

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

10/10/10
11:35

In re:) P & S Docket No. 13- 0134
)
Perkins Livestock, LLC,)
and Robb Taylor,)
)
Respondents) Complaint

There is reason to believe that the Respondents named herein have willfully violated the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 et seq.) (Act) and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201.1 et seq.) (Regulations) and, therefore, this complaint is issued alleging the following:

I.

(a) Perkins Livestock, LLC, hereinafter referred to as Respondent Perkins, is a limited liability company organized under the laws of the State of Oklahoma with a mailing address of PO Box 436, Perkins, Oklahoma 74059.

(b) Respondent Perkins, under the direction, management, and control of Respondent Robb Taylor, is, and at all times material herein was:

- (1) Engaged in the business of conducting and operating Perkins Livestock, LLC, a stockyard posted under and subject to the provisions of the Act;
- (2) Engaged in the business of a market agency selling livestock in commerce on a commission basis; and
- (3) Registered with the Secretary of Agriculture as a market agency to sell livestock in commerce on a commission basis.

(c) Robb Taylor is an individual whose mailing address is PO Box 436, Perkins, Oklahoma 74059.

(d) Respondent Robb Taylor is, and at all times material herein was:

- (1) Sole member of Respondent Perkins;
- (2) Owner of 100% of Respondent Perkins;
- (3) Registered agent of Respondent Perkins; and
- (4) Responsible for the direction, management, and control of Respondent Perkins.

(e) Respondent Robb Taylor is, and at all times material herein was:

- (1) Engaged in the business of conducting and operating Perkins Livestock, LLC, a stockyard posted under and subject to the provisions of the Act; and
- (2) Engaged in the business of a market agency selling livestock in commerce on a commission basis.

II.

(a) On November 25, 2008, the Grain Inspection, Packers and Stockyards Administration (GIPSA) sent a Notice of Violation (NOV) via certified mail to Respondents. The NOV was delivered on or about December 1, 2008. The NOV informed Respondents, among other things, that Respondent Perkins had a shortage in its custodial account for shippers' proceeds (custodial account) of \$7,195.17, \$34,350.06, and \$37,736.86 as of June 30, 2008, August 29, 2008, and September 30, 2008, respectively. The NOV informed Respondents that the shortage was caused, in part, by Respondents' failure to timely reimburse the custodial account for unpaid buyer payments. The NOV further informed Respondents that operating with a custodial account shortage is a violation of sections 307 and 312(a) of the Act (7 U.S.C. §§

208, 213(a) and section 201.42 of the Regulations (9 C.F.R. § 201.42), and that failure to comply with the Act and the Regulations would result in appropriate disciplinary action.

(b) On September 13, 2010, Respondents and GIPSA entered into a Civil Penalty Stipulation Agreement (Agreement) to resolve, among other things, additional findings that Respondents had custodial account shortages on November 15, 2009, and January 24, 2010. The Agreement assessed a civil penalty against Respondents in the amount of \$5,750.00.

III.

Respondent Perkins, under the direction, management, and control of Respondent Robb Taylor, on May 26, 2011, and again on October 6, 2011, failed to properly use and maintain its custodial account, thereby endangering the faithful and prompt accounting of shippers' proceeds and the payments due the owners or consignors of livestock, in that:

(a) As of May 26, 2011, Respondents had outstanding checks drawn on their custodial account in the amount of \$186,785.27, and had, to offset such checks, a bank balance in the custodial account of \$33,352.79, current proceeds receivable in the amount of \$55,432.50, with no deposits in transit, resulting in a custodial account shortage in the amount of \$97,999.98.

(b) As of October 6, 2011, Respondents had outstanding checks drawn on their custodial account in the amount of \$444,858.44, and had, to offset such checks, a bank balance in the custodial account of \$63,491.89, deposits in transit of \$36,703.12, and current proceeds receivable in the amount of \$269,750.40, resulting in a custodial account shortage in the amount of \$74,913.03.

(c) The custodial account shortages described herein were due, in part, to Respondents' failure to reimburse the custodial account for Respondent Robb Taylor's purchases and for livestock purchases made by buyers who had not paid by the close of the seventh business day following the sale of the livestock.

IV.

By reason of the facts alleged in paragraphs II and III, Respondents willfully violated sections 307 and 312(a) of the Act (7 U.S.C. §§ 208, 213(a)) and section 201.42 of the Regulations (9 C.F.R. § 201.42).

WHEREFORE, it is hereby ordered that this complaint shall be served upon the Respondents for the purpose of determining whether Respondents willfully violated the Act and the Regulations. Respondents shall have twenty (20) days after receipt of this complaint in which to file an answer with the Hearing Clerk, Room 1031-South Building, United States Department of Agriculture, 1400 Independence Avenue, SW., Washington, DC 20250-9200, in accordance with the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. § 1.130 et seq.) (Rules of Practice). Allegations not answered shall be deemed admitted for the purpose of this proceeding. Failure to file an answer will constitute an admission of all the material allegations of this complaint.

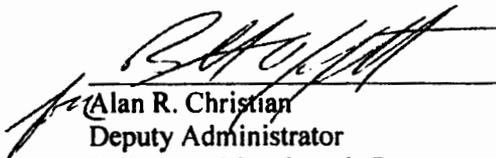
The Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration requests:

1. That unless Respondents fail to file an answer within the time allowed, or file an answer admitting all the material allegations of this complaint, this proceeding be set for oral hearing in accordance with the Rules of Practice; and

2. That such order or orders be issued, including an order requiring Respondents to cease and desist from the violations of the Act found to exist, suspending Respondents as registrants under the Act, and assessing such civil penalties against Respondents, jointly and severally, as are authorized by the Act and warranted under the circumstances.

Done at Washington, D.C.

this 26th day of December, 2012



Alan R. Christian
Deputy Administrator
Packers and Stockyards Program

Leah C. Battaglioli
Attorney for Complainant
Marketing, Regulatory, and Food Safety Programs Division
Office of the General Counsel
United States Department of Agriculture
Room 2309, Stop 1413
1400 Independence Ave., SW.
Washington, DC 20250
Phone: (202) 720-5191
Fax: (202) 690-1539
Email: leah.battaglioli@ogc.usda.gov