

## **Gateway Livestock Auction, Inc. And Ronnie Arnett Ordered To Stop Livestock Sales**

Washington October 3, 2000 -- On September 28, 2000 the U.S. District Court, Eastern District of Kentucky, issued a temporary restraining order against Gateway Livestock Auction, Inc. (Gateway) and Ronnie Arnett (Arnett) of Mt. Sterling, Kentucky. The order restrained them from operating as a market agency (auction market) selling livestock on commission. A hearing is scheduled for October 6, 2000, to show cause why a permanent injunction should not be issued.

The court determined that the Secretary of Agriculture had reason to believe that Gateway and Arnett had: (1) failed to comply with the regulation and section of the Packers and Stockyards Act (Act) pertaining to the "maintenance and use of the "Custodial Account for Shippers' Proceeds," a trust account;" and (2) "otherwise operated in . . . a manner which may reasonably be expected to cause irreparable damage to another person." And, that it would be in the public interest to make defendants (Gateway and Arnett) cease from operating as a market agency under the Act.

Gateway's sale days are Wednesday and Saturday. Gateway is prohibited from holding their regular Saturday sale on September 30, 2000, and the regular sale on the following Wednesday, October 4, 2000, pending the outcome of the October 6 hearing.

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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Leah Akbar (202) 720-4998Leah\_L.Akbar@usda.gov