## Jail term affects soyfoods industry

A district court ruling that has sent the president of Eden Foods Inc. to jail for 30 days has prompted soyfoods industry spokesmen to warn companies to be very cautious in any claims they make for their products.

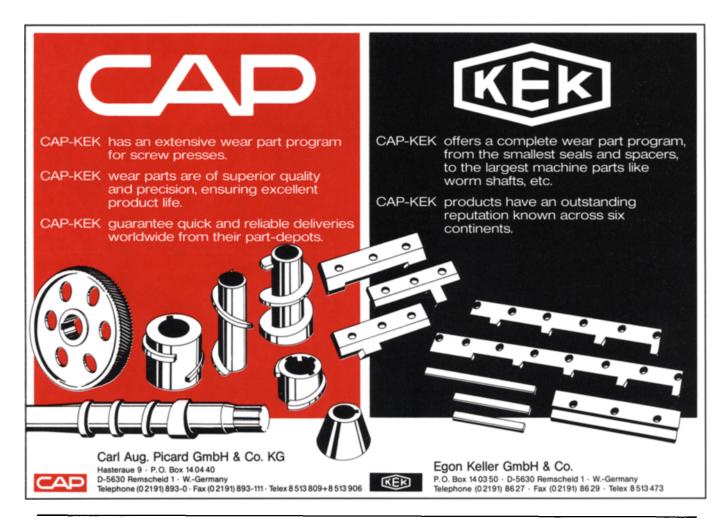
Filing 32 misdemeanor counts against Eden Foods Inc. of Clinton, Michigan, and company president Michael J. Potter in mid-1988, the U.S. Department of Justice alleged that the company and Potter violated the Infant Formula Act of 1980 between 1983 and 1985 by distributing brochures improperly promoting Edensoy. Edensoy, a soy beverage sold by the company, had been misbranded and adulterated because it did not contain necessary nutrients for infant formula yet advertising and labeling may have led to that use, according to the charges.

In October 1988, U.S. District Judge Anna Diggs Taylor denied a request by Eden Foods and Potter to dismiss the charges and ruled that Edensoy's adult uses did not allow it to escape regulation as an infant formula particularly as it had been promoted as a substitute for mothers' milk. Eden Foods subsequently pled guilty to 12 violations, and Potter pled guilty to a single violation occurring in 1985.

On Jan. 20, 1989, the judge sentenced Potter to one year in jail but suspended all but 30 days of the term. Potter also was fined \$25,000 and Eden Foods was fined \$111,000, the maximum amount possible for the 12 counts.

The ruling has prompted concern particularly in the soyfoods industry, according to Peter Golbitz, president of Soyatech Inc. of Bar Harbor, Maine, which publishes the *Soya Newsletter* and Soya Bluebook. "It's scary. What it says to the soyfoods and health foods industry is that companies need to be aware of all the regulations pertaining to labeling and any related health claims for their products on both the state and federal level. It also says that mistakes are not going to be tolerated, and no company should assume that it will be overlooked because it is out of the mainstream's eye."

The attorney for Eden Foods agreed. "Any com-



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pany that is in the soy beverage industry has to be more cautious than in the past in how it promotes its product," according to Jeffrey Gibbs of the law firm of Mackler, Cooper and Gibbs of Washington, D.C.

Gibbs said that the Edensoy brochures that prompted the misdemeanor charges were originally distributed by the company in 1983 and most were destroyed by the company in 1984 after U.S. Food and Drug Administration (FDA) officials became concerned that the company was erroneously suggesting that the soy beverage could be used as a substitute for mother's milk or infant formula. In 1985, following a Canadian report of an infant suffering severe malnutrition after being fed solely Edensoy, Eden Foods did an extensive recall of the pamphlets by contacting not only all of its customers but all health food stores in the U.S. and some in Canada.

Gibbs noted that the ruling showed even accidental or inadvertent claims can lead to serious charges and that because the Infant Formula Act is a strict liability act, the court does not have to establish intent in order to prosecute. "You have to think not only of what you want to say but also how someone else will interpret it—perhaps someone unreasonable or unknowledgeable," he said.

