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UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re: Sufian A. Abuali, d/b/a Philly Food Distributors, Inc., a/k/a Philly Food Distributors 1 Inc., Respondent.	P&S Docket No. 25-J-0037

DECISION AND ORDER WITHOUT HEARING BY REASON OF DEFAULT

Appearance:

Brian Hill, Esq., Office of the General Counsel, United States Department of Agriculture, Washington, DC, for the Complainant, the Acting Deputy Administrator, Packers and Stockyards Program, Agricultural Marketing Service ("AMS")

This is a proceeding under the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. §§ 181 *et seq.*) ("Act"); the regulations promulgated thereunder (9 C.F.R. §§ 201.1 *et seq.*) ("Regulations"); and the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. §§ 1.130 through 1.151) ("Rules of Practice").

The Acting Deputy Administrator, Fair Trade Practices Program, Agricultural Marketing Service ("AMS"), United States Department of Agriculture ("Complainant"), initiated the matter by filing a complaint against Sufian A. Abuali, doing business as Philly Food Distributors, Inc. and also known as Philly Food Distributors 1 Inc. ("Respondent"), on March 3, 2025. The Complaint alleged that Respondent willfully violated sections 202(a) and 409 of the Act (7 U.S.C. §§ 192(a) and 228b) and section 201.43 of the Regulations (9 C.F.R. § 201.43).[1] It also

[1] Complaint at 3.

requested I issue "an appropriate order . . . assessing such remedies and sanctions as are authorized by the Act and warranted under the circumstances."[2]

Respondent was duly served with a copy of the Complaint and did not file an answer within the 20-day period as prescribed by section 1.136 of the Rules of Practice (7 C.F.R. § 1.136), nor has Respondent filed such an answer since that deadline.[3]

On January 15, 2026, Complainant filed a motion for a decision without hearing by reason of default ("Motion for Default") pursuant to section 1.139 of the Rules of Practice (7 C.F.R. § 1.139). Regarding sanctions, Complainant now requests an order requiring Respondent to cease and desist from violating the Act (7 U.S.C. § 213(b)).[4] Respondent has not filed any objections to Complainant's Motion.[5]

Failure to file a timely answer or failure to deny or otherwise respond to allegations in the Complaint shall be deemed, for purposes of this proceeding, an admission of the allegations in

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[2] *Id.* at 4.

[3] United States Postal Service records reflect the Complaint was sent to Respondent via certified mail and returned to the Hearing Clerk's Office as "unclaimed." In accordance with the Rules of Practice, the Hearing Clerk re-mailed (*see* 7 C.F.R. § 1.132) the Complaint to the same address by ordinary mail on June 27, 2025. 7 C.F.R. § 1.147(c)(1). Respondent had 20 days from the date of service to file a response. 7 C.F.R. § 1.136(a). Weekends and federal holidays shall be included in the count; however, if the due date falls on a Saturday, Sunday, or federal holiday, the last day for timely filing shall be the following workday. 7 C.F.R. § 1.147(h). In this case, Respondent's answer was due on or before July 17, 2025. Respondent has not filed an answer.

[4] Motion for Default at 3-4.

[5] United States Postal Service records reflect that the Motion for Default was sent to Respondent via certified mail and delivered on February 26, 2026. Respondent had 20 days from the date of service to file objections thereto. 7 C.F.R. § 1.139. Weekends and federal holidays shall be included in the count; however, if the due date falls on a Saturday, Sunday, or federal holiday, the last day for timely filing shall be the following workday. 7 C.F.R. § 1.147(h). In this case, Respondent's objections were due on or before March 18, 2026. Respondent has not filed any objections.

the Complaint, unless the parties have agreed to a consent decision.[6] Other than a consent decision, the Rules of Practice do not provide for exceptions to the regulatory consequences of failing to file an answer where, as in the present case, no meritorious objections have been filed.[7]

Sanction

As previously stated, Complainant seeks an order directing Respondent to cease and desist from violating the Act.[8] This sanction is specifically authorized under section 312(b) the Act (7 U.S.C. § 213(b)).[9] With regard to sanction determinations, the Judicial Officer has explained:

