

## **EDDIE MCNALLY AGREES TO CONSENT DECISION**

WASHINGTON, Feb. 25, 2002 - On Jan. 24, 2002, Eddie McNally of Rogersville, Tenn. entered into a consent decision with the Grain Inspection, Packers and Stockyards Administration (GIPSA) to settle a complaint issued on Sept. 22, 2000. McNally operated as a dealer buying and selling livestock in commerce for the accounts of others.

McNally admitted the jurisdictional allegations of the complaint, but has neither admitted nor denied the remaining allegations. He has waived an oral hearing and further procedure. Additionally, he has consented and agreed, for the purpose of settling this proceeding, to the entry of this decision.

Under the terms of the consent decision, McNally, in connection with his activities subject to the Packers and Stockyards Act (P&S Act), agreed to stop: (1) failing to promptly pay for the full purchase price of livestock; (2) failing to pay the full purchase price of livestock; (3) issuing checks in payment for livestock purchases without maintaining sufficient funds on deposit; (4) engaging in business in any capacity for which registration and bonding is required under the P&S Act without registering with GIPSA and obtaining an adequate bond or its equivalent; (5) misleading sellers, their agents, or other buyers of cattle as to the true purchasers or principal in any livestock transaction; and (6) knowingly accepting, causing or authorizing the preparation of purchase invoices or other documents falsely representing the identity of the purchaser or principal in any livestock transaction. McNally was required to keep accounts, records, and memoranda that fully and correctly disclosed all transactions involved in his business.

McNally is barred from registering under the P&S Act for a period of five years, and is prohibited from operating subject to the P&S Act without being registered. Upon application by McNally to GIPSA, a supplemental order may be issued allowing McNally to register under the P&S Act after the expiration of 240 days, if all unpaid livestock sellers identified in the complaint have been paid. The order may also be modified to permit the salaried employment of McNally by another registrant or packer after the expiration of the initial 240 days.

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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GIPSA Release # 13-02  
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