

**GIPSA
Press
Release**

United States
Department of
Agriculture

Grain Inspection,
Packers and
Stockyards
Administration

STOP 3601
1400 Independence Ave., SW
Washington, D.C.
20250-3601

GIPSA Release 78-11

Catherine M. Grasso 202-720-7201
Catherine.M.Grasso@usda.gov

GIPSA Alleges Haskell Livestock Auction Company, Inc., Bryan D. Rainey, aka B.D. Rainey, and Kathrene Francine Rainey, aka Francine Rainey Failed to Properly Maintain Its Custodial Account for Shippers' Proceeds

WASHINGTON, Oct. 3, 2011 – The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that Haskell Livestock Auction Company, Inc. (Haskell); Bryan D. Rainey, also known as B.D. Rainey (B.D. Rainey); and Kathrene Francine Rainey, also known as Francine Rainey (F. Rainey):

- failed to properly maintain its custodial account;
- permitted bank charges to be charged to the custodial account and misused the custodial account by remitting proceeds for purported livestock transactions that did not occur;
- B.D. Rainey used custodial account funds to pay for his individual dealer purchases;
- issued checks to consignors/shippers without having sufficient funds to cover checks;
- failed to timely remit, as required by the Packers and Stockyards (P&S) Act and Regulations, the net proceeds due to consignors from the sale of livestock on a commission basis. After payout from Haskell's bond, \$1,064.25 remains unpaid;
- failed to keep and maintain records which fully and correctly disclosed all the transactions involved in its business as a market agency; and
- falsified records by generating invoices and generating and issuing checks in payment for purported livestock purchases that did not occur.

GIPSA filed a [complaint](#) against Haskell, B.D. Rainey and F. Rainey on September 14, 2011. If the allegations are admitted, or proven in an oral hearing, Haskell, B.D. Rainey, and F. Rainey may be ordered to cease and desist from violating the P&S Act, suspended, and assessed a civil penalty.

Haskall
B.D. Rainey

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F. Rainey
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Haskell 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.

B.D. Rainey was engaged in the business of buying and selling livestock in commerce as a dealer for his own account or for the account of others; is not registered with the Secretary of Agriculture; operates as a dealer; and is president, treasurer, general manager and director of Haskell; a 51% owner of Haskell and is responsible for the direction, management, and control of Haskell.

F. Rainey was vice-president, secretary, a 49% owner, and responsible for the direction, management, and control of Haskell.

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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