

UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE



In re: )  
 )  
Keosauqua Sales Company, Inc., ) P & S Docket No. D-14- 0073  
 )  
Bill Goehring, ) P & S Docket No. D-14- 0074  
 )  
and )  
 )  
Becky Goehring ) P & S Docket No. D-14- 0075  
 )  
 )  
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) Respondent Keosauqua Sales Company, Inc. is a corporation organized and existing under the laws of the State of Iowa. Its physical address is 20555 HWY 1, Keosauqua, Iowa 52565. The corporation's registered agent for service of process is Bill Goehring, HWY 1 N, Box 534, Keosauqua, Iowa 52565.

(b) Respondent Bill Goehring is an individual whose home address is in the State of Iowa. In order to protect the personal privacy of Respondent Bill Goehring, 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 Becky Goehring is an individual whose home address is in the State of Iowa. In order to protect the personal privacy of Respondent Becky Goehring her address is not included in this Complaint but has been provided to the Hearing Clerk for purpose of effectuating service of process.

(d) Respondent Keosauqua Sales Company, Inc., under the direction, management, and control of Respondents Bill Goehring and Becky Goehring, 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 buying and selling livestock in commerce on a commission basis; and

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

(e) Respondent Bill Goehring at all times material herein was:

(1) President of Respondent Keosauqua Sales Company, Inc.;

(2) Owner of 50% of the stock issued by Respondent Keosauqua Sales Company, Inc.; and

(3) Responsible, along with Respondent Becky Goehring, for the direction, management, and control of Respondent Keosauqua Sales

Company, Inc.

(f) Respondent Becky Goehring at all times material herein was:

(1) Secretary of Respondent Keosauqua Sales Company, Inc.;

(2) Owner of 50% of the stock of Respondent Keosauqua Sales

Company, Inc.; and

(3) Responsible, along with Respondent Bill Goehring for the direction, management, and control of Respondent Keosauqua Sales Company, Inc.

## II.

Section 201.42 of the regulations (9 C.F.R. § 201.42), issued by the Secretary of Agriculture under the Packers and Stockyards Act, requires market agencies selling livestock on commission to maintain a custodial account for shippers' proceeds (custodial account). A custodial account is a trust account that protects funds that are owed to livestock producers and owners who consign livestock for sale at an auction market. The proceeds from livestock sales at regulated auction markets must be deposited into custodial accounts. If the proceeds receivable from livestock sales cannot be collected and deposited into a market's custodial account by the close of the seventh day after the sale, then the market must make up the shortfall and reimburse the custodial account for the unpaid receivables.

Respondents were placed on notice, by certified mail received on or about October 24, 2011, that failure to timely reimburse the custodial account is a violation of section 201.42(c) of the regulations (9 C.F.R. § 201.42(c)).

## III.

Respondent Keosauqua Sales Company, Inc., under the direction, management and control of Respondents Bill and Becky Goehring, during the period of February 21, 2012, through March 19, 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 February 21, 2012, Respondent Keosauqua Sales Company, Inc. had outstanding checks drawn on its custodial account in the amount of \$1,664,038.78 and had to offset such checks, a balance in the custodial account of \$26,461.18 and proceeds receivable of \$780,564.21 resulting in a deficiency of approximately \$857,013.39.

(b) As of March 19, 2012, Respondent Keosauqua Sales Company, Inc. had outstanding checks drawn on its custodial account in the amount of \$1,956,064.23 and had to offset such checks, a negative balance in the custodial account of \$134,848.69 and proceeds receivable of \$950,281.69 resulting in a deficiency of approximately \$870,933.85.

The custodial account shortages described herein were due in part to Respondents' 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.

#### IV.

Respondent Keosauqua Sales Company, Inc., under the direction, management and control of Respondents Bill and Becky Goehring, on or about the dates and in the transactions set forth in Appendix A attached hereto, failed to maintain properly its custodial account in violation of section 201.42 of the regulations (9 C.F.R. § 201.42) by failing to timely reimburse its custodial account for its livestock purchases.

