

Fergus Falls Livestock Auction Market, Inc. and Joe Varner are Assessed a Civil Penalty In the Amount of \$7,500

WASHINGTON, July 14, 2009- On June 30, 2009, 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 Fergus Falls Livestock Auction Market, Inc. (Fergus) under its manager, Joe Varner (Varner), Fergus Falls, Minnesota.

Fergus and Varner have been ordered to cease and desist from:

- failing to deposit in its custodial account, in a timely fashion, an amount equal to the outstanding proceeds receivable from the sale of consigned livestock; and
- failing to maintain their custodial account in strict conformity with the provisions of the regulation.

They have also been assessed a civil penalty in the amount of \$7,500.

The decision resolves charges that were filed on March 6, 2009, in which GIPSA alleged that Fergus and Varner:

- failed to properly maintain its Custodial Account for Shippers' Proceeds endangering payment to livestock sellers; and
- failed to deposit in its custodial account, in a timely fashion, an amount equal to the proceeds receivable from the sale of consigned livestock resulting in a shortage of funds available to pay shippers their net proceeds.

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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Catherine M. Grasso 202-720-7201

Catherine.M.Grasso@usda.gov