UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re: Daniel Baranzini, Carlos Plascencia, and Sonoran Cattle LLC,
 Respondents.

P&S Docket No. 21-J-0043
P&S Docket No. 21-J-0044
P&S Docket No. 21-J-0045
Consent Decision and Order

This proceeding was initiated under the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181, et seq.) (the "Act"), by a Complaint filed on July 1, 2021, by the Deputy Administrator, Fair Trade Practices Program, Packers and Stockyards Division, Agricultural Marketing Service (AMS), United States Department of Agriculture (USDA), alleging that Respondent willfully violated the Act. This consent decision is entered pursuant to the consent decision provision of the Rules of Practice applicable to this proceeding (7 C.F.R. § 1.138).

Respondents Daniel Baranzini, Carlos Plascencia, and Sonoran Cattle LLC (a now dissolved company) admit the jurisdictional allegations in paragraph I of the Complaint and specifically admit that the Secretary has jurisdiction in this matter, neither admits nor denies the
remaining allegation, waives oral hearing and further procedure, waives 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 waives any action against the USDA under the Equal Access to Justice Act of 1980 (5 U.S.C. § 504 et seq.) for fees and other expenses incurred by Respondents in connection with this proceeding or any action against any USDA employee in their individual capacity, and consents and agrees, for the purpose of settling this proceeding and for such purpose only, to the entry of this consent decision.

Complainant agrees to the entry of this consent decision.

Findings of Fact

1. Respondent Daniel Baranzini is an individual and 50% owner of Sonoran Cattle, LLC, whose current address is (b)(6). His address is not included in this Complaint to protect Respondent’s privacy, but will be provided to the Hearing Clerk, USDA, to effect service.

2. Respondent Carlos Plascencia is an individual and 50% owner of Sonoran Cattle, LLC, whose current address is (b)(6). His address is not included in this Complaint to protect Respondent’s privacy, but will be provided to the Hearing Clerk to effect service.

3. Respondent Sonoran Cattle LLC is an entity operating at 235 N. Freeport Dr. Suite 3, Nogales, Arizona.\(^1\)

4. At all times material herein, Respondents were:

\(^1\) Complainant recognizes that Sonoran Cattle LLC, an Arizona limited liability company, is now dissolved and no longer in operation but was in operation during the time period covered by the Complaint.
(1) Engaged in the business of a dealer buying and selling livestock in commerce;

(2) Engaged in the business of a market agency buying livestock on a commission basis;

and,

(3) Registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce and as a market agency to buy livestock on a commission basis.

5. Respondents failed to pay, when due, the full purchase price of livestock in 19 transactions totaling $642,338.99. Payments ranged from three to 39 days late.

6. Respondents failed to pay the full purchase price of livestock in 42 transactions totaling $2,656,703.45. At the time of the Complaint, Respondents did make payments of $1,529,648.19, leaving an unpaid balance of $1,127,055.26.

7. Since then, Respondents have made additional payments and currently have an unpaid balance of 286,076.44 (“Outstanding Balance”) and have executed promissory notes for that amount.

Conclusions of Law

Respondents willfully violated section 312(a) of the Act (7 U.S.C. § 213(a)) and section 409 of the Act (7 U.S.C. § 228b and 9 C.F.R. § 201.43). Respondents have admitted the jurisdictional facts and the parties have consented to the issuance of this Consent Decision and Order without further procedure. This Consent Decision and Order shall have the same force and effect as a decision issued after a hearing.
Order

Respondents, their agents and employees, directly or through any corporate or other device, including any successor entities, in connection with their operations subject to the Act, shall cease and desist from failing to pay for the full purchase price of livestock and failing to pay, when due, the full purchase price of livestock (in other words, be in compliance with the Act if and when it engages in activities governed by the Act in the future).

In accordance with 7 U.S.C. § 204, Respondents are suspended as registrants under the Act for a period of 3 years from the effective date of this Consent Decision and Order. The suspension shall begin five days after the entering of this Consent Decision and Order. During this suspension, Respondents are prohibited from operating in any capacity for which registration and bond is required under the Act. If, however, at any time during that 3-year suspension, Respondents demonstrate to the USDA full payment of the Outstanding Balance ($286,076.44) owed to livestock sellers resulting from Respondents’ failure to pay and failure to pay when due for livestock, as alleged in the Complaint, then this Order will be modified to terminate the suspension.

In addition, and in accordance with 7 U.S.C. § 213(b), Respondents are assessed a civil penalty in the amount of sixty-two thousand five hundred dollars ($62,500.00) (the “Civil Penalty”). If, however, Respondents have demonstrated (as discussed above) full payment of the Outstanding Balance within the 3-year suspension period (thus lifting the suspension), this order will be modified to reduce said civil penalty to ten thousand dollars ($10,000) (the “Reduced Civil Penalty”), with the remaining $52,500 of the Civil Penalty being forgiven. Five days after the entering of this Consent Decision and Order, Respondents agree to pay five thousand dollars
($5,000) toward the Reduced Civil Penalty in a lump sum. The remaining five thousand dollars ($5,000) of the anticipated Reduced Civil Penalty will be paid in 12 monthly installments ($416.67 per month), with the first installment due on March 15, 2022. As for the method of payment of the Reduced Civil Penalty and Civil Penalty, payments may be made by certified check or money order made payable to the Treasurer of the United States and sent to USDA, AMS, FTPP, PSD, P.O. Box 0790304, St. Louis, MO 63197-9000. The certified check or money order shall include the docket number of this proceeding, Docket Nos. 21-J-0043, 21-J-0044, 21-J-0045. Payment may also be made through Pay.Gov, which can accommodate a payment plan and ACH bank transfers.

In the event that Respondents are unable to demonstrate to the USDA that the Outstanding Balance has been paid in full during the 3-year suspension period or if Respondents violate the Act at anytime during the 3-year suspension period, then any outstanding balance of the Civil Penalty will become immediately due and payable.

At the appropriate time before resuming operations, Respondents shall obtain a Bond in the amount of $170,000.00, or such amount commensurate for Respondents’ operations, and submit proof of the same to Complainant, pursuant to the Bond Termination Letter sent to Respondents on September 22, 2021 and received through Respondents’ counsel. Respondents shall submit the Statements of Operations to Complainant once requisite bond coverage is obtained.

Respondents shall comply with all registration requirements under the Act, in connection with their future operations subject to the Act. This Consent Decision and Order shall become
effective and final upon issuance, as if entered after a full hearing. Copies of this Consent Decision and Order shall be served on the Respondents and Complainant.

AGREED TO BY:

Daniel Baranzini
Attorney for Complainant

Carlos Plascencia
Sonoran Cattle LLC, an Arizona limited liability company

By: Daniel Baranzini, Managing Member

MARY ZOLDAK
Digitally signed by MARY ZOLDAK
Date: 2022.02.22 11:25:58 -07'00'

Mary Zoldak
Attorney for Complainant
Done at Washington, D.C.
This 22nd day of February 2022

CHANNING STROTHER

Channing D. Strother, Chief Administrative Law Judge