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UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

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In re:	)	
Samuel Rodriguez, Jr.,	)	P & S Docket No. D-18-0048
	)	
and	)	
	)	
R Y Livestock Sales, Inc.,	)	P & S Docket No. D-18-0049
	)	
	)	
Respondents	)	Consent Decision

This proceeding was instituted under the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. §§ 181 *et seq.*) (Act), and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. §§ 201.1 *et seq.*) (regulations), by a Complaint filed by the Deputy Administrator, Fair Trade Practices Program, Agricultural Marketing Service, (Complainant). The Complaint alleged that the Respondents willfully violated the Packers and Stockyards Act and the regulations promulgated thereunder. Complainant and Respondents 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).

Respondents admit the jurisdictional allegations in the complaint and specifically admit that the Secretary has jurisdiction in this matter, admit the remaining allegations as set forth herein as findings of fact and conclusions of law, waive oral hearing and further procedure. waive all rights to seek judicial review and otherwise challenge or contest the validity of this decision, including waiving challenges to the Administrative Law Judge's authority to enter this Decision and Order under the Administrative Procedure Act and the Constitution of the United States, and waive any action against the United States Department of Agriculture under the

Equal Access to Justice Act of 1980 (5 U.S.C. § 504 *et seq.*) for fees and other expenses incurred by respondent in connection with this proceeding or any action against any USDA employee in their individual capacity.

Respondents consent and agree, for the purpose of settling this proceeding, to the entry of this decision. Complainant agrees to the entry of this decision.

#### Findings of Fact

- (1) R. Y. Livestock is a corporation organized under the laws of the State of Texas. The mailing address of R. Y. Livestock is PO Box 464 Rio Grande City, TX 78582-0464.
- (2) R. Y. Livestock is, and at all times material herein was:
  - (a) Engaged in the business of conducting and operating a posted stockyard subject to the provisions of the Act;
  - (b) Engaged in the business of a market agency selling consigned livestock in commerce on a commission basis at the stockyard; and
  - (c) Registered with the Secretary of Agriculture as a market agency selling livestock in commerce on a commission basis.
- (3) Samuel Rodriguez, Jr. (Rodriguez) is an individual whose address was withheld from the Complaint and will also be withheld from this Consent Decision to protect individual privacy; it was previously provided to the Hearing Clerk's Office of the U.S. Department of Agriculture (USDA) for service purposes.
- (4) Rodriguez is, and at all times material herein was:

- (a) 50 percent owner and an officer and director of R. Y. Livestock;
- (b) Responsible for the day-to-day operations of R. Y. Livestock;
- (c) The alter ego of R. Y. Livestock;
- (d) Engaged in the business of conducting and operating a posted stockyard subject to the provisions of the Act; and
- (e) Engaged in the business of a market agency selling consigned livestock in commerce on a commission basis at the stockyard.

#### Conclusions

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

#### Order

Respondents, their agents and employees, successors and assigns, directly or through any device, in connection with Respondents' activities subject to the Packers and Stockyards Act, shall cease and desist from:

- (1) Failing to maintain their "Custodial Account for Shippers' Proceeds" in conformity with the provisions of section 201.42 of the regulations (9 C.F.R. § 201.42);
- (2) Failing to deposit in their "Custodial Account for Shippers' Proceeds", within the times prescribed by section 201.42 of the regulations (9 C.F.R. § 201.42), amounts equal to the outstanding proceeds receivable from the sale of consigned livestock;
- (3) Using funds received from the sale of consigned livestock for the payment of bank fees, or for any purpose other than payment to consignors of the amount due from the sale of their livestock and the payment of lawful marketing charges; and

(4) Failing to keep and maintain accounts, records and memorandum that fully and correctly disclose all transactions involved in their business, as required by section 401 of the Act (7 U.S.C. § 221).

Respondents shall cease and desist from the violations of the Act and the regulations found to exist. Pursuant to 7 U.S.C. § 204, R. Y. Livestock, operating individually or through any corporate or other device, is suspended from operating under the Act for a period of five (5) years, Rodriguez shall be barred from registering under the Act, and Respondents are suspended from engaging in business in any capacity for which regulation and bonding are required under the Act.

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

Done at Washington, D.C.

this 19<sup>th</sup> day of June, 2018

[REDACTED]

Acting Chief Administrative Law Judge

Channing D. Strother

[REDACTED]

Samuel Rodriguez, Jr., individually and as President of R Y Livestock Sales, Inc. Respondents.

[REDACTED]

Christopher Young  
Attorney for Complainant