



Agriprocessors Report

May 28, 2008

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I. Agriprocessors: Latest allegations as reported in press and federal Application and Affidavit for Search Warrant

- Eighteen child laborers were detained during the Immigrations and Customs Enforcement (ICE) raid, ranging in age from 13 to 17.ⁱ According to the Iowa Commissioner of Labor, Dave Neil, an investigation into violations of child labor law as well as wage and hour violations was already underway at Agriprocessors before the immigration raid. According to Neil, "Due to this raid and the federal government confiscating all of those records [relating to the child labor/wage and hour investigation], we're unable to complete our investigation at this time," said Neil.ⁱⁱ
- The sexual abuse of female workers. According to Sister Mary McCauley, a Roman Catholic nun at St. Bridget's Catholic Church in Postville, workers said that "there was sexual abuse, that there's propositioning." Specifically:
 - If a worker wanted, say, a promotion or a shift change, "they'd be brought into a room with three or four men and it was like, 'Which one do you want? Which one are you going to serve?' " McCauley said Monday in an interview with *Des Moines Register* editors and reporters.ⁱⁱⁱ
- The federal Application and Affidavit for Search Warrant alleges that a supervisor saw evidence of methamphetamines being manufactured at the plant.^{iv}
- A supervisor was reported to have duct-taped the eyes of an immigrant worker and hit him with a meat-hook. The worker decided not to pursue it as it would not do any good.^v
- Supervisors "fraudulently and forcibly sold them used cars and trucks, threatening that they would be fired if they didn't buy the vehicles."^{vi}
- Paying workers \$5.00 an hour, far below the minimum wage.^{vii}
- The withholding of \$50 in "immigration fees" from employees' paycheck.^{viii}
- Accounts of verbal abuse by plant supervisors and one anecdote about a floor manager who threw meat at his employees.^{ix}
- Denied workers compensation for overtime^x
- Refused to let employees use the restroom during some 10-hour shifts.^{xi}

II. Agriprocessors

Summary

Agriprocessors is the largest kosher meat producer in the country with two plants in the Midwest. The largest plant employs roughly 800 workers in Postville, IA and produces beef, chicken, turkey and lamb. A second plant opened in 2005 in Gordon, NE employs approximately 100 workers and produces beef, bison, and lamb. The company also owns warehouses in Brooklyn, NY and Miami, FL. The owner of Agriprocessors, Aaron Rubashkin, also owns a butchershop in Brooklyn. A related Rubashkin company, Nevel Properties, owns a significant amount of real estate in Postville.

Agriprocessors' brands include Aaron's Best, Aaron's Choice, Supreme Kosher, David's, Shor Habor, Nevel, and European Glatt. The company sells both to smaller kosher stores/butchershops and major retailers such as Wakefern, H.E. Butt, Wal-Mart, and Pathmark. The company's non-kosher meat is sold under the brand -- Iowa Best Beef.^{xii}

The plant is managed by Aaron's sons Sholom and Heshy. Another of Aaron's sons, Moshe Rubashkin, while not directly involved in Agriprocessors, has a history of business relations with his father.

Agriprocessors' Scandals

Agriprocessors, since purchasing the Postville plant in 1987, has had a litany of environmental, food safety, worker, kosher certification, legal, community and animal treatment problems.

Animal Treatment Problems

On two occasions, in December 2004 and May 2007, the People for the Ethical Treatment of Animals (PETA) released undercover videos allegedly showing animal cruelty at Agriprocessors' plants in Postville, IA and Gordon, NE. The first video, in particular, was very graphic, showing a cow's throat ripped out with a meat hook and the cow writhing on the floor, attempting to stand. In 2005, the USDA sent a warning to the company regarding its slaughter practices. The company did make changes under pressure from the Orthodox Union, the nation's largest kosher certifier.^{xiii}

Environmental Problems

In 2004, an environmental controversy began in Postville over wastewater from the Agriprocessors plant. Waste discharges from the plant were blamed for fishkills and the environmental degradation of Heksher Creek and the Yellow River. According to the Northeast Iowa Citizens for Clean Water (NICCW), Agriprocessors had "violated the Clean Water Act by exceeding its wastewater limits every month except one for the past six years." The company and the City of Postville applied to have those limits changed.

