

Agriprocessors Paying \$3.3 Million in Poultry Trust Claims

Washington, March 31- The USDA Grain Inspection, Packers and Stockyards Administration today announced that Agriprocessors, Inc., Postville, Iowa, has been authorized by a bankruptcy judge to pay over \$3.3 million in poultry trust claims. The payments result from the poultry trust provisions of the Packers and Stockyards Act.

Thirteen poultry growers filed valid claims with GIPSA for sales of poultry to Agriprocessors that occurred between May and December 2008. The poultry growers began receiving payments from the poultry trust claims on March 20, 2009. Under the P&S Act, Agriprocessors was required to hold assets - inventories, proceeds, and proceeds receivable - in trust for the benefit of cash sellers and poultry growers.

In January 2009, GIPSA secured \$2 million in trust payouts for previously unpaid livestock sellers who sold animals to Agriprocessors under the livestock trust provisions of the Packers and Stockyards Act.

"USDA remains committed to protecting the financial interests of America's farmers and ranchers," said GIPSA acting administrator Alan Christian. "We will continue to provide such protections through the vigorous enforcement of the Packers and Stockyards Act."

GIPSA is the USDA agency delegated responsibility for administering and enforcing the P&S Act, which is a fair trade practice and payment protection law that promotes fair and competitive marketing environments for the livestock, met, and poultry industries.

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