

UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

6-10-07  
1:07

In re: ) P & S Docket No. D- 10 - 0013  
)  
)  
Randy Freeman, )  
)  
Respondent )  
) Complaint

There is reason to believe that Randy Freeman (hereinafter "Respondent") has willfully violated the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 et seq.; hereinafter referred to as the "Act"), and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201.1 et seq.; hereinafter referred to as the "Regulations"). Therefore, this complaint is issued alleging the following:

I.

(a) Respondent is an individual proprietor whose mailing address is P.O. Box 572, Ben Franklin, TX 75415.

(b) At all times material herein, Respondent engaged in the business of a dealer buying and selling livestock in commerce for his own account and as a market agency selling on a commission basis.

(c) Respondent registered with the Secretary of Agriculture as a dealer and market agency on or about September 6, 1988.

II.

On July 27, 2007, the Packers and Stockyards Program notified Respondent that based on records of dealer purchases conducted during an investigation of Respondent, Respondent's bond was required to be increased from \$25,000.00 to \$80,000.00. Respondent was also notified

that the Packers and Stockyards program believed Respondent to be in violation of 9 C.F.R. §§ 201.29 and 201.30 for operating with inadequate bond. Respondent was further notified that the Packers and Stockyards program believed that Respondent was failing to maintain adequate business records in accordance with section 401 (7 U.S.C. § 221) of the Act. Finally, Respondent was notified that continued violations of the Act could result in the filing of a complaint against Respondent and in appropriate sanctions, including an order to cease and desist from the unlawful conduct, civil penalties of up to \$11,000 per violation, and suspension of registration, if Respondent was found after opportunity for hearing to have violated the Act.

### III.

Notwithstanding the notice to Respondent that he must increase his bond coverage from \$25,000.00 to \$80,000.00 in order to lawfully operate subject to the Act, Respondent engaged in the business of purchasing livestock in commerce between April 2008 and June 2008 without obtaining the necessary bond coverage increase, and therefore without maintaining an adequate bond as required by the Act and the Regulations.

### IV.

Respondent failed to keep such records as fully and correctly disclosed all transactions involved in its business in that he failed to maintain current balance sheets, accounts receivable and payable ledgers, lists of all cattle purchased and sold, load make up records for livestock purchases and sales, cancelled checks and/or check images, deposit slips, invoices, credit agreements, purchase and sale contracts, scales tickets, and trucking/freight records.

### V.

By reason of the facts alleged in paragraphs II and III, Respondent has engaged in operations subject to the Act without maintaining an adequate bond or bond equivalent and has

willfully violated section 312(a) of the Act (7 U.S.C. § 213(a)), and sections 201.29 and 201.30 of the Regulations (9 C.F.R. §§ 201.29, 201.30).

By reason of the facts alleged in paragraph IV herein, Respondent has willfully violated section 401 of the Act (7 U.S.C. § 221).

WHEREFORE, this complaint shall be served upon Respondent for the purpose of determining whether Respondent has willfully violated the Act and Regulations. Respondent shall have twenty (20) days after receipt of this complaint in which to 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.; “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, GIPSA, requests:

1. That unless Respondent fails to file an answer within the time allowed, or files 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 Respondent to cease and desist from the violations of the Act found to exist, requiring that Respondent not engage in operations subject to the Act unless or until he is bonded as required by 7 U.S.C. § 204 of the Act and assessing such civil penalty, as authorized by the Act and warranted in the premises.

Done at Washington, D.C.

this 15 day of October, 2009



Alan R. Christian  
Deputy Administrator,  
Packers and Stockyards Program



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