

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

Docket No. 12-0325

In re: Abram Khaimov,

Respondent

Default Decision and Order

Preliminary Statement

This is a disciplinary proceeding under the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 et seq.), herein referred to as the Act, instituted by a Complaint filed on December 22, 2011 by the Deputy Administrator, Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration (GIPSA), United States Department of Agriculture, alleging that Abram Khaimov, herein referred to as Respondent, willfully violated the Act.

Service of the Complaint was initially attempted by certified mail; however, it was returned as “unclaimed.” The Complaint and Notice of Hearing and a copy of the Hearing Clerk’s letter of March 29, 2012 were then personally served upon Respondent on May 22, 2012. Respondent was informed in the Hearing Clerk’s letter 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.

As Respondent failed to file an Answer within the time period prescribed by the Rules of Practice (7 C.F.R. § 1.136), the following Finding 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. Respondent Abram Khaimov is an individual who resides in the State of New York.
2. Respondent operated a business under his own name and as Royal Meat, Inc. and at all times material herein, was:
 - (a) Engaged in business as a dealer buying and selling livestock in commerce for slaughter; and
 - (b) A packer within the meaning of and subject to the provisions of the Act.
3. Royal Meat, Inc. was a corporation organized under the laws of the State of New York with its principal place of business in Flushing, New York which was dissolved as of December 21, 2009.
4. Respondent was at all times material herein, the owner, sole director and officer of Royal Meat, Inc.
5. On or about the dates and in the transactions set forth set forth in Paragraph II of the Complaint incorporated by reference herein, Respondent purchased livestock and failed to pay, when due, the full purchase price of such livestock.
6. Respondent, at all times material herein, in connections with his operations subject to the Act, failed to keep and maintain records which fully and correctly disclosed all transactions involved in his business as a packer as required by section 401 of the Act (7 U.S.C. §221). Specifically, Respondent failed to keep and maintain the required documentation, including, but not limited to all purchase and sales invoices, account receivable records, bank statements and deposit slips, and kill sheets.

Conclusions of Law

1. The Secretary has jurisdiction in this matter.
2. Respondent willfully violated Sections 202(a), 401 and 409 of the Act, 7 U.S.C. §192(a), 221 and 228b.

Order

1. Respondent, his agents and employees, directly or through any corporate or other device, in connection with activities subject to the Act, shall cease and desist from:
 - a. Failing to pay, when due, the full purchase of livestock;
 - b. Failing to pay the full purchase of livestock; and
 - c. Failing to keep and maintain records which fully and correctly disclose all transactions involved in the business of being a packer, including all documentation necessary to permit tracing of all payments made for livestock, including but not limited to, purchase and sales invoices, accounts receivable records, bank statements and deposit slips and kill sheets.
2. Respondent is assessed a civil penalty of \$10,000.00.
3. This Decision shall become final and effective without further proceedings 35 days after the date of service upon Respondent, unless appealed to the Judicial Officer by a party to the proceeding within 30 days pursuant to section 1.145 of the Rules of Practice (7 C.F.R § 1.145).

Copies of this Decision shall be served upon the parties.

August 16, 2012

Peter M. Davenport
Chief Administrative Law Judge