In response, the NICCW filed suit against the company, city and the Iowa Department of Natural Resources for violations of the Clean Water Act.^{xiv} Eventually, the company signed a consent decree with the U.S. Environmental Protection Agency (EPA) and agreed to pay over \$600,000 in fines.^{xv}

Food Safety Problems

The United Food and Commercial Workers (UFCW) issued two food safety reports critical of Agriprocessors in August 2007 on the Postville plant and in February 2008 on the Gordon plant.^{xvi} The reports, based on documents from the USDA's Food Safety and Inspection Service (FSIS), revealed a variety of issues, including multiple violations related to monitoring procedures for BSE, or "mad cow." Other issues included sewage problems, fecal and bile contamination of beef and poultry along with foreign objects, some metallic, found during sausage and poultry production. Issues at the Postville plant led one FSIS official to issue a Letter of Warning and to comment in the letter, "These findings lead us to question your ability to maintain sanitary conditions, and to produce a safe and wholesome product."^{xvii}

In January 2008, the results of a food safety investigation into sodium levels in Agriprocessors' products, undertaken at the behest of the UFCW, revealed alarmingly high sodium levels in turkeys sold under private label at Trader Joe's. The lab report also show high sodium levels in Agriprocessors' national brand, Aaron's Best turkeys.^{xviii}

In March 2008, the consumer group Food and Water Watch released *More Foul Fowl: An Updated Analysis of Salmonella Contamination in Broiler Chickens*, which showed that from 2000 to 2007, Agriprocessors failed Salmonella testing half of the time, one of the highest failure rates in the report.^{xix}

Worker Problems

In 2006, the *Jewish Daily Forward* published "In Iowa Meat Plant, Kosher 'Jungle' Breeds Fear, Injury, Short Pay," by reporter Nathaniel Popper, detailing a variety of problems surrounding workers at Agriprocessors including management intimidation, poor pay and health benefits, and serious injuries, including amputations.

Professor Mark Grey, the director of the Iowa Center for Immigrant Leadership and integration was quoted as saying "I'm continually surprised at how poorly they treat these people because they are not Jews and because they happen to be immigrants."^{xx}

The Forward article prompted the formation of an independent rabbi commission, headed by Rabbi Morris Allen of Minneapolis to investigate the problems at Agriprocessors. The commission's report validated many of the concerns raised in the article. Specifically, the commission found:

- Inadequate safety procedures when shutting machines for cleaning;
- Inadequate or nonexistent worker safety training;
- Lack of safety committee that includes both management and labor, to develop training and monitor procedures;

- Concern about unsafe chemical use;
- Unclean and unsafe lunchroom conditions; and
- Inadequate access to safety equipment and number of operable eyewash stations.^{xxi}

Following a 2005 vote by its warehouse workers in Brooklyn to unionize with the United Food and Commercial Workers, Agriprocessors refused to negotiate a contract. Agriprocessors made the interesting legal claim that because its workers were illegal immigrants, the company could ignore US labor law. To date, the National Labor Relations Board and the courts have rejected Agriprocessors' argument which is now pending at the US Supreme Court.^{xxii}

In 2006, the Iowa Occupational Safety and Health Administration (IOSHA) issued six violations to Agriprocessors.^{xxiii}

In March 2008, IOSHA detailed 39 new violations of safety and health at Agriprocessors' plant in Postville and issued a \$182,000 fine.^{xxiv} The 39 violations are more than the total violations at all Iowa meat plants for the year 2007.^{xxv}

Community Problems

Postville, Iowa, a small town and populated with the descendants of northern Europeans, saw an influx of mostly Hasidic Jews, many from Brooklyn, when the Rubashkin family took over the local plant. The resulting controversy led a journalism professor from the University of Iowa, Stephen Bloom, to write a book about the culture clash. Postville: A Clash of Cultures in Heartland America, detailed many aspects of the conflict between "native" Iowans and Hasidic Jews.

The centerpiece of the book is a referendum in Postville to decide whether the town should expand its tax base by incorporating the Agriprocessors' plant. The company opposed the plan and pledged to close the plant if the vote was for incorporation. Despite this threat, the town voted for incorporation and the plant did not close.^{xxvi}

Legal Problems

In 2002, Agriprocessors signed to a consent agreement with the Grain, Inspection, Packers and Stockyards Administration and, while not admitting guilt, agreed to refrain from "[f]ailing to pay, when due, the full purchase of livestock." Agriprocessors also agreed to pay a civil fine of \$37,500.^{xxvii}

Agriprocessors was a defendant in the 2003 bankruptcy case of Allou Distributors, a health and beauty company. The bankruptcy trustee alleged that \$2.9 million of payments to Agriprocessors was fraudulent. The trustee questioned whether a health and beauty company would purchase \$2.9 million dollars of meat.^{xxviii} Agriprocessors settled the allegations for \$1.4 million on October 1, 2007.^{xxix}

Kosher Certification Issues

In 2007, the respected kosher supervision agency, K'hal Adath Jeshurun (KAJ) announced it was dropping its kosher certification of Agriprocessors due to the:

continuing difficulties which we have encountered over the last few years in our efforts to provide Kashrus supervision to your plants in Iowa and other locations in accordance with the standards we require.^{xxx}

KAJ stopped certification on all Agriprocessors products beginning April 16, 2008.^{xxx}

Agriprocessors Owner's Legal Problems Outside the Company

The Rubashkin family has a long and checkered legal history.

