

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:) P & S Docket No. D-10- 0047
Joe U. Ambrose, Jr.)
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)
)
Respondent) Complaint

There is reason to believe that the Respondent named herein has willfully violated the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 et seq.; hereinafter "Act"), and, therefore, this complaint is issued alleging the following:

I.

(a) Joe U. Ambrose, Jr. (hereinafter "Respondent") is an individual whose mailing address is in the State of California. In order to protect the personal privacy of Respondent, this complaint does not include Respondent's address, but Complainant will provide the address to the Hearing Clerk so that service might be effected.

(b) At all times material herein, Respondent was:

- (1) Engaged in the business of buying and selling livestock in commerce as a dealer for his own account;
- (2) Engaged in the business of a market agency buying livestock in commerce on a commission basis;
- (3) Registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce for his own account; and
- (4) Registered with the Secretary of Agriculture as a market agency to buy livestock in commerce on a commission basis.

II.

Respondent, in connection with his operations subject to the Act, on or about the dates and in the transactions set forth in Appendix A and incorporated herein by reference, failed to pay the full amount of the purchase price for livestock within the time period required by the Act, with the total amount remaining unpaid of \$352,811.43 as of November 2, 2009.

III.

By reason of the facts alleged in paragraph II, Respondent has willfully violated sections 312(a) and 409 of the Act (7 U.S.C. §§ 213(a), 228b).

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 and the Regulations. Respondent 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, S.W., Washington, D.C. 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.*; hereinafter "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 (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, suspending Respondent as a registrant under the Act, and assessing such civil penalties against Respondent as are authorized by the Act and warranted in the circumstances.

Done at Washington, D.C.

this 30 day of November, 2009



Alan R. Christian
Deputy Administrator
Packers and Stockyards Program

Leah C. Battaglioli
Leah C. Battaglioli
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Appendix A

Joe U. Ambrose, Jr. - Schedule of Failure to Make Timely Payment for Livestock

Seller	Purchase Date	Date Payment Due Per 409(a)	Number of Head	Livestock Amount	Payment Method	Date Paid	Amount Paid	Balance Owed for Livestock Amount	Days Late			
Western Stockman's Market Famoso, California	10/13/08	10/20/08	313	\$115,162.56	Check	10/21/08 ^a	\$38,387.52		Not fully paid			
					Check	03/12/09 ^b	\$10,000.00					
					Check	04/21/09	\$2,000.00					
					Check	06/29/09	\$2,000.00					
					Check	09/18/09	\$2,000.00	\$60,775.04				
	10/18/08	10/25/08	338	\$129,778.69	Check	11/13/08 ^a	\$18,633.75	\$111,144.94	Not fully paid			
Templeton Livestock Market Templeton, California	10/11/08	10/13/08	6	\$1,561.20	Check	10/20/08	\$1,660.10 ^a		7			
Visalia Livestock Market Visalia, California	10/29/08	10/30/08	238	\$91,116.98	Cashier's Check	11/17/08 ^c	\$45,558.49	\$45,558.49	Not fully paid			
	11/12/08	11/13/08	307	\$106,618.33	3 Head Resold ^d	11/19/08	\$1,046.24		Not fully paid			
					9 Head Resold	11/19/08	\$1,767.18					
					58 head Resold	12/03/08	\$9,902.28					
					45 Head Resold	12/04/08	\$12,011.94					
					23 Head Resold	12/06/08	\$2,370.39					
					7 Head Resold	12/10/08	\$728.49					
					14 Head Resold	03/11/09	\$4,791.77					
					2 Head Resold	03/25/09	\$550.90					
					107 Head Resold	03/25/09	\$48,366.40					
					21 Head Resold	03/26/09	\$7,000.00					
				Check	04/21/09 ^e	\$2,000.00	\$16,082.74					
Producers Livestock Marketing Association Madera, California	10/14/08	10/21/08	152	\$58,732.65	Cash	12/12/08 ^{b,*}	\$3,000.00		112			
							\$55,732.65					
	11/04/08	11/11/08	146	\$56,058.08			\$56,058.08		91			
	11/11/08	11/18/08	109	\$45,080.78	Cashier's Check ^f	03/10/09 ^{e,*}	\$45,080.78		84			
11/18/08	11/25/08	132	\$46,132.31			\$46,132.31		77				
Escalon Livestock Market, Inc. Escalon, California	11/10/08	11/11/08	99	\$27,334.23	Check	01/08/09 ^{b,*}	\$27,334.23		58			
Overland Stockyard Hanford, California	03/12/09	03/13/09	128	\$59,114.51	Various Methods	From approximately 4/23/09 through 10/30/09 ^g						
	03/16/09	03/17/09	52	\$26,794.33								
	03/19/09	03/20/09	55	\$14,399.69								
	03/23/09	03/24/09	5	\$1,875.63								
	03/30/09	03/31/09	8	\$4,186.35								
	04/02/09	04/03/09	6	\$2,884.95								
	04/09/09	04/10/09	8	\$1,190.25								
	04/30/09	05/01/09	83	\$17,508.26								
	05/04/09	05/05/09	1	\$514.50								
	05/07/09	05/08/09	25	\$9,747.81								
	05/14/09	05/15/09	115	\$24,059.25								
	08/03/09	08/04/09	4	\$1,400.45								
	08/24/09	08/25/09	1	\$18.00								
	09/14/09	09/15/09	1	\$917.85								
	10/12/09	10/13/09	1	\$676.78								
	TOTALS			493			\$165,288.61				\$46,038.39	\$119,250.22 ^h
	TOTALS			2,333			\$842,864.42				\$490,151.89	\$352,811.43

^a Date check cleared Respondent's account.

^b Date check deposited.

^c Check date.

^d 289 out of the 307 head of cattle were resold. The remaining 18 cattle died.

^e Date check received.

^f Cashier's check number 2424004729 was issued in the amount of \$204,000.00. The difference between the check amount and the livestock balance due was likely for interest.

^g The difference between the check amount and the livestock balance due was likely for commission and interest. Respondent made an additional check payment on October 27, 2008, in the amount of \$479.58, which was likely for interest or for the balance due on the account.

^h Overland Stockyard maintains a "Statement of All Accounts" for Respondent. Some payments were applied to specific purchases and other payments were applied to the account balance. Due to the complicated nature of the market's method of accounting and the large number of payments made, the chart summarizes the payments instead of listing them individually and applying them to a specific purchase.

ⁱ Balance due as reported by Overland Stockyard.