> [T]he sanction in each case will be determined by examining the nature of the violations in relation to the remedial purposes of the regulatory statute involved, along with all relevant circumstances, always giving appropriate weight to the recommendation of the administrative officials charged with the responsibility for achieving the congressional purpose.[10]

The purpose of imposing sanctions "is to accomplish the remedial purposes of the Packers and Stockyards Act by deterring future violations of the Packers and Stockyards Act by the violator and others."[11]

Complainant submits that by failing to pay sellers for livestock purchases and issuing checks with insufficient funds, Respondent has committed "serious and willful violations of the

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[6] 7 C.F.R. § 1.136(c).

[7] *See supra* note 5 and accompanying text.

[8] *See supra* note 4 and accompanying text.

[9] *See* 7 U.S.C. § 213(b).

[10] *S.S. Farms Linn County, Inc.*, 50 Agric. Dec. 476, 497 (U.S.D.A. Jud. Officer 1991) (Decision as to James Joseph Hickey & Shannon Hansen), *aff'd*, 991 F.2d 803 (9th Cir. 1993) (not to be cited as precedent under the 9th Circuit Rule 36-3).

[11] *Syverson*, 69 Agric. Dec. 1500, 1509 (U.S.D.A. Jud. Officer 2010) (Decision and Order on Remand), *aff'd sub nom. Syverson v. U.S. Dep't of Agric.*, 666 F.3d 1137 (8th Cir. 2012).

Act."[12] I agree with Complainant's observation.[13] Moreover, this is not the first time Respondent has committed violations of the Act and Regulations. Complainant explains that "the Agricultural Marketing Service sent Respondent a Notice of Violation informing him of failures to make prompt payment between August 2018 and May 2020, prior to the allegations that form the basis of the complaint" in this case.[14] A cease-and-desist order is therefore necessary to effectuate the Secretary's policy of deterrence in this case.[15]

Having considered the nature of Respondent's violations and the remedial purposes of the Act, I find Complainant's sanction recommendations to be reasonable and appropriate under the facts and circumstances in this proceeding.

As Respondent failed to file an answer to the Complaint, and upon Complainant's motion for the issuance of a decision without hearing, this Decision and Order is issued without further procedure or hearing pursuant to section 1.139 of the Rules of Practice (7 C.F.R. § 1.139).

Findings of Fact

[12] Motion for Default at 3.

[13] *See, e.g.*, *Tiemann*, 57 Agric. Dec. 1573, 1579 (U.S.D.A. Jud. Officer 1988) ("The effect on a livestock market when a dealer fails to pay for livestock, or issues checks in payment for livestock which are returned unpaid because of insufficient funds, causes serious problems for those in the livestock trade."); *Hines & Thurn Feedlot, Inc.*, 57 Agric. Dec. 1408, 1429 (U.S.D.A. Jud. Officer 1998) ("[O]ne of the primary purposes of the Packers and Stockyards Act is 'to assure fair trade practices in the livestock marketing . . . industry in order to safeguard farmers and ranchers against receiving less than the true market value of their livestock.' *Bruhn's Freezer Meats v. U.S. Dep't of Agric.*, 438 F.2d 1332, 1337 (8th Cir. 1971). The requirement that a purchaser make timely payment effectively prevents sellers from being forced to finance the transaction. *Van Wyk v. Bergland*, 570 F.2d 701, 704 (8th Cir. 1978). Respondents contravened that requirement, and Respondents' violations directly thwart one of the primary purposes of the Packers and Stockyards Act.").

[14] Motion for Default at 4.

[15] *See supra* note 11 and accompanying text.