Aaron Rubashkin, along with his son Moshe, were involved with the textile industry for some years. They owned at least two textile plants, Montex Mills in Allentown, Penn, and Cherry Hill Textiles in Cherry Hill, NJ. Both plants are no longer in operation for unknown reasons.^{xxxii}

Cherry Hill Textiles

In 1995, Aaron and Moshe Rubashkin were cited for withholding union dues and failing to remit them to the union which represented workers at the Cherry Hill Textiles plant.^{xxxiii}

Montex Mills

Montex Mills was operated by the Rubashkins from 1989 to 2001, when the plant closed. The abandoned textile mill later suffered a series of fires, one of which was ruled arson.^{xxxiv}

In July 2002, Moshe plead guilty to bank fraud and served fifteen months in prison. According to the Jewish Daily Forward, Moshe had "passed bad checks from Montex" and "[a] year before that, he had been fined for failing to secure workers' compensation for Montex employees."^{xxxv}

Most recently, Moshe agreed to pay over \$500,000 to reimburse local and federal authorities for the cost of cleaning up dangerous chemicals illegally stored at the closed plant. Moshe, along with his son Sholom (nephew to Sholom Rubashkin who operates Agriprocessors in Postville), were also indicted for lying to federal authorities about who owned the plant and face jail time of up to 5 years and \$250,000 fines each. Moshe also owes \$171,000 in back county and school taxes. According to the Allentown paper, The Morning Call, "A total of \$491,000 is owed on the dozen lots [where the factory is located]...for the taxes, mortgages and other unpaid bills."^{xxxvi}

Additional Legal Problems

In May 1985, Moshe Rubashkin, current head of the Crown Heights Jewish Community Council, was convicted of obstructing governmental administration and second-degree riot charges.^{xxxvii}

Appendix: Timeline

May 8, 1985

Moshe Rubashkin pleads guilty to obstructing governmental administration and riot in the second degree. The plea agreement stemmed from a riot in which 9 police officers were injured and 4 rioters arrested, Moshe Rubashkin among them. Moshe Rubashkin was originally charged with felony assault and riot charges.^{xxxviii}

1987

Aaron Rubashkin buys closed Hygrade meatpacking plant in Postville, IA and forms Agriprocessors, Inc.^{xxxix}

August 17, 1995

NLRB finds against Cherry Hill textiles for withholding union dues and failing to remit them to the union, the United Production Workers, Local 17-18. Moshe and Aaron Rubashkin are owners of Cherry Hill Textiles.^{xl}

2000

The book *Postville: A Clash of Cultures in Heartland America* is published. The book details tension between the Hasidic community centered around the Agriprocessors plant and “native” Iowans. The centerpiece of the book is whether the town will vote to incorporate the Agriprocessors factory, which was operating on unincorporated territory. Despite pledging to leave Postville if the town voted to incorporate the plant, the factory does not close despite the vote for incorporation.^{xli}

March 2002

Agriprocessors agrees to a consent agreement with the Grain, Inspection, Packers and Stockyards Administration (GIPSA) and, while not admitting guilt, agreed to make timely payment for the full purchase of livestock purchases. Agriprocessors also agreed to pay a civil fine of \$37,500.00.^{xlii}

July 31, 2002

Moshe Rubashkin found guilty of bank fraud and sentenced to 15 months in prison and a further five years on probation. He was also fined \$233,000. Moshe served his time at Fort Dix Federal Prison in New Jersey.^{xliii}

December 1, 2004

The Northeast Iowa Citizens for Clean Water files a civil action suit against Agriprocessors, Inc. The complaint alleged that Agriprocessors violated the Clean Water Act by failing to comply with pretreatment requirements for wastewater. It further alleged that Agriprocessors violated the Emergency Planning and Community Right to Know Act and the Clean Air Act for failing to properly submit emergency and hazardous chemical inventory forms and develop a risk management program for anhydrous ammonia.^{xliv} Eventually, the company signed a consent decree with the U.S. Environmental Protection Agency (EPA) and agreed to pay over \$600,000 in fines.^{xlv}

December 2004

PETA posts graphic undercover video taken at Agriprocessors allegedly showing animal cruelty.^{xlvi}

June 28, 2005

Local Pride, a small kosher kill owned by Agriprocessors, opens in Gordon, NE. The plant opens with the assistance of a Community Block Development Grant (CBDG) from the state of Nebraska for \$500,000.^{xlvii}

