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UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:) P. & S. Docket No. D-11-0308
)
Stagno's Meat Company, Inc.,)
)
)
)
Respondent) Decision Without Hearing By Reason of
) Consent

This proceeding was instituted under the Packers and Stockyards Act (7 U.S.C. § 181 et seq.), (the Act), by a Complaint and Notice of Hearing filed on July 11, 2011, by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture, alleging that Respondent willfully violated the Act and the regulations promulgated thereunder (9 C.F.R. § 201.1 et seq.). Respondent filed an answer on August 8, 2011.

The parties have now agreed to the entry of a Decision Without Hearing by Reason of Consent as set forth herein. This Decision is entered pursuant to the consent decision provisions of the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. § 1.130 et seq.; Rules of Practice) applicable to this proceeding (7 C.F.R. § 1.138).

Respondent admits the jurisdictional allegations in paragraph I of the Complaint and specifically admit that the Secretary has jurisdiction in this matter, waives oral hearing and further procedure, and consents and agrees, for the purpose of settling this proceeding, to the entry of this decision.

Findings of Fact

1. Respondent is a corporation organized and existing under the laws of the state of California, doing business in California. Its physical business address is 725 Zeff Rd., Modesto, CA 95353. Its business mailing address is P.O. Box 3008, Modesto, CA 95353-3008.

2. Respondent is, and at all times material herein was:

(a) Engaged in the business of buying livestock in commerce for the purposes of slaughter;

(b) Engaged in the business of manufacturing or preparing meat and meat food products for sale or shipment in commerce; and

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

Order

Respondent, its agents and employees, directly or through any corporate or other device, in connection with their activities subject to the Packers and Stockyards Act, shall cease and desist from failing to pay when due for livestock. Respondent will further cease and desist from purchasing livestock on a carcass weight basis, and: 1) failing to pay for livestock on actual hot weights; and 2) charging a "kill charge" service fee in each transaction.

Pursuant to section 203 of the Act (7 U.S.C. § 193), Respondent is assessed a civil penalty in the amount of \$20,000. The \$20,000.00 civil penalty will be payable to the USDA, United States Treasury, and sent to the following address: USDA, GIPSA, P.O. Box 790335, St. Louis, MO 63179-0335.

The provisions of this order shall become final and effective upon its issuance.

Copies of this decision shall be served upon the parties.

[Redacted]

Lynda Stagno
CFO, Stagno's Meat Co., Inc.

6-8-12
Date

[Redacted]

Christopher Young, Esq.
Attorney for Complainant

6/5/12
Date

Issued in Washington, D.C.

this 15th day of June, 2012

[Redacted]

Peter M. Davenport
Chief Administrative Law Judge