

**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 40-12

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**GIPSA Alleges Karnes City Auction, Inc., Brian Morris and Ronald Morris
Violated the Packers and Stockyards Act**

WASHINGTON, Feb. 9, 2012 – The U.S. Department of Agriculture’s Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that Karnes City Auction, Inc. (Karnes City), Brian Morris and Ronald Morris, Karnes City, Texas:

- failed to reimburse their custodial account by the seventh day for all unpaid buyer purchases;
- failed to reimburse their custodial account by the close of the next business day for livestock purchases by owners, officers or employees;
- charged bank fees to their custodial account; and
- had shortages in their custodial account which were due, in part, to the misuse of their custodial account by using custodial account funds to make payments on the line of credit.

GIPSA filed a complaint against Karnes City, Brian Morris, and Ronald Morris on January 26, 2012. The complaint can be found on the GIPSA website: <http://www.gipsa.usda.gov/psp/enforcement.html>. If the allegations are admitted, or proven in an oral hearing, Karnes City, Brian Morris, and Ronald Morris may be ordered to cease and desist from violating the Packers and Stockyards (P&S) Act, suspended, and assessed a civil penalty.

Karnes City 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.

Brian Morris was director; president; 55% owner of Karnes City; and with Ronald Morris is responsible for the direction, management, and control of Karnes City.

USDA is an equal opportunity provider, employer, and lender. To file a complaint of discrimination, write: USDA, Director, Office of Civil Rights, 1400 Independence Ave., S.W., Washington, D.C. 20250-9410 or call (800) 795-3272(voice), or (202) 720-6382 (TDD).

Karnes City Auction, Inc.
Brian Morris
Ronald Morris
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Ronald Morris was director; secretary and treasurer; 45% owner of Karnes City; and with Brian Morris is responsible for the direction, management, and control of Karnes City.

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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