October 2005

Agriprocessors Brooklyn warehouse workers vote to join UFCW. Agriprocessors refuses to bargain.^{xlviii}

2006

The Iowa Occupational Safety and Health Administration issues Agriprocessors six violations.^{xlix}

May 26, 2006

Nathaniel Popper from the *Jewish Daily Forward* writes “In Iowa Meat Plant, Kosher ‘Jungle’ Breeds Fear, Injury, Short Pay,” detailing a variety of problems for workers at Agriprocessors. The article prompts the formation of an independent rabbi commission to investigate the problems at Agriprocessors.¹

May 2007

PETA releases second undercover with footage alledging animal cruelty at Agriprocessors’ Local Pride operation in Gordon, NE.^{li}

August 2007

The UFCW releases a food safety report on Agriprocessors’ plant in Postville, IA.^{lii}

September 19, 2007

Moshe Rubashkin and his son Sholom Rubashkin indicted for lying to federal authorities regarding the illegal storage of chemicals at their abandoned factory. Also agrees to pay a fine of over \$500,000 and is currently awaiting sentencing with a possible jail term of up to five years.^{liii}

November 14, 2007

Congressional letter signed by four members of the House of Representatives is sent to the USDA inquiring about food safety at Agriprocessors.^{liv}

January 17, 2008

The UFCW releases the results of a food safety investigation into sodium levels in Agriprocessors’ products sold under private label at Trader Joe’s. The report also details high sodium levels in Agriprocessors’ national brand, Aaron’s Best.^{lv}

February 29, 2008

The UFCW releases a second food safety report released detailing concerns at Agriprocessors' Local Pride plant in Gordon, NE.^{lvi}

March 20, 2008

Iowa Occupational Health and Safety (IOSHA) issues press release detailing 39 violations of safety and health at Agriprocessors' plant in Postville, IA and issues an \$182,000 fine. The 39 violations are more than the total violations at all Iowa meat plants for the year 2007.^{lvii}

March 26, 2008

Consumer group Food and Water Watch releases a report entitled *More Foul Fowl: An Updated Analysis of Salmonella Contamination in Broiler Chickens*, which reveals plants with high levels of Salmonella testing failures, Agriprocessors among them.^{lviii}

April 16, 2008

The respected kosher supervision agency, K'hal Adath Jeshurun (KAJ) officially drops its certification on all Agriprocessors products.^{lix}

III. Press Stories



WHO-TV/DT DES MOINES

Child Labor Investigation

It turns out illegal immigration may not have been the only illegal thing going on at Agriprocessors in Postville. According to Dave Neil, the Iowa Labor Commissioner, his department has "an on-going investigation" into child labor and wage violations there.

According to Iowa law, people under the age of 18 are prohibited from working "in or about slaughtering and meat packing establishments." But rumors that teens were working at Agriprocessors and getting paid off the books had been circulating for months. No one will say just when the state and federal investigations into those rumors began.

What state officials will say is they're not getting much done on the case right now. "Due to this raid and the federal government confiscating all of those records, we're unable to complete our investigation at this time," said Neil.

That's exactly what the United Food and Commercial Workers Union was afraid of. Earlier this month the Union's Vice President wrote a letter to immigration and customs officials asking them to hold off on Monday's raid. The letter said "any potential ICE action could not only have a chilling affect over the existing workforce...ICE action could also result in employees leaving the plant...thereby interfering with the DOL's investigation that could ultimately uncover unscrupulous employer acts."

The one thing the raid did make clear is the investigation into child labor violations was warranted. Federal officials say up to a dozen minors were detained at the plant Monday between the ages of 13 and 17.

Advocates: Workers allege sexual abuse

By JENNIFER JACOBS • jjacobs@dmreg.com • May 20, 2008

Reports that there was an expectation of sexual favors at Agriprocessors Inc. are beginning to emerge from workers at the Postville meat processing plant, and advocates for immigrants are trying to document the stories.

Sister Mary McCauley, a Roman Catholic nun at St. Bridget's Catholic Church in Postville, said workers have said that "there was sexual abuse, that there's propositioning."

She said she didn't hear any of the stories firsthand but that others passed along the information to her.

If a worker wanted, say, a promotion or a shift change, "they'd be brought into a room with three or four men and it was like, 'Which one do you want? Which one are you going to serve?' " McCauley said Monday in an interview with Des Moines Register editors and reporters.

"Unfortunately, they are grateful for some of their ESL classes, and they knew what some of those words meant," she said. "If they had the courage, they could refuse it."

Chaim Abrahams, an Agriprocessors representative, declined to address the allegation of sexual favors in exchange for job-related requests.

