

## **USDA ISSUES A DEFAULT DECISION AGAINST MONTE VISTA LIVESTOCK AUCTION, INC. AND JODY L. PETERSON**

WASHINGTON, April 10, 2002, - On March 1, 2002, the United States Department of Agriculture (USDA) issued a default decision against Monte Vista Livestock Auction, Inc., of Monte Vista, Colo., and its Secretary, Treasurer, and principal owner Jody L. Peterson. Monte Vista is registered under the Packers and Stockyards Act (P&S Act) as a market agency selling livestock on a commission basis, and as a dealer buying and selling livestock in commerce.

The default decision was issued after Monte Vista and Peterson failed to file a response to an administrative complaint issued on June 11, 2002. Failure to file an answer to the complaint constitutes an admission of the allegations stated in the complaint.

Under the terms of the default decision, Monte Vista and Peterson, were ordered to stop: (1) operating as a market agency selling livestock on a commission basis while the firm's current liabilities exceed its current assets; (2) issuing checks in payment for the sale of consigned livestock without having sufficient funds available in the custodial account; (3) failing to make timely payments to consignors of livestock; (4) failing to timely deposit funds due from the sale of consigned livestock into the custodial account as required by regulations issued under the P&S Act; and (5) failing to maintain the custodial account in strict conformity with provisions of the P&S Act and its regulations.

The order suspends the registration of Monte Vista, and prohibits Peterson from registering under the P&S Act for 28 days. After 28 days of suspension, if Monte Vista is able to demonstrate a solvent financial position, and shortages in the firm's custodial account have been eliminated, a supplemental order will be issued terminating the suspension of Monte Vista and permitting Peterson to register.

The default decision will become final and effective 35 days after the decision is received by Monte Vista and Peterson unless an appeal is filed with USDA's Judicial Officer.

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 #28-02  
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