

Decision Reached in GIPSA's Case Against Thomas Schaefer and Schaefer Cattle Company, LLC, d/b/a Schaefer Cattle Company and as Belgrade Livestock Auction Market

WASHINGTON, July 28, 2006 - On March 8, 2006, Grain Inspection, Packers and Stockyards Administration filed a complaint charging that Thomas Schaefer (Schaefer), and Schaefer Cattle Company, LLC (Schaefer Cattle), d/b/a Schaefer Cattle Company also as Belgrade Livestock Market, Belgrade, Minnesota, made secret payments to salaried buyers, without the knowledge of the buyer-principals. It is a violation of the Packers and Stockyards (P&S) Act for a market agency selling livestock on commission to pay any personal or business expenses of livestock buyers.

On June 21, 2006, Schaefer and Schaefer Cattle agreed to cease and desist from paying any personal or business expenses of livestock buyers or otherwise committing unfair and deceptive practices in violation of the P&S Act. Schaefer and Schaefer Cattle were assessed a \$10,000 civil penalty. Schaefer Cattle was suspended for seven days starting July 1, 2006. Schaefer was barred from registering in any capacity that is subject to the P&S Act for the seven days that Schaefer Cattle was suspended.

Schaefer Cattle was engaged in and registered to buy and sell livestock in commerce for its own account and to sell livestock on a commission basis. Schaefer was president, manager, and 100% owner of Schaefer Cattle.

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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