

Madison Livestock Sales, LLC is Assessed a Civil Penalty

WASHINGTON, July 17, 2007 - The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) entered into a decision without hearing by reason of consent with Madison Livestock Sales, LLC (Madison), Richmond, Kentucky. Madison has been ordered to cease and desist from:

- Engaging in business subject to the Packers and Stockyards (P&S) Act while its current liabilities exceed its current assets;
- Failing to properly maintain a custodial account for shippers' proceeds which caused shortages in its account endangering payment to livestock sellers;
- Failing to deposit in its custodial account, in a timely fashion, an amount equal to the proceeds receivable from the sale of consigned livestock; and
- Misusing custodial funds while shortages existed by transferring funds from its custodial account to its general account.

Madison has been assessed a civil penalty in the amount of \$14,400.

The consent decision resolves charges that were filed on August 28, 2006, in which GIPSA alleged that Madison failed to properly maintain its custodial account for shippers' proceeds which caused shortages in its account endangering payment to livestock sellers.

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.

#

GIPSA Release #60-07

Catherine M. Grasso 202-720-7201
Catherine.M.Grasso@usda.gov