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NEWS FOR IMMEDIATE RELEASE

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Cheese Factory Owner Pleas Guilty and Sentenced to Felony Theft for Stealing More Than \$20,000 from 83 Farmers

WISCONSIN RAPIDS, Wis. – Attorney General Josh Kaul today announced that Michael J. Moran, owner of Wisconsin Dairy State Cheese Company, pleaded guilty to felony theft from more than 80 farmers in Wood County and was sentenced to one year of probation, 100 hours of community service, and nearly \$10,000 in fines and other costs. On January 28, 2020, Moran was charged with one count of felony theft.

“I’m proud of the work Wisconsin Department of Justice did to get justice for these hard-working Wisconsinites,” said AG Kaul. “This case has ensured that 83 farmers got the money they were owed and hopefully will deter future theft from Wisconsin dairy farmers.”

Moran pre-paid restitution in the amount of \$21,250.97, which the state agrees is the correct amount. This money has been paid to the clerk of courts, which will distribute the restitution to the victims. Moran understands there are surcharges related to the restitution. The Wisconsin Department of Justice (DOJ) Office of Crime Victims Services (OCVS) will provide the clerk with assistance as needed with regard to the victims and ensuring all victims receive their payment.

The state and Moran jointly recommend to the court a sentence including a \$5,000 fine, plus all applicable fees, costs, and surcharges, at a minimum totaling 9,442.65. The court also added one year of probation and 100 hours of community service.

Farmers provide milk to Moran’s business, Dairy State Cheese Company in Rudolph, Wis. The complaint alleged that Moran forged the names of farmers on underpayment

checks and converted the funds for his own use or the use of others. Processors, such as cheese plants, write underpayment checks to producers, such as dairy farmers, when the U.S. Department of Agriculture (USDA) sets the price of milk higher than what a processor initially paid for the milk. USDA auditors determine the amount of underpayment and order processors to issue the underpayment checks.

The complaint claimed that after the defendant would forge the payees' signatures on the back of the checks, he would then place them in the cash register at the cheese store thereby converting them for his own use, all without the consent of the payees. The checks from the register would then be taken together to the bank at the end of the week and deposited.

Approximately 83 milk producers are reported to have been victimized. The total loses for these 83 milk producers amounts to \$21,250.97. Of the victims, 21 are over 60 years old.

This case was prosecuted by the DOJ Division of Legal Services (DLS) Criminal Litigation Unit Assistant Attorney General Dan Lennington. The investigation was led by the DOJ Division of Criminal Investigation, with assistance from the USDA Office of Inspector General. OCVS assisted victims.

A criminal complaint is attached.