"As with any legal matter, Agriprocessors cannot comment about any specific allegation," Abrahams said in a written statement. "The company is performing an independent investigation and will continue to cooperate with the government about this matter."

Federal agents' raid at Agriprocessors on May 12 was the largest single-site immigration raid in U.S. history. Arrest warrants were issued for 697 people who work at the plant.

Agents detained 389 people in Waterloo; of those, 306 were charged with fraud-related felonies for using fake documents to obtain a job. A total of 62 people were temporarily released for humanitarian reasons, such as child care, but they must appear in court soon.

In the Register interview, McCauley said workers say there is "definitely" one person in the area selling Social Security numbers.

That raises questions about these workers' role in committing fraud, said Tom Chapman, an advocate for immigrants and executive director of the Iowa Catholic Conference.

The workers, who speak mainly Spanish, were probably not sophisticated enough to steal or create their own fake identity documents, said Armando Villareal, the administrator for the state Division of Latino Affairs.

"I don't think they have Apple computers in their apartments with laser printers," Villareal said.

Meanwhile, McCauley said she's seen a new confidence in some of the immigrant women.

Most of those released on humanitarian grounds must wear an ankle bracelet that contains an electronic tracking device. Upon their release from detention, they wore long pants to conceal the GPS device, McCauley said.

"Yesterday, they had their pants legs rolled up to their knees," she said. "You could see that they were gaining some strength within themselves."

Jewish Week Widespread Worker Abuses Alleged At AgriProcessors

Federal affidavit could open door to indictment against top kosher meat supplier.

by Debra Nussbaum Cohen
Staff Writer

Two legal experts suggested this week that the federal government could be laying the groundwork for possible indictments against the owners of the country's largest kosher meat manufacturer.

The comments come in the wake of Monday's raid on AgriProcessors' slaughterhouse in Postville, Iowa, when federal authorities entered the plant and arrested 390 workers — more than a third of the company's workforce — on illegal immigration charges. On Tuesday, 29 workers were charged with crimes including identity theft and using false social security numbers, according to a spokesman for the U.S. Attorney's office.

“It's clear [from the affidavit's allegations] that the government is thinking of an up-the-ladder chain of getting either the whole corporation or some senior managers,” said Marc Stern, general counsel to the American

Jewish Congress, who reviewed the affidavit. “There are clearly some supervisors who are at great risk with being charged with harboring aliens in systematic fashion. There's also a tantalizing thing in there about different-colored paychecks that suggests a slush fund for paying illegals.”

“Whoever from the corporation is involved with that is at great risk,” Stern continued. “They [the government] lay the groundwork for such a charge. But whether they can prove it beyond a supervisory level or will even attempt it is too early to say.”

The affidavit filed by a senior special agent of the U.S. Immigration and Customs Enforcement department lists dozens of pages of allegations against the company's owners and supervisors. The document portrays them as exploiters of a vulnerable illegal immigrant work force, and it could be seen as setting the owners and supervisors up for possible indictment.

Allegations include that company owners and supervisors physically abused and exploited workers; knowingly hired workers without legal documentation; altered work records; paid some off the books; and paid them below minimum wage (starting workers at \$5 an hour).

In addition, the affidavit alleges that company owners and supervisors fraudulently and forcibly sold them used cars and trucks, threatening that they would be fired if they didn't buy the vehicles.

“Our company takes the immigration laws seriously,” AgriProcessors said in a statement, adding that it cooperated with the government “in the enforcement action” and will continue to operate during the investigation. It also assured consumers that it is continuing to supply glatt kosher meats and poultry.

AgriProcessors produces about 60 percent of the kosher meat and 40 percent of the kosher poultry in the U.S market.

Washington attorney Nathan Lewin, who has represented AgriProcessors and its owners, the Rubashkin family, in the past, conveyed surprise this week at the breadth of the affidavit’s allegations.

The “fact is there was a lot of material in there that did not seem to be relevant [to the immigration charges]. It has all sorts of allegations [against the owners and supervisors], all sorts of information gleaned from all sorts of places,” he said.

“Whether or not charges are brought against the Rubashkins, that remains to be seen,” Lewin said. He said he does not yet know if he is representing AgriProcessors in this current matter.

He added that he did not believe the U.S. Attorney’s Office and the Rubashkins were in talks at the present time.

The affidavit also alleges that an informant saw evidence of methamphetamines being manufactured at the plant.

In the wake of Monday’s raid, the country’s leading kosher supervising agency, the Orthodox Union, expressed concern about the situation.

“The different issues, like immigration, we don’t have expertise or authority in that area but will follow the authorities’ lead,” said Rabbi Menachem Genack, the OU’s kashrut administrator. The OU is one of the two current kosher certifiers of AgriProcessors products, and the most widely accepted.

