



National Grain and Feed Association Arbitration Decision

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September 23, 2022

CASE NUMBER 2879

**PLAINTIFF: CONSOLIDATED GRAIN AND BARGE CO.
JEFFERSONVILLE, IN**

**DEFENDANT: DAVID SQUIRES
CENTERVILLE, IN**

STATEMENT OF THE CASE

The parties in this case, Consolidated Grain and Barge Co. (CGB) and David Squires (Squires), entered into Purchase Contract No. 0468146, dated July 23, 2020, for 20,000 bushels of #2 yellow corn at \$3.50 per bushel “Delivered Andersons-Greenville for account of CGB.”

Squires delivered the contracted quantity directly to The Andersons elevator in Greenville, OH, but the detail of designating the corn for CGB’s account was missed and lost in the process. Between the time the corn was to have been delivered and any payment was to have been made under the contract, conversations took place between the parties whereby CGB inquired with Squires about the status of delivering the corn. CGB concluded from these conversations that delivery was not going to occur under the contract, and CGB elected to cancel the contract. CGB sent out an amendment to Squires on September 11, 2021, indicating the contract had been cancelled at the contract price “with no exchange of funds (NEF).” After receiving this amendment, Squires received payment for the corn directly from The Andersons. On September 22, 2021, CGB created an invoice for \$7,000 that CGB claims is the fair market value used in its cancellation of the contract.

CGB claims Squires failed to identify CGB on the delivered corn and indications from Squires were that he did not intend to deliver on the contract. CGB is asking for \$7,000 for market valuation, \$750 for the NGFA Arbitration Services fee and \$1,750 in legal fees.

Squires claims he did deliver the grain as directed under the contract and did tell his carrier to inform The Andersons that the corn was for CGB. Squires received the amendment from CGB indicating the contract with CGB was cancelled at no cost to him, and that it was after receiving this amendment from CGB that Squires was paid by The Andersons for the corn. Squires also claims he took less money for the loads than was originally contracted and believed that was his only means of being paid for the bushels. Squires is asking the case to be dismissed with no damages awarded.

THE DECISION

The committee rules unanimously in favor of Squires based upon several factors: Squires did deliver the corn to The Andersons per the contract; however, the account information was missed. Nowhere is it indicated that CGB sought credit from The Andersons or that the receipts be changed. Rather, CGB chose to cancel the contract and send out an amendment that clearly stated it was cancelled at the contract price and no funds were exchanged. The invoice for the market difference was not generated

until September 22, 2021, which then indicated there was a market difference. It is the arbitrators' opinion that this market valuation difference should have been clearly communicated with Squires expressly stating the market valuation, cancellation fees and invoice details that would be accompanying the contract cancellation that was being sent. Given the amendment was sent cancelling the contract at no cost to Squires, the arbitrators conclude that Squires is no longer legally bound by that contract.

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| THE AWARD |
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No damages are awarded in this case.

Decided: August 16, 2022

SUBMITTED WITH THE UNANIMOUS CONSENT OF THE ARBITRATORS, WHOSE NAMES APPEAR BELOW:

Kent Hamm, *Chair*
General Manager
The DeLong Co., Inc.
Minooka, IL

Dan Wegner
Commodities Manager
United Wisconsin Grain Producers LLC
Friesland, WI

Carrie Williams
Merchandising Manager
AgMark LLC
Concordia, KS