

GIPSA Charges Farmland National Beef Packing Company, L.P. Violated Packers And Stockyards Act

WASHINGTON, July 21, 1999 -- USDA's Grain Inspection, Packers and Stockyards Administration has filed a complaint against Farmland National Beef Packing Company, L.P., Liberal, Kansas, alleging that the company violated the Packers and Stockyards Act.

The complaint alleges that Farmland changed its bidding and buying practices at Callicrate Cattle Company Feedyard, St. Francis, Kansas. The complaint says Farmland failed to make bids on or purchase cattle from Callicrate Feedyard after an article critical of Farmland written by Callicrate Feedyard's sales manager was published in a livestock journal. The complaint further alleges that by failing to make bids on or purchase cattle from Callicrate Feedyard, Farmland engaged in an unfair and possibly unjustly discriminatory practice and subjected Callicrate Feedyard to an undue or unreasonable prejudice or disadvantage.

"The filing of this complaint is indicative of USDA's commitment to monitor livestock markets and insure competitive transactions for producers," said Michael V. Dunn, under secretary for marketing and regulatory programs.

According to the complaint, Farmland failed to make bids on or purchase cattle from Callicrate Feedyard, while routinely making bids on and purchasing cattle from other similarly situated feedyards located in the same geographic area as Callicrate Feedyard. The complaint states that Farmland failed to make bids on or purchase any cattle from Callicrate Feedyard for the sale weeks beginning December 21, 1998, through June 21, 1999, with the exception of the sale weeks of March 8, 1999, through March 22, 1999.

"Our job is to enforce the Packers and Stockyards Act," said GIPSA's Administrator James Baker. "This case goes to the heart of the concerns that every small- and medium-sized producer has about possible retaliation, discrimination and denial of market access in the livestock industry."

The complaint was filed with the office of USDA's hearing clerk. Farmland will have an opportunity to respond to the complaint and request an oral hearing before an administrative law judge.

GIPSA continues to conduct investigations into possible discriminatory activities or other non-competitive practices. The agency's Packers and Stockyards program recently was restructured to enhance USDA's ability to monitor and investigate livestock transactions.

GIPSA has a toll-free hotline for complaints about unfair trade practices and possible violations of the Packers and Stockyards Act. The hotline number is 1-800-998-3447.

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