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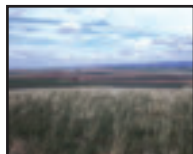
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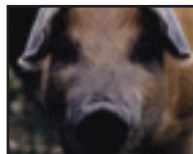
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Leaders to tackle global food prices

By JACQUI FATKA

AGRICULTURAL commodity prices should ease from their recent record peaks, but over the next 10 years, they are expected to average well above their mean levels of the past decade, according to the latest "Agricultural Outlook" from the Organization for Economic Cooperation & Development (OECD) and the U.N. Food & Agriculture Organization (FAO).

Current high food prices will hit poor and hungry people hardest, particularly urban net food buyers and rural non-food producers in low-income countries.

Humanitarian aid must be urgently mobilized to face this dramatic situation, but to find sustainable solutions and avoid similar cases in the future, the emphasis in these countries must be on boosting agricultural production and productivity as well as growth and broader economic development, FAO said.

Food prices and their impact on the world economy will be one issue addressed at the June 4-5 OECD Ministerial Council Meeting in Paris, France.

At a separate summit June 3-5 at FAO headquarters in Rome, Italy, world leaders, including many heads of states and governments from around the world, will discuss policies and strategies on how to improve and ensure world food security and re-launch agriculture in rural communities of developing countries.

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Price-fixing exposed, but efforts misguided

Whitacre paid ultimate price

By SARAH MUIRHEAD

SOME might question the real motives of a man who would willingly go undercover to expose wrongdoings yet at the same time engage in a scheme involving fraud and tax evasion.

In one of his first interviews since serving more than eight years in prison, Dr. Mark Whitacre openly talked with *Feedstuffs* about his involvement in the lysine price-fixing investigation of the 1990s, his time in prison and his new start.

Whitacre is best known

"I am not a hero, and young adults entering the business world need to learn from that. I was involved with criminal activity, and I went to prison for almost a decade. They need to realize that is the price we pay for our actions if they are the wrong actions" — Mark Whitacre, former ADM executive.

publicly for his whistleblower role in the mid-1990s at Archer Daniels Midland (ADM), where he exposed an international price-fixing conspiracy for the Fed-

eral Bureau of Investigation (FBI). He wore a wire for almost three years and helped establish one of the largest price-fixing cases in U.S. history.

The now 51-year-old Whitacre served as president of ADM's Bioproducts division from 1989 to 1995. He was brought on board at ADM to move the company into the lysine business and was in charge of getting the new Decatur, Ill.-based production facility up and running.

With costs rising and unsolvable production problems mounting, concern arose over possible sabotage, and the FBI was called in to assist ADM with an investigation.

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Special Report

Kansas State center promotes 'ethical fitness'

By ROD SMITH

SCENARIO one: A man goes to the store to buy a new pair of slacks and, in the fitting room, finds a wallet in the back pocket of the slacks he's preparing to try on.

The wallet has a driver's license identifying the owner and \$300 in cash.

Does the man:

(1) Keep the wallet and cash?

(2) Keep the money and turn the wallet in to the store's manager?

(3) Turn the money and wallet in to the store's manager?

The man has an ethical temptation.

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Whitacre paid ultimate price

• From page 1

THAT investigation led to the FBI looking at the activities of employees, specifically the management team. Phone records were gathered, and taps were placed on office and home phones.

Whitacre said given the activities that had transpired with other lysine companies, he became quite anxious, something his wife Ginger sensed right away. Whitacre said he explained things to her before the FBI arrived at their home, but even so, he said, she had little knowledge about the severity of price-fixing.

As FBI agents were leaving the house, Whitacre said his wife called them back

and told them there was more they should know. "There was no turning back then," said Whitacre. "I blew the whistle because my wife turned me in."

A day or so later, Whitacre said, the FBI agents came back to the house and discussed his being an informant in helping them build a case against ADM for conspiring to fix the price of the corn-based product lysine.

