Food fraud a growing concern for U.S. consumers

By Jennifer Schlesinger and Sheila Dharmarajan, CNBC

From meatballs made with horse to fake extra virgin olive oil and salmonella in peanuts, food fraud has been grabbing national headlines. And, according to experts, the problem is only increasing with rising food costs and more widespread importation of food.

The Food and Drug Administration says 15 percent of the U.S. food supply is imported and experts say food fraudsters are using the difficulty in tracing foreign imports to their advantage. The largest food fraud in U.S. history was when Chinese honey was shipped through other Asian nations to disguise its origins and evade import duties of \$180 million, according to the Department of Justice.

The Department of Agriculture predicts food prices will rise between 2.5 and 3.5 percent this year. And while the consumer price index was up 0.1 percent in February, the food index rose more sharply, at 0.4 percent. The March consumer price index will be released on April 15.

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