

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF GEORGIA
AUGUSTA DIVISION**

BLACKDIRT FARM MANAGEMENT,
LLC,

Plaintiff,

v.

CHRIS MARTIN AND OAK LAKE
CATTLE COMPANY, INCORPORATED,

Defendants.

CIVIL ACTION FILE NO.: 1:21-cv-97

DEMAND FOR JURY TRIAL

COMPLAINT

Blackdirt Farm Management, LLC (“Blackdirt” or “Plaintiff”) submits this Complaint against Chris Martin (“Martin”) and Oak Lake Cattle Company, Incorporated (“Oak Lake”) seeking damages for violations of the Packers and Stockyards Act, for violations of regulations promulgated under the Packers and Stockyards Act, for breach of contract, and other laws set forth herein.

THE PARTIES

1. Blackdirt is the operator of a farm located at 1999 Moxley Road, Bartow, Georgia, which is located in Jefferson County (the “Bartow Farm”).
2. Martin is an individual who resides at 38354 Drovers Trail Road, Alma, Kansas 66401.
3. Martin is engaged in, among other things, the business of buying and selling in cattle, either on his own account or as the employee or agent of cattle purchasers. Martin, for example, buys cattle in Florida (or other areas of the country) through livestock auctions or from

cow-calf operators on his own account, or on behalf of others, and then resