

UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

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In re: ) P&S Docket No. D-13- 0206  
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)  
Paul E. Gibson, Jr., )  
d/b/a G&S Livestock Co., )  
)  
)  
Respondent ) Complaint

There is reason to believe that the respondent named herein has willfully violated the Packers & Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 *et seq.*) and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201.1 *et seq.*) and, therefore, this complaint is issued alleging the following:

I.

- (a) Paul E. Gibson, Jr., d/b/a G&S Livestock Co., referred to herein as the respondent, is an individual with a mailing address of P.O. Box 189, Linton, Indiana 47441.
- (b) The respondent, at all times material herein, was:
  - (1) Engaged in the business of a dealer buying and selling livestock in commerce;  
and
  - (2) Not registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce after July 9, 2010, as explained in paragraph II below.

II.

- (a) G&S Livestock registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce on November 12, 1981.

(b) In a letter dated December 16, 2009, respondent was notified that he was required to file an annual report with the Grain Inspection, Packers and Stockyards Administration, Packers and Stockyards Program, for the fiscal year ending December 31, 2009, as required by 9 C.F.R. § 201.97. On April 16, 2010, respondent was sent a Notice of Default (NOD) notifying him that his registration would expire, after thirty days from the NOD, if he failed to file his required annual report for fiscal year 2009. The NOD also informed respondent that operating as a dealer without complying with the annual report and registration provisions is a violation of the Act and could subject him to disciplinary action. The Grain Inspection, Packers and Stockyards Administration resent the NOD by FedEx overnight on June 8, 2010 and received confirmation that the NOD was delivered on June 9, 2010.

(c) Respondent did not file an annual report within the required time period. Thus, G&S Livestock's registration expired on July 9, 2010. Notwithstanding the expiration of his registration, the respondent continued to engage in the business of buying and selling livestock in commerce without registering with the Secretary as required by the Act and regulations.

### III.

(a) During the period from June 2, 2010, through August 16, 2010, in 127 transactions involving the purchase of a total of 8,688 head of livestock from six different sellers, for an approximate purchase price of \$1,077,077.90, the respondent failed to pay the full amount of the livestock purchase prices.

(b) As of the date of filing of this complaint, the Grain Inspection, Packers and Stockyards Administration, Packers and Stockyards Program has no affirmative knowledge that any of the debt listed in paragraph III (a) has been paid.

#### IV.

From June 1, 2010 through July 13, 2010, in 28 transactions involving his purchase of 2,215 head of livestock from five different sellers for a total purchase price of approximately \$257,552.08, the respondent failed to pay, when due, the full amount of the livestock purchase prices within the time period required by the Act. Respondent made payment between five and sixty-two days late.

#### V.

(a) On April 13, 2010, the Grain Inspection, Packers & Stockyards Administration mailed respondent a Notice of Bond Termination notifying him that the surety bond maintained in connection with his registration would terminate on May 18, 2010. The Notice of Bond Termination also informed the respondent that operating without filing an adequate bond or bond equivalent is a violation of the Act and regulations and could subject him to disciplinary actions. The Notice of Bond Termination was personally delivered to the respondent on June 14, 2010.

(b) The respondent, from May 18, 2010 until he ceased operations on August 16, 2010, engaged in the business of buying and selling livestock in commerce without maintaining an adequate bond or bond equivalent as required by the Act and regulations.

#### VI.

By reason of the facts alleged in paragraphs III and IV, the respondent willfully violated sections 312(a) and 409 of the Act (7 U.S.C. §§ 213(a) and 228b) and section 201.43 of the regulations (9 C.F.R. § 201.43).

By reason of the facts alleged in paragraph V, the respondent 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 and 201.30).

WHEREFORE, it is hereby ordered that for the purpose of determining whether the respondent has in fact willfully violated the Act and regulations issued thereunder, this complaint shall be served upon the respondent. The respondent shall have twenty (20) days following receipt of this complaint to file an Answer with the Hearing Clerk, Room 1031 - South Building, United States Department of Agriculture, 1400 Independence Ave., S.W., Washington, D.C. 20250-9200, in accordance with the Rules of Practice governing the proceedings under the Act (7 C.F.R. § 1.130 *et seq.*). 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 in this complaint and a waiver of hearing.

The Grain Inspection, Packers and Stockyards Administration, Packers and Stockyards Program, requests:

1. That unless the 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 the respondent to cease and desist from the violations of the Act and the regulations found to exist; prohibiting the respondent, for a specified period of time, from being registered and engaging in business in any capacity for which registration and bonding are required under the Act; and assessing such civil penalties against the respondent as are authorized by the Act and warranted by the facts and circumstances of this case.

Done at Washington, D.C.

this 9<sup>th</sup> day of April, 2013

Susan B. Keith  
Susan B. Keith  
Deputy Administrator  
Packers and Stockyards Program

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