Another lesson learned, Gibbs said, "is that you cannot always rely on the fact that you cooperated with FDA and expect that to protect you." Gibbs said Eden Foods temporarily shut down the company in 1985 to do the recall and cooperated fully with FDA. "It contacted an extra 9,000 companies that weren't even its customers."

Gibbs said any company using the word "baby" in its promotional advertisements or pamphlets should be extra cautious. "Otherwise you are taking a foolish risk."

In other recent action concerning U.S. infant formula regulations, see From Washington, page 510.

## **Bound for Russia**

De Smet Rosedowns has completed five Econoflowtype deodorizers for Russia. The units are being supplied under a contract awarded by TMCI Chemtech Ltd. of Reading, England, which is building five margarine factories in the Soviet Union.

The stainless steel vessels will be used to remove volatile impurities responsible for odor in vegetable oils before the oils are blended into margarines. De Smet Rosedowns, formerly Simon-Rosedowns, is a member of the Belgian-based De Smet Group.

## Lecithin report

The International Lecithin Study Group (ILSG) met in late 1988 in Boston, Massachusetts, to review progress on current activities for commercial lecithin. Attending were representatives from Lucas Meyer, Hamburg, West Germany; Nattermann, Cologne, West Germany; Liposome Technology, Menlo Park, California; Pharmacaps, Elizabeth, New Jersey; Central Soya Co. Inc., Fort Wayne, Indiana; and Genzyme of Boston, Massachusetts, as well as Steve Zeisel of Boston University.

The group reviewed minutes from its 1987 Venice meeting and discussed a master monograph for Europe. It also covered the definition of phospholipid and reviewed a letter to editors on lecithin nomenclature. Other business included a discussion of the legality of ILSG.

ILSG drew up recommendations to be presented at the 5th Colloquium on Lecithin, slated for April 10-12, 1989, in Cannes, France. Tom Watkins, ILSG moderator, will make a report of ILSG activities at the colloquium. This will be the group's first international report since its 1986 inception in Chicago, Illinois, at the 4th International Colloquium on Lecithin sponsored by Lucas Meyer. The group also made plans for a meeting in 1990 in Cologne, West Germany.

ILSG meetings are open to any international company in lecithin manufacture and use. For more information, contact B.F. Szuhaj, Central Soya Co. Inc., PO Box 1400, Fort Wayne, IN 46801, USA.



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## Growers sample soy protein in foods

To demonstrate to growers what food processors can make with soybeans, Central Soya's Food Research Department hosted a luncheon featuring a soy-based menu at the AOCS headquarters in February. Guests were the Land of Lincoln Soybean Association Board (the Illinois arm of the American Soybean Association), the Illinois Soybean Program Operating Board and members of the AOCS headquarters staff.

Braving sub-zero temperatures, Central Soya food scientists Linda Beck and Paul Hargarten cooked the main menu item—restructured beef steaks that had been injected with functional soy protein concentrate on outdoor grills, then served them piping hot to guests who already had sampled meatballs and chicken patties containing textured soybean protein. The meal was topped off with "creemy cheeze cake" in which approximately 50% of the cream cheese had been replaced by an emulsion of functional soy protein concentrate, water and hydrogenated soy oil.

The meatballs and chicken patties containing textured soy protein concentrate are already available commercially, noted George Rakes of Central Soya's Chemurgy Protein Research section; the restructured beef steak and cheese cake are examples "of potential high quality products using soy protein."

"They're items of the future," Rakes said. He explained that the restructured beef steak was perfected by Central Soya employees at the company's Fort Wayne, Indiana, laboratory. Under-utilized cuts of lean meat not normally of steak quality are processed using a specialized gel technology process developed at Colorado State; then, Central Soya food scientists inject a soy protein brine into the meat. The meat is then mixed with sodium alginate and calcium carbonate, forming the gel that binds the meat together. With this binding method, the restructured meat can be sold fresh, frozen or precooked. Conventional binding technology uses salt and phosphates to produce products that must be sold cooked. 'This new process enables the production of a highquality, low-sodium product not now available," Rakes said

Although containing the same number of calories as traditional cheese cake, the featured dessert was lower in cholesterol content due to the substitution of soy protein and hydrogenated soy oil for some of the cream cheese, he said.

