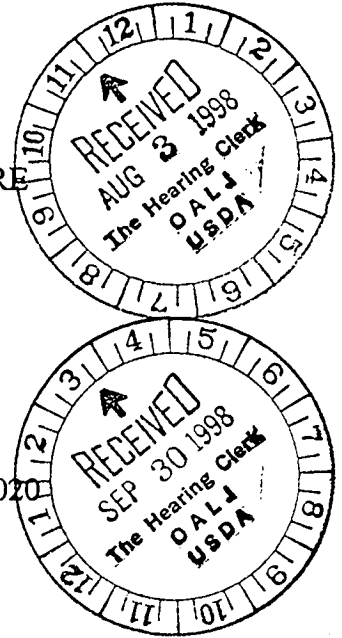


UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE



In re: )  
)  
Buford Watson, Jr., a/t/a )  
Pete Watson and TW&W, )  
)  
Respondent )

P&S Dkt. No. D-98-0020

**Decision Without Hearing by Reason of Default**

This disciplinary proceeding brought pursuant to the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. §181 *et seq.*), hereinafter the P&S Act, and the regulations promulgated thereunder (9 C.F.R. §201.1 *et seq.*), hereinafter the regulations, was instituted on April 13, 1998 by the Deputy Administrator, Packers and Stockyards Programs, Grain, Inspection, Packers and Stockyards Administration, United States Department of Agriculture, by a Complaint alleging that Respondent wilfully violated the P&S 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.*), hereinafter the Rules of Practice, were served on Respondent by regular mail on May 13, 1998, after service by certified mail, return receipt requested, was returned unclaimed. Accompanying the Complaint, Respondent was mailed a cover letter informing him that an Answer must be filed within twenty (20) days of service and that failure to file an Answer

would constitute an admission of all of the material allegations of fact in the Complaint and a waiver of the right to oral hearing.

Respondent did not file an answer within the time period required by section 1.136 of the Rules of Practice (7 C.F.R. §1.136), which constitutes an admission to all of the material allegations of fact in the Complaint. Complainant has moved for the issuance of a Decision Without Hearing by Reason of Default, pursuant to section 1.139 of the Rules of Practice (7 C.F.R. §1.139). Accordingly, this decision is entered without hearing or further procedure.

#### Findings of Fact

1. Buford Watson, Jr., also trading as Pete Watson and TW & W, referred to herein as Respondent, is an individual with a mailing address of P.O. Box 93-1A, Rutledge, Tennessee 37861.
2. Respondent is and at all times material herein was:
  - a. Engaged in the business of a dealer buying and selling livestock in commerce for his own account and a market agency buying livestock in commerce on a commission basis; and
  - b. Registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce for his own account and as a market agency to buy livestock in commerce on a commission basis.

3. The surety bond which Respondent was required to maintain for the purpose of securing the performance of his livestock obligations under the P&S Act, terminated on September 29, 1989. In spite of the fact that his bond had terminated, Respondent continued to operate subject to the P&S Act. Since September 29, 1989, Respondent has operated subject to the P&S Act without maintaining an adequate bond or its equivalent.

4. As set forth in section VI(a) of the Complaint, Respondent issued insufficient funds checks for livestock purchases.

5. As set forth in section VI(a) and (b) of the Complaint, Respondent failed to pay, when due, for livestock purchases.

#### Conclusions

1. By reason of the facts set forth above in Finding of Fact 3, Respondent wilfully violated Section 312(a) of the P&S Act (7 U.S.C. §213(a)) and sections 201.29 and 201.30 of the regulations (9 C.F.R. §§201.29, 201.30).

2. By reason of the facts set forth above in Finding of Fact 4, Respondent wilfully violated Section 312(a) of the P&S Act (7 U.S.C. §213(a)).

3. By reason of the facts set forth above in Finding of Fact 5, Respondent wilfully violated Sections 312(a) and 409 of the P&S Act (7 U.S.C. §§213(a), 228b).

Accordingly, the following order is issued.

Order

Respondent, his agents and employees, directly or through any corporate or other device, in connection with his activities subject to the P&S Act, shall cease and desist from:

1. Engaging in business in any capacity for which bonding is required under the P&S Act, as amended and supplemented, and the regulations, without filing and maintaining an adequate bond or its equivalent;
2. Issuing insufficient funds checks in payment for livestock purchases; and
3. Failing to pay, when due, the full purchase price for livestock purchases.

In accordance with Section 312(b) of the P&S Act (7 U.S.C. §213(b)), a \$2,500 civil penalty is assessed against Respondent.

This decision and order shall become final and effective without further proceedings thirty-five (35) days service on Respondent, 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 hereof shall be served upon the parties

Done at Washington, D.C.

this 30<sup>th</sup> day of September 1998



Administrative Law Judge