

Michigan Market Agency Fined \$2,500 in Civil Penalty

Washington, DC (September 13, 2000) - Robert Schenk, an Ann Arbor, Michigan, market agency buying livestock on a commission basis (order buyer) was fined \$2,500. Schenk admitted, by default, allegations contained in a USDA Grain Inspection, Packers and Stockyards Administration complaint filed earlier this year. In addition to paying the fine, Schenk was ordered to cease from engaging in any business in any capacity for which bonding is required under the Packers and Stockyards Act without filing and maintaining an adequate bond, or its equivalent. This decision will become effective 35 days after the date of service, unless it is appealed within 30 days.

On April 10, 2000, GIPSA issued an administrative complaint against Schenk, a registered market agency buying on commission. The complaint alleged that Schenk had failed to maintain a \$50,000 bond to cover his livestock buying operations, or its equivalent, after being notified in June 1999. By failing to respond in a timely fashion to the complaint alleging violations of the Act, Schenk, by default, admitted to the alleged facts in the complaint.

The Packers and Stockyards Act is a fair trade practice and payment protection law that is designed to prevent unfair and deceptive practices in the marketing of livestock, meat and poultry.

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