

(2) Engaged in the business of a market agency buying livestock in commerce on a commission basis; and

(3) Not registered as a dealer or market agency with the Secretary of Agriculture.

II.

On September 18, 2007, Respondent received written notification from the Packers and Stockyards Program that he was operating subject to the Act and that he was required to register and to obtain a bond or bond equivalent as required by the Act and regulations. Notwithstanding such notice, Respondent has continued to engage in the business of a dealer buying and selling livestock in commerce, and the business of a market agency buying livestock on a commission basis, without maintaining an adequate bond or bond equivalent as required by the Act and the regulations.

III.

(a) On or about the dates and in the transactions set forth below, Respondent purchased livestock on a commission basis and failed to provide his customer, on whose behalf Respondent was procuring the livestock, with a true or accurate written account of the purchases. Specifically, in each transaction set forth below, Respondent manipulated the price of livestock that he purchased for a customer by creating false auction market invoices.

Date Purchased	Date Invoiced to Principal	Total Head	Total Traceable Head ¹	Price Increase Over Actual Purchase Price for Traceable Head	Amount of Buyer Commission Charged
09/22/2008	09/23/2008	43	43	\$261.54	\$43.00
09/29/2008	09/29/2008	37	16	\$86.00	\$50.00
10/06/2008	10/07/2008	22	13	\$40.00	\$55.00
10/13/2008	10/13/2008	47	46	\$182.20	\$100.00
10/20/2008	10/21/2008	63	63	\$182.75	\$125.00
10/27/2008	10/28/2008	48	39	\$286.23	\$100.00
11/01/2008 & 11/03/2008	11/03/2008	112	96	\$384.80	\$225.00
11/17/2008 & 11/24/2008	11/24/2008	80	34	\$159.50	\$125.00
12/01/2008	12/02/2008	35	15	\$53.00	\$50.00
Totals:		487	365	\$1,636.02	\$873.00

(b) In each of the transactions set forth above, the principal, on whose behalf Respondent was procuring the livestock on a commission basis, was unaware of the fact that the auction market invoices that had been provided by Respondent, purportedly to show the price at which the animals had been purchased, were false or that the actual purchase price of the animals had been inflated by Respondent.

(c) In addition to manipulating prices through false invoices, Respondent also purchased livestock on a commission basis without disclosing that the livestock had been purchased at auction from his own consignments.

IV.

By reason of the facts alleged in paragraph II herein, Respondent has willfully violated section 312(a) of the Act (7 U.S.C. §§ 213(a)) and sections 201.29 and 201.30 of

¹ "Traceable head" are animals that could be traced back to the initial, actual purchase by Respondent through tags or other identification. In the case of traceable head, the actual purchase prices paid by Respondent could be compared to the invoice prices that were generated by Respondent for a customer.

the regulations (9 C.F.R. §§ 201.29, 201.30) by engaging in operations subject to the Act without maintaining an adequate bond or bond equivalent.

By reason of the facts alleged in paragraph III herein, Respondent has willfully violated sections 312(a) the Act (7 U.S.C. § 213(a)) and section 201.44 of the regulations (9 C.F.R. § 201.44).

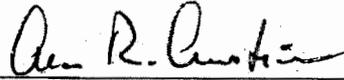
WHEREFORE, it is hereby ordered that this Complaint shall be served upon Respondent for the purpose of determining whether Respondent has willfully violated the Act. Respondent shall file an answer with the Hearing Clerk, United States Department of Agriculture, Washington, D.C. 20250, in accordance with the Rules of Practice governing proceedings under the Act (7 C.F.R. § 1.130 et seq.). Failure to file an answer shall constitute an admission of all the material allegations in this Complaint.

Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration, requests:

1. That unless Respondent fails to file an answer within the time allowed therefore, or files an answer admitting all the material allegations in this Complaint, this proceeding be set for oral hearing in accordance with the Rules of Practice governing proceedings under the Act; and
2. That such order or orders be issued requiring Respondent to cease and desist from the violations found to exist and assessing such civil penalties as are authorized by the Act and warranted under the facts and circumstances of this case.

Done at Washington, D.C.

this 9 day of January 2012



Alan R. Christian
Deputy Administrator
Packers and Stockyards Program

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