

## US launches criminal probe of Chipotle as sales plunge

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In a filing with the SEC on January 6, the fast-food chain disclosed that same-store sales — or sales at locations open for at least a year — were down 30 percent in December. . .

Chipotle also disclosed in the filing that it was “served with a Federal Grand Jury Subpoena from the U.S. District Court for the Central District of California in connection with an official criminal investigation being conducted by the U.S. Attorney’s Office for the Central District of California, in conjunction with the U.S. Food and Drug Administration’s Office of Criminal Investigations.”

It added: “The subpoena requires us to produce a broad range of documents related to a Chipotle restaurant in Simi Valley, California, that experienced an isolated norovirus incident during August 2015.”

This decline in sales follows an outbreak of E. coli tied to the restaurant chain as well as reports of a norovirus outbreak at a location near Boston College in Massachusetts.

Chipotle said sales trends “may be significantly influenced by further developments.”

The cause of the E. coli outbreak has not yet been identified. . .

Chipotle said it expected to incur \$14 million to \$16 million worth of charges related to the E. coli outbreak, including replacing food at some locations and analyzing food samples in labs.

After this disclosure, shares of the company were down about 2 percent in premarket trade. In the past three months the stock is off about 40 percent.

**Read full, original post:** [Chipotle sales crater 30% in December](#)