

GIPSA Complaint Lodged Against Midwest National Farmers - Sig Ellingson, Inc., And James Gibbons

WASHINGTON, Oct. 21, 2004 - On June 7, 2004, GIPSA filed a complaint against Midwest National Farmers - Sig Ellingson, Inc., and James Gibbons (Midwest National) of St. Paul, Minn. Midwest National is a commission firm operating out of South St. Paul Union Stockyards, a terminal stockyard and market agency that is subject to the requirements of the Packers and Stockyards Act (P&S Act). Midwest National is a market agency and is also subject to the requirements of the P&S Act.

GIPSA alleges that Midwest National sold livestock on a commission basis and issued checks to consignors that were returned unpaid. Midwest National failed to maintain sufficient funds in the account on which the checks were drawn. GIPSA also alleges that Midwest National failed to remit, when due, the net proceeds due from the sale of livestock sold on a commission basis for a total of \$331,448.20. As of April 7, 2003, an adjusted amount of \$247,133.29 due to the consignors of livestock was still outstanding.

Additionally, GIPSA alleges that Midwest National operated, in violation of the P&S Act, while its current liabilities exceeded its current assets.

Failure to file an answer within the time allowed will constitute an admission of the allegations. A denial of the allegations will result in an oral hearing. If the allegations are admitted, or proven in an oral hearing, Midwest National may be ordered to stop violating the P&S Act, suspended as a registrant operating under the P&S Act, and assessed a civil penalty.

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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