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USDA files action against New York company for \$188K

PACA violations

September 16, 2024

The U.S. Department of Agriculture has filed an administrative complaint against Marchella of NY Inc. for alleged violations of the Perishable Agricultural Commodities Act. The company, operating from New York, allegedly failed to make payment promptly to four produce sellers in the amount of \$188,706 from November 2021 through September 2022.

Marchella of NY Inc. will have an opportunity to request a hearing. Should USDA find that the company committed repeated and flagrant violations, it would be barred from the produce industry as a licensee for three years, or two years with the posting of a USDA-approved surety bond. Furthermore, its principals could not be employed by or affiliated with any PACA licensee for two years, or one year with the posting of a USDA-approved surety bond.

The PACA Division, which is in the Fair Trade Practices Program in the Agricultural Marketing Service, regulates fair trading practices of produce businesses that are operating subject to PACA, including buyers, sellers, commission merchants, dealers and brokers within the fruit and vegetable industry.

In the past three years, USDA handled more than 2,340 cases valued at \$126.3 million. PACA staff also assisted over 5,600 callers with issues valued at \$146.7 million.

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