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UNITED STATES DEPARTMENT OF AGRICULTURE- 57

BEFORE THE SECRETARY OF AGRICULTURE

In re:	)	P & S Docket No. D-11- 0213
Richard L. Reece,	)	
	)	
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 therefore, this Complaint is issued alleging the following:

I

- (a) Richard L. Reece, hereinafter referred to as Respondent, is an individual whose mailing address is 604 Nile Kinnick Drive, Adel, Iowa 50003.
- (b) Respondent is and, at all times material herein, was:
  - (1) Engaged in the business of buying livestock in commerce for his own account as a dealer and as a market agency buying on commission; and
  - (2) Registered with the Secretary of Agriculture as a dealer within the meaning of and subject to the provisions of the Act.

II

- (a) On or about the dates and in the transactions listed below, Respondent purchased livestock and failed to pay, within the time period required by the Act, the full purchase price of such livestock:

Purchase Date	Livestock Seller	No. of Head	Purchase and Payment Amount	Date Payment Due per § 409(a)	Deposit Date	Payment Amount	Number of Days Late
5/16/09	Colfax Livestock Sales	233	\$23,090.57	5/18/09	6/4/09	\$23,090.57	17
5/30/09	Colfax Livestock Sales	405	\$38,134.63	6/1/09	8/1/10 - 3/31/11	\$13,942.15*	427 - 669
6/27/09	Colfax Livestock Sales	393	\$38,445.13	6/29/09	7/11/09	\$27,834.75	12
					7/18/09	\$6,735.81	19
					8/1/10 - 3/31/11	\$3,874.57**	398 - 640
					<b>Total</b>	\$38,445.13	
7/25/09	Colfax Livestock Sales	513	\$52,392.72	7/27/09	7/30/09	\$20,000.00	3
					8/1/09	\$12,392.72	5
					8/6/09	\$15,000.00	10
					8/1/10 - 3/31/11	\$5,000**	371 - 613
					<b>TOTAL</b>	\$52,392.72	
9/19/09	Colfax Livestock Sales	515	\$54,433.17	9/21/09	9/28/09	\$6,433.17	7
					9/29/09	\$32,000.00	8
					9/30/09	\$16,000.00	9
					<b>TOTAL</b>	\$54,433.17	
9/26/09	Colfax Livestock Sales	506	\$56,510.00	9/28/09	10/3/09	\$16,510.00	5
					10/7/09	\$20,000.00	9
					10/10/09	\$20,000.00	12
					<b>TOTAL</b>	\$56,510.00	
10/3/09	Colfax Livestock Sales	413	\$41,450.21	10/5/09	10/10/09	\$1,450.21	5
					10/14/09	\$25,000.00	9
					10/17/09	\$5,000.00	12

					10/30/09	\$10,000.00	25
					<b>TOTAL</b>	<b>\$41,450.21</b>	
10/10/09	Colfax Livestock Sales	503	\$53,139.08	10/13/09	10/15/09	\$35,139.08	2
					10/20/09	\$6,000.00	7
					10/30/09	\$11,000.00	17
					10/31/09	\$1,000.00	18
					<b>TOTAL</b>	<b>\$53,139.08</b>	
10/17/09	Colfax Livestock Sales	312	\$31,347.35	10/19/09	10/30/09	\$6,347.35	11
					10/31/09	\$25,000.00	12
					<b>TOTAL</b>	<b>\$31,347.35</b>	
10/24/09	Colfax Livestock Sales	306	\$29,014.87	10/26/09	10/30/09	\$10,000.00	4
					11/7/09	\$17,014.87	12
					11/9/09	\$1,000.00	14
					11/19/09	\$1,000.00	24
					<b>TOTAL</b>	<b>\$29,014.87</b>	
10/31/09	Colfax Livestock Sales	234	\$22,869.49	11/2/09	11/19/09	\$22,869.49	17
11/7/09	Colfax Livestock Sales	170	\$17,150.28	11/9/09	11/19/09	\$17,150.28	10
11/14/09	Colfax Livestock Sales	260	\$24,448.20	11/16/09	11/27/09	\$24,448.20	11
11/21/09	Colfax Livestock Sales	245	\$24,010.58	11/23/09	12/4/09	\$24,010.58	11
11/28/09	Colfax Livestock Sales	337	\$35,749.67	11/30/09	8/1/10 - 3/31/11	\$13,942.15*	245 - 487
12/7/09	Waverly Sales Co.	309	\$32,178.82	12/8/09	12/21/09	\$5,178.82	13
					12/23/09	\$11,000.00	15
					1/15/10	\$1,000.00	38
					1/21/10	\$1,000.00	44
					1/29/10	\$500.00	52

					8/1/10 - 3/31/11	\$16,778.82 **	237 - 479
					<b>TOTAL</b>	<b>\$30,278.82</b>	

\* Respondent has made and continues to make weekly installment payments on these transactions.

\*\* Respondent made weekly installment payments on these transactions during the period of August 1, 2010 through March 31, 2011.

(b) As of March 31, 2011, Respondent owes Colfax Livestock Sales approximately \$46,000.00 for the May 30, 2009 and November 28, 2009 transactions referenced in paragraph II (a) above. In addition, as of March 31, 2011, Respondent owes Waverly Sales Co. approximately \$1,900.00 for the December 7, 2009 transaction referenced in paragraph II (a) above.

### III

By reason of the facts alleged in paragraphs II and III herein, 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 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:

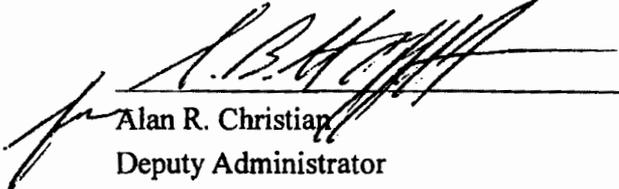
1. That unless Respondent fails to file an answer within the time allowed, or files an answer

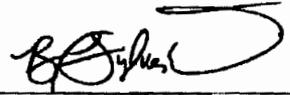
admitting all the material allegations of this Complaint, this proceeding be set for oral hearing in accord with the Rules of Practice governing proceedings under the Act.

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 29<sup>th</sup> day of April, 2011

  
Alan R. Christian  
Deputy Administrator  
Packers and Stockyards Program

  
Brian Sylvester  
Attorney for Complainant  
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