

Lake Odessa Livestock Auction, Inc., Ravenna Auction, LLC, and La Verne Lettinga are assessed A Civil Penalty in the Amount of \$35,000

WASHINGTON, Sept. 8, 2011 – On August 11, 2011, the U.S. Department of Agriculture’s Grain Inspection, Packers and Stockyards Administration entered into a consent decision with Lake Odessa Livestock Auction, Inc. (Lake Odessa) and La Verne Lettinga (Lettinga), Lake Odessa, Michigan, and Ravenna Auction, LLC (Ravenna Auction), Ravenna, Michigan.

Lake Odessa, Lettinga, and Ravenna Auction have been ordered to cease and desist from:

- failing to deposit into their Custodial Accounts for Shippers’ Proceeds amounts equal to the outstanding proceeds receivable from the sale of consigned livestock in a timely manner;
- failing to maintain their custodial accounts in strict conformity with the regulations;
- using funds received as proceeds from the sale of consigned livestock for any purpose other than payment to consignors of the amount due from the sale of their livestock and payment of lawful marketing charges including:
 - payment of insufficient check charges and other bank fees ,
 - transferring custodial account proceeds from custodial accounts into general operating accounts,
 - diverting custodial account funds and proceeds from the sales of livestock to non-custodial accounts or other businesses,
 - withdrawing from custodial account funds marketing charges not yet earned, and
 - repaying loans, except as permitted by the Packers and Stockyards (P&S) Act or regulations.
- issuing custodial account checks without having sufficient funds available in the custodial account and failing to remit, when due, the proceeds due from the sale of livestock;
- misrepresenting 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; and
- failing to keep accounts, records, and memoranda that fully and correctly disclosed all transactions involved in their business.

Lettinga is suspended for a period of one year. During this period, Lettinga is prohibited from exercising any management, direction, and control of Lake Odessa and Ravenna Auction.

Lake Odessa and Ravenna Auction, separately, are suspended for 60 days. This suspension will be held in abeyance for one year provided:

1. Lettinga does not exercise any management, direction, and control of Lake Odessa or Ravenna Auction and does not operate, subject to the P&S Act, during the one year period of suspension.
2. Lake Odessa and Ravenna Auction properly maintain their custodial accounts.

3. Lake Odessa and Ravenna Auction do not misrepresent to consignors the actual weight and purchase prices of livestock sold for consignors.
4. Lake Odessa and Ravenna Auction do not issue or cause to be issued, regarding the purchase and sale of livestock, accounts of purchase, invoices, billings, or any other documents showing false, inaccurate, or misleading weight and purchase price entries for livestock.
5. Lake Odessa and Ravenna Auction maintain complete and adequate records, including, but not limited to, copies of all buyers' bills and records tracing all buyers' purchases to corresponding payments.

They have also been assessed a civil penalty in the amount of \$35,000.

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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