

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	P & S Docket No. 14-0122
)	
Lake Odessa Livestock Auction, Inc.,)	14-0123
)	14-0124
La Verne Lettinga,)	14-0125
)	
Paul Lettinga,)	
)	
and)	
)	
Randy Lettinga)	
)	
Respondents)	Complaint



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

I.

a) Lake Odessa Livestock Auction, Inc. (Respondent Lake Odessa) is a corporation organized and existing under the laws of the State of Michigan, whose mailing address is P.O. Box 573, Lake Odessa, Michigan 48849. The corporation's registered agent for service of process is La Verne Lettinga, 3675 W. Tupper Lake Road, Lake Odessa, Michigan 48849.

b) Respondent La Verne Lettinga is an individual whose home address is in the State of Michigan. In order to protect the personal privacy of Respondent La Verne Lettinga, his address is not included in this Complaint but has been provided to the Hearing Clerk for purpose of effectuating service of process.

c) Respondent Paul Lettinga is an individual whose home address is in the State of Michigan. In order to protect the personal privacy of Respondent Paul Lettinga his address is not included in this Complaint but has been provided to the Hearing Clerk for purpose of effectuating service of process.

d) Respondent Randy Lettinga is an individual whose home address is in the State of Michigan. In order to protect the personal privacy of Respondent Randy Lettinga his address is not included in this Complaint but has been provided to the Hearing Clerk for purpose of effectuating service of process.

e) Respondent Lake Odessa, under the direction, management, and control of Respondents La Verne Lettinga, Paul Lettinga, and Randy Lettinga, at all times material herein, was:

(1) Engaged in the business of a livestock dealer buying or selling livestock in commerce and as a market agency selling livestock in commerce on a commission basis; and

(2) ~~Registered with the Secretary of Agriculture as a dealer to buy or sell livestock in commerce and as a market agency to sell livestock in commerce on a commission basis.~~

f) Respondent La Verne Lettinga at all times material herein was:

(1) Owner of 100% of the stock issued by Respondent Lake Odessa;
(2) Registered agent for Respondent Lake Odessa;
(3) Engaged in the business of a livestock dealer buying or selling livestock in commerce and as a market agency selling livestock in commerce on a commission basis; and

(4) Responsible, along with Respondents Paul Lettinga and Randy Lettinga, for the direction, management, and control of Respondent Lake Odessa.

g) Respondent Paul Lettinga at all times material herein was:

(1) Engaged in the business of a livestock dealer buying or selling livestock in commerce and as a market agency selling livestock in commerce on a commission basis; and

(2) Responsible, along with Respondents La Verne Lettinga and Randy Lettinga, for the direction, management, and control of Respondent Lake Odessa.

h) Respondent Randy Lettinga at all times material herein was:

(1) Engaged in the business of a livestock dealer buying or selling livestock in commerce and as a market agency selling livestock in commerce on a commission basis; and

(2) Responsible, along with Respondents La Verne Lettinga and Paul Lettinga, for the direction, management, and control of Respondent Lake Odessa.

II.

On August 11, 2011, Respondents Lake Odessa and La Verne Lettinga agreed to a Consent Decision and Order (consent decision) *In re: Lake Odessa*

Livestock Auction, Inc., and La Verne Lettinga, P & S Docket No. D-10-0452. The consent decision required Respondents Lake Odessa and La Verne Lettinga, their agents and employees, directly or through any corporate device, to, *inter alia*, cease and desist from failing to keep accounts, records, and memoranda that fully and correctly disclosed all transactions involved in their business, failing to deposit in their Custodial Accounts for Shippers' Proceeds within the times prescribed in section 201.42 of the regulations amounts equal to the outstanding proceeds receivable from the sale of consigned livestock, using funds received from the sale of consigned livestock for any purpose other than payment to consignors of the amount due from the sale of their livestock, and from otherwise failing to maintain their Custodial Account for Shippers' Proceeds in conformity with section 201.42 of the regulations.

III.

