



News Release

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Southern Colorado Livestock Auction, Incorporated and John R. Malouff, Jr. Have Been Assessed a \$8,250 Civil Penalty

WASHINGTON, June 16, 2017 – On May 25, 2017, the U.S. Department of Agriculture’s Grain Inspection, Packers and Stockyards Administration (GIPSA) entered into a Consent Decision with Southern Colorado Livestock Auction, Incorporated (Southern Colorado) and John R. Malouff, Jr. (Malouff), Monte Vista, Colo.

In the Consent Decision, an Administrative Law Judge ordered Southern Colorado and Malouff to cease and desist

- Failing to deposit in their Custodial Accounts for Shippers’ Proceeds by the close of the next business day after livestock is sold:
 - the proceeds from the sale of livestock that have been collected, and
 - any amount equal to the proceeds receivable from the sale of livestock due from the respondents, any other owner, officer or employee of the respondents, and any buyer to whom the respondents have extended credit as prescribed in section 201.42 of the Regulations (9 C.F.R. § 201.42);
- Failing to deposit in their Custodial Accounts for Shippers’ Proceeds:
 - all proceeds collected until the account has been reimbursed in full, and,
 - an amount equal to all the remaining proceeds receivable outstanding, whether or not respondents have collected the proceeds, before the close of the seventh day following the sale of livestock, as prescribed in section 201.42 of the Regulations (9 C.F.R. § 201.42);
- Failing to otherwise maintain their Custodial Accounts for Shippers’ Proceeds in strict conformity with section 201.42 of the Regulations (9 C.F.R. § 201.42); and
- Using funds received from the sale of consigned livestock 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.

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They were also assessed an \$8,250 civil penalty.

The Packers and Stockyards 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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