



Grain Inspection
Packers and
Stockyards Administration

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News Release

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High Plains Livestock, LLC, Portales, N.M. Suspended Four-Years in Settlement with GIPSA

WASHINGTON, Oct. 5, 2017 - On Sept. 8, 2017, High Plains Livestock, LLC, doing business as Producers Livestock Auction, Michael Flen, Calvin Parco, and Darcie Pareo (High Plains), Portales, N.M., a market agency and dealer, agreed to a four-year suspension of their market agency selling on commission. The suspension prohibits High Plains from operating any livestock auction market, including the livestock auction market owned by High Plains in Portales, N.M., during the four-year suspension period. In addition, High Plains was assessed a civil penalty of \$100,000 with \$90,000 held in abeyance. High Plains has paid the \$10,000 that was due immediately upon the execution of the consent decision.

U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) filed a complaint against High Plains on July 11, 2016. The complaint alleged that High Plains paid sellers of livestock based on altered scale tickets, failed to sell consigned livestock at the highest bid, and failed to properly maintain its Custodial Account for Shippers' Proceeds. To resolve the complaint, High Plains agreed to a four-year suspension of their market agency selling on commission and to cease and desist from the following:

1. When auctioning livestock, failing to sell livestock, to the highest bidder at the price announced in the ring;
2. Recording, or altering information, on scale tickets to inaccurately show purchase price;
3. Delivering accountings or invoices that fail to accurately reflect the cost of livestock of the true purchaser of livestock;
4. Failing to remit, when due, the full purchase price of livestock in strict conformity with section 201.43 of the Regulations (9 C.F.R. § 201.43);
5. Failing to properly maintain its Custodial Account for Shippers' Proceeds in strict conformity with the Packers and Stockyards (P&S) Act and section 201.42 of the Regulations (9 C.F.R. § 201.42); and

6. Using funds received from the sale of consigned livestock for any purpose other than those specifically permitted by section 201.42(d) of the Regulations (9 C.F.R. § 201.42(d)).

High Plains was also ordered to keep and maintain all scale tickets, purchase and sale invoices, balance sheets, income statements, monthly reconciliations and documents necessary to show purchases and payments for livestock and sales of livestock as fully and correctly disclose all transactions involved in the business. High Plains waived further procedure for the purpose of settling this proceeding and agreed to the entry of the Consent Decision. The Consent Decision became final and effective, and High Plains' four-year suspension began on Sept. 8, 2017.

The P&S Act is a fair trade practice and payment protection law. It promotes fair and competitive marketing environments for the livestock, meat, and poultry industries.

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