

Burrito Giant Chipotle Faces More Legal Woes from Investors

[caption id="attachment_100824" align="center" width="437"]



Photo courtesy of Chipotle[/caption]

Summary: Investors are the latest to sue the fast-food chain Chipotle, which caused an E. coli outbreak in several states.

Investors are the latest to attack burrito giant Chipotle. They allege the food chain failed to reveal its safeguard inadequacies regarding consumer and employee health.

As we've previously written, Chipotle is also facing a [federal criminal investigation](#) and [lawsuits](#) due to its cause in an E. coli outbreak in nine states, which left almost 50 ill.

The latest lawsuit was filed in U.S. District Court for the Southern District of New York on behalf of investors who acquired shares from February 2015 to January 2016.

Chipotle's stocks have fallen drastically since the E. coli outbreaks began. Its stocks have fallen 35 percent since October, and its sales tumbled 30 percent in December, BBC reports.

In January 2016, the chain announced that it was being investigated by the U.S. Attorney's Office for the Central District of Criminal Investigations. The subpoena required the chain to produce documents in regards to a Chipotle in Simi Valley, California, which experienced a norovirus incident in August of 2015. Eighty people reported getting sick with the disease.

In November 2015, a pharmacist filed a lawsuit against the chain after she contracted E. coli from eating there. The virus gave her intense diarrhea, and she had to go to the hospital.

Katrina Hedberg, an epidemiologist with the Oregon Health Authority, told USA Today she believed the virus came from produce, and the contamination most likely occurred at the distributor or supplier level.

In the face of all this adversity, Chipotle promises to do better.

"We have taken aggressive actions to implement pioneering food safety practices," Chipotle said on its website.

Source: <http://www.bbc.com/news/business-35268917>

Source: <http://www.jdjournal.com/2015/11/05/chipotle-hit-with-e-coli-lawsuit/>

Source: <http://www.jdjournal.com/2016/01/07/chipotle-faces-criminal-probe-for-norovirus-incident/>