GIPSA Press

Release

GIPSA Release 29-12

United States
Department of
Agriculture

Grain Inspection, Packers and Stockyards Administration STOP 3601 1400 Independence Ave., SW Washington, D.C.

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GIPSA Alleges JLA, LLC, dba Marshall Livestock Auction and Carey Jones Violated the Packers and Stockyards Act

WASHINGTON, Feb. 2, 2012 – The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that JLA (JLA), LLC, doing business as Marshall Livestock Auction and Carey Jones (Jones), Marshall, Mo.:

- failed to properly maintain its Custodial Account for Shippers' Proceeds endangering the faithful and prompt accounting and the payment of portions due to the owners or consignors of livestock;
- failed to deposit in its custodial account amounts equal to the proceeds receivable from the sale of consigned livestock; whether or not such proceeds had been collected by the market agency; and
- misused its custodial account by: (1) using custodial funds to repay a line of credit; (2) transferring custodial funds to its general account; and (3) permitting the deduction of bank charges from the custodial account by withdrawing funds for a purpose other than for payment of the net proceeds to the consignor or shipper, or to any person that the market agency knows is entitled to payment, to pay lawful charges against the consignment of livestock which the market agency shall, in its capacity as agent, be required to pay, or to obtain any sums due the market agency as compensation for its services.

GIPSA filed a complaint against JLA and Jones on January 20, 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, JLA and Jones may be ordered to cease and desist from violating the Packers and Stockyards (P&S) Act, suspended, and assessed a civil penalty.

JLA 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.

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).

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Jones was 50% owner of JLA and responsible for the day-to-day management, direction, and control of JLA.

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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