IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION

Securities and Exchange Commission,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Case No. 4:08-cv-00677-GAF
	)	
Warren B. Schmidgall and	)	
David E. Watson,	)	
	)	
Defendants.	)	

COMPLAINT

Plaintiff Securities and Exchange Commission ("Commission" or "SEC") for its complaint alleges as follows:

I. INTRODUCTION

1) This is an SEC enforcement action based upon fraudulent misstatements in financial statements filed with the SEC and disseminated to the investing public by a publicly traded company, American Italian Pasta Company ("AIPC") from the company's fiscal year 2002 through the second quarter of the company's fiscal year 2004. The named defendants are two former officers of AIPC who participated in and directed the fraudulent scheme. As a result of the scheme, AIPC's reported quarterly pre-tax net income was fraudulently overstated during the time period alleged in the complaint by as much as 219 percent, and its earnings per share by as much as 220 percent. The SEC seeks injunctive relief, disgorgement, penalties, and other relief against the defendants based upon their participation in the fraudulent scheme.