

UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

In re: )  
)  
)  
Blue Horse Company, LLC, and ) P & S Docket No. 15-0026  
)  
Shawn Breitsprecher, ) P & S Docket No. 15-0027  
)  
Respondents ) Complaint and  
) Notice to Show Cause  
)

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

I.

(a) Blue Horse Company, LLC, hereinafter referred to as Company Respondent, is a domestic limited liability company with a mailing address of P.O. Box 55, Ossian, IA 52161.

(b) Company Respondent, under the management of Respondent Shawn Breitsprecher, is, and at all times material herein was:

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

(2) Not registered with the Secretary of Agriculture as a dealer to buy and sell livestock in commerce.

(c) Respondent Shawn Breitsprecher is an individual whose business mailing address is P.O. Box 55, Ossian, IA 52161. Respondent Shawn Breitsprecher is, and at all times material herein was:

- (1) Manager of Company Respondent;
- (2) Responsible for the management and day to day operations of Company

Respondent;

- (3) Engaged in the business of managing and operating Company Respondent; and
- (4) Engaged in the business of a dealer buying and selling livestock in commerce.

## II.

In a Notice of Default letter dated March 1, 2013, and delivered on March 5, 2013, Respondent Company was informed that the Packers and Stockyards Program had information indicating that Respondent Company was engaging in the business of buying and selling livestock without properly registering and filing a bond or bond equivalent. The Notice of Default referenced section 303 of the Act (7 U.S.C. § 203) and sections 201.10, 201.27-201.34 of the regulations promulgated thereunder (9 C.F.R. §§ 201.10, 201.27-201.34), and notified Respondent Company of its obligation to secure a bond or bond equivalent. The letter also stated that if the Respondent Company continued to operate subject to the Act without complying with the registration and bonding provisions, a complaint may be filed against it and that it may be subject to civil penalties.

On May 29, 2013, the Midwest Regional Office of the Packers and Stockyards Program received an Application for Registration from David Breitsprecher and Blue Horse Company,

LLC. In addition, Blue Horse Company, LLC submitted to the Packers and Stockyards Program a financial instrument in lieu of a bond, effective May 2, 2013.

### III.

Respondents, from approximately August 1, 2012, through December 19, 2012, in approximately 20 transactions, failed to charge their customers for the actual weight of livestock. Respondents bought livestock on a weight basis for resale to their customers, billing their customers on weights that were higher than the weights at the place of transfer of possession from the sellers to Respondents, and were not supported by documentation of a scale ticket from the place of transfer of possession from the Respondents to their customers. Additionally, the increases in weights on the sales invoices were not fully and accurately explained on the accountings, bills, or statements issued to their customers. Respondents bought approximately 2,259 head of livestock and generated 20 sales invoices that reflected an increase in weight from the weight reflected on the purchase invoices, ranging from a 0.86% increase to a 3.15% increase. In total, Respondents added 20,325 pounds in livestock weight to their sales invoices during this time period, failing to charge their customers for the actual weight of the livestock, and resulting in an additional profit of \$28,905.00 for the Respondents.

### IV.

By reason of the facts alleged in paragraph III herein, Respondents willfully violated section 312(a) of the Act (7 U.S.C. § 213(a)) and section 201.55 of the regulations (9 C.F.R. § 201.55). Respondent Company is unfit to be a dealer under section 303 of the Act (7 U.S.C. §

203), and its application for registration should be denied pursuant to section 201.10(b) of the regulations (9 C.F.R. § 201.10(b)).

WHEREFORE, it is hereby ordered that for the purpose of determining whether Respondents have, in fact, willfully violated the Act and regulations issued thereunder; and for the purpose of providing Respondent Company with an opportunity to show cause why its application for registration as a dealer should not be denied, the Complaint and Notice to Show Cause shall be served upon the Respondents. Respondents shall have twenty (20) days after receipt of this Complaint and Notice to Show Cause in which to file an answer with the Hearing Clerk, United States Department of Agriculture, Washington, D.C. 20250, 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 shall constitute an admission of all the material allegations of this Complaint and Notice to Show Cause.

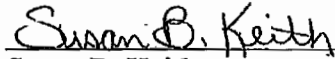
Packers and Stockyards Program, GIPSA, requests:

1. That unless Respondents fail to file an answer within the time allowed therefor, or file an answer admitting all the material allegations of this complaint and notice to show cause, this proceeding be set for oral hearing in accordance with the Rules of Practice governing proceedings under the Act; and

2. That such order or orders be issued, including an order requiring (1) Respondents to cease and desist from the violations of the Act and Regulations found to exist and assessing such civil penalties against these Respondents as are authorized by the Act and warranted in the circumstances; and (2) an order denying the application for registration of Respondent Company.

Done at Washington, D.C.

this 20<sup>th</sup> day of November, 2014



Susan B. Keith  
Deputy Administrator  
Packers and Stockyards Program

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