

Decision Reached In GIPSA's Case Against Fred Holmes D.B.A. Holmes Livestock

WASHINGTON, DC, May 16, 2003 - On May 5, 2003, an administrative law judge issued a decision against Fred Holmes, doing business as Holmes Livestock (Holmes) of Brookfield, Mo. Holmes, as a livestock dealer and market agency buying livestock on a commission basis, is subject to the provisions of the Packers and Stockyards Act (P&S Act) and regulations.

Holmes allegedly issued insufficient funds checks in payment of livestock purchases. As of January 28, 2002, Holmes had failed to pay for livestock in the amount of \$505,648.16, and all of the livestock-related purchase amounts owed by Holmes as of January 28, 2002, were more than 325 days overdue.

Under the terms of the decision, Holmes, in connection with his operation subject to the P&S Act, is ordered: (1) to stop failing to pay the full purchase price of livestock; (2) to stop failing to make timely payment of the full purchase price of livestock; and (3) to stop issuing checks in payment for livestock purchases without having sufficient funds on deposit.

Holmes was also suspended as a registrant under the P&S Act for a period of 5 years. The suspension may be terminated after 1 year upon demonstration by Holmes that he is in full compliance with the Act. This order may be modified upon application to the P&S Programs to permit Holmes' salaried employment by another registrant or a packer after the expiration of 1 year of suspension upon demonstration of circumstances that would warrant a modification, such as a reasonable schedule of restitution. 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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