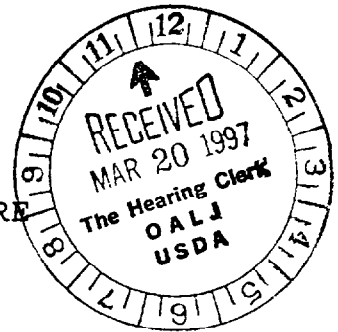


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UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:) P & S Docket No. D-96-10
Larry Wayne Reed)
Respondent) Decision

This proceeding was instituted under the Packers and Stockyard Act (7 U.S.C. §181 et. seq.) by a complaint filed by the Deputy Administrator, Packers and Stockyards Programs, Grain Inspection and Packers and Stockyards Administration, United States Department of Agriculture, alleging that the respondent willfully violated the Act and the regulations issued thereunder. This decision is entered pursuant to the consent decision provisions of the Rules of Practice applicable to this proceeding (7 C.F.R. §1.138).

The 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.

The complainant agrees to the entry of this decision.

Findings of Fact

(1) Larry Wayne Reed, hereinafter referred to as respondent Reed, is an individual whose business mailing address is P. O. Box 604, Nevada, Missouri 64772.

(2) Respondent Reed is and at all times material herein was:

(a) Engaged in the business of buying and selling livestock as a dealer in commerce for its own account;

(b) Engaged in the business of buying livestock as a market agency in commerce on a commission basis; and

(c) Registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce for its own account and the account of others.

Conclusions

The respondent having admitted the jurisdictional facts and the parties having agreed to the entry of this decision, such decision will be entered.

Order

Respondent Larry Wayne Reed, his agents and employees, directly or through any corporate or other device, in connection with their activities subject to the Packers and Stockyards Act, shall cease and desist from:

1. Engaging in business in any capacity for which bonding is required under the Packers and Stockyards Act, as amended and supplemented, and the regulations, without filing with the

Secretary of Agriculture an adequate bond or its equivalent, as required by the Act and the regulations;

2. Preparing false invoices which reflect livestock weights and prices that are fraudulently increased over actual purchase weights and prices of such livestock and collecting payment on the basis of such fraudulently increased weights and prices;

3. Issuing checks in payment for livestock purchases without maintaining sufficient funds on deposit and available in the account upon which such checks were drawn to pay such checks when presented;

4. Failing to pay, when due, the full purchase price of livestock; and

5. Failing to pay the full purchase price of livestock.

Respondent Larry W. Reed shall keep and maintain accounts, records and memoranda which fully and accurately disclose the true nature of all transactions involved in its business subject to the Packers and Stockyards Act, including, but not limited to, (a) livestock purchase and sales invoices, (b) load make-up sheets and (c) accounts of purchase for buying on commission purchases.

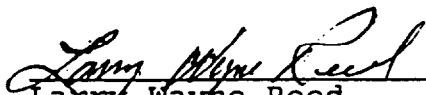
Respondent Larry W. Reed is hereby prohibited from operating in any capacity subject to the Act and regulations until such time as he has obtained adequate bond coverage or its equivalent.

Respondent Larry W. Reed is suspended as a registrant under the Act for a period of 5 years. Provided, however, that upon

application to Packers and Stockyards Programs a supplemental order may be issued terminating the suspension of the respondent at any time after 120 days upon demonstration by respondent that all livestock sellers identified by the complaint in this proceeding have been paid in full and provided further, that this order may be modified upon application to Packers and Stockyards Programs to permit respondent's salaried employment by another registrant or a packer after the expiration of the 120 day period of suspension and upon demonstration of circumstances warranting modification of the order.

The provisions of this order shall become effective on the sixth day after service of this order on the respondent.

Copies of this decision shall be served upon the parties.



Larry Wayne Reed
Respondent



Kimberly D. Hart
Attorney for Complainant

Issued this 20th day of March 1997



Administrative Law Judge