

# STEDCO Task Force Report

A nearly complete STEDCO Task Force report appears below. Unsubstantiated allegations and quotes potentially damaging to individuals have been omitted. One section dealing with personnel matters has been paraphrased. Otherwise, the report appears here in its entirety, uncensored, and with no alterations, even in the spelling.

## ad hoc Committee Responses to Rumors

### 1. Stolen Fish?

Royce Strong, Salmon Production supervisor, reported possible theft of fish on May 26, 1989 to Ted Werth and Peggy Medina. Nothing was done to determine any volume of loss. Locks were installed on the freezer door.

Ted Werth stated that his calculations of the total salmon losses total approximately \$20,000.00. The committee concurs. The Committee's calculations indicate a significant loss which has not been explained.

9,327 Pounds Unaccounted for, Samples, Seniors, Stolen & Other Loss. 24,716.55 @ \$2.65 or somewhere inbetween - 74,616.00 @ \$8.00 if mixed raw and processed [see chart below].

A detailed review of record kept by Royce Strong indicates 1,765 pounds of fish was thrown in garbage. STEDCO staff members were given fish to take home.

### 2. Stolen Formulas/Recipes?

Formulas or recipes for processing salmon were not stolen. The recipes were not purchased from Orpac-Lox. The Contract of Sale for Orpac-Lox does not refer to the sale of formulas or recipes. The Contract of Sale for Orpac-Lox does provide training and consultation to a reasonable number of person for a period of 6 months.

### 3. Buying Bad Fish?

Bad Fish was purchased on at least 2 occasions. Once from Idaho and one large order from Astoria Seafood, Inc. It seems that the major issue about "bad fish" is centered on the 6,999 pounds of fish purchased from Astoria Seafood, Inc.

On 6/21/89 500 pounds was purchased from Astoria Seafood. 21 salmon were sent back and 9 sides thrown in the garbage.

In spite of the bad fish purchased on 6/21/89, an additional 6,999 pounds was purchased from Astoria Seafood at a price of \$3.55/lb. for a total of \$24,846.45. Of that amount, approximately 1,700 pounds has been thrown in the garbage. This started the rumors and talk flying around as to "who bought the fish", "how much was thrown away" and, "how much could have been saved, etc."

On 6/7/89, Ted, Tom and Royce went to Astoria Seafoods to look at fish. Ted authorized the purchase of up to 8,000 pounds.

On 6/26 -6/27/89 Royce Strong and [name of production worker deleted] went to Astoria Seafoods, Inc., to grade the fish Ted authorized to buy. The fish was thawed, split and refrozen by Astoria Seafood, Inc., inspected/graded by Royce. Royce stated that he rejected approximately 4,000 pounds. The 6,999 pounds of split salmon was then stored by Astoria Seafood, Inc. until called for by STEDCO. The salmon was one (1) year old fish at the time of the purchase.

The salmon was purchased by STEDCO based on the visit to Astoria Seafoods, Inc. on 6/7/89 and 6/26 - 6/27/89, and Royce's inspection and grading the split salmon on 6/27/89.

The Committee feels that either the inspection and  
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### The Committee's calculations are:

	<u>Pounds of Fish</u>	<u>Cost</u>	<u>Average Price Per Pound</u>
Bought	15,629	\$41,503	\$2.65
Processed Pounds Sold	1,000	\$ 8,000	\$8.00
Lost in Processing	1,000	\$ 2,650	\$2.65
Raw Fish on Hand	1,698	\$ 4,500	\$2.65
Processed Fish on Hand	500	\$ 4,000	\$8.00
Lost in Processing	500	\$ 1,325	\$2.65
Trashed in Garbage	<u>1,604</u>	\$ 4,250	\$2.65
TOTAL	6,302		