

GIPSA Alleges Montana Livestock Auction, Inc., and Kenneth Moe Misused its Custodial Account

WASHINGTON, Aug. 18, 2011 – The U.S. Department of Agriculture’s Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that Montana Livestock Auction, Inc. (Montana Livestock), Ramsay, Montana, and Kenneth Moe (Moe), Ramsay, Mont.:

- failed to properly use and maintain its custodial account;
- failed to deposit into the account an amount equal to the proceeds receivable from the sale of consigned livestock in a timely manner;
- failed to remit, when due, the net proceeds due from the sale of livestock on a commission basis;
- misused custodial account funds;
- permitted bank fees to be charged to its custodial account;
- had multiple custodial account shortages; and
- issued checks without having funds to cover the checks.

GIPSA filed a [complaint](#) against Montana Livestock and Moe on July 7, 2011. If the allegations are admitted, or proven in an oral hearing, Montana Livestock and Moe may be ordered to cease and desist from violating the Packers and Stockyard (P&S) Act, suspended, and assessed a civil penalty.

Montana Livestock engaged in the business of conducting and operating a posted stockyard subject to the provisions of the P&S Act; engaged in the business of a market agency selling consigned livestock on a commission basis; and is registered with the Secretary of Agriculture.

Moe was the sole owner of Montana Livestock; responsible for the day-to-day direction, management, and control of Montana Livestock, and a market agency subject to the provisions of the P&S Act.

On or about February 20, 2009, Moe sold his ownership interest in Montana Livestock. The new owners operate under the name Montana Livestock Auction and are registered with the Secretary of Agriculture. These allegations are in no way associated with the new owners.

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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