#### V.

By reason of the facts alleged in paragraph I, Respondents Bill and Becky Goehring are the *alter egos* of Respondent Keosauqua Sales Company, Inc.

By reason of the facts alleged in paragraph II-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).

WHEREFORE, it is hereby ordered that this Complaint shall be served upon Respondents for the purpose of determining whether Respondents have willfully violated the Act and the regulations. 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, DC 20250, in accordance with the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (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.

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 accordance with the Rules of Practice; and
2. That such order or orders be issued, including an order requiring Respondents to cease and desist from the violations of the Act and the regulations found to exist, and assessing such civil penalties against Respondents, jointly and severally, as are authorized by the Act and warranted in the circumstances.

Done at Washington, D.C.

this 26<sup>th</sup> day of February, 2014

Susan B. Keith

Susan B. Keith  
Deputy Administrator  
Packers and Stockyards Program

CIARRA A. TOOMEY  
Attorney for Complainant  
Office of the General Counsel  
United States Department of Agriculture  
1400 Independence Avenue, S.W.  
Room 2331-B, South Building  
Washington, D.C. 20250  
Telephone: (202) 720-3779  
Fax: (202) 690-4322  
[ciarra.toomey@ogc.usda.gov](mailto:ciarra.toomey@ogc.usda.gov)

**Keosauqua Sales Company, Inc., Bill Goehring, and Becky Goehring**

**APPENDIX A- Custodial Account Shortage / Misuse**

Sale Date	Buyer	Purchase Amount	Date Deposited	Actual Deposit Date	Days Late
2/25/2012	Robert Orndoff	\$55.20	3/5/2012	4/25/2012	51
2/25/2012	Rick Fleener	\$25.00	3/5/2012	4/25/2012	51
2/25/2012	Jennifer Fitzsimmons	\$250.00	3/5/2012	4/25/2012	51
2/25/2012	Jason Wenke	\$44.00	3/5/2012	4/25/2012	51
2/25/2012	Glenn High	\$47.00	3/5/2012	4/25/2012	51
2/25/2012	Don Dalton	\$59.00	3/5/2012	4/25/2012	51
2/25/2012	Sherman Yoder	\$206.50	3/5/2012	4/25/2012	51
2/25/2012	Conrad Bros	\$1,974.88	3/5/2012	4/25/2012	51
2/25/2012	Bobby Harris	\$2,082.90	3/5/2012	4/25/2012	51
2/25/2012	Todd Kline	\$1,884.30	3/5/2012	4/25/2012	51
2/25/2012	Tjernagel Family Livestock	\$25,819.98	3/5/2012	4/25/2012	51
	<b>Total</b>	<b>\$32,448.76</b>	<b>3/5/2012</b>	<b>4/25/2012</b>	<b>51</b>

3/10/2012	Keosauqua Sales	\$37,130.30	3/19/2012	4/25/2012	37
	<b>Total</b>	<b>\$37,130.30</b>	<b>3/19/2012</b>	<b>4/25/2012</b>	<b>37</b>
3/10/2012	Andrew Fitzsimmons	\$85.00	3/19/2012	4/25/2012	37
3/10/2012	Samuel Bontrager	\$100.00	3/19/2012	4/25/2012	37
3/10/2012	Thomas Perez	\$140.00	3/19/2012	4/25/2012	37
3/10/2012	Glenn High	\$57.50	3/19/2012	4/25/2012	37
3/10/2012	Justin Kamerick	\$80.00	3/19/2012	4/25/2012	37
3/10/2012	Eric Elder	\$3,689.80	3/19/2012	4/25/2012	37
3/10/2012	Rick Fleener	\$185.00	3/19/2012	4/25/2012	37
3/10/2012	Dennis Lower	\$5,423.11	3/19/2012	4/25/2012	37
3/10/2012	Larry Wilkens	\$160.00	3/19/2012	4/25/2012	37
	<b>Total</b>	<b>\$9,920.41</b>	<b>3/19/2012</b>	<b>4/25/2012</b>	<b>37</b>
2/11/2012	Dana Mathes	\$2,353.15	2/20/2012	4/25/2012	65
2/11/2012	Martin Tjernagel	\$13,696.68	2/20/2012	4/25/2012	65
2/11/2012	Mike Bollin	\$464.55	2/20/2012	4/25/2012	65
2/11/2012	Kelly Wehner	\$50.00	2/20/2012	4/25/2012	65
2/11/2012	Bob Barker	\$297.00	2/20/2012	4/25/2012	65

