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UNITED STATES DEPARTMENT OF AGRICULTURE

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BEFORE THE SECRETARY OF AGRICULTURE

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| In re: |) | P. & S. Docket No. 12-0543 |
| |) | |
| Luke Kottke |) | |
| |) | |
| d/b/a Kottke Cattle Company, |) | |
| |) | |
| |) | |
| Respondent |) | Consent Decision and Order |

This proceeding was instituted under the Packers and Stockyards Act (7 U.S.C. § 181 et seq.), by a complaint filed by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture, alleging that respondent Luke Kottke willfully violated the Act and the regulations promulgated thereunder (9 C.F.R. § 201.1 et seq.). 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 respondent admits the jurisdictional allegations in paragraph I of the complaint 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

(a) Respondent Luke Kottke is an individual who does business as Kottke Cattle Company and whose home address is in the State of Wisconsin. In order to protect the personal privacy of respondent Kottke, his home address is not included herein but has been provided to the Hearing Clerk for the purpose of effectuating service of process.

(b) Respondent, doing business as Kottke Cattle Company, at all times material herein was:

- (1) Engaged in the business of a dealer buying and selling livestock in commerce;
- (2) A dealer within the meaning of and subject to the provisions of the Act; and
- (3) Not registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce.

Conclusions

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

Order

Respondent, his agents and employees, directly or through any corporate or other device, in connection with his activities subject to the Act, shall cease and desist from:

1. Failing to pay and failing to pay, when due, the full purchase price of livestock as required by section 409 of the Act (7 U.S.C. § 228b) and section 201.43 of the regulations (9 C.F.R. § 201.43);
2. Issuing checks in payment for livestock without having and maintaining sufficient funds on deposit and available in the accounts upon which they are drawn to pay such checks when presented;
3. Buying and selling livestock in commerce without being properly registered with GIPSA; and
4. Buying and selling livestock in commerce without maintaining an adequate bond or bond equivalent.

In accordance with section 312(b) of the Act (7 U.S.C. § 213(b)), respondent is assessed a civil penalty in the amount of thirty-two thousand dollars (\$32,000.00). The entire civil penalty of thirty-two thousand dollars (\$32,000.00) will be held in abeyance in accordance with and pending compliance with the terms of the "Understanding Regarding Consent Decision" entered between the parties.

Respondent Luke Kottke, doing business as Kottke Cattle Company, is prohibited from being registered and from engaging in any activities for which

registration is required under the Act for a period of fifteen days from the effective date of this order and thereafter until such time as respondent submits a complete application to GIPSA, demonstrates to the satisfaction of GIPSA that he has an adequate bond or bond equivalent, and that he is in full compliance with the Act. Provided that respondent demonstrates to the satisfaction of GIPSA that he has an adequate bond or bond equivalent and that he is in full compliance with the Act, after the expiration of the initial 15-day period, any application for registration that respondent files with GIPSA will be processed in accordance with standard GIPSA procedures.

Pursuant to section 303 of the Act (7 U.S.C. § 203), respondent is prohibited from engaging in business subject to the Act without being registered with the Packers and Stockyards Program, GIPSA.

This Order shall have the same force and effect as if entered after a full hearing. The provisions of this Order shall become final and effective on the sixth day after service of this consent decision and order on the respondents.

Copies of this decision shall be served upon the parties.


Luke Kottke
Respondent


Krishna G. Ramaraju
Attorney for Complainant

Done at Washington, D.C.

this 31st day of December, 2012


Peter M. Davenport
Chief Administrative Law Judge