

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:)	
)	
Lynch Livestock, Inc.,)	P&S Docket No. D-18-0002
)	
)	
)	
Respondent)	Consent Decision

This proceeding was instituted under the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 *et seq.*) (Packers and Stockyards Act) and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201 *et seq.*) (regulations), by a Complaint filed by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture. The Complaint alleged that Respondent willfully violated the Packers and Stockyards Act and the regulations promulgated thereunder. Complainant and Respondent have agreed to entry of this Decision, without hearing or further procedure, 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. § 1.138) (Rules of Practice).

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.

Findings of Fact

(1) Respondent is a corporation organized and existing under the laws of the State of Iowa. Its business and mailing address is 331 3rd Street N.W., Waucoma, Iowa 52171.

(2) At all times material herein, Respondent was:

(a) Engaged in the business of a dealer, as that term is defined and used in the Act and the regulations promulgated thereunder.

(b) Registered with the Secretary of Agriculture as a dealer, as that term is defined and used in the Act and the regulations promulgated thereunder.

(3) Respondent requested the Packers and Stockyards Program investigate its business operations, and assisted and fully cooperated with the investigation.

(4) The investigation disclosed violations of the Packers and Stockyards Act which primarily affected only two of Respondent's customers.

Conclusions

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

Order


Respondent, its agents and employees, successors and assigns, directly or through any device, in connection with Respondent's activities subject to the Packers and Stockyards Act, shall cease and desist from falsifying the account of purchase provided to livestock sellers by recording a false weight for hogs delivered to its buying stations, altering the classification of the hogs delivered, and creating false scale tickets, in contravention of section 312(a) of the Act (7 U.S.C. § 213(a)), section 401 of the Act (7 U.S.C. § 221) and sections 201.49 (9 CFR 201.49) and 201.55(a) (9 CFR 201.55(a)) of the regulations promulgated thereunder.

In accordance with section 203 of the Act (7 U.S.C. § 193), respondent is assessed a civil penalty in the amount of Fifteen Thousand Dollars (\$15,000) in addition to restitution, to be made in accordance with the terms of the "Understanding Regarding Consent Decision" entered between the parties. Respondent's payment of Fifteen Thousand Dollars (\$15,000) shall be made by certified funds, payable to the Treasurer of the United States.

Respondent is further ordered to establish such institutional controls as to assure compliance with the Packers and Stockyards Act and the regulations passed pursuant thereto, including instituting controls and tracking of procedures for weighing livestock, transmitting the weights to producers statements of account, and assuring producers are paid for in accordance with the correct weight and classification of the livestock delivered (the "Plan"). The Plan shall be instituted in accordance with the Understanding Regarding Consent Decision.


This Order shall have the same force and effect as if entered after full hearing. The provisions of this Order shall become final and effective upon on the sixth (6th) day after service of this Consent Decision and Order on Respondent.


Gary Lynch, President, Lynch Livestock, Inc.
Respondent


Christopher Young
Attorney for Complainant

Done at Washington, D.C.,

this 11th Day of October, 2017

 Acting Chief ALS
for
Chief Bobbie J McCartney
Administrative Law Judge