

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

In re: ) P & S Docket No. D-10-0206  
 )  
Tallgrass Beef Company LLC, )  
 )  
Respondent ) Consent Decision

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 April 7, 2010 by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration, United States Department of Agriculture, alleging that Tallgrass Beef Company LLC (Respondent) willfully violated the Act and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201.1 *et seq.*)(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).

Respondent admits the jurisdictional allegations in paragraph 1 of the Complaint and Notice of Hearing, and specifically admits that the Secretary has jurisdiction in this matter, neither admits nor denies the remaining allegations, waives oral hearing and further procedure, and consents and agrees, 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

1. Tallgrass Beef Company LLC , (Respondent), is a limited liability company organized and existing under the laws of the State of Delaware. Its business mailing address is 103 E. Main St., Sedan, KS 67361.

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 and, after the custom slaughter and processing of the livestock, of marketing meats, meat food products, or livestock products in an unmanufactured form acting as a wholesale distributor in commerce; and

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

#### Conclusions

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

#### Order

Respondent Tallgrass Beef Company LLC, its agents and employees, directly or through any corporate or other device, in connection with operations subject to the Packers and Stockyards Act, shall cease and desist from:

1. Failing to pay, when due, the full purchase price of livestock;
2. Engaging in the business of a packer when its financial condition does not meet the requirements of the Act;
3. Engaging in the business of a packer without maintaining a bond or bond equivalent as required under 7 U.S.C. § 204 and sections 201.27-201.34 of the regulations (9 C.F.R. 201.27-201.34).

In accordance with section 203(b) of the Act (7 U.S.C. § 193(b)), Respondent Tallgrass Beef Company LLC is assessed a civil penalty in the amount of Four Hundred and Two Thousand, Eight Hundred and Sixteen Dollars and Fifty-Three cents (\$402,816.53). The civil penalty, however, will be

reducible dollar-for-dollar by restitution made by Respondent to its unpaid livestock suppliers, up to a total reduction of Three Hundred and Fifty-Two Thousand, Eight Hundred and Sixteen Dollars and Fifty-Three cents (\$352,816.53), in accordance with an Understanding Regarding Civil Penalty Payment Terms agreed to and ratified by the parties.

If Respondent fails to satisfy the terms of the Understanding, the remaining civil penalty, for which restitution has not been made, will become due in full immediately, upon application of Complainant to the Administrative Law Judge, without further procedure. If Respondent satisfies the terms of the Understanding, Complainant shall request that the Administrative Law Judge issue an order reducing the civil penalty dollar-for-dollar for restitution made.

The Administrative Law Judge shall retain jurisdiction in this matter for the purpose of assessing the appropriate civil penalty, upon application of the Complainant as described herein.

The provisions of this order shall become effective on the sixth day after service of this order on the Respondent.

Copies of this decision shall be served upon the parties.

[Redacted signature]

William H. Kurtis  
for ~~Hartford Livestock Auction, Inc.~~  
TAL MASS BEEF CO. LLC

[Redacted signature]

Steven P. Durchslag  
Attorney for Respondent

[Redacted signature]

Charles L. Kendall  
Attorney for Complainant

Issued this 13<sup>th</sup> day of June 2012

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Administrative Law Judge