

GIPSA Alleges Ravenna Auction, LLC and LaVerne Lettinga Misused Custodial Account for Shippers' Proceeds and Misrepresented Weights and Purchase Price

WASHINGTON, Oct. 7, 2010 - The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that Ravenna Auction, LLC (Ravenna Auction) and LaVerne Lettinga (Lettinga), Ravenna, Michigan:

- operated with a Custodial Account for Shippers' Proceeds shortage;
- failed to timely reimburse the custodial account;
- failed to maintain records that fully and correctly disclosed all transactions involved in the business;
- misused the custodial account by depositing custodial funds in the general account, using custodial funds for loan repayments, and allowing bank charges to be withdrawn from the custodial account; and
- misrepresented to consignors the actual weight and purchase prices of livestock sold on grade and weight basis to packers, resulting in a monetary loss to consignors.

GIPSA filed a [complaint](#) against Ravenna Auction and Lettinga on September 30, 2010. If the allegations are admitted, or proven in an oral hearing, Ravenna Auction and Lettinga may be ordered to cease and desist from violating the Packers and Stockyards (P&S) Act, suspended and assessed a civil penalty.

Ravenna Auction was engaged in the business of a market agency selling livestock in commerce on a commission basis and is registered with the Secretary of Agriculture as a market agency to sell livestock in commerce on a commission basis.

Lettinga was president, 100% owner and responsible for the management, direction, and control of Ravenna Auction.

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 #82-10

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