

Company, Owners Sentenced in Pet-Food Recall Case

ChemNutra owners get probation, fine in distribution of tainted ingredient that led to mass pet-food recall in 2007.

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A federal judge has sentenced the owners of a Las Vegas-based ingredients broker to three years probation for distributing a tainted ingredient to pet food companies that led to the mass pet food recall in 2007.

U.S. Magistrate Judge John Maughmer ordered the probation for Stephen and Sally Miller, owners of ChemNutra Inc., on Feb. 5. In addition, the judge fined the Millers and ChemNutra a total of \$35,000.

The court ruled that no further restitution would be imposed in light of a federal class action lawsuit in New Jersey that calls for a \$24 million settlement.

ChemNutra and the Millers are alleged to have imported more than 800 metric tons of melamine-tainted wheat gluten from China between Nov. 6, 2006, and Feb. 21, 2007. The gluten was then sold to various pet food manufacturers, according to an indictment filed in February 2008 in Missouri.

Two Chinese companies — Xuzhou Anying Biologic Technology Development Co. and Suzhou Textiles, Silk, Light Industrial Products Arts and Crafts I/E Co. — were also indicted. The indictment alleges Xuzhou intentionally added the melamine to make the wheat gluten's protein level appear higher. Suzhou Textiles, an export broker, is alleged to have mislabeled the tainted product with an incorrect product code not subject to food inspections in China.

Thousands of cats and dogs reportedly became sick or died after eating the tainted food. The case resulted in the recall of more than 150 brands of dog and cat food across the U.S.

ChemNutra and the Millers each pleaded guilty to two misdemeanor charges in June 2009. They were originally charged with 26 misdemeanor charges and one felony charge of conspiracy to commit wire fraud.

In a statement released Feb. 5, former ChemNutra CEO Stephen Miller said his company was caught up in a fraud conducted by "an unscrupulous Chinese manufacturer" and that "there was never any criminal knowledge or intent on our part."

Attorney Robert Becerra, who represented Sally Miller and ChemNutra, said the real problem lies with the lack of quality control of certain food products made in China.

"Prosecuting the importer who is without knowledge does not solve this very serious issue," Becerra said in the same statement. "Only better awareness, together with stringent due diligence and better inspection procedures, can prevent reoccurrence of this tragedy."

Business activities of ChemNutra Inc. have ceased in the wake of the events that gave rise to the case, and the Millers now own a new import company, according to court documents.