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Abbott Restarts Baby Formula Plant: Crisis-Inducing Shutdown Was Likely Needless

BY TYLER DURDEN

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In what will come as welcome news to anxious parents across the country, **Abbott Nutrition announced it restarted production of infant formula at its Sturgis, Michigan plant on Saturday.** The company is prioritizing EleCare and other specialty and metabolic formulas, with product expected to start reaching consumers June 20.

Abbott closed the plant in February as the Food and Drug Administration investigated the deaths of two infants who succumbed to bacterial infections. Each had consumed powdered formula from the Sturgis facility, as did two other infants who were hospitalized but recovered.

The shutdown turned a preexisting shortage—fueled by supply chain problems and hoarding—into an all-out empty-shelf crisis, prompting the waiving of import regulations and restrictions, and a military airlift of formula from Europe. As of May 22, 73% of baby formula products were out of stock.

However, **a detailed look at the FDA investigation suggests the three-month shutdown was unnecessary,** as the FDA investigation failed to produce any evidence linking Abbott's Sturgis facility or its formula to the illnesses and deaths.

The four infected infants consumed four different types of Abbott formula made over the course of almost a year; the illnesses took place over several months in three different states.

The bacteria that sickened the infants, *Cronobacter sakazakii,* is a commonly-occurring microbe found naturally in the environment; illnesses are rare, but can be deadly for infants. Though the FDA found the bacteria in areas of the plant *that do not have product contact*, **none was found in the testing of finished product**, says Abbott.

What's more, **genetic sequencing of the bacteria samples from the available samples of two sick infants did not match the strains found at the plant. They didn't even match each other.**

"In all four cases, the state, FDA, and/or CDC tested samples of the Abbott formula that was used by the child. In all four cases, all unopened containers tested negative," according to a summary of the case Abbott posted on May 11.

Open containers were tested in three of the cases. One tested positive for two strains, one of which matched a strain found in a bottle of distilled water the family used to mix the formula.

According to the Centers for Disease Control and Prevention:

> Powdered infant formula [can] become contaminated at home or elsewhere after the container is opened. For example, ***Cronobacter*** **bacteria could get into the formula if formula lids or scoops are placed on contaminated surfaces and later touch the formula or if the formula is mixed with contaminated water** or in a contaminated bottle.

This week, the Inspector General for the Department of Health and Human Services announced an audit of the FDA's initiation of the Abbott baby formula recall, including whether the agency "followed the inspections and recall process for infant formula in accordance with Federal requirements."

In May 25 congressional testimony, FDA Commissioner Robert Califf acknowledged that the investigation was unable to link the Abbott plant to the illnesses.

Nonetheless, in headline-making fashion, **Califf decried the conditions at the Abbott facility as "shocking."** In addition to the bacteria found in non-food-contact areas of the plant, the FDA says it found a leaky roof, cracks in equipment and lax safety protocols.

However, **Americans should be wary that Califf's FDA may be straining to justify a three-month shutdown that caused so much distress across the country.**

The FDA isn't just playing defense. It's often the case that a federal bureaucracy's failure—such as the NSA's before 9/11 or the CDC's during Covid-19—results in that bureaucracy being given even more money and power.

So too with the Great Baby Formula Crisis of 2022: **On May 19, the House approved $28 million in emergency FDA funding** to hire more FDA inspectors, "provide resources for personnel working on formula issues," and "improve data collection on the infant formula marketplace."

Speaking of marketplace data, the crisis was compounded by the concentration of the U.S. baby formula market, where just two companies—Abbott and Mead Johnson—comprise about 80% of it.

As we explained a few weeks ago, that concentration is largely the result of government policies that include 17.5% tariff-rate quotas and Trump's USMCA trade agreement that restricts Canadian imports.

While those trade limitations are important, the welfare state is the biggest driver of market concentration. Via the Women, Infants and Children (WIC) program, **the federal government buys about half of all infant formula used in America—**and, in administering the program, each state contracts with just one producer.

If federal legislators really want to prevent future shortages, the answer is less government, not more.

> **Greg Price**
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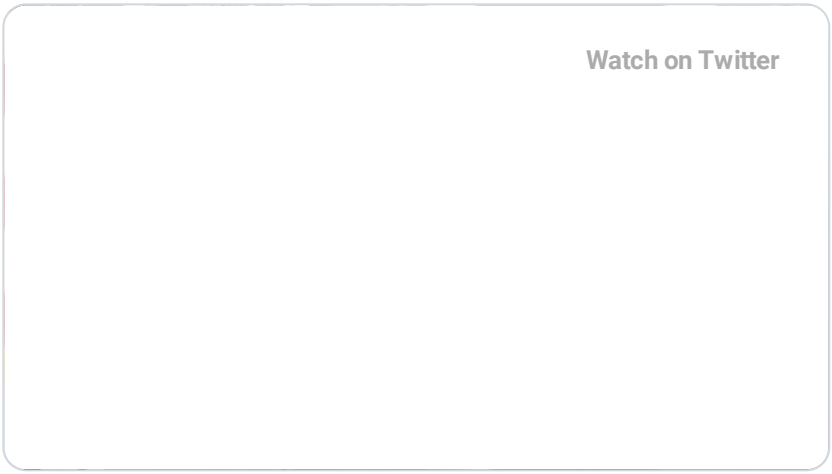
> Reporter: Why didn't you move quicker on the baby formula shortage?
>
> Biden: "I don't think anyone anticipated the impact of the shutdown of Abbott facility."

Reporter: "Didn't the CEOs just tell you they understood it would have a very big impact?"

Biden:"They did but I didn't"



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