Rakes explained that Central Soya facilities in Gibson City, Illinois, and Remington, Indiana, produce the textured and functional soy protein concentrates. Chemurgy Protein Research works with companies interested in developing new applications in which value-added soy products can be used.

Guests at the luncheon asked how soon such highquality soy-based products will be available commercially. Rakes noted that several companies currently are studying the application of soy protein



Paul Hargarten (left in photo at left) and Linda Beck of Central Soya brave sub zero temperatures in February in Champalan, Illinois, to arill futuristic "steaks' incorporating formulated soy protein concentrate. Below. Phil Bradshaw of the Illinois Soybean Program Operating Board (from left to right), AOCS Executive Director James Lyon, Ken Dalen berg of the Land of Lincoln Soybean Association and George Rakes of Central Soya sample the fare provided by Central Soya.



technology that helps create these products. He noted that with consumer emphasis on healthy eating habits, lower fat- and cholesterol-containing foods such as the restructured steak and cheese cake should soon become commercial products.

## Food units merged

Philip Morris Cos. Inc. has merged Kraft Inc. and General Foods Corp. into the world's second-biggest food company.

The reorganization plan, announced in mid-February as taking effect March 1, creates Kraft General Foods Group, which combines Kraft, pur-

#### FATS & OILS NEWS

chased in late 1988 by Philip Morris, and the operating companies of General Foods Corp. into one organization. The restructuring creates seven operating units supported by a corporate staff: General Foods USA, Kraft USA, Kraft General Foods International, Kraft General Foods Canada, Oscar Meyer, Kraft General Foods Frozen Products and the U.S. Commercial Group. The new organization is based in Glenview, Illinois, where Kraft had its headquarters.

John M. Richman, vice chairman of Philip Morris, will oversee the integration of the two companies in his new capacity as chairman and chief executive officer of Kraft General Foods. Michael A. Miles, president and chief executive officer of Kraft, will become president and chief operating officer. Philip Morris has said Miles will take over Richman's job as chief executive during 1990 once the integration is complete.

## **International news**

#### Brazil

The Brazilian crushing industry is concerned that vegetable oil production will not be profitable under the government's latest economic reform program called "The Summer Plan." The industry claims wholesale soybean oil prices have been frozen below the cost of production and soybean and soy oil imports will be more expensive, the U.S. Department of Agriculture said. The Brazilian government asked exporters to delay soybean oil exports until April to guarantee domestic soy oil supplies.

#### Canada

The closure of two crushing plants in western Canada is being blamed on a shortage of farmer deliveries of canola. CSP Foods closed its Harrowby and Altona (Manitoba) plants in January, reopened them in early February and was expected to shut them down again due to tight supplies and low margins.

#### Colombia

The Colombian government earlier this year prohibited the import of oilseeds, protein meals and crude oils until April. The measure was taken to force the Colombian oil and feed industries to buy about 110.000 metric tons (MT) of domestic cottonseed, USDA said. USDA estimates Colombia still needs to import about 150,000 MT of soybeans, 10,000 MT of soybean meal and 20,000 MT of vegetable oils in 1989.

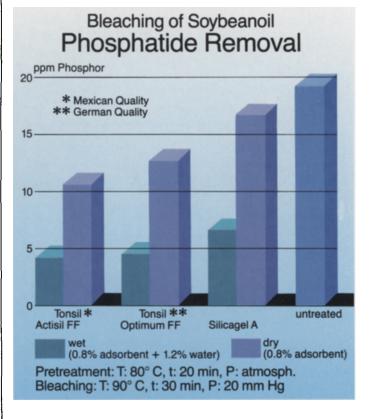
USDA also reported Colombia has increased its support prices for soybeans by 72% and has told growers it would purchase the entire crop. Soybean production in 1989 is estimated at 200,000 MT, up from 115,000 MT in 1988. Soybean imports, estimated at 170,000 MT for this year, could be completely eliminated by 1995 if a recently released soybean variety, Soyica Ariari, grows successfully in Colombia's eastern plains.

