

GIPSA ISSUES COMPLAINT AGAINST RANGER AUCTION CO., INC., DAVID L. COAN AND LAQUETTA J. COAN

WASHINGTON, March 18, 2002 - On Feb. 20, 2002, the Grain Inspection, Packers and Stockyards Administration (GIPSA) issued an administrative complaint against Ranger Auction Co., Inc., David L. Coan, and Laquetta J. Coan all of Eastland, Texas. Ranger, operating as Eastland Auction Co. and Ranger Auction Co., is registered under the Packers and Stockyards Act (P&S Act) as a market agency selling livestock in commerce on a commission basis. David Coan owns 50 percent of Ranger and is the firm's vice-president. Laquetta Coan is the chief financial officer of Ranger.

The complaint alleges that Ranger, under the direction, management, and control of David and Laquetta Coan, failed to maintain and use properly its custodial account, endangering the full and prompt payment to livestock consignors. Shortages in the custodial account were due to Ranger's: (1) failure to deposit into the account the money due from the sale of consigned livestock within the time prescribed by the P&S Act and regulations; (2) failure to reimburse the account for purchases made by Ranger; (3) improperly transferring money from the custodial account to the firm's operating account; and (4) allowing bank charges to be routinely deducted from the custodial account. The complaint also alleges that Ranger falsely reported on its 1999 annual report that the custodial account was in balance, when it was short on December 31, 1999, by over \$141,000.

Ranger, David Coan, and Laquetta Coan each have 20 days after receiving the complaint to file an answer to the allegations. Failure to file an answer will constitute an admission of the allegations. A denial of the allegations will result in an oral hearing. If GIPSA proves the allegations, the respondents may be ordered to stop violating the P&S Act, be suspended as registrants, and assessed a civil penalty.

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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