

GIPSA Settles Cases Resulting in \$92,500 in Civil Penalties

WASHINGTON, Jan. 13, 2011 - 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 four cases resulting in \$92,500 in civil penalties.

Dennis Buhlke, CEO, Ryan Meyer, Head Buyer, Creekstone Farms Premium Beef, LLC, Arkansas City, Kansas, waived their right to a hearing, entered into a stipulation agreement, and paid a penalty of \$2,500 after GIPSA found that they failed to disclose terms of purchase agreements.

Premier Pork Marketing, Inc., Bob Rietema, Kurt Van Beek, Sioux Center, Iowa, waived their right to a hearing, entered into a stipulation agreement, and paid a penalty of \$85,000 after GIPSA found that they charged consignors a commission for marketing services and received a second commission from the buyer on the same hogs; their custodial account had shortages on February 1, 2010 (\$974,285), March 1, 2010 (\$629,780), and March 29, 2010 (\$621,781); and the custodial account shortages were caused by transferring custodial funds to other accounts and permitting the deduction of bank charges from the custodial account.

Bobby F. Molen and John D. Molen, Molen Brothers, Nancy, Kentucky, waived their right to a hearing, entered into a stipulation agreement, and paid a penalty of \$1,500 after GIPSA found that they failed to pay when due.

Brian Egbert, E. Livestock and E. Livestock, Inc., Botkins, Ohio, waived their right to a hearing, entered into a stipulation agreement, and paid a penalty of \$3,500 after GIPSA found that they failed to pay when due.

The Packers and Stockyards 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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