

# Monthly Columns

by Attorney General Jack Conway



**March 2011**

Like many Kentuckians, I was deeply troubled when I learned last fall that the nation's largest cattle brokerage, Eastern Livestock, had failed to pay hundreds of Kentucky cattlemen for livestock they sold to the company. Nationwide, nearly 800 producers are owed an estimated \$130 million.

More than 280 of Eastern Livestock's alleged victims live here in Kentucky. These are hard-working families who have lost millions of dollars after receiving cold checks from Eastern Livestock. The impact has been particularly painful on our smaller farmers, some of whom have lost tens of thousands of dollars. This money was needed to pay for farm equipment, mortgages, bills, taxes and even put food on the table. Kentucky farm families are hurting.

As Attorney General, I am doing everything I can to stand up for the interests of our farmers. Because there is an active investigation underway, I am limited in what I can share with the public about our efforts. If it is determined that Eastern Livestock's conduct is the result of deceptive or fraudulent business practices, I intend to seek every legal remedy available.

When the allegations against Eastern Livestock came to light in late 2010, I immediately directed staff members from my Office of Special Prosecutions, Department of Criminal Investigations and Office of Consumer Protection to look into this matter. My office was one of the first law enforcement agencies in the nation to begin an inquiry into this matter, and our efforts continue to date.

We are working closely with the FBI, United States Attorney's Office for the Western District, United States Department of Agriculture, Kentucky Department of Agriculture, the Kentucky State Veterinarian and the Kentucky Cattlemen's Association to investigate allegations that Eastern Livestock has swindled cattlemen across the country by perpetrating an alleged check-kiting scheme.

We are also continuing to work closely with Kentucky farmers directly affected by these events. Utilizing a hotline we established,

farmers have provided my office with valuable information that will assist in the investigation and any charges brought against Eastern Livestock. I appreciate their assistance and all they do for the Commonwealth of Kentucky.

If you or someone you know received a cold check from Eastern Livestock, you can call my office at 502-696-5300 or email [consumer.protection@ag.ky.gov](mailto:consumer.protection@ag.ky.gov).

Working together with our farmers, as well as state and federal law enforcement, we will get to the bottom of Eastern Livestock's actions and recover whatever money we can for Kentucky's farm families. Be assured, protecting one of Kentucky's most valuable resources, our farmers, is a top priority.

Jack Conway  
Attorney General