1. Respondent Sufian A. Abuali is an individual with a mailing address in the Commonwealth of Pennsylvania. His mailing address is not stated herein to protect his personal privacy but was provided to the Hearing Clerk, United States Department of Agriculture, for the purpose of service.
2. Respondent conducts business as Philly Food Distributors, Inc., also known as Philly Food Distributors 1 Inc., a company for which he was the sole owner and president at all times relevant herein, as well as the sole officer of the corporation who directed and controlled all of its actions.
3. At all times material herein, Respondent was:
    a. Engaged in the business of buying livestock in commerce for purposes of slaughter; and
    b. A packer within the meaning of and subject to the provisions of the Packers and Stockyards Act.
4. On May 21, 2020, the Packers and Stockyards Administration sent Respondent a Notice of Violation ("NOV") informing him that he had failed to make prompt payment for certain livestock purchases between August 2018 and May 2020. The NOV further informed Respondent that failure to pay for livestock by close of the next business day is a violation of the Act and Regulations and that failure to correct his business practices and bring them into statutory and regulatory compliance could subject him to disciplinary action. Notwithstanding the NOV, Respondent continued to engage in the business of buying livestock in commerce without paying, when due, the full purchase price of the livestock as required by the Act.

5. On or about the dates and in the transactions set forth below, Respondent failed to pay, when due, the full purchase price of the livestock as required by the Act.

Purchase Date	Livestock Seller	# Head	Invoice Amount	Check #	Credit Agreement (Y/N)	Date Payment Due	Date Payment Delivered	Date Check Returned	# Days Late	Outstanding Balance
10/5/20	New Holland	10	$5,989.55	310	N	10/6/20	10/6/20		6	$0
10/5/20	New Holland	237	$36,034.90	311	N	10/6/20	10/6/20	10/29/20		$12,736.77
11/2/20	New Holland	11	$5,446.75	319	N	11/3/20	11/9/20		6	$0
11/2/20	New Holland	168	$29,551.75	320	N	11/3/20	11/9/20	11/30/20		$10,517.62
11/9/20	New Holland	7	$3,394.00	292	N	11/10/20	11/19/20		9	$0
11/9/20	New Holland	245	$40,651.50	291	N	11/10/20	11/19/20	12/7/20		$21,302.15
11/12/20	New Holland	2	$1,321.95		N	11/13/20				$1,321.95
12/14/20	New Holland	4	$2,593.75	404	N	12/15/20	12/26/20		13	$0
12/14/20	New Holland	145	$27,980.75	403	N	12/15/20	12/28/20	1/5/21		$8,117.22
2/1/21	New Holland	64	$14,933.40	352	N	2/2/21	2/8/21	2/24/21		$4,243.68
										$57,846.39

6. By issuing insufficient funds checks in five of the ten transactions referenced in Paragraph 5 of this Decision and Order, Respondent failed to pay, when due, the full purchase price of the

livestock. As of the date the Complaint was filed, Respondent had failed to pay $57,846.39 of the $167,898.30 in total livestock purchases.

Conclusions of Law

1. The Secretary of Agriculture has jurisdiction in this matter.
2. Respondent Sufian A. Abuali, doing business as Philly Food Distributors, Inc. and also known as Philly Food Distributors 1 Inc., willfully violated sections 202(a) and 409 of the Packers and Stockyards Act (7 U.S.C. §§ 192(a) and 228b) and section 201.43 of the Regulations (9 C.F.R. § 201.43).
3. The following Order is authorized by the Act and warranted under the circumstances.

ORDER

1. Complainant's Motion for Default is GRANTED.
2. Respondent Sufian A. Abuali and Respondent's agents, employees, successors, and assigns, directly or indirectly through any corporate or other device, in connection with Respondent's activities subject to the Packers and Stockyards Act, shall cease and desist from:
    a. Issuing checks in payment livestock purchases which are returned unpaid by the bank upon which they are drawn because Respondent does not have and maintain sufficient funds on deposit and available in the account upon which such checks are drawn to pay such checks when presented;
    b. Failing to pay, when due, the full purchase price of livestock; and
    c. Failing to pay the full purchase price of livestock.

This Decision and Order shall be final and effective without further proceedings thirty-five (35) days after service, unless an appeal to the Judicial Officer is filed with the Hearing Clerk within thirty (30) days after service as provided in sections 1.139 and 1.145 of the Rules of

Practice (7 C.F.R. §§ 1.139 and 1.145).

Copies of this Decision and Order shall be served upon the parties and counsel by the Hearing Clerk.

Done at Washington, D.C.,
this 30th day of April 2026,

Tierney Carlos

Tierney Carlos
Administrative Law Judge

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