Shortly thereafter, Whitacre began wearing a wire to work, tape-recording conversations with those at the highest levels of ADM. He met FBI agents twice a week to hand over tapes and give them background about what was being discussed. In 1995, it became

public that he was the "mole" within ADM.

A mistake

The issue was compounded when Whitacre was found to have committed fraud against ADM, embezzling \$9 million from the company, most while he was working as an FBI informant.

Whitacre had set up a fictitious offshore company that sent ADM a fake invoice, and then he approved the bills being paid. "I definitely lost my moral compass. When you don't know who you're working for, you start working for yourself."

During the fallout of the 1995 FBI raid on ADM's offices, Whitacre made two attempts on his own life. Working undercover quickly takes its toll, he said, noting that the FBI only allows its trained professionals to work undercover for a year at a time.

"I was under the stress of doing undercover work for nearly three years," he said. "It was tough, and it makes you do things you might otherwise not. It was like I was two people."

As he told the judge on March 4, 1998, Whitacre admitted that he made mistakes — huge ones, in fact. "I received a nine-year sentence that day. Some people, including the FBI agents, feel that was way too long, and some people in Decatur feel that was not long enough, but that is what the court decided, and I did that sentence," he said.

"With living through that sentence, I can tell you first hand it was a long one for me and my family. I started prison just before I turned 41 years old. I was released in December 2006 at age 49. I watched my children grow up in visiting rooms within a prison camp for almost a decade. However, that was no one's fault but my own. Decatur had nothing to do with it, nor ADM. My own self-destruction was the cause. My own actions," said Whitacre.

A hero?

As a result of Whitacre's efforts, many feed manufacturers received significant financial gain from settlements with various vitamin companies, choline chloride companies, L-lysine companies and others as a result of price-fixing claims filed on behalf of these feed manufacturers.

Both general line and integrator companies benefited, with some of the settlements being a very significant amount.

In an anonymously submitted letter to the editor that appeared in the Sept. 7, 2004, issue of *Feedstuffs*, the author pointed out that without Whitacre, the FBI and other federal agencies might not have had the incentive to move to completion regarding the lysine price-fixing or go after the vitamin and choline chloride companies.

"Granted, Whitacre was found guilty of a number of federal offenses and is justly serving his time. If you have read *Rats in the Grain* or *The Informant* and believe the content of these two books, it is somewhat difficult to conjure up a great deal of sympathy for him, but when you deposited your settlement checks, you should have said a special prayer for Whitacre because, right or wrong, for personal gain or not, he is the individual who broke the back of price-fixing by ingredient suppliers that led to these settlements," the letter said.

Whitacre remains quite moved by the amount of support the industry extended him and his family during his time in prison. He said he received a number of letters of support and even some prison visits. What really touched him was the financial support some companies provided for his family; several shared their settlements and thanked him for the sacrifices he had made on their behalf.

"Their generosity really helped us out," said Whitacre, who noted that when he went into prison, his wife was a stay-at-home mom.

A new start

The day after his release from prison, Whitacre joined Cypress Systems Inc., a Fresno, Cal.-based biotechnology company, as president of technology and business development for its new East Coast office. Most recently, he was promoted to chief operating of-

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ficer and president of operations. A prison outreach program sponsored by Cypress Systems was one of the touchstones that brought together Whitacre and his new employer.

Whitacre's education includes bachelor and master's degrees from Ohio State University and a Ph.D. in nutritional biochemistry from Cornell University, where his thesis adviser was renowned selenium researcher Dr. G.F. Combs Jr. His research at Cornell was related to the biochemical role of selenium at the cellular level in the prevention of diseases.

"It was five years of relationship building," said Paul Willis, Cypress Systems president. "There were numerous times we visited him. By that time, it was a very easy decision to offer a job to him." Willis said he knew that ultimately, his company would have to deal with fallout from Whitacre's convictions.

