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# McDonald's: No Sales Impact Seen Yet From Mad Cow Scare

## DOW JONES NEWSWIRES

By Richard Gibson  
Of DOW JONES NEWSWIRES

DES MOINES, Iowa -- Christmas postponed any clear assessment of U.S. consumer reaction to the disclosure of a case of mad-cow disease, but scattered early indications indicated no panic.

"There's been no impact on sales. That's our first read," McDonald's Corp. (MCD) spokeswoman Lisa Howard said Friday.

Like many competitors, most McDonald's were closed Thursday in observance of the holiday.

A Burger King spokesman said, "We won't know until tomorrow (Saturday) morning when we get today's sales figures." But the spokesman, Rob Doughty, said the Miami hamburger chain had ordered consumer research to determine public opinion over the first evidence of mad cow in the U.S.

The president of the National Cattlemen's Beef Association, Terry Stokes, said on a media conference call Friday that "because of the Christmas holidays we've not seen an indication there's been a fallout with consumers" over the safety of the nation's beef supply.

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Yet even as investigators from the U.S. Agriculture Department descended on a dairy farm in southern Washington state, where the infected cow had been raised, there were calls for heightened testing for mad cow, or bovine spongiform encephalopathy, as it is formally known.

"If more cases are detected, that will begin to provide information to the USDA to use to determine what level of testing would be appropriate," an official of the cattlemen's association said, adding that full tests could cost \$30 a head.

Several supermarkets removed ground beef from stores in the Pacific Northwest late Wednesday after one of their meat suppliers, Interstate Meats, was identified by the USDA as having received some beef from the slaughterhouse that handled the infected cow.

A spokesman for Safeway Stores Inc. (SWY) said hamburger was pulled from about 100 of its stores in Oregon "out of an abundance of caution."

Albertson's Inc. (ABS) issued a statement saying it had removed one- and two-pound packages of ground beef which had a "sell by" date of Dec. 25 on it. Customers at Albertson's stores in Washington, Oregon and Northern Idaho were told they could return any package for a full refund.

Karianne Cole, a spokeswoman for the Boise, Idaho, chain, said Friday she had no indication of how much meat, if any, had been returned.

"It being Christmas yesterday we had fewer people in the stores," although some supermarkets were open Thursday, she said.

Shares of beef-sensitive retailers recovered somewhat Friday after slumping Wednesday on the USDA's disclosure. McDonald's, Wendy's International Inc. (WEN), Sonic Corp. (SONC) and Outback Steakhouse Inc. (OSI) were among restaurant stocks moving up during an abbreviated trading session.

But that of Tyson Foods Inc. (TSN), the world's largest beef processor, continued their slide. They were trading recently down 31 cents, or 2%, at \$12.59, partly on a downgrade by Morgan Stanley.

Several Latin American countries - Colombia, Peru and Venezuela among them - joined more than a dozen others around the world in temporarily halting imports of U.S. beef. In an effort to restart that trade a delegation of USDA officials was headed for Japan, one of the top consumers of American-grown beef.

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