2/11/2012	Samuel Bontrager	\$188.00	2/20/2012	4/25/2012	65
2/11/2012	Bob Zeh	\$40.00	2/20/2012	4/25/2012	65
	<b>Total</b>	<b>\$17,089.38</b>	<b>2/20/2012</b>	<b>4/25/2012</b>	<b>65</b>
1/7/2012	Martin Tjernagel	\$22,634.19	1/16/2012	4/25/2012	100
1/7/2012	Jerry Alley	\$1,611.65	1/16/2012	4/25/2012	100
1/7/2012	Gary Naylor	\$582.50	1/16/2012	4/25/2012	100
1/7/2012	Robert Orndoff	\$147.00	1/16/2012	4/25/2012	100
1/7/2012	Sheryl and Steve Muhs	\$61.00	1/16/2012	4/25/2012	100
1/7/2012	Tim Stephenson	\$31.50	1/16/2012	4/25/2012	100
	<b>Total</b>	<b>\$25,067.84</b>	<b>1/16/2012</b>	<b>4/25/2012</b>	<b>100</b>
3/3/2012	Larry Wilken	\$7,983.95	3/12/2012	4/25/2012	44
3/3/2012	Cynthia Starr	\$200.00	3/12/2012	4/25/2012	44
3/3/2012	Ed Nye	\$90.80	3/12/2012	4/25/2012	44
3/3/2012	David Oliver	\$400.00	3/12/2012	4/25/2012	44
3/3/2012	Elmer Spiker	\$200.00	3/12/2012	4/25/2012	44
3/3/2012	Lee Corey	\$2,204.80	3/12/2012	4/25/2012	44
	<b>Total</b>	<b>\$11,079.55</b>	<b>3/12/2012</b>	<b>4/25/2012</b>	<b>44</b>

12/3/2011	Martin Tjernagel	\$23,480.17	12/1/2011	5/17/2012	157
12/3/2011	Lee Taylor	\$63,446.87	12/1/2011	5/17/2012	157
12/3/2011	Rick Spees	\$4,114.83	12/1/2011	5/17/2012	157
12/3/2011	Chad Pennington	\$88,791.34	12/1/2011	5/17/2012	157
12/3/2011	John Ballanger	\$903.50	12/1/2011	5/17/2012	157
12/3/2011	Jerry Alley	\$285.95	12/1/2011	5/17/2012	157
12/3/2011	Mark Escher	\$127.60	12/1/2011	5/17/2012	157
12/3/2011	Dwight Miller	\$96.00	12/1/2011	5/17/2012	157
	<b>Total</b>	<b>\$181,246.26</b>	<b>12/1/2011</b>	<b>5/17/2012</b>	<b>157</b>
12/10/2011	Ira Van Curen	\$3,605.20	12/19/2011	5/17/2012	150
12/10/2011	Durflinger Livestock	\$45,153.17	12/19/2011	5/17/2012	150
12/10/2011	Keosauqua Sale Co	\$10,970.82	12/19/2011	5/17/2012	150
12/10/2011	Durflinger Livestock	\$1,300.00	12/19/2011	5/17/2012	150
12/10/2011	Durflinger Livestock	\$21,387.58	12/19/2011	5/17/2012	150
12/10/2011	Durflinger Livestock	\$3,642.90	12/19/2011	5/17/2012	150
12/10/2011	John Lynch	\$19,350.00	12/19/2011	5/17/2012	150
12/10/2011	Gary Goehring	\$1,800.00	12/19/2011	5/17/2012	150

