

GIPSA Alleges Comanche Livestock Exchange, LLC and Michael Dean Cagel Had Shortages in their Custodial Account for Shippers' Proceeds

WASHINGTON, Aug. 11, 2011- The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration's (GIPSA) has found evidence that Comanche Livestock Exchange, LLC (Comanche Livestock) and Michael Dean Cagel (Cagel), Comanche, Texas:

- failed to maintain and properly use their custodial account causing shortages in the account;
- failed to deposit into the custodial account, within the time prescribed, an amount equal to the proceeds receivable from the sale of consigned livestock and permitted the withdrawal of bank charges from their custodial account; and
- Comanche Livestock was insolvent with current liabilities exceeding current assets.

GIPSA filed a **complaint** against Comanche Livestock and Cagel on July 27, 2011. If the allegations are admitted, or proven in an oral hearing, Comanche Livestock and Cagel may be ordered to cease and desist from violating the Packers and Stockyards (P&S) Act, suspended, and assessed a civil penalty.

Comanche Livestock engaged in the business of a market agency selling livestock on a commission basis and is registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce for its own account and as a market agency selling on commission.

Cagel is the 100% owner of Comanche Livestock and responsible for the day-to-day management, direction and control of Comanche Livestock.

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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