

UNITED STATES DEPARTMENT OF AGRICULTURE

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BEFORE THE SECRETARY OF AGRICULTURE

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In re:)	P. & S. Docket No. D-98-0011
)	
Ernest A. Douglas,)	
)	Decision Without Hearing by Reason
Respondent)	of Consent

THE HEARING CLERK
CALIFORNIA

This proceeding was instituted under the Packers and Stockyards Act (7 U.S.C. § 181 et seq.) by a Complaint filed by the Deputy Administrator, Packers and Stockyards Programs, Grain Inspection, Packers and Stockyards Administration, United States Department of Agriculture, alleging that Respondent willfully violated the Act and the regulations issued thereunder (9 C.F.R. § 201.1 et seq.). The Complaint was subsequently amended. 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).

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.

Complainant agrees to the entry of this decision.

Findings of Fact

1. Respondent, Ernest A. Douglas, is an individual whose mailing address is 130 Goodrich Road, Wheatland, Wyoming 82201.
2. Respondent is and was at all times material herein:
 - a. Engaged in the business of a dealer, buying and selling livestock for his own account; and

b. Registered with the Secretary of Agriculture as a dealer to buy and sell livestock for his own account.

Conclusions

As Respondent admits the jurisdictional facts and the parties agree to the entry of this decision, this decision will be entered.

Order

Respondent, Ernest A. Douglas, his 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:

1. Failing to maintain an adequate surety bond or its equivalent;
2. Issuing insufficient funds checks in payment for livestock purchases;
3. Failing to pay the full purchase price for livestock purchases;
4. Failing to pay, when due, the full purchase price for livestock purchases; and
5. Engaging in business subject to the Act while insolvent, i.e. while current liabilities exceed current assets.

Respondent shall keep and maintain accounts, records and memoranda which fully and correctly disclose all transactions he conducts subject to the Packers and Stockyards Act, including, but not limited to (a) current check registers of all checks issued for all bank accounts; (b) monthly reconciliations of bank accounts; (c) invoices for all livestock purchases; (d) schedules of accounts receivable and accounts payable; and (e) invoices which show the true and correct name of the livestock buyers, or a designation by which the buyers' identity can be determined.

Respondent is suspended as a registrant under the Act for a period of five (5) years and thereafter until Respondent demonstrates that he has an adequate surety bond or its equivalent and that he is no longer insolvent. Provided, however, that upon application to Packers and Stockyards Programs, a supplemental order may be issued terminating the suspension at any time after 180 days, upon demonstration that all livestock sellers or shippers identified in the complaint have been paid in full, Respondent has obtained an adequate surety bond or its equivalent and Respondent is no longer insolvent. Provided, further, that this order may be modified upon application to Packers and Stockyards Programs to permit the salaried employment of Respondent by another registrant or packer after the expiration of 180 days of this suspension term 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 Respondent.

Copies of this decision shall be served upon the parties.

Ernest A Douglas
Ernest A. Douglas
Respondent

Andrew Y. Stanton
Andrew Y. Stanton
Attorney for Complainant

Issued this 3 day of

August, 1999.

Edwin S. Bernstein
Edwin S. Bernstein
Administrative Law Judge