“We’ll see where this leads in terms of determinations the government makes,” Rabbi Genack said. “If they find that the company is culpable we will respond. In terms of some of the claims, like drug use, they [the Rubashkins’] say that it’s not true, but I will wait to see what the determination is. If workers there make drugs, whatever it is, and without sanction of management, then it wouldn’t affect us. But if it was with the knowledge of the company then it would affect us,” he said.

If the government concludes that the company’s owners were culpable, “It certainly would be something we would be concerned about,” he said.

The federal investigation dates back to last November, and involved sending in undercover workers who recorded conversations about buying false employment documents.

Beyond the challenge of finding new (and legal) workers to replace those arrested this week, the incident and other related investigations could mean major problems for AgriProcessors' owners, Brooklyn-based Aaron Rubashkin and his son, Rabbi Sholom Rubashkin, who runs the Iowa plant.

Officials at the U.S. Immigration and Customs Enforcement department and the U.S. Attorney's office said that they could make no comment as to whether the Rubashkins will be charged.

Sholom Rubashkin did not return a message left on his cell phone.

At the same time, the U.S. Department of Labor and Iowa Department of Labor are investigating AgriProcessors practices. In March, the Iowa Division of Labor Services levied \$182,000 in fines against AgriProcessors for 39 health and safety violations.

There are troubles for the company even beyond the realm of the government. One of the company's three kosher supervising agencies recently terminated its relationship with the meat maker.

K'hal Adath Jeshurun, based in Washington Heights, ended its supervision of all AgriProcessor products effective April 15. Rabbi Moshe Edelstein, KAJ's kashrut administrator, would not say why the step was taken. A letter KAJ officials sent to Aaron Rubashkin in December, however, made it clear that the AgriProcessor owner had appealed the supervising agency's original decision to terminate the relationship, a conclusion it upheld.

These are far from the first problems AgriProcessors has faced over the past few years.

Aaron Rubashkin bought the Postville plant in 1987 and brought in people local Iowans had never before seen — Lubavitch chasidim, along with an influx of Hispanic workers.

There were tensions between the locals and their new neighbors. Then the vegetarian group PETA: People for the Ethical Treatment of Animals took aim at AgriProcessor's practices.

PETA sent an undercover worker to the Postville plant in 2004 who videotaped what the organization describes as inhumane treatment of still-sentient cows during their slaughter.

PETA did the same at the Rubashkins' Gordon, Neb., plant in May 2007. AgriProcessors eventually changed the way it slaughters cows in response to the criticism.

The United Food & Commercial Workers International Union has been trying to organize factory floor laborers at AgriProcessors as well, with an aggressive campaign that includes a Web site and an automated phone call campaign to people they identified as leaders in the Jewish community, warning them against AgriProcessors' meats.

But despite the crises, AgriProcessors' business has recently been on the upswing, said Menachem Lubinsky, editor of KosherToday.com, who also has a public relations firm and is representing the Rubashkins.

(Lubinsky said Agriprocessors is not the only slaughterhouse to have been recently raided by immigration authorities. "It's not an aberration for I.C.E., they do this all over at meat plants.")

AgriProcessors kosher meat brands are: Aaron's Best, Aaron's Choice, Rubashkin's, European Glatt, Supreme Kosher, David's, and Shor Habor. Two-thirds of their product is non-kosher (since kosher meat can come only from part of an animal), and is sold through retailers including Wal-Mart, Trader Joe's and Pathmark.

While no one knows for sure what the privately held company earns, a Dunn & Bradstreet report pegs Rubashkin Industries' annual income at \$84.9 million. Family members' business interests are diversified beyond meat, and into real estate and other ventures. Sales of kosher beef and poultry in America are about \$300 million annually, according to industry sources.

What remains unknown is the impact of this week's raids on AgriProcessors' short-term business. The company released a statement this week stating, "there will be no shortage in the supply of glatt kosher meats and poultry."

According to Lubinsky, "They have a lot of different resources at their disposal."

In addition to the Iowa and Nebraska plants, the company also owns slaughterhouses in Uruguay and Argentina.

"As a company, they have more than the usual number of resources to tap into. It's not as if even if this plant shuts down they're out of business. The company thinks it will be able to maintain the level of production and supply. I don't know how, but that's what they say," said Lubinsky.

But it is having an impact. While AgriProcessor was up and running, though at reduced production, on Tuesday, the Midwestern cattle markets were down "because AgriProcessor wasn't buying," said Bob Teig, a spokesman for the U.S. Attorney's Office. The plant had halted operation on Monday after the federal raid.

Local distributors and retailers predicted that prices for kosher meat will rise even more as a result of the AgriProcessor problems.

