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UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

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In re:)	P & S Docket No. D-11- 0111
)	
Superior Livestock Auction, Inc.)	
)	
Respondent)	Complaint

There is reason to believe that the Respondent named herein has willfully violated provisions of 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," and therefore, this Complaint is issued alleging the following:

I

- (a) Superior Livestock Auction, Inc., ("Respondent") is a corporation organized and existing under the laws of the State of Nevada, whose business mailing address is P.O. Box 38, Brush, CO 80723.
- (b) Respondent, at all times material herein, was:
 - (1) Engaged in the business of buying and selling livestock in commerce for its own account as a market agency; and
 - (2) Registered with the Secretary of Agriculture as a market agency selling livestock on commission.

II

(a) In January 2008 the Packers and Stockyards Program (the "P&SP") conducted a trade practices review of video and internet auctions including those of the Respondent. As a result of the January 2008 compliance review, on May 20, 2008 the P&SP Western Regional Office sent a Notice of Violation to the Respondent citing violations of sections 312(a) and 401 of the Act, and sections 201.71(b), 201.71(d) and 201.72(a) of the Regulations. P&SP investigators reviewed a total of 49 transactions from August 2008 through November 2008 to determine if the Respondent corrected the violations cited in the May 20, 2008, Notice of Violation. Of the 49 transactions reviewed, 9 (18.36%) were transactions in which uncertified and untested scales were used, and 1 (2%) was a transaction in which the scale test record was not maintained or made available.

(b) On or about the dates and in the transactions listed below, Respondent used scales to weigh livestock that were uncertified and untested in that the scales had not been tested at least twice during the calendar year at intervals of six months:

Lot Number	Weigh Date	Last Date Scale Tested	Days Between Weigh Date and Test Date	Seller & Location	Scale Location	Number of Head of Cattle	Invoice Total
6419B	10/23/08	1/1/01	2,852	Brooks & Melissa Cameron, Williams, AZ	Blair Ranch, Williams, AZ	91	\$45,333.31
7008	11/24/08	1/7/08	322	Scott Davison,	Rusty's Fertilizer,	77	\$41,485.93

Lot Number	Weigh Date	Last Date Scale Tested	Days Between Weigh Date and Test Date	Seller & Location	Scale Location	Number of Head of Cattle	Invoice Total
				Funk, NE	Inc., Elm Creek, NE		(See C5)
8502	10/16/08	9/25/07	387	Terry Lovitt, Arnold, NE	Allpoints Coop, Arnold, NE	120	\$62,358.34
10317	9/16/08	2/12/09 ¹	149	J Bar H Cattle Co., Hereford, TX	J Bar H Cattle, Hereford, TX	105	\$54,388.02
10349	10/10/08	3/15/07	575	Everett Brothers, Breckenridge, TX	Everett Brothers, Woodson, TX	82	\$55,617.94
10737	9/29/08	6/30/07	457	Jay Wade Johnson, Happy, TX	C&R Land & Cattle, Happy, TX	67	\$50,729.60
10850	10/28/08	1/21/08	281	Glen Easter, Princeton, MO	South Central CoOp, Lamoni, IA	108	\$98,677.00
10900	11/12/08	9/12/07	427	Ed Zabrisky, Howard, CO	Trails End Ranch, Hillside, CO	84	\$56,081.27
7274B	10/22/08	9/20/07	398	Smith Ranches, Ramah, CO	Hank Smith Ranches, Ramah, CO	90	\$56,426.63

¹ No record of scale test prior to weighment; test record provided for test after transaction.

III

Respondent failed to maintain and furnish upon request a scale test and inspection report for its scale located at Blair Ranch in Williams, Arizona in violation of section 202.72(b) of the Regulations (9 C.F.R. 201.71(d)).

IV

Respondent, in connection with his operations subject to the Act, failed to keep and maintain records which fully and correctly disclosed all the transactions involved in his business as a market agency as required by section 401 of the Act (7 U.S.C. § 221). Specifically, Respondent failed to keep and maintain accurate weight sheets that disclosed the name and location of scales where Respondent weighed livestock, the dates of weighment, names of buyers and sellers, number of head, description of livestock, and actual weight of each draft.

IV

By reason of the facts alleged in paragraphs II and III herein, Respondent has willfully violated section 312(a) and 401 of the Act (7 U.S.C. 213(a) and 221) and sections 201.71(d), 201.72(a) and 202.72(b) of the Regulations (9 C.F.R. 201.71(d), 201.72(a) and 202.72(b)).

By reason of the facts alleged in paragraph IV, Respondent has willfully violated section 312(a) of the Act (7 U.S.C. § 213(a)), by failing to keep and maintain records that fully and correctly disclosed all transactions involved in his business as required by section 401 of the Act (7 U.S.C. § 221):

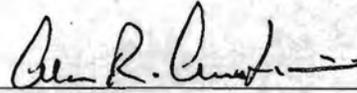
WHEREFORE, it is hereby ordered that this complaint shall be served upon Respondent for the purpose of determining whether the Respondent has willfully violated

the Act and the regulations issued thereunder. 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 shall constitute an admission of all the material allegations of this complaint.

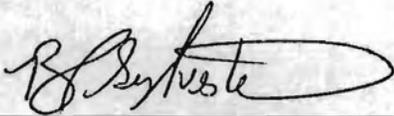
The Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), requests:

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 accord with the Rules of Practice governing proceedings under the Act.
2. That such order or orders be issued, including an order requiring Respondent to cease and desist from the violations of the Act with respect to the matters alleged herein, and assessing such penalties as are authorized by the Act and warranted under the circumstances.

Done at Washington, D.C.
this 23 day of December 2010



Alan R. Christian
Deputy Administrator
Packers and Stockyards Program



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