

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:) P. & S. Docket No. 13- 0121
)
Tony E. Lyon)
)
d/b/a Lyon Farms,)
)
)
Respondent) Complaint

There is reason to believe that the respondent named herein has willfully violated the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 *et seq.*), and the regulations promulgated thereunder by the Secretary of Agriculture (9 C.F.R. § 201.1 *et seq.*), and, therefore, this complaint is issued alleging the following:

I

(a) Respondent Tony E. Lyon is an individual who does business as Lyon Farms and who has a mailing address of P.O. Box 117, Perrin, TX, 76486.

(b) Respondent Tony E. Lyon, doing business as Lyon Farms, at all times material herein was:

- (1) Engaged in the business of a dealer buying and selling livestock in commerce;
- (2) Engaged in the business of a market agency buying and selling livestock in commerce on a commission basis;

- (3) A dealer within the meaning of and subject to the provisions of the Act;
- (4) A market agency within the meaning of and subject to the provisions of the Act; and
- (5) Not registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce nor as a market agency to buy and sell livestock in commerce on a commission basis.

II

On or about September 6, 2011, a Grain Inspection, Packers and Stockyards Administration (GIPSA) Agent personally delivered to respondent a Notice of Default (NOD). The NOD stated that respondent was engaged in the business of buying and selling livestock in commerce. The NOD informed respondent that buying and selling livestock in commerce without being properly registered with GIPSA and without filing a bond or bond equivalent are violations of the Act and regulations issued thereunder. The NOD informed respondent that failure to comply with the registration and bonding requirements would result in appropriate disciplinary action.

III

(a) On or about the dates and in the transactions set forth in Appendix A, respondent purchased livestock and failed to pay, when due, the full purchase price of such livestock.

(b) As of the date of the filing of this Complaint, to the best of Complainant's knowledge, approximately \$67,795.98 remains unpaid by respondent for livestock purchases.

IV

(a) On or about the dates and in the transactions set forth in Appendix B, respondent issued checks in payment for livestock purchases which were returned unpaid by the bank upon which they were drawn because respondent did not have and maintain sufficient funds on deposit and available in the account upon which the checks were drawn to pay them when presented.

(b) By reason of the facts alleged above in subsection (a) of this paragraph, respondent purchased livestock and failed to pay, when due, for such livestock.

V

On or about the dates and in the transactions described in Appendices A, B and C, incorporated herein by reference, and in other transactions and on other dates, respondent engaged in the business of a market agency buying and selling livestock in commerce on a commission basis and as a dealer buying and selling livestock in commerce without being properly registered with the Secretary and without maintaining a bond or bond equivalent.

VI

By reason of the facts alleged in paragraphs III and IV, respondent has willfully violated sections 312(a) (7 U.S.C. § 213(a)) and 409 (7 U.S.C. § 228b) of the Act and section 201.43 of the regulations (9 C.F.R. § 201.43).

By reason of the facts alleged in paragraph V, respondent has willfully violated section 312(a) of the Act (7 U.S.C. § 213(a)) and sections 201.29 and 201.30 of the regulations (9 C.F.R. §§ 201.29 and 201.30).

WHEREFORE, it is hereby ordered that this complaint shall be served upon respondent for the purpose of determining whether respondent has willfully violated the Act and regulations. Respondent shall have twenty (20) days after receipt of this complaint in which to file an answer with the Hearing Clerk, Room 1031-South Building, United States Department of Agriculture, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9200, in accordance with the Rules of

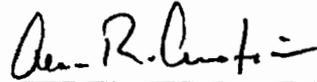
Practice governing proceedings under the Act (7 C.F.R. § 1.130 *et seq.*). Allegations not answered shall be deemed admitted for the purpose of this proceeding. Failure to file an answer will constitute an admission of all the material allegations of this complaint.

