

USDA Charges Smithfield Beef Group, Inc., with Violations of the Packers and Stockyards Act

WASHINGTON, January 23, 2007 - On January 18, 2007, the Grain Inspection, Packers and Stockyards Administration (GIPSA) filed a complaint and notice of hearing against Smithfield Beef Group, Inc. (Smithfield) of Green Bay, Wisconsin, doing business as Moyer Packing Co., Inc. (Moyer) in Souderton, Pennsylvania. Moyer is a wholly owned subsidiary of Smithfield. Moyer is engaged in the business of buying livestock in commerce for the purpose of slaughter; engaged in the business of manufacturing or preparing meat and meat food products for sale or shipment in commerce; and is a packer subject to the Packers and Stockyards (P&S) Act.

GIPSA has evidence that Moyer: purchased livestock on a hot carcass weight basis; used a computer program which improperly rounded carcass weights; improperly rounded hot carcass weights and paid livestock producers on those improperly rounded hot carcass weights; and failed to maintain a written record of the properly rounded hot carcass weights.

Failure to file an answer to GIPSA's complaint within the time allowed constitutes an admission of the allegations. If the allegations are admitted, or proven in an oral hearing, Moyer may be ordered to cease and desist from violating the P&S Act and be 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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