

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

P & S Docket Nº D-10-0379

In re: Royal Halal Meat, Inc.,
Respondent

Default Decision and Order

Preliminary Statement

This proceeding was instituted under the Packers and Stockyards Act (7 U.S.C. § 181 et seq.) (“Act”), by a Complaint filed on August 6, 2010, by the Deputy Administrator, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture, alleging that the Respondent willfully violated the Act. The Complaint and a copy of the Rules of Practice Governing Formal Adjudicatory Administrative Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. § 1.130 et seq.) (“Rules of Practice”) were served on Respondent by certified mail. Respondent was informed in the letter of service and the Complaint that an answer should be filed pursuant to the Rules of Practice and that failure to answer would constitute an admission of all the material allegations contained in the Complaint.

Respondent failed to file an answer within the time period required by the Rules of Practice (7 C.F.R. § 1.136), and the Administrator has filed a Motion for Decision by Reason of Default. Accordingly 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. Royal Halal Meat, Inc., (Respondent) is a corporation incorporated in the state of Michigan, whose business address is in Detroit, Michigan.
2. From the relevant period of July 2008 to August 2008, Respondent was:
 - a. engaged in the business of buying livestock in commerce for the purpose of slaughter; and
 - b. a packer within the meaning of and subject to the provisions of the Act.
3. On the dates and in the transactions set forth in this paragraph, Respondent purchased livestock on a live-weight basis and failed to pay, when due, the full purchase price of the livestock.

Sale Date	Seller	No. of Head	Invoice Amount
07/03/2008	United Producers, Inc. Cincinnati, Ohio	66	\$7,029.91
07/03/2008	United Producers, Inc.	51	\$3,278.04
07/07/2008	United Producers, Inc.	23	\$3,055.49
07/20/2008	Tjernagel Family Livestock LLP Story City, Iowa	202	\$21,881.45
07/27/2008	Tjernagel Family Livestock LLP	193	\$20,867.35
08/11/2008	Mark Oberly Livestock Dundee, Michigan	107	\$9,222.13
08/12/2008	Mark Oberly Livestock	85	\$7,662.71
08/18/2008	Mark Oberly Livestock	94	\$5,902.30
		Total	\$78,899.38

4. As of the date of issuance of the Complaint, approximately \$58,535.94 of the livestock invoice amount remained unpaid.

5. On July 29, 2008, Respondent, in connection with its operations subject to the Act, purchased livestock and, in purported payment, issued a check, numbered 1592, without sufficient funds on deposit in the account on which the check was drawn.

Conclusions of Law

1. The Secretary has jurisdiction in this matter.
2. By reason of the facts found in Findings of Fact 3 and 4, Respondent willfully violated sections 202(a) and 409 of the Act (7 U.S.C. §§ 192(a), 228b) by failing to pay, when due, for livestock, and issuing a check without sufficient funds on deposit in the account on which the check was drawn.
3. Respondent did not file an answer within the time period prescribed by section 1.136 of the Rules of Practice (7 C.F.R. § 1.136), which constitutes an admission of all the material allegations in the Complaint.

Order

1. Respondent, its 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:
 - a. failing to pay the full amount of the purchase price for livestock within the time period required by the Act and the regulations promulgated under it, and
 - b. issuing checks for livestock without sufficient funds on deposit in the account on which the checks are drawn.
2. Pursuant to section 203(b) of the Act (7 U.S.C. § 193(b)), Respondent is assessed a civil penalty in the amount of ten thousand dollars (\$10,000.00).
3. This decision shall become final and effective without further proceedings thirty-five days (35) after service on Respondent, unless appealed to the Judicial Officer by a party to the

proceeding within thirty (30) days, pursuant to section 1.145 of the Rules of Practice (7 C.F.R. § 1.145).

Copies of this order shall be served on the parties by the Hearing Clerk.

March 1, 2011

PETER M. DAVENPORT
Chief Administrative Law Judge