

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

Docket No. 13-0228

In re: Al-Houda Meat Market Inc.,

Respondent

**Default Decision and Order**

**Preliminary Statement**

This disciplinary proceeding was instituted under the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 et seq.), by a Complaint filed on April 29, 2013, by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture (Complainant), alleging that Respondent herein willfully violated the Act and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201.1 et seq.).

On April 30, 2013, a copy of the Complaint was sent to Respondent by certified mail. Respondent signed for the certified mail on May 2, 2013.<sup>1</sup> The letter accompanying the Complaint, the Rules of Practice governing these proceedings (which were sent to Respondent with the Complaint), as well as the Complaint itself all indicated to Respondent that it had twenty days from the date of service to file a timely answer, as per section 1.136 of the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. § 1.136).

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<sup>1</sup> USPS Certified Mail # 70070710000138590352

On May 23, 2013, the Hearing Clerk's Office sent Respondent a letter indicating that it had not filed a timely answer. On June 4, 2013, I issued a Show Cause Order to the parties directing them to show cause no later than fifteen days from the date of that Order why a Default Decision and Order should not be entered. Pursuant to said Order, on June 12, 2013, Complainant filed a Motion for Adoption of Proposed Default Decision and Order and filed therewith a Proposed Default Decision and Order.

Respondent failed to file a timely Answer within the time period prescribed by the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. § 1.136), and the material facts alleged in the Complaint are deemed admitted and the following Findings of Fact, Conclusions of Law and Order will be entered pursuant to section 1.139 of the Rules of Practice (7 C.F.R. § 1.139).

#### **Findings of Fact**

1. Al-Houda Meat Market Inc., referred to herein as Respondent, is a business incorporated under the laws of the State of Michigan whose business operating address is in Dearborn, Michigan.
2. Respondent 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.
3. On or about December 20, 2011, the Midwestern Regional Office, Packers and Stockyards Program, GIPSA, sent Respondent a Notice by certified mail. The Notice indicated

that the Packers and Stockyards Act requires that all packers whose average annual purchases of livestock exceed \$500,000 file and maintain a surety bond or bond equivalent. This Notice was received by Respondent on or about December 22, 2011. The Notice further stated that Respondent should complete and file a Packer Inquiry form, P&SP-1400.

4. On or about June 6, 2012, the Midwestern Regional Office, Packers and Stockyards Program, GIPSA, sent Respondent a Notice of Default (NOD) by certified mail. The NOD informed Respondent that operating as a packer subject to the Packers and Stockyards Act without properly filing a bond or bond equivalent is a violation of the Act and regulations promulgated thereunder. This NOD was received by Respondent on or about June 9, 2012. The NOD warned Respondent that failure to comply with the bonding requirements would result in appropriate corrective action. Relevant provisions, forms and instructions for bonding were enclosed with the NOD.

5. Notwithstanding the facts alleged above, from about June 26, 2012, through October 2, 2012, in approximately 12 transactions, as described in Appendix A of the Complaint and Notice of Hearing filed in this matter, and in other transactions on other dates, Respondent engaged in the business of a packer purchasing livestock in commerce without maintaining a bond or bond equivalent.

#### **Conclusions of Law**

1. The Secretary has jurisdiction in this matter.
2. Respondent has willfully violated section 202(a) of the Act (7 U.S.C. § 192(a)) and sections 201.29 and 201.30 of the regulations (9 C.F.R. §§ 201.29 and 201.30).

## Order

1. Respondent, its agents and employees, successors and assigns, directly or through any corporate or other device, in connection with its activities subject to the Act, shall cease and desist from engaging in business as a packer without maintaining an adequate bond or bond equivalent, as required by the Act and sections 201.29 and 201.30 of the Regulations (9 C.F.R. §§ 201.29 and 201.30).

2. Respondent is assessed a civil penalty in the amount of four thousand dollars (\$4,000.00). Within ten (10) days from service of this Decision and Order, Respondent shall send a certified check or money order, payable to the Treasurer of the United States in the amount of four thousand dollars (\$4,000.00) to:

USDA – GIPSA  
P.O. Box 790335  
St. Louis, MO 63179-0335

3. This Decision and Order shall become final and effective without further proceedings thirty-five (35) days after service on Respondent, unless appealed to the Judicial Officer by a party to the proceeding within thirty (30) days after service as provided in sections 1.139 and 1.145 of the Rules of Practice (7 C.F.R. §§ 1.139, 1.145).

Copies of this Decision and Order shall be served upon the parties.

August 7, 2013

*Peter M. Davenport*

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**Peter M. Davenport**  
Chief Administrative Law Judge