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BUSINESS

Blue Bell: Not All Sources of Listeria Outbreak Identified; Controls in Place

Told inspectors problems at one of its ice cream plants likely stemmed from drainage system



Shelves were bare and signs were posted where Blue Bell products were displayed in a grocery store following a massive recall of the products in April 2015 in Overland Park, Kan. Blue Bell told inspectors in twin reports in February it believes a drainage system spread listeria in one of its plants. *PHOTO: JAMIE SQUIRE/GETTY IMAGES*

By **JESSE NEWMAN**

April 3, 2016 4:38 p.m. ET

Blue Bell Creameries LP told federal inspectors that nearly one year after a deadly listeria outbreak forced a massive recall it hasn't nailed down all the sources of contamination in its plants, though the company now has in place programs to effectively control for the bacteria.

"We identified and implemented specific corrective actions to address the likely source, and adopted comprehensive facility-wide programs to enhance our overall ability to confront any possible sources of contamination," Blue Bell spokesman Joe Robertson

said Sunday.

The company recalled all of its frozen desserts from grocery stores last April and came close to collapse before resuming sales in August.

Blue Bell, one of the biggest U.S. ice cream makers, told the U.S. Food and Drug Administration in twin reports dated Feb. 12 that listeria likely spread via a drainage system at its facility in Broken Arrow, Okla., while numerous pieces of equipment likely harbored the bacteria in its main Brenham, Texas, plant.

The company said its internal probe revealed particles carrying listeria in the Oklahoma plant likely washed into the facility's drainage system before being re-emitted into a storage room where it landed on equipment that later came into contact with ice cream.

The outbreak was linked to three deaths and sickened seven more people.

The company couldn't identify a single common source of contamination at its Texas plant, according to the filings, though it said it believes listeria entered the facility from a variety of potential sources and took up residence on multiple pieces of equipment.

Blue Bell said it has since removed the storage room drain at its Oklahoma facility and no longer uses the area for equipment storage.

In Texas, it disassembled and cleaned some pieces of equipment, while decommissioning others. The company said it has focused on cleaning its whole plant as well as enhancing sanitation procedures and testing programs to prevent future contamination.

"We believe that these enhanced programs are enabling us to effectively control for Listeria," Blue Bell told the FDA.

Blue Bell's declarations come after the company in January announced it had completed its market re-entry program, with its ice cream now back on store shelves in parts of 16 states, down from 23 prior to the recall.

"Sales in the Phase I rollout have been strong," Chief Executive Paul Kruse told Blue Bell owners in a letter last fall that was reviewed by The Wall Street Journal.

Listeria contamination affected ice cream at all three of Blue Bell's main plants—it also has a facility in Sylacauga, Ala.—and the recall jeopardized the future of the 109-year-old company, forcing it to lay off or furlough much of its workforce and accept an

emergency investment from Texas billionaire Sid Bass.

The U.S. Justice Department has since launched a criminal investigation into Blue Bell over the outbreaks, focused on what company executives knew about the contamination. Blue Bell said it was unable to comment on the Justice Department's investigation.

Write to Jesse Newman at jesse.newman@wsj.com

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