12/10/2011	Barnhart	\$1,100.00	12/19/2011	5/17/2012	150
12/10/2011	Bruce Dealeman	\$6,000.75	12/19/2011	5/17/2012	150
12/10/2011	Jesse Gray	\$4,166.65	12/19/2011	5/17/2012	150
12/10/2011	Alan Harper	\$4,739.40	12/19/2011	5/17/2012	150
12/10/2011	Tjernagel	\$15,957.69	12/19/2011	5/17/2012	150
12/10/2011	Mike Vanderhart	\$8,750.00	12/19/2011	5/17/2012	150
	<b>Total</b>	<b>\$147,924.16</b>	<b>12/19/2011</b>	<b>5/17/2012</b>	<b>150</b>
12/31/2011	Bobby Harris	\$149.00	1/9/2012	5/17/2012	129
12/31/2011	Samuel Bontrager	\$203.70	1/9/2012	5/17/2012	129
12/31/2011	Eli Bontrager	\$939.20	1/9/2012	5/17/2012	129
12/31/2011	Bruce Dealeman	\$3,768.75	1/9/2012	5/17/2012	129
12/31/2011	Bruce Dealeman	\$5,328.75	1/9/2012	5/17/2012	129
12/31/2011	Eric Elder	\$5,433.35	1/9/2012	5/17/2012	129
12/31/2011	Dennis Lower	\$9,745.45	1/9/2012	5/17/2012	129
12/31/2011	Skunk River Cattle	\$849.15	1/9/2012	5/17/2012	129
12/31/2011	Sterling Switzer	\$5,033.15	1/9/2012	5/17/2012	129
12/31/2011	Martin Tjernagel	\$28,217.04	1/9/2012	5/17/2012	129

12/31/2011	Orland Weatherington	\$176.30	1/9/2012	5/17/2012	129
	<b>Total</b>	<b>\$59,843.84</b>	<b>1/9/2012</b>	<b>5/17/2012</b>	<b>129</b>
12/17/2011	Dennis Lower	\$1,888.64	12/26/2011	5/17/2012	143
12/17/2011	Dennis Schulte	\$100.00	12/26/2011	5/17/2012	143
12/17/2011	Kenny Orndoff	\$42.00	12/26/2011	5/17/2012	143
12/17/2011	Tjernagel Family Livestock	\$20,128.22	12/26/2011	5/17/2012	143
12/17/2011	Lee Taylor	\$16,605.28	12/26/2011	5/17/2012	143
	<b>Total</b>	<b>\$38,764.14</b>	<b>12/26/2011</b>	<b>5/17/2012</b>	<b>143</b>
11/19/2011	Wellman Cattle	\$83,074.22	11/28/2011	5/17/2012	171
11/19/2011	Chris Devolt	\$7,027.15	11/28/2011	5/17/2012	171
11/19/2011	Bob Dimmitt	\$2,919.35	11/28/2011	5/17/2012	171
11/19/2011	Bob Dimmitt	\$1,072.75	11/28/2011	5/17/2012	171
11/19/2011	Bob Dimmitt	\$391.50	11/28/2011	5/17/2012	171
11/19/2011	Bob Dimmitt	\$1,455.10	11/28/2011	5/17/2012	171
11/19/2011	Rick Spees	\$19,271.91	11/28/2011	5/17/2012	171
	<b>Total</b>	<b>\$115,211.98</b>	<b>11/28/2011</b>	<b>5/17/2012</b>	<b>171</b>

**Total Late/Failed Deposits as of  
3/19/2012**

**\$675,726.62**