(Continued on page 504)

# Choose Quality Choose (R) The graph shows the results of one of a

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Example: Removal of phosphatides



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#### (Continued from page 503)

#### Cuba

Cimmco International, part of Birla of India, has been granted \$2.7 million to fund a coconut processing plant in Guantánamo, an eastern province of Cuba. The plant will be designed to process 16.2 million coconuts per year and extract 5,600 tons of oil.

#### India

India has loosened its import policy for seeds of oilseeds and other agricultural crops, according to *The Cocomunity* newsletter. Seed companies may import seeds for up to two years after importing their first commercial consignment. During this period, foreign seed suppliers will be required to transfer seed production technology to the Indian companies.

#### Japan

Kikkoman Corp., a major Japanese soy sauce producer, has expanded its annual capacity to 6,000 kiloliters per year at its Singapore manufacturing plant. The firm will export the product to Europe.

#### Malaysia

United International Enterprises Sdn. Bhd., a Danish-

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For information contact us at Libra Laboratories, Inc. 44 Stelton Road, Piscataway, NJ 08854 USA phone: (201) 968-5200 telex: 9102501168; fax: (201) 968-9552 Malaysian joint venture, announced it will spend \$47.8 million to develop Gula Perak BHD's former sugarcane fields into oil palm, coconut and cocoa estates. About 7,200 hectares in Perak are to be developed in the next three years.

#### Spain

The U.K.-based Acatos & Hutcheson has formed a joint venture with Elosua, a Spanish company, to manufacture and distribute edible oils and margarine in Spain and Portugal. The new company will be called Masisa (Margarina y Aceites Espãnoles SA). Acatos & Hutcheson entered the Spanish market in 1988 when it formed Pura Iberica. The company's plan to manufacture margarine means Spain will have three companies in the margarine-manufacturing sector: Unilever, Koipe and Acatos & Hutcheson.

#### The Philippines

The Philippines Coconut Authority has asked the World Bank for \$50 million to fund its Coconut Farms Development Project (CFDP). If the funds are granted, CFDP will be implemented in 1990. The program would allow growers to replant trees to replace those destroyed in typhoons in recent years.

Meanwhile, a European group, headed by Rietta and Associates Ltd. of Switzerland, is considering investing up to \$2 billion for integrated coconut processing plants in the Philippines. The facilities would contain copra driers, warehouses, oil mills, refineries and chemical plants.

## Soybean promotion

U.S. farmers are fighting off competition with limited resources, according to American Soybean Association (ASA) Chief Executive Officer Ken Bader, who spoke at ASA's Leadership Conference earlier this year. He noted that U.S. farmers invest less than one-tenth of a percent for promotion; competitors in Malaysia, Canada and Brazil, meanwhile, are increasing their marketing funding.

Bader also outlined three major 10-year goals for the U.S. soybean industry: increase U.S. use of soybeans by 300 million bushels, increase soybean exports by 700 million bushels, and expand state and national research funding for new uses and technology.

In other action at the leadership conference, Monsanto presented a "SoySeal" for ASA to use as its new emblem. The seal's signature is a red, white and blue oil droplet designed in "stars and stripes" fashion. Monsanto said it hopes the seal will "increase awareness of soyoil in products and strengthen customer loyalty to products containing soyoil."

Meanwhile, ASA-funded swine feeding trials in the Soviet Union have shown soybean meal in swine rations can increase weight gain by 17%. The success of the swine feeding trials prompted an article in *Lenin's Way*, the Soviet newspaper of the agricul-

#### FATS & OILS NEWS

tural regional committee, in which the author recommended that soybean meal be included in all swine rations.

The Soviet swine feeding trials, funded through soybean checkoff funding, are the result of four years of efforts by ASA to re-establish agricultural ties with Russia and to demonstrate the efficiency of soybean meal in swine rations.

## **News briefs**

An explosion Jan. 25, 1989, at a large Continental Grain soybean crushing facility in Maringa, Paraná, Brazil, damaged the plant's extractor. The explosion occurred at the Conti-Oleos Ltda. plant during offseason maintenance. A Continental Grain spokesman said three workers received minor injuries in the mishap. The cause of the explosion is under investigation.

