

**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 190-12

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**GIPSA Alleges Southern Colorado Livestock Auction, Inc.,
and John R. Malouff, Jr., Violated the Packers and Stockyards Act**

WASHINGTON, July 20, 2012 – The U.S. Department of Agriculture’s Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that Southern Colorado Livestock Auction, Inc. (Southern Colorado Livestock), and John R. Malouff, Jr. (Malouff), Monte Vista, Colo.:

- failed to properly use and maintain its custodial account;
- had numerous outstanding checks drawn on their custodial account and had to offset such checks, resulting in a custodial account shortage; and
- failed to deposit in the custodial account, within the time prescribed by the regulations, an amount equal to the proceeds receivable for sales of consigned livestock.

GIPSA filed a complaint against Southern Colorado Livestock and Malouff on June 22, 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, Southern Colorado Livestock and Malouff may be ordered to cease and desist from violating the Packers and Stockyards (P&S) Act, suspended, and assessed a civil penalty.

Southern Colorado Livestock under the direction, management, and control of Malouff engaged in the business of conducting and operating Southern Colorado Livestock, a posted stockyard; and as a market agency selling consigned livestock on a commission basis in commerce; and is registered with the Secretary of Agriculture.

Malouff was president, sole owner, and responsible for the direction, management and control of Southern Colorado Livestock. Malouff also engaged in the business of conducting and operating Southern Colorado Livestock, a posted stockyard; and engaged in the business of a market agency selling consigned livestock on a commission basis in commerce.

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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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