

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE



In re:) P & S Docket No. D-~~18~~ 14-0052
)
Newman Livestock-11, Inc.)
)
)
Respondent) Complaint and Notice of Hearing

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.*), and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201.1 *et seq.*), and, therefore, this Complaint and Notice of Hearing is issued alleging the following:

I.

(a) Respondent Newman Livestock-11, Inc., is a corporation organized under the laws of the State of California, with a corporate address of 13400 Riverside Drive, Suite 105, Sherman Oaks, CA 91423. The slaughter facility is located at 130 N Santa Fe Grade Road, Newman, CA 95360.

(b) Respondent at all times material herein:

- (1) Engaged in the business of buying livestock in commerce for the purposes of slaughter;
- (2) Engaged in the business of manufacturing or preparing meat and meat food products for sale or shipment in commerce;

- (3) Is projected to have an average annual purchases of livestock exceeding \$500,000;
- (4) Operated as a packer within the meaning of and subject to the provisions of the Act.

II.

(a) On or about the date and in the transaction set forth in Appendix A, respondent purchased livestock and failed to pay/failed to pay, when due, the full purchase price of such livestock.

(b) On or about the dates and in the transactions set forth in Appendix B, respondent purchased livestock and failed to pay the full purchase price of such livestock.

(c) As of the date of the issuance of this complaint, respondent owes approximately \$178,600.89 to livestock sellers.

III.

(a) On or about the dates and in the transactions set forth in Appendix C, respondent issued checks returned unpaid for livestock. Four of the checks were returned for insufficient funds (NSF). The fifth check was returned due to the issuing account being closed. The respondent thus failed to have and maintain sufficient funds on deposit and available in the account upon which such checks were drawn to pay such checks when presented, in violation of section 202(a) of the Act (7 U.S.C. § 192(a)).

(b) By issuing the unpaid checks on the dates referenced in Count III(a) of this complaint, the respondent also failed to pay, when due, the full amount of the livestock purchase prices within the time period required by the Act, in violation of sections 202(a) and 409 of the Act (7 U.S.C. §§ 192(a) and 228b).

IV.

By reason of the facts alleged in paragraphs II, and III of this Complaint and Notice of Hearing, respondent willfully violated sections 202(a) and 409 of the Act (7 U.S.C. §§ 192(a) and 228b).

WHEREFORE, it is hereby ordered that this Complaint and Notice of Hearing shall be served upon the respondent for the purpose of determining whether respondent has willfully violated the Act and regulations. 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, 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 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 of this Complaint and Notice of Hearing.

The Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration 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 and Notice of Hearing, 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 and the regulations found to exist, and assessing such civil penalties against respondent as are authorized by the Act and warranted under the circumstances.

Done at Washington, D.C.

this 26th day of December, 2013

Susan B. Keith

Susan B. Keith
Deputy Administrator
Packers and Stockyards Program
Grain Inspection, Packers and Stockyards
Administration

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Appendix A (Failure to pay/ failure to pay, when due)

Purchased From	Purchase Date	No. of Head of Cattle Purchased	Livestock Amount	Payment Due Date per \$409	Payment date
House of Abraham Provisions, LLC	10/10/2011	37	\$36,284.50	10/11/2011	11/2/2011 11/10/2011

Payment was made by wire transfer on the two dates shown. A \$20,000.00 payment was made on 11/2/2011 and on 11/10/2011 a \$15,483.25 payment was made. \$801.25 is still due for this transaction.

Appendix B (failure to pay)

Purchased From	Purchase Date	No. of Head of Cattle Purchased	Livestock Amount	Payment Due Date per §409
House of Abraham Provisions, LLC	10/10/2011	24	\$20,566.00	10/11/2011
House of Abraham Provisions, LLC	10/11/2011	34	\$35,581.00	10/12/2011
Christopher P. Ketchum	1/19/2012	17	\$12,646.92	1/20/2012
Christopher P. Ketchum	2/29/2012	12	\$12,332.98	3/1/2012
Christopher P. Ketchum	3/14/2012	14	\$12,609.50	3/15/2012
Petaluma Livestock Auction Yard, Inc.	12/20/2011	31	\$18,050.72	12/21/2011
Petaluma Livestock Auction Yard, Inc.	12/29/2011	40	\$22,381.35	12/30/2011
Petaluma Livestock Auction Yard, Inc.	1/3/2012	23	\$12,516.46	1/4/2012
Petaluma Livestock Auction Yard, Inc.	1/5/2012	47	\$31,114.71	1/6/2012

Appendix C (Unpaid Checks)

Purchased From	Purchase Date	No. of Head of Cattle Purchased	Livestock Amount	Payment Due Date per §409	Reason Check Returned
House of Abraham Provisions, LLC	10/10/2011	24	\$20,566.00	10/11/2011	NSF
Petaluma Livestock Auction Yard, Inc.	12/20/2011	31	\$18,050.72	12/21/2011	NSF
Petaluma Livestock Auction Yard, Inc.	12/29/2011	40	\$22,381.35	12/30/2011	Closed Account
Petaluma Livestock Auction Yard, Inc.	1/3/2012	23	\$12,516.46	1/4/2012	NSF
Petaluma Livestock Auction Yard, Inc.	1/5/2012	47	\$31,114.71	1/6/2012	NSF