Dean A. Specht has retired after serving 27 years as president of the National Renderers Association Inc. (NRA). R.E. John, who was hired as director of technical services for NRA Oct. 1, 1988, currently is also serving as acting president. John was an independent consultant from 1986 to 1988 and previously was executive director of technical services for the feed division of Farmland Industries.

Marfleet Refining Co. Ltd. has changed its name to Seven Seas Ltd.

A.I. Gleason, manager for fats, oils and animal proteins purchasing for Ralston Purina's Commodities and Transportation Division, will retire May 1 after 37 years with the company.

Ernoe Csaky has joined The Foxboro Co. as vice president and director of corporate technology.

Alfa-Laval, the Swedish-based process engineering company, has appointed Mats Eivinson general manager of its fats and oils division. He previously held the post of marketing manager within the division. Douglas Wilson, previously regional manager for Western Europe, has been appointed marketing manager.

Pacific Foods of Oregon Inc. has commissioned an integrated plant for the production of soymilk, concentrated soymilk and tofu. The \$8 million state-of-theart facility in Tualatin, Oregon, is designed to produce soymilk and tofu for food processors interested in using these products as base ingredients in packaged foods.

Bill Lavers has been named editor of Oils & Fats International.

Engelhard Corp. has relocated its adsorbent product research and development from Pleasanton, California,

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R

to catalyst R&D facilities in Beachwood, Ohio. Dennis Taylor is providing support to ensure continuity of the Engelhard business.

California Rendering Co. and Peterson Manufacturing Co. have changed their name to Darling-Delaware Co. of Los Angeles.

Yoshio Kato has been appointed president and general manager of Applied Biosystems Japan. Meanwhile, Applied Biosystems Inc. has purchased land outside Tokyo as an expansion site for chemical manufacturing and related support activities.

The American College of Nutrition (ACN) has given its first official "Product Acceptance" award to Puritan Oil, a Procter & Gamble product. Puritan, which is made from canola oil, received the award because ACN considers it "an excellent choice for those who are modifying their diets to reduce intake of saturated fat and cholesterol to help lower their blood cholesterol levels." The ACN established its "Product Evaluation and Acceptance Program" to educate consumers about cholesterol and saturated fat.

Hershey Foods Corp. will construct an office complex | and technology.

and data center in Derry Township, Pennsylvania. Groundbreaking is set for mid-1989, with completion targeted for late 1991. The site of a proposed manufacturing facility is expected to be announced by mid-May.

Supercritical Processing Inc. (SCP) has expanded capacity to 220 liters at its supercritical extraction pilot plant in Allentown, Pennsylvania. An automated 160-liter high-pressure extraction vessel has been added which can extract oil from oilseeds and meal.

The ASEAN Oleochemicals Manufacturers' Group (AOMG) has elected Alfredo D. Yniguez Jr. of Pilipinas Kao Inc. as its chairman. Mohd Kassim Salleh of Malaysia will serve as vice chairman.

American companies with a subsidiary or joint venture in the **People's Republic of China** that are seeking **qualified food scientists and technologists** may contact Prof. Steven S. Chang, 29 Gloucester Ct., East Brunswick, NJ 08816. Chang and his wife, Lucy, fund an endowment at the Jinan University, Guangzhou, People's Republic of China, for five student fellowships each year in the field of food science and technology.

#### **SURFACTANTS & DETERGENTS NEWS**

## Section luncheon

The Surfactants and Detergents Section of AOCS will hold its first section luncheon at the 1989 AOCS annual meeting in Cincinnati in May. The luncheon is scheduled for noon on Friday, May 5, 1989, and will be held at the Albert B. Sabin Convention Center, site of the annual meeting.

John A. Hockey, vice president for development for Lever Brothers Co., Edgewater, New Jersey, will be the featured speaker. The topic of his talk will be "Detergents Research: Challenges of the Next Decade." Arno Cahn, section chairman, also will give a report. Anyone interested in surfactants and detergents is welcome to attend the luncheon and to join the section.

Tickets for the luncheon cost \$20 and can be purchased at the registration desk at the annual meeting in Cincinnati.

Also at the annual meeting, the Soap and Deter-

