

UNITED STATES DEPARTMENT OF AGRICULTURE

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BEFORE THE SECRETARY OF AGRICULTURE

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In re:	)	P&S Docket No. 16-0131
	)	
	)	
T & J Meat Packing, Inc.,	)	
	)	
	)	
Respondent	)	Complaint and Notice of Hearing

There is reason to believe that the respondent named herein has willfully violated the provisions of the Packers & Stockyards Act of 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) T & J Meat Packing, Inc., herein referred to as the respondent, is a corporation organized and existing under the laws of the State of Illinois. Its mailing address is 635 Glenwood-Dyer Road, Chicago Heights, Illinois 60411.

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

(1) Engaged in the business of buying livestock in commerce for purposes of slaughter, and

(2) A packer within the meaning of and subject to the provisions of the Act.

II.

In 2011, the U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) filed an administrative complaint against respondent alleging that it violated the Act and regulations by purchasing livestock but failing to deliver to the livestock

sellers the full 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.

In 2014, GIPSA filed a second administrative complaint against respondent alleging that it violated the Act and regulations by purchasing livestock but failing to deliver to the livestock sellers the full amount of the purchase price before the close of the next business day following each purchase. The complaint further alleged that some of respondent's livestock purchases were made from a particular livestock seller pursuant to written contracts with credit terms but that these contracts were not valid credit agreements under section 409(b) of the Act (7 U.S.C. § 228b(b)) because the contracts lacked the packer trust waiver required under section 201.200 of the regulations (9 C.F.R. § 201.200). On July 18, 2014, respondent entered into a consent decision in P&S Docket No. 14-0080 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. The consent decision also ordered respondent to cease and desist from purchasing livestock on credit unless respondent entered into credit agreements with livestock sellers that complied with the requirements of the Act and regulations, and it further ordered respondent to terminate any and all credit agreements that did not comply with these requirements. Respondent was further ordered to pay a civil penalty of sixteen thousand five hundred dollars (\$16,500.00), of which eight thousand two hundred and fifty dollars (\$8,250.00) was to be paid up front and the remaining eight thousand two hundred fifty dollars (\$8,250.00) was to be paid in six monthly installments of one thousand three hundred seventy five dollars (\$1,375.00) each, beginning on or before August 1, 2014.

#### IV.

During the period from October 16, 2014, through December 19, 2014, in 29 transactions involving seven different livestock sellers, the respondent purchased approximately 3,182 head of livestock for a total purchase price of \$326,415.68, 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.

#### V.

By reason of the facts alleged in paragraph IV 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 section 201.43 of the regulations (9 C.F.R. § 201.43).

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 14<sup>th</sup> day of July 2016

Susan B. Keith  
Susan B. Keith  
Deputy Administrator  
Packers & Stockyards Programs

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