AgriProcessors' problems could be a boon for one new group, feeding demand for a "Heksher Tzedek," or "Just Stamp of Approval."

The nascent Heksher Tzedek Commission, which is affiliated with the Conservative movement, intends to ensure that companies to which it awards its approval meet a range of ethical, as well as ritual, standards.

"This underscores the need for it," said Rabbi Morris Allen, a Conservative rabbi in Minnesota who is director of the Heksher Tzedek Commission. "The fact that the Jewish community has seemingly allowed kosher food to be produced in a way that potentially exploited laborers, this is the reason we need to be reassured that when we buy kosher food, it's with the best values being employed, both in ritual and ethical aspects of Jewish law."

His group issued a statement this week saying they "condemn the corrupt practices of AgriProcessors which resulted in a raid by government agents. The actions of this company have brought shame upon the entire Jewish community."

Washington Post

Immigration Raid Jars a Small Town

Critics Say Employers Should Be Targeted

By [Spencer S. Hsu](#)

Washington Post Staff Writer

Sunday, May 18, 2008; Page A01

POSTVILLE, Iowa -- Antonio Escobedo ran to get his wife Monday when he saw a helicopter circling overhead and immigration agents approaching the meatpacking plant where they both work. The couple hid for hours inside the plant before obtaining refuge in the pews and hall at St. Bridget's Catholic Church, where hundreds of other Guatemalan and Mexican families gathered, hoping to avoid arrest.

"I like my job. I like my work. I like it here in Iowa," said Escobedo, 38, an illegal immigrant from Yescas, Mexico, who has raised his three children for 11 years in Postville. "Are they mad because I'm working?"

Monday's raid on the Agriprocessors plant, in which 389 immigrants were arrested and many held at a cattle exhibit hall, was the Bush administration's largest crackdown on illegal workers at a single site. It has upended this tree-lined community, which calls itself "Hometown to the World." Half of the school system's 600 students were absent Tuesday, including 90 percent of Hispanic children, because their parents were arrested or in hiding.

Current and former officials of the Department of Homeland Security say its raid on the largest employer in northeast Iowa reflects the administration's decision to put pressure on companies with large numbers of illegal immigrant workers, particularly in the meat industry. But its disruptive impact on the nation's largest supplier of kosher beef and on the surrounding community has provoked renewed criticism that the administration is disproportionately targeting workers instead of employers, and that the resulting turmoil is worse than the underlying crimes.

"They don't go after employers. They don't put CEOs in jail," complained the Postville Community Schools superintendent, David Strudthoff, 51, who said the sudden incarceration of more than 10 percent of the town's population of 2,300 "is like a natural disaster -- only this one is manmade."

He added, "In the end, it is the greater population that will suffer and the workforce that will be held accountable."

Congressman Bruce Braley (D-Iowa) said enforcement efforts against corporations that commit immigration violations have "plummeted" under the Bush administration. "Until

we enforce our immigration laws equally against both employers and employees who break the law, we will continue to have a problem," he said.

Julie L. Myers, assistant homeland security secretary for Immigration and Customs Enforcement (ICE), said that to the contrary, the agency has seldom been so aggressive, including opening criminal investigations of company officials. While cases have netted only a handful of sentences for low-level managers so far, Myers said, such white-collar crime investigations typically take years to develop.

"Can we really execute a search warrant without taking any action against [illegal employment] that we know is taking place?" she asked. "Or will just taking business records through a search warrant cause illegal aliens to leave, and then we're not fulfilling that part of the mission, as well?"

Lobbyists and former officials say that in unleashing ICE, the administration is trying to "turn up the pain" to motivate businesses and Congress to support the comprehensive immigration changes sought by President Bush, such as a temporary-worker program and earned legalization. If the existing legal tools are too blunt, they said, Congress should create a fairer system.

But the pressure on employers -- whose wages and hiring practices have lured illegal workers to both large cities and small towns -- has mostly been indirect and economic: While workplace arrests have risen tenfold since 2002, from 510 to 4,940, only 90 criminal arrests have involved company personnel officials.

So far, no officials at Agriprocessors have been charged. The company, founded by Aaron Rubashkin, has a storybook history whose recent chapters have turned murky. After some of Rubashkin's Lubavitch Hasidic family moved here from Brooklyn in 1987, the firm became the nation's largest processor of glatt kosher beef, the strictest kosher standard. It produces kosher and non-kosher beef, veal, lamb, turkey and chicken products under brands such as Iowa Best Beef, Aaron's Best and Rubashkin's.

