

USDA Issues Decision Against Jerry Hayes Meats And Jerome A. Hayes

WASHINGTON, April 21, 2004 - On Dec. 18, 2003, the United States Department of Agriculture (USDA) issued a default decision against Jerry Hayes Meats, Inc. (Hayes Meats) and Jerome A. Hayes (Hayes) of Vestal, N.Y. Hayes Meats is a packer subject to the requirements of the Packers and Stockyards Act (P&S Act.) Hayes is the alter ego of Jerry Hayes Meats and is also registered under the P&S Act as a packer buyer.

The decision is based on a complaint filed by USDA's Grain Inspection, Packers and Stockyards Administration (GIPSA) on July 23, 2003. The complaint alleged that Jerry Hayes Meats and Jerry Hayes violated the P&S Act by (1) failing to maintain an adequate bond or bond equivalent, (2) issuing insufficient funds checks for livestock purchased for slaughter, (3) failing to pay and pay when due for the full purchase price of livestock, and (4) failing to maintain business records that fully and correctly disclosed all transactions involved in the business of a packer. Previously, Hayes Meats and Hayes were named in a 1995 disciplinary action in which they were ordered to stop these same practices and were assessed a \$10,500 civil penalty.

Hayes Meats and Hayes have been ordered to (1) stop operating without maintaining an adequate bond or bond equivalent, (2) stop issuing insufficient funds checks, (3) stop failing to pay and pay when due the full purchase price of livestock, (4) keep accounts and records that fully disclose all transactions of Hayes Meats as a packer. More specifically Hayes Meats and Hayes were ordered to make and keep: kill sheets; accounts receivable records; sales invoices; accounts payable; purchase invoices; cash disbursements and cash receipts journals; check registers, check copies or check stubs showing date, payee and amount of all checks written; and notices received from the bank when checks are returned. Additionally, Hayes Meats and Hayes were assessed a civil penalty of \$17,000.

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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