

- (d) Settlement and final payment for livestock purchased by a packer on a carcass weight . . . basis shall be on actual hot weights . . . 9 C.F.R. § 201.99(d).

This Complaint and Notice of Hearing is issued alleging the following:

I

(a) Respondent is a corporation organized and existing under the laws of the state of California, doing business in California. Its physical business address is 725 Zeff Rd., Modesto, CA 95353. Its business mailing address is P.O. Box 3008, Modesto, CA 95353-3008. Respondent's Registered Agent is listed as Richard A. Stagno, 17751 S. Steinegul Rd., Escalon, CA 95320.

(b) Respondent is, and at all times material herein was:

- (1) Engaged in the business of buying livestock in commerce for the purposes of slaughter; and
- (2) Engaged in the business of manufacturing or preparing meat and meat food products for sale or shipment in commerce;
- (3) A packer within the meaning of and subject to the provisions of the Act.

II

Respondent, in 25 separate transactions between April 22, 2009 and July 15, 2009, purchased approximately 45 head of livestock from 10 sellers in the amount of \$17,793.25 and failed to pay, when due, for such livestock purchases. Respondent's payments were made between 4 and 64 days late. The transactions are set forth in Exhibit "A", attached.

III

Respondent, in 13 separate transactions between June 5, 2009 and July 10, 2009, purchased approximately 22 head of livestock from 9 sellers in the amount of \$6,709.48 on a carcass weight basis, and:

- a) failed to pay for the livestock on actual hot weights;
- b) charged a kill charge service fee in each transaction.

The transactions are set forth in Exhibit "A", attached.

IV

By reason of the facts alleged in paragraph II herein, Respondent has willfully violated sections 202(a) and 409 of the Act (7 U.S.C. § 192(a) and 7 U.S.C. § 228b). By reason of the facts alleged in paragraph III herein, Respondent has willfully violated section 202(a) of the Act (7 U.S.C. § 192(a)) and sections 201.98 and 201.99 of the regulations (9 C.F.R. §§ 201.98 and 201.99).

WHEREFORE, it is hereby ordered that for the purpose of determining whether Respondent has in fact willfully violated the Act and regulations issued thereunder, this Complaint and Notice of Hearing shall be served upon Respondent. Respondent shall have twenty (20) days after receipt of this Complaint and Notice of hearing 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.). Failure to file an answer shall constitute an admission of all the material allegations of this Complaint and Notice of Hearing.

Respondent is hereby notified that unless hearing is waived, either expressly or by failure to answer and request a hearing, a hearing will be held in accordance with the Rules of Practice,

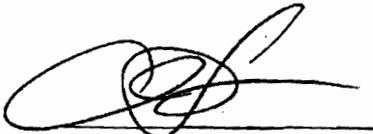
at a place and time to be designated later. At the hearing, Respondent will have the right to appear and show cause why an appropriate Order should not be issued in accordance with the provisions of the Act which require that Respondent cease and desist from violating the Act with respect to matters alleged herein and assessing such civil penalties as are authorized by the Act and warranted under the circumstances.

Done at Washington, D.C.

this 11 day of July, 2011



Alan R. Christian
Deputy Administrator,
Packers and Stockyards Program



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