

Decision Reached In GIPSA's Case Against Wakeeney

WASHINGTON, April 29, 2003 - On April 8, 2003, the U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration reached a consent agreement with Kirk Hemmert, d.b.a. Wakeeney Livestock Commission Co. (Wakeeney), Wakeeney, Kan. Wakeeney, while not admitting or denying the allegations of GIPSA's complaint, agreed to waive an oral hearing and to the entry of this consent decision.

Wakeeney is a market agency selling livestock on commission under the Packers and Stockyards Act (P&S Act). The complaint alleged that Wakeeney, during the period June 29, 2001, through Aug. 21, 2001, failed to maintain its custodial account in accordance with the P&S Act and regulations. The complaint alleges that Wakeeney had custodial account shortages on June 29, Aug. 7, 14, and 21, 2001, of \$9,520.67, \$33,147.22, \$49,580.39, and \$60,221.46 respectively.

Under the terms of the decision Wakeeney, in connection with his operation subject to the P&S Act, agreed: (1) to stop failing to deposit in his custodial account for shippers' proceeds, within the times prescribed by regulations, the amounts required from the sale of consigned livestock; and (2) to stop failing to properly maintain his custodial account.

Wakeeney was also assessed a civil penalty of \$5,000.00, with an initial payment of \$500.00 and 9 monthly payments of \$500.00, payments to be postmarked by the first of the month starting May 1, 2003. The provisions of this order became effective on the sixth day after service of this order.

The P&S 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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