

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 51527 / April 12, 2005

ADMINISTRATIVE PROCEEDING
File No. 3-11894

PROCEEDINGS INSTITUTED AGAINST GATEWAY INTERNATIONAL HOLDINGS, INC. AND LAWRENCE A. CONSALVI

The Commission announced that it has instituted administrative and cease-and-desist proceedings against Gateway International Holdings, Inc. (Gateway), a publicly held company, and its president, Lawrence A. Consalvi (Consalvi), a California resident. In its Order Instituting Proceedings Pursuant to Sections 12(j) and 21C of the Securities Exchange Act of 1934 (Order), the Division of Enforcement (Division) alleges that Consalvi caused Gateway to fail to file mandatory periodic reports from early 2003 through the present.

The Division alleges that while its securities were registered with the Commission, Gateway failed to file two annual reports on Forms 10-K for the fiscal years ended September 30, 2003 and September 30, 2004, which were due to be filed on or before December 30, 2003 and December 30, 2004, and five quarterly reports on Forms 10-Q for the quarters ended March 31, 2003, June 30, 2003, December 31, 2003, March 31, 2004, and June 30, 2004, which were due to be filed on or before May 16, 2003, August 14, 2003, February 16, 2004, May 17, 2004, and August 14, 2004.

The Division further alleges that during his tenure as Gateway's president and chief executive officer, Consalvi has had responsibility for ensuring Gateway's compliance with its reporting obligations. As a result, the Division alleges that Gateway failed to comply with Section 13(a) of the Securities Exchange Act of 1934 (Exchange Act) and Rules 13a-1 and 13a-13 thereunder, and Consalvi caused Gateway's violations.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Gateway and Consalvi an opportunity to dispute these allegations, and to determine whether, pursuant to Section 21C of the Exchange Act, Consalvi should be ordered to cease and desist from causing violations of and any future violations of the foregoing provisions, and whether, pursuant to Section 12(j) of the Exchange Act, it is necessary and appropriate for the protection of investors to revoke or suspend for a period not exceeding twelve months the registration of each class of securities of Gateway registered pursuant to Section 12 of the Exchange Act. The Commission directed that an Administrative Law Judge issue an initial decision in this matter no later than 120 days from the date of service of the Order.