The Packers and Stockyards Program, Grain Inspection, Packers and Stockyards Administration requests:

1. That unless respondent fails to file an answer within the time allowed, or files an answer admitting all the material allegations of this complaint, this proceeding be set for oral hearing in accordance with the Rules of Practice; and
2. That such order or orders be issued, including an order requiring respondent to cease and desist from the violations of the Act and the regulations found to exist, prohibiting respondent from being registered and engaging in business in any capacity for which registration is required under the Act for a specified period of time, and assessing such civil penalties against respondent as are authorized by the Act and warranted under the circumstances.

Done at Washington, D.C.

this 12 day of December, 2012



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Deputy Administrator
Packers and Stockyards Program

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Appendix A

Purchase Date	Seller	Number of Head of Livestock Purchased	Livestock Amount	Payment due date per § 409 of the Act	Date Payment Made by Respondent	Outstanding Balance Owed by Respondent to Seller
8/22/2011	Decatur Livestock Market	29	\$22,056.83	8/23/2011	Unpaid	\$22,056.83
9/12/2011	Decatur Livestock Market	46	\$32,533.30	9/13/2011	Unpaid	\$32,533.30
9/19/2011	Decatur Livestock Market	19	\$13,205.85	9/20/2011	Unpaid	\$13,205.85

Appendix B

Purchase Date	Seller	Number of Head of Livestock Purchased	Livestock Amount	Check Amount ¹	Payment Due Date per § 409 of the Act	Date Check Issued	Date Check Returned due to NSF	Date Final Payment Made
7/23/2011	Dublin Livestock Auction, LLC	190	\$127,311.52	\$128,884.18	7/25/2011	7/26/2011	8/3/2011	8/4/2011
7/23/2011	The New Gainesville Livestock Auction, LLC	47	\$36,798.30	\$37,474.16	7/25/2011	7/27/2011	8/9/2011	9/30/2011 ²
8/27/2011	Dublin Livestock Auction, LLC	105	\$74,348.45	\$74,615.26	8/29/2011	8/27/2011	9/8/2011	9/8/2011
9/10/2011	The New Gainesville Livestock Auction, LLC	27	\$20,261.03	\$20,767.47	9/12/2011	9/20/2011	9/28/2011	9/30/2011 ³
9/17/2011	Dublin Livestock Auction, LLC	57	\$36,468.28	\$37,474.16	9/19/2011	9/23/2011	9/28/2011	9/29/2011

¹ Checks were issued for the Net Invoice Amount, which includes the livestock amount as well as other charges.

² Approximate date of payment

³ Approximate date of payment

Appendix C

Purchase Date	Number of Head of Cattle Purchased	Livestock Amount	Seller/Purchased From	Purchased For	Commission Amount
10/14/2011	12	\$7,642.55	Dublin Livestock Auction, LLC	Slate River Ranch	\$45.08
10/21/2011	47	\$29,338.43	Dublin Livestock Auction, LLC	Midwestern Cattle Marketing, LLC	\$160.54
10/21/2011	7	\$875.53	Dublin Livestock Auction, LLC	Steve Callaway	\$35.00
10/6/2011	200	\$118,545.53	Wichita Livestock Sales Company	Midwestern Cattle Marketing, LLC	\$963.10
10/6/2011	30	\$18,373.30	Wichita Livestock Sales Company	Slate River Ranch	\$118.28
10/12/2011	57	\$36,850.20	Wichita Livestock Sales Company	Slate River Ranch	\$225.75
10/19/2011	36	\$22,550.35	Wichita Livestock Sales Company	T Square Ranch	\$125.96
10/19/2011	13	\$8,723.15	Wichita Livestock Sales Company	Slate River Ranch	\$53.40
10/26/2011	40	\$24,565.20	Wichita Livestock Sales Company	T Square Ranch	\$138.71
10/26/2011	36	\$24,524.25	Wichita Livestock Sales Company	Slate River Ranch	\$143.10
10/17/2011	68	\$39,556.54	Graham Livestock Sales Corp.	T Square Ranch	\$228.60
10/24/2011	46	\$28,250.43	Graham Livestock Sales Corp.	T Square Ranch	\$158.14
10/24/2011	25	\$18,319.36	Graham Livestock Sales Corp.	Mike Mowery	\$108.98