According to an affidavit filed by an ICE agent in conjunction with this week's arrests, 76 percent of the 968 employees on the company's payroll over the last three months of 2007 used false or suspect Social Security numbers. The affidavit cited unnamed sources who alleged that some company supervisors employed 15-year-olds, helped cash checks for workers with fake documents, and pressured workers without documents to purchase vehicles and register them in other names.

In addition, the affidavit alleged that company supervisors ignored a report of a methamphetamine drug lab operating in the plant. It also cited a case in which a supervisor blindfolded a Guatemalan worker and allegedly struck him with a meat hook, without serious injury.

Agriprocessors has faced other troubles, as well. In 2006, it paid a \$600,000 settlement to the Environmental Protection Agency to resolve wastewater pollution problems, and this

March it was assessed \$182,000 in fines for 39 state health, safety and labor violations. In 2004, the U.S. Agriculture Department's inspector general accused the company of "acts of inhumane slaughter" after animal rights advocates publicized an unauthorized video of a stumbling, dying cow, and some Jewish groups attacked its worker practices.

And last month, the company lost a federal appellate court battle over whether it could ignore a vote by workers at its Brooklyn distribution center to unionize, on grounds that those in favor were illegal immigrants and not entitled to federal labor protections.

"This employer has a long history of violating every law that's out there -- labor laws, environmental laws, now immigration laws," said Mark Lauritsen, international vice president of the United Food and Commercial Workers union, which has waged a bitter battle to organize the Postville plant. The union charged that the immigration raid disrupted a separate U.S. Labor Department investigation into alleged child labor law violations and other infractions.

ICE may be "deporting 390 witnesses" to the labor investigation, Lauritsen said, adding, "This administration seems to place a larger value on big, splashy shows in this immigration raid than in vigorously enforcing other labor laws."

In November, Sholom Rubashkin, company vice president and the founder's son, wrote a letter to customers decrying "a slanderous and patently false campaign" by the union, and defending the company's record and its products as "safe and wholesome." After this week's raid, the family released brief statements expressing its sympathies to workers, commitment to customers and cooperation with authorities.

Chaim Abrahams, a company representative, said Agriprocessors is working to "bolster our compliance efforts to employ only properly documented employees" and has launched an independent investigation into the circumstances that led to the raid.

The blitz, which occurred after a 16-month investigation, began with helicopters, buses and vans encircling the western edge of town at 10 a.m. Witnesses said hundreds of agents surrounded the plant in 10 minutes, began interviewing workers and seized company records.

By early afternoon, illegal immigrants began arriving by bus at the National Cattle Congress grounds in Waterloo, Iowa, about 75 miles from Postville. ICE held 313 male suspects at an exhibit hall and 76 female suspects in local jails for administrative violations of immigration law.

Those arrested include 290 Guatemalans, 93 Mexicans, 2 Israelis and 4 Ukrainians, according to the U.S. attorney's office for the Northern District of Iowa.

Eighteen were juveniles who have been released or turned over for refugee resettlement, and the prosecutor's office would not say if there were underage workers at the plant. Of the adults, 306 face criminal charges for aggravated identity theft and other crimes related

to the use of false documents. A lawsuit filed on behalf of the workers on Thursday, meanwhile, accused the government of violating their constitutional rights through arbitrary and indefinite detention.

For now, Postville residents -- immigrants and native-born -- are holding their breath. On Greene Street, where the Hall Roberts' Son Inc. feed store, Kosher Community Grocery and Restaurante Rinconcito Guatemalteco sit side by side, workers fear a chain of empty apartments, falling home prices and business downturns. The main street, punctuated by a single blinking traffic signal, has been quiet; a Guatemalan restaurant temporarily closed; and the storekeeper next door reported a steady trickle of families quietly booking flights to Central America via Chicago.

"Postville will be a ghost town," said Lili, a Ukrainian store clerk who spoke on the condition that her last name be withheld.

But Cesar Jochol, 48, a native of Patzun, Guatemala, and owner of a market called Tonita's Express, questioned whether the raid will be a deterrent. People who can afford to eat meat only once or twice a week in Guatemala, while earning \$4 a day, can earn \$60 a day in Iowa, enough to eat beef or chicken three times a day, he said. "You take away a hundred people. A couple hundred more will come tomorrow; they'll just go to L.A., New York, New Jersey and Miami," said Jochol, a 21-year U.S. resident.

At St. Bridget's Catholic Church, Eduardo Santos, 27, who came from Guatemala and lost two of his fingers working at the factory, said the raid was "fair . . . but it's bad for everybody. There's no work." He plans to go home.

"The problem is, who is going to do the work?" said Stephen G. Bloom, a University of Iowa journalism professor who wrote a 2000 book on the clash of cultures in Postville as Agriprocessors' Lubavitch Jewish leaders gained influence in the mostly Lutheran town. "This is a no-win situation."

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