

Microbial-Vac Systems® Inc.

October 2008

The Latest at MSI

It has been a busy summer at MSI. We are excited to announce that Dr. Bruce Bradley was this year's winner of the IAFP Food Safety Innovation Award, which he received at the annual IAFP meeting in August. Many



thanks to all who helped him receive recognition of his huge contribution to the food safety industry.

MSI has also been selected for a guest appearance on the Economic Report. We had a great day filming at the lab in Jerome in late September. Many thanks to Dr. Golden from University of Tennessee and Dr. Donnelly from the University of Vermont for their valuable contribution. It wouldn't have been the same without them. Keep an eye out for us, as the spot should air somewhere toward the

end of the year.

Even with everything else going on, the sales team is staying busy on the road. Watch for them at upcoming October shows including SFQ in Denver, Food Microbiology Symposium in River Falls, and TCIP in Chicago. Along with our exhibit space, Kevin will be presenting a poster at the Conference on Environmental Sampling and Detection in Las Vegas in December. We hope to see you there!

From the President's Desk

Momentum. If I had to summarize MSI lately in one word, that would be the best word I can think of. Momentum. I truly wish that all of you reading this newsletter could feel and see exactly what I am witnessing on a daily basis. There is a building of excitement, nervousness, activity, anticipation and a hundred other descriptors within MSI that I only dreamed about when I created this company. As a research scientist, how could I have ever known it would be this fun and nerve-wracking at the same time? How could I have known of the volcano that I would create when I first visualized the M-Vac System?

So what is happening to generate all of this momentum? The M-Vac is being tested at the USDA's Meat and Animal Research Center, as well as 6 other top Universities across the

country. All of the validations will contribute to the already impressive resume of the M-Vac.

The M-Vac was awarded the prestigious IAFP Food Safety Innovation Award. That generated more momentum. We are moving forward in more markets and exploring international opportunities. My team is constantly making more people and companies aware of the M-Vac's potential and the importance of good sampling. Momentum. News agencies are beginning to understand and report that amongst the food safety and recall stories there are underlying reasons – one of which is effective sampling. Momentum.

"Scary good" was my theme in the last newsletter. With all of the activity that has been added to MSI's docket since then I am not sure what to say other

than "scary good times 10!"

Thank you for being a part of our story and enjoying this journey with us. Thank you to all of my incredible employees for working tirelessly to move the M-Vac forward. Thank you to all of my friends and family who have supported me throughout the years when no one else would. I am blessed to be surrounded on all sides by good, caring, wonderful people and I could not think of a better way to spend my days.

Sincerely,

Dr Bruce J. Bradley



Engineering the M-Vac

With product on the shelf and manufacturing in motion, we are currently engaged in a number of new product development projects that will bring new products to the market and enhance the products we currently have. It is an exciting time. We are getting excellent feedback from the field. We

have enjoyed excellent praise and some valid criticism. Customer feedback has led to projects that have or will enhance our systems. Next generation's products will further meet our customer's sampling needs. As a customer oriented

company, we will continue to innovate to meet our customer's needs. In addition to our product development projects, we are currently engaged in a number of manufacturing projects to improve our processes and to meet our production demands.

FDA Failing At Food Safety GAO Report Says

The inner workings and failings of the Food and Drug Administration are being revealed in a draft report, obtained by the AP, by the Government Accountability Office.

The report reveals a regulatory agency with a hands-off approach to its job.

Only one percent of fresh produce imported to the U.S. is inspected. Combined produce from several sources, makes tracing any food contamination nearly impossible. Inspections are rare and when problems are uncovered, the FDA relies on the industry to do its own cleanup without oversight or any follow-up.

Sens. Barbara Boxer and Ted Kennedy called for the investigation after the 2006 E. coli contaminated spinach killed three and sickened 200 others. The industry took an \$86 million hit.

Lab Updates

The lab has been as busy as always these past three months. We are very excited to welcome Kelly Black, our newest Research Scientist, to the MSI team. She will be a great contribution to the staff as we explore new developments in the MSI product line.

The rest of the lab has had

"This report paints a frightening picture of the FDA's fresh produce safety efforts," Boxer said to the AP. It "should serve as a wakeup call to do more to protect the nation's food supply."

Over the last five years the agency found that 40 percent of the nation's more than 2,000 food plants had safety problems. Half of those were inspected only once. The agency seized no fresh produce and failed to prosecute food companies.

Part of the problem is funding, the GAO concludes. As the U.S. imports more fresh produce, the number of inspections has not. The FDA regulates \$417 billion worth of domestic food and \$49 billion worth of imported food each year.

Meat, poultry, and some egg products are regulated by the US Department of Agriculture.

Between 2003 and 2006,

their hands full with every aspect of research: completing new validation experiments with the M-Vac as compared to other sampling methods, preparing presentations for use at conventions, and working tightly with universities across the country that are currently performing experiments with the M-Vac. We

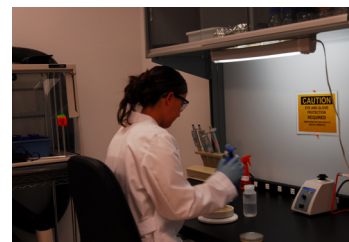
FDA food safety inspections dropped nearly in half, according to a database analysis by the Associated Press. After Sept. 11, a fear of the vulnerability of our food system, saw a slight spike in inspections which have since fallen off.

Inflation-only budget adjustments mean workers didn't receive cost-of-living increases, and the gaps left by retiring personnel, scientists, inspectors and staff, have gone unfilled. As a result, food safety guidelines have not been updated.

The GAO believes \$3.5 billion would be needed to do adequate inspections of the 250,000 domestic and foreign food facilities.

Source of Article: <http://www.injuryboard.com/national-news/fda-failing-at-food-safety-gao-report-says.aspx?googleid=248260>

are anxiously awaiting some great results!



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