

GIPSA Available to Assist Pilgrim's Pride Growers

WASHINGTON, March 12, 2009 - The USDA Grain Inspection, Packers and Stockyards Administration stands ready to ensure that poultry growers affected by the scheduled closure of three Pilgrim's Pride Corporation chicken processing plants receive the full protections afforded them by the Packers and Stockyards (P&S) Act.

The plants, located in El Dorado, Ark.; Farmerville, La.; and Douglas, Ga., are scheduled to discontinue operations in mid-May 2009. The three plants support the operations of over 420 contract poultry growers, and each plant is part of a complex that operates hatcheries and feed mills.

Pilgrim's Pride is a live poultry dealer subject to the Packers & Stockyards Act, a federal law that ensures fair trade and financial protection for producers and growers in the livestock, meat, and poultry industries.

As the plants shutter operations, GIPSA will conduct payment reviews at each plant to verify payment in the proper amount is issued timely to each grower and ensure that Pilgrim's procedures do not result in unjust discrimination or undue preference to growers.

GIPSA also will be available to answer growers' questions related to payment. If payment problems arise, GIPSA will notify growers of their rights and the procedures to file claims against the statutory trust established under section 207 of the P&S Act. Under the statutory trust, inventories, receivables, and proceeds from poultry obtained by Pilgrim's Pride under a poultry growing arrangement or in cash sales will be held in trust for the benefit of unpaid poultry growers. Valid grower claims on these assets would have priority over other financial claims.

For more information, call GIPSA's Eastern Regional Office at 404-562-5840.

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