Respondent Lake Odessa, under the direction, management and control of Respondents La Verne Lettinga, Paul Lettinga, and Randy Lettinga, during the period of April 30, 2012, through June 29, 2012, failed to maintain properly its custodial account, thereby endangering the faithful and prompt accounting of ~~shippers' proceeds and the payment due the owners or consignors of livestock in~~
~~that:~~

- a) As of April 30, 2012, Respondent Lake Odessa had outstanding checks drawn on its custodial account in the approximate amount of \$665,180.76 and had to offset

such checks, a balance in the custodial account of \$318,723.55, a Certificate of Deposit of \$200,000 and proceeds receivable of approximately \$4,511.50 resulting in a deficiency of approximately \$141,945.71.

b) As of May 31, 2012, Respondent Lake Odessa had outstanding checks drawn on its custodial account in the approximate amount of \$604,094.44 and had to offset such checks, a balance in the custodial account of \$1,738.37, a Certificate of Deposit of \$200,000 and proceeds receivable of approximately \$213,022.25 resulting in a deficiency of approximately \$189,333.82.

c) As of June 29, 2012, Respondent Lake Odessa had outstanding checks drawn on its custodial account in the approximate amount of \$816,342.82 and had to offset such checks, a balance in the custodial account of \$253,585.12, a Certificate of Deposit of \$200,000 and proceeds receivable of approximately \$135,522.37 resulting in a deficiency of approximately \$227,235.33.

d) The shortages in Respondent Lake Odessa's custodial account were due, in part, to Respondent Lake Odessa's failure to deposit in its custodial account, within the time prescribed by section 201.42 of the regulations (9 C.F.R. § 201.42), an amount equal to the proceeds receivable from the sale of consigned livestock; its deposit of custodial funds into its general accounts; and the deduction of bank charges from the custodial account.

IV.

a) Respondent Lake Odessa, under the direction, management, and control of Respondents La Verne Lettinga, Paul Lettinga, and Randy Lettinga, on or about

the dates and in the transactions set forth in Appendix A and incorporated herein by reference, misused its custodial account by transferring custodial account proceeds into its general account and other general and custodial accounts controlled by Respondents.

b) Respondent Lake Odessa, under the direction, management, and control of Respondents La Verne Lettinga, Paul Lettinga, and Randy Lettinga, on or about the dates and in the transactions set forth in Appendix B and incorporated herein by reference, misused its custodial account by permitting the withdrawal of bank charges from its custodial account.

V.

a) Respondent Lake Odessa, under the direction, management, and control of Respondents La Verne Lettinga, Paul Lettinga, and Randy Lettinga, in connection with its operations subject to the Act, engaged in unfair and deceptive practices in that on May 9, 2012 it misused custodial funds by writing a check in the amount of \$5,000.00 on the custodial account in purported payment of the net proceeds from the sale of consigned livestock when in fact no livestock were consigned or sold. Account shortages were due, in part, to this misuse of custodial funds.

b) Respondent Lake Odessa, under the direction, management, and control of Respondents La Verne Lettinga, Paul Lettinga, and Randy Lettinga, in connection with its operations subject to the Act, falsified records by generating a false invoice and generating and issuing a check in purported payment for livestock purchases

that did not occur in order to disguise the payment in paragraph (a) above.

VI.

By reason of the facts alleged in paragraphs III-IV, Respondents willfully violated sections 307 and 312(a) of the Act (7 U.S.C. §§ 208, 213(a)), and section 201.42 of the regulations (9 C.F.R. § 201.42).

By reason of the facts alleged in paragraph V, Respondents willfully violated sections 307, 312(a) and 401 of the Act (7 U.S.C. §§ 208, 213(a), 221), and section 201.42 of the regulations (9 C.F.R. § 201.42).

WHEREFORE, it is hereby ordered that this Complaint shall be served upon Respondents for the purpose of determining whether the Respondents have willfully violated the Act. Respondents 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.*). 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 Respondents fail to file an answer within the time allowed, or file 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; and

2. That such order or orders be issued, including an order requiring Respondents to cease and desist from violating 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 12th day of May, 2014

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

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