

GIPSA Charges Southwest Livestock Exchange, Inc. with Violations of the Packers and Stockyards Act

WASHINGTON, June 5, 2007 - The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that Southwest Livestock Exchange, Inc. (Southwest), Uvalde, Texas, endangered payment to livestock sellers by not reimbursing the account used for seller payment in a timely fashion, which is a violation of the Packers and Stockyards (P&S) Act. Also, a second violation of the P&S Act was found, Southwest did not keep required purchase and sales records.

On March 29, 2007, GIPSA filed a complaint against Southwest. Southwest had 20 days to respond in accordance with the P&S Act and to date, has not done so. Failure to file an answer to GIPSA's complaint within the time allowed is considered an admission of the allegations. Southwest potentially faces a cease and desist order for violating the P&S Act, a suspension and/or assessment of a civil penalty.

Southwest currently operates as a posted stockyard and is registered as a market agency selling and buying livestock in commerce on a commission basis. Southwest is also registered as a dealer to buy and sell livestock in commerce.

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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