

**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 213-12

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

**Sugarcreek Livestock Auction, Inc. and Leroy H. Baker, Jr.
Are Assessed a \$10,000 Civil Penalty**

WASHINGTON, Aug. 9, 2012 – On July 23, 2012, the U.S. Department of Agriculture’s Grain Inspection, Packers and Stockyards Administration entered into a consent decision with Sugarcreek Livestock Auction, Inc. (Sugarcreek), Sugarcreek, Ohio, and Leroy H. Baker, Jr. (Baker), East Rochester, Ohio.

Sugarcreek and Baker have been ordered to cease and desist from:

- engaging in business subject to the Packers and Stockyards (P&S) Act while current liabilities exceed current assets;
- failing to maintain their “Custodial Account for Shippers’ Proceeds” in conformity with the provisions of section 201.42 of the regulations (9 C.F.R. § 201.42);
- failing to deposit in their “Custodial Account for Shippers’ Proceeds amounts equal to the outstanding proceeds receivable from the sale of consigned livestock;
- using funds received from the sale of consigned livestock for the payment of bank fees, or for any purpose other than payment to consignors of the amount due from the sale of their livestock and the payment of lawful marketing charges;
- failing to keep and maintain accounts, records and memoranda that fully and correctly disclose all transactions involved in their business; and
- failing to pay and failing to pay, when due, the full purchase price of livestock.

Sugarcreek and Baker are, commencing August 19, 2012, suspended as registrants under the P&S Act for a period of 21 days until Sugarcreek and Baker demonstrate to the satisfaction of the Packers and Stockyards Program (P&SP) that their custodial account shortages have been corrected and current liabilities no longer exceed current assets. After the expiration of the initial 21-day suspension period, and provided that respondents demonstrate that their custodial account shortages have been corrected and current liabilities no longer exceed current assets, upon application to the P&SP, a supplemental order may be issued terminating the suspension.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Office of Civil Rights, Office of Adjudication, 1400 Independence Ave., S.W., Washington, D.C. 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).

They have been assessed a civil penalty in the amount of \$10,000.

Sugarcreek Livestock Auction, Inc.
Leroy H. Baker, Jr.
Page 2

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.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Office of Civil Rights, Office of Adjudication, 1400 Independence Ave., S.W., Washington, D.C. 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).