



National Grain and Feed Association Arbitration Decision

www.ngfa.org | www.ngfa.org/decisions

1400 Crystal Drive, Suite 260
Arlington, VA 22202

P: (202) 289-0873
F: (202) 289-5388

December 9, 2024

CASE NUMBER 3124

PLAINTIFF: THE ANDERSONS, INC. MAUMEE, OH

DEFENDANT: SWEAZY FARMS, LLC, BLOOMFIELD, KY

FACTUAL AND PROCEDURAL BACKGROUND

The plaintiff, The Andersons, Inc., requested the entry of a default judgment in the amount of \$4,341,033.01 against the defendant, Sweazy Farms, LLC. The default judgment is granted for the reasons set forth below.

The plaintiff submitted an arbitration complaint dated March 16, 2023, to the National Grain and Feed Association (NGFA). The complaint alleged that the defendant failed to deliver on the following contracts for yellow corn and soybeans: P087239-01, P087239-03, P090111, P088764, P088781, P088940, P089531.

Acting upon the plaintiff's complaint, NGFA prepared an arbitration services contract and submitted it to the parties for execution. Both the plaintiff and defendant signed and returned the arbitration services contract, which specifically provides that the parties agree to submit this dispute to arbitration by NGFA and to comply with the NGFA Arbitration Rules.

The plaintiff submitted its First Argument on August 7, 2023, in accordance with NGFA Arbitration Rule 4.

On August 18, 2023, NGFA sent a letter along with a copy of the plaintiff's First Argument to the defendant requesting its Answer and reminding the defendant that its Answer was due twenty (20) days from the date the letter was received pursuant to Rule 4. A copy of this letter and the plaintiff's First Argument is attached. Federal Express confirmed this mailing was delivered to the defendant on August 22, 2023. Thus, the defendant's Answer was due on September 11, 2023. NGFA received no response from the defendant.

On October 17, 2023, an attorney contacted NGFA stating that he was inquiring about the status of the case on the defendant's behalf. No counsel had previously appeared on the defendant's behalf. NGFA informed counsel that the defendant had failed to submit an Answer.

At the request of the plaintiff, on March 12, 2024, NGFA sent a letter to the defendant's counsel confirming an answer was not submitted in this case. NGFA's letter also advised that the NGFA rules provided for a default judgment in these circumstances, and this appeared to be the next step for NGFA. Federal Express confirms this mailing was delivered on March 15, 2024.

To date, NGFA has not received any response or submission from the defendant.

DEFAULT JUDGMENT

Both the plaintiff and defendant executed and returned the arbitration services contract, thus agreeing to comply with all NGFA Arbitration Rules and procedures. The arbitration services contract specifically provides as follows:

The parties agree to comply with all NGFA Arbitration Rules including, but not limited to, those rules requiring the parties to advance approximate expenses when an oral hearing is requested. The parties agree that noncompliance with any NGFA Arbitration Rules may result in a default judgment.

Further, NGFA Arbitration Rule 4(I) provides as follows:

In addition to default judgments issued pursuant to Rule 2(E), where a plaintiff fails to file its first argument or a defendant fails to file its answer in accordance with the limits specified in this rule or by the NGFA Secretary, the delinquent party shall be deemed to be in default.

Pursuant to the terms of the arbitration services contract and NGFA Arbitration Rule 4(I), the NGFA Secretary finds that entry of default judgment against the defendant is proper and warranted.

NGFA Arbitration Rule 2(E) also states general provisions and conditions under which a party against whom a default judgment has been entered may request to vacate the default judgment. As applicable in this case – within 15 days of receipt of this default judgment – the defendant may request the judgment be vacated and submit its Answer to the plaintiff's First Argument in compliance with the Arbitration Rules.

THE AWARD

THEREFORE, IT IS ORDERED THAT:

1. The plaintiff is awarded judgment against the defendant for \$4,341,033.01.
2. Interest on the judgment shall accrue at the statutory rate available for judgments in the applicable jurisdiction from this date until paid in full. This award is not intended to preclude the plaintiff from pursuing an additional award for interest, legal fees or costs in a court of law.

Dated: October 9, 2024*

NATIONAL GRAIN AND FEED ASSOCIATION

* On October 9, 2024, NGFA entered the default judgment against the defendant. The defendant was advised regarding the procedures for applying to vacate the default judgment, but the defendant did not apply to vacate the default judgment.