

USDA
CALIFORNIA

7/31/06 JUL 21 PM 2: 54

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

RECEIVED

In re:

Thomas Schaefer

P & S Docket No. D-06-0014

and

Schaefer Cattle Company, LLC,
d/b/a Schaefer Cattle Company and
as Belgrade Livestock Auction Market

Consent Decision

Respondents

This proceeding was instituted under the Packers and Stockyards Act (7 U.S.C. § 181 *et seq.*), hereinafter referred to as the Act, by a complaint filed by the Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration, United States Department of Agriculture, alleging that the Respondents wilfully violated the Act and the regulations promulgated thereunder (9 C.F.R. § 201.1 *et seq.*), hereinafter referred to as the regulations. This decision is entered pursuant to the consent decision provision of the Rules of Practice applicable to this proceeding (7 C.F.R. § 1.138).

The Respondents Thomas Schaefer and Schaefer Cattle Company, LLC, d/b/a Schaefer Cattle Company and as Belgrade Livestock Auction Market admit the jurisdictional allegations in paragraph I of the complaint and specifically admit that the Secretary has jurisdiction in this matter, neither admit nor deny the remaining allegations, waive oral hearing and further procedure, and consent and agree, for the purpose of settling this proceeding and for such purpose only, to the entry of this decision.

The Complainant agrees to the entry of this decision.

Findings of Fact

(a) Schaefer Cattle Company, LLC, d/b/a Schaefer Cattle Company and Belgrade Livestock Market (hereinafter "Respondent Schaefer LLC") is a limited liability company organized and existing under the laws of the state of Minnesota. Its mailing address is P.O. Box 280, Belgrade, MN 56312.

(b) Respondent Schaefer LLC is, and at all times material herein, was:

- (1) Engaged in the business of buying and selling livestock in commerce for its own account, and selling livestock in commerce on a commission basis; and
- (2) Registered with the Secretary of Agriculture under the name "Schaefer Cattle Company" as a dealer to buy and sell livestock in commerce for its own account, and registered under the name "Belgrade Livestock Auction Market" as a market agency to sell livestock in commerce on a commission basis.

(c) Thomas Schaefer, hereinafter referred to as Respondent Schaefer, is an individual whose business mailing address is P.O. Box 280, Belgrade, MN 56312.

(d) Respondent Schaefer (hereinafter, "Respondent Schaefer") is and at all times material herein was:

- (1) President of Respondent Schaefer LLC;
- (2) Manager of Respondent Schaefer LLC;
- (3) One hundred percent shareholder of Respondent Schaefer LLC;

- (4) Responsible for the day-to-day management, direction, and control of Respondent Schaefer LLC;
- (5) The *alter ego* of Respondent Schaefer LLC.

Conclusions

The Respondents having admitted the jurisdictional facts and the parties having agreed to the entry of this decision, such decision will be entered.

Order

Respondents Thomas Schaefer and Schaefer Cattle Company, LLC, d/b/a Schaefer Cattle Company and as Belgrade Livestock Auction Market, their agents and employees, directly or indirectly through any corporate or other device, in connection with their operations subject to the Packers and Stockyards Act, shall cease and desist from:

Paying, directly or indirectly, any personal or business expense of livestock buyers attending livestock sales conducted by Respondents, or otherwise committing unfair or deceptive practices in violation of the Act in the buying, selling, or marketing of livestock at any of Respondents' places of business.

In accordance with section 312(b) of the Act (7 U.S.C. §213(b)), Thomas Schaefer and Schaefer Cattle Company, LLC, d/b/a Schaefer Cattle Company and as Belgrade Livestock Auction Market are jointly and severally assessed a civil penalty in the amount of ten thousand dollars (\$10,000.00).

In accordance with 7 U.S.C. 204, Respondent Schaefer Cattle Company, LLC, d/b/a Schaefer Cattle Company and as Belgrade Livestock Auction Market is suspended for seven days commencing July 1, 2006. Respondent Thomas Schaefer shall not be registered in any capacity

under the Act during the seven days commencing July 1, 2006. Pursuant to section 303 of the Packers and Stockyards Act (7 U.S.C. §203), no person shall carry on the business of a market agency or dealer unless registered with the Secretary of Agriculture.

Copies of this decision shall be served upon the parties.

The provisions of this order shall become effective on the sixth (6th) day after service of this order on Respondents.

For Respondents:



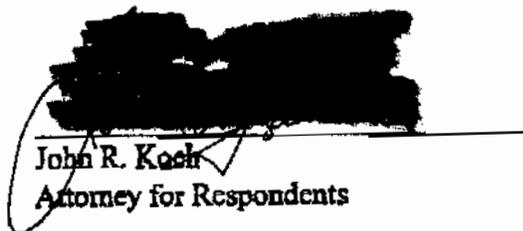
Thomas Schaefer, President
for Schaefer Cattle Company LLC

6-16-2006
Date Signed



Thomas Schaefer
Respondent

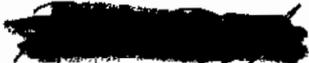
6-16-2006
Date Signed



John R. Koch
Attorney for Respondents

6-16-06
Date Signed

For Complainant:



Rubén D. Rudolph Jr.
Attorney for Complainant

Issued in Washington D.C.
this 21st day of June, 2006



Administrative Law Judge