

GIPSA Settles a Case Resulting in a \$1,250 Civil Penalty

WASHINGTON, Aug. 19, 2010 - The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration's (GIPSA) enforcement rules provide a mechanism to quickly resolve violations of the Packers and Stockyards (P&S) Act.

GIPSA may offer an alleged violator the option of waiving their right to a hearing and entering into a stipulation agreement to quickly resolve alleged violations.

GIPSA recently settled a case resulting in a \$1,250 civil penalty.

Red Rock Holdings, Inc., Brewster, Minnesota, waived its right to a hearing, entered into a stipulation agreement, and paid a penalty of \$1,250 after GIPSA found that it failed to disclose contract producers right, prior to entering the contract, to decline to be bound by the arbitration provisions in the contract.

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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