

Valley Pride Pack Filed For Bankruptcy Owing \$3,601,164.83 To Livestock Sellers

Washington (December 7, 2001) -- On August 10, 2001, Valley Pride Pack, Inc. (Valley Pride), a meat packer with slaughter facilities in Norwalk, WI, and Tama, IA, ceased operations. Valley Pride is subject to the packer trust provisions of the Packers and Stockyards Act (P&S Act) and has a livestock bond in the amount of \$505,000. When it ceased operations, Valley Pride owed nearly \$4 million to approximately 400 livestock sellers.

On August 17, 2001, the United States District Court for the Northern District of Illinois Eastern Division froze Valley Pride's assets. On October 16, 2001, Valley Pride filed for chapter 11 bankruptcy in the U.S. Bankruptcy Court, Western District of Wisconsin.

The Grain Inspection, Packers and Stockyards Administration (GIPSA) received trust claims from more than 300 livestock sellers totaling \$3,601,164.83. The P&S Act and regulations require claims against a packer trust to be filed within 30 days of the final date for making payment under section 409 of the P&S Act and claims against a bond to be filed within 60 days from the date of the transaction on which the claim is based.

As a courtesy, on November 9, 2001, GIPSA completed a partial packer trust analysis of Valley Pride and provided it to Valley Pride, as the trustee. GIPSA's partial packer trust analysis reviewed the claims for compliance with the statutory and regulatory requirements of the P&S Act.

GIPSA does not make final determination on the validity of trust claims, order the payment of trust claims, or provide legal representation to trust claimants. The final determination of the validity of trust claims and payment of trust claims are the responsibility of the trustee.

The Packers and Stockyards Act is a fair trade practice and payment protection law that promotes fair and competitive marketing environments for the livestock, meat, and poultry industries.

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