



Lot No.	Seller	Livestock Amount	Kill Date	Final Grade Date	Payment Due Date	Final Payment Date	No. Days Late
118	TX Beef Cattle Co.*	\$280,297.66	2/13/06	2/17/06 <sup>‡</sup>	2/16/06	2/21/06	5
314	Palo Duro Feedyard*	\$128,253.93	3/8/06	3/9/06	3/10/06	3/15/06	5
503	TX Beef Cattle Co.*	\$172,290.80	3/24/06	3/27/06	3/28/06	3/29/06	1
108	TX Beef Cattle Co.*	\$126,406.42	4/3/06	4/4/06	4/5/06	4/7/06	2
314	Palo Duro Feedyard*	\$90,646.57	4/5/06	4/6/06	4/7/06	4/11/06	4
106	Heritage Feeders	\$122,704.92	2/20/06	2/22/06	2/23/06	2/24/06	1
224	Cactus Feedyard	\$123,849.36	2/14/06	2/20/06 <sup>‡</sup>	2/17/06	2/21/06	4
112	Flint Rock Feeders	\$57,483.65	2/20/06	2/22/06	2/23/06	2/24/06	1
523	Mc 6 Feeders	\$46,939.30	2/24/06	2/27/06	2/28/06	3/1/06	1
526	Mc 6 Feeders	\$43,575.63	2/24/06	2/27/06	2/28/06	3/1/06	1
115	XIT Feeders*	\$147,750.57	3/20/06	3/22/06	3/23/06	3/24/06	1

\* Under agreements between Respondent and sellers, 90% of the purchase price for each lot was remitted within one day of the kill date. The remaining 10% is the amount that was paid late.

‡ One carcass in each of the noted lots was graded late. Per 9 CFR § 201.99(e), "carcasses shall be final graded before the close of the second business day following the day the livestock are slaughtered." For the purpose of establishing payment due dates, Respondent was allotted the two-day maximum on these lots for final grade determination.

### III.

By reason of the facts alleged in paragraph II, Respondent has willfully violated sections 202(a) and 409 of the Act (7 U.S.C. §§ 192(a), 228b) and section 201.99(e) of the regulations (9 C.F.R. 201.99(e)).

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 after receipt of this Complaint and Notice of Hearing in which to file with the Hearing Clerk, United States Department of Agriculture, Washington, D.C. 20250, an answer with an original and three copies, fully and completely stating the nature of the defense and admitting or denying, specifically and in detail, each material allegation of this Complaint and Notice of Hearing. Allegations not answered will 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 and

Notice of Hearing unless the parties have agreed to a consent decision pursuant to section 1.138 of the Rules of Practice (7 C.F.R. § 1.138). The Respondent is hereby notified that unless hearing is waived, either expressly or by failure to answer and request a hearing as provided by sections 1.136 and 1.141 of the Rules of Practice, a hearing for the above-mentioned purpose will be held at a place and time to be later designated before an administrative law judge authorized to conduct such hearing. At such hearing, 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 Respondent to cease and desist from violating the Act with respect to the matters alleged herein and assessing an appropriate civil penalty.

Done at Washington, D.C.

this 13 day of September 2007



Alan R. Christian  
Deputy Administrator,  
Packers and Stockyards Program



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