## Pa. files multiple charges.against Scheps

SCRANTON - Attorney General LeRoy S. Zimmerman this week charged the owner of Scheps Cheese Co. with bilking 321 Pennsylvania dairy farmers, who were regular suppliers to a Wyoming County cheesemaking plant, out of \$3.6 million worth of milk.

The alleged scam, said Zimmerman, also resulted in at least 40 of the 321 farmers being forced to pay higher interest rates on mortgages or personal loans in order to save their homes after Benedict Scheps allegedly failed to forward their loan payments.

Zimmerman said his Bureau of Criminal Investigation was filing charges of writing bad checks, theft, theft by deception, theft by failure to make required disposition of funds received and deceptive business practices against Scheps.

Similar charges also were filed against Scheps Cheese Co. of Haledon, N.J., of which Scheps was the president, and Bradford County Farms, Inc., also controlled by Scheps and set up to acquire milk in order to produce cheese closer to Pennsylvania milk suppliers.

Both companies since July, 1983 have been in bankruptcy proceedings.

Aside from the bad-checks and theft charges, Zimmerman said Scheps will face charges that he failed to remit withheld personal income taxes.

Zimmerman said that Bradford County Farms, Inc., while buying milk from the 321 farmers, worked out a "milk assignment agreement" with 40 of them, under which the firm was to make direct loan payments on behalf of the

farmers to the federal Farmers Home Administration.

The agency never received those direct payments, totalling \$200,000; it found the farmers in arrears by at least three months and threatened to foreclose on their mortgages or take other legal action for failure to make timely payments on the loans.

## Pa. red meat decreases

said.

pounds, down 13 percent from Pennsylvania Crop and Livestock **Reporting Service.** 

Beef slaughter, at 92.4 million pounds liveweight, was down five

HARRISBURG - Penn- percent. Total head slaughtered sylvania's commercial red meat was 83,600, down three percent, production dressed weight basis and liveweight averaged 1,106 during August totaled 76.3 million pounds, a decrease of 21 pounds. Veal slaughter was 4.5 million August 1983, according to the pounds liveweight, down three percent. Calf slaughter, at 29,900 head, was up four percent, but the average liveweight decreased 11 pounds to 152 pounds.

In many cases, the farmers were

forced to pay higher interest rates

on their outstanding loans in order

to save their homes, Zimmerman

The Attorney General last

August issued an opinion authorizing the state Milk

Marketing Board to begin paying

farmers their share of a \$2.6

million appropriation set up to help offset financial losses suffered by the farmers.

That money, backed up by Zimmerman's legal opinion on the method by which it could be distributed, provided the farmers with a reimbursement of slightly more than 60 percent of their costs of supplying unpaid milk to the Scheps operation.

Hog slaughter at 33.7 million pounds liveweight, was down 24 percent from a year earlier. Total head slaughtered was 140,500, down 26 percent, while average liveweight increased nine pounds to 240 pounds. Lamb and mutton slaughter was 1.7 million pounds liveweight, up 43 percent. The number slaughtered was 17,200, up 38 percent and the average liveweight increased three pounds to 100 pounds.

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increased

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