and seriously sickened 80 people, according to statements given to federal investigators.

A spokeswoman for Sara Lee said Thursday that the report was preliminary and not later substantiated.

Craig Lederman, son of Southwest Side resident and listeria victim

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Sara Lee

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Roy Lederman, said Thursday that he was not surprised by the news.

"It makes us think there's even more out there that we don't know," he said. "When you hear that Sara Lee management (allegedly) knew of the problem, that scares you."

Victims and consumer groups were outraged when Chicago-based Sara Lee pleaded guilty on June 23 to a misdemeanor charge of selling tainted meat in a settlement with the U.S. Attorney's office for West-

ern Michigan.

Listeria monocytogenes is a sometimes deadly bacteria that leads to listeriosis, a disease that usually sickens the elderly and pregnant women the most but can also attack younger

people with weak immune systems.

The bacteria was found in hot dogs and deli meat produced in 1998 at Sara Lee's Bil Mar Foods facility in Borculo, just west of Grand Rapids.

In one statement from the report, an employee at the Bil Mar plant told USDA investigators that he or she knew with "virtual certainty" that meats produced and sold there were contaminated with listeria monocytogenes.

Management had "a similar level of awareness," according to the em-

ployee's statement.

The report was completed by the USDA's Office of Inspector General in August 2000, but was not made public until this week after a Freedom of Information Act request

from the Detroit Free Press.

Ken Moll, the Chicago lawyer who represented victims in the class-action lawsuit and also 25 others who sued Sara Lee separately, said Illi-

nois case law allows cases to be reopened if the settlements were based on a lack of pertinent information from the opposing party. Terms of the settlements were not disclosed.

If the cases are reopened, Moll intends to seek jury trials and punitive damages.

"The amounts that (the victims) settled for were wholly inadequate" based on the new information, Moll said

The federal meat inspector assigned to the Bil Mar plant told the USDA investigators that Bil Mar managers were aware the plant had increased levels of listeria about eight months before the nationwide listeriosis outbreak that began in the

fall of 1998, according to the report.

Management intentionally
"skirted the law" and shipped meats
without testing them, the inspector

The outbreak prompted Sara Lee

to announce the recall of 15 million pounds of meat in December 1998. The Agriculture Department said the recall eventually grew to 35 million pounds.

However, federal prosecutors determined that the government "uncovered no evidence that Sara Lee intentionally distributed" tainted meat.

That was among the reasons given by U.S. Attorney Phillip Green when he agreed to let Bil Mar plead guilty to one federal charge of preparing and selling "adulterated poultry and

meat products."
Green, the U.S. attorney for western Michigan, stood by his decision Thursday, stating that "the evidence did not substantiate that Sara Lee knowingly and/or willfully distrib-

uted adulterated meat."

As part of the plea agreement,
Sara Lee agreed to pay a fine of
\$200,000 and spend \$3 million on
food safety research at Michigan

State University. The company also agreed to pay \$1.2 million to settle a lawsuit linked to the sale of meat to the U.S. Department of Defense in 1998.

Julie Ketay, Sara Lee's spokeswoman, reiterated Thursday the government's conclusion that the company didn't knowingly sell tainted meat.

"This was a single, preliminary report that was part of the U.S. Attorney's investigation," Ketay said. "The resolution was totally different."

Also on Thursday, Sara Lee, the largest U.S. maker of underwear and pantyhose, named Chief Executive C. Steven McMillan chairman, effective Oct. 5.

As announced earlier, McMillan, 55 years old, will replace John H. Bryan, who is retiring.

Shares rose 17 cents to \$21.92. Contributing: AP, Bloomberg

News