"Mark openly admits to his mistakes and wishes that things had turned out differently," Willis said in the news release announcing the addition of Whitacre to the company. "We are fully aware of the details of this case and Mark's specific involvement. We are strong believers in second chances, and Mark most certainly has earned the right to a second chance."

Willis additionally was impressed with Whitacre's attitude throughout his time in prison. "That's genuine," he said of Whitacre's apparent lack of anger or bitterness. "He's really accepted his responsibilities."

Possible pardon

Whitacre's case is well documented in hundreds of articles and has been the subject of two books.

Kurt Eichenwald, former *New York Times* reporter, wrote the book *The Informant* in 2000.

James Lieber, an experienced attorney, wrote the book *Rats in the Grain* in 2000. After finishing his book about Whitacre's role in the ADM case, Lieber became a strong supporter of Whitacre's and has been very involved with the lobbying effort for a presidential pardon.

Several former and current U.S. Department of Justice officials continue to lobby for presidential clemency or presidential pardon for Whitacre.

One of the most active in the pardon process is Dean Paisley, who was with the FBI for 25 years prior to his retirement and was the FBI supervisor of the ADM case. Paisley has frequent contact with the pardon attorney at the Justice Department and the White House Counsel's Office regarding clemency and pardon for Whitacre. He and Whitacre traveled to Washington, D.C., this March to make their case for a pardon with government lawyers.

Paisley feels strongly that Whitacre's case was minuscule compared to the ADM price-fixing case, and he is passionate about Whitacre receiving some type of recognition for his unprecedented and historic role in the ADM case.

In an April 6 *Decatur Herald & Review* article, Paisley went further in his praise of Whitacre, saying, "Had it not been for the fraud conviction, he would be a national hero. Well, he is a national hero."

Movie with a lesson

A motion picture is currently in development by Warner Bros. about Whitacre's role in the ADM case. It will be directed by Steven Soderbergh, and Matt Damon will play Whitacre. Filming for the *The Informant* started in April.

Whitacre has been involved in helping with trivial things related to the movie. He is not getting paid for his involvement and is not setting the tone or direction of the production.

Whitacre said he feels very fortunate to have his wife and family with

him after such a long prison term and to have a second chance at his career.

"It has been tremendous to have that support, and I am not sure if I deserved it. I also feel very lucky to have such support from all three FBI agents (Dean Paisley, Brian Shepard and Bob Herndon) and one of my former prosecutors. I have read all of their numerous pardon letters that were written to the White House, some as recent as March 2008, and some of them state that I am a national hero.

"I appreciate all of that very much. I really do. But make no mistake about it: I am not a hero, and young adults entering the business world need to learn from that. I was involved with criminal activity, and I went to prison for almost a decade. They need to realize that is the price we pay for our actions if they are the wrong actions," said Whitacre, who is adamant that he emerged from

the whole experience a better man.

"I do feel that I came out of prison a better person than what I went in as. My wife, family and friends would say that is true. I was very greedy and self-centered in my early and mid-30s. Three years working for the FBI (starting at age 35) and almost nine years of federal prison knocked all of that out of me. It also knocked the wind out of me, literally," he said.

As for what's ahead, Whitacre said he is just trying to do what small part he can for his family and for society. He said he wants to make the most of the years he has left.

"I know what it is like to lose years. Our three children have learned lots from my mistakes and from my openness to discuss it with them. I hope other young adults who watch the movie next year can learn the same," he said.

"The message is not as simple as 'Is he a hero or not?' It is more complicated than that, and hopefully, it will show that people can make mistakes simultaneously as they do heroic acts, that they can be punished with prison simultaneously as the FBI is pushing for a pardon during prison and that people can redeem themselves and be welcomed back into society with the support from the very people who put them in prison. This country was built on second chances. This is exactly what I received — a second chance," Whitacre said.

For a second chance to work, though, Whitacre said one must first admit to their mistakes and take responsibility for their actions. "I think my children learned that very well from me. Perhaps others can learn it, too, from the movie," he said.



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