

amount of the purchase price before the close of the next business day following each purchase and by failing to keep such accounts, records, and memoranda that fully and accurately disclosed all transactions involved in its business. On February 16, 2012, respondent entered into a consent decision in P&S Docket No. 12-0024 that ordered it, its agents and employees, to cease and desist from purchasing livestock unless it delivered to the livestock dealers or their duly authorized representative the full amount of the purchase price by close of the next business day following said purchase and transfer of possession of the livestock. Respondent also was ordered to keep and maintain all accounts, records, and memoranda that fully and accurately disclosed all transactions involved in its business. Respondent was further ordered to pay a civil penalty of eight thousand dollars (\$8,000.00), of which two thousand dollars (\$2,000.00) were to be paid up front and the remaining six thousand dollars (\$6,000.00) were to be paid in six monthly installments of one thousand dollars (\$1,000.00) each, beginning on or before March 1, 2012.

III.

(a) During the period from June 25, 2012, through August 23, 2012, in 25 transactions with four different livestock sellers, the respondent purchased approximately 2489 head of livestock for a total purchase price of \$246,121.02, but failed to deliver to the livestock sellers or their duly authorized representatives the full amount of the purchase price before the close of the next business day following each purchase of livestock and the transfer of possession thereof.

(b) In eight of the transactions referenced above, all involving livestock purchases from Weichman Pig Co., Inc., respondent purchased livestock pursuant to written contracts with credit terms; but payment for all purchases was due by the close of the next business day pursuant to section 409(a) of the Act (7 U.S.C. § 228b(a)) because the written contracts lacked the packer

trust waiver required under section 201.200 of the regulations (9 C.F.R. § 201.200) in order to be valid credit agreements under section 409(b) of the Act (7 U.S.C. § 228b(b)).

IV.

By reason of the facts alleged in paragraph III of this complaint, the respondent has willfully violated sections 202(a) and 409 of the Act (7 U.S.C. §§ 192(a) and 228b) and sections 201.43 and 201.200 of the regulations (9 C.F.R. §§ 201.43 and 201.200).

WHEREFORE, it is hereby ordered that for the purpose of determining whether the respondent has in fact willfully violated the Act, this complaint and notice of hearing shall be served upon the respondent. The respondent shall have twenty (20) days following 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.

The 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, the 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 requiring the respondent to cease and desist from violating the Act with respect to the 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 18th day of March 2014

Susan B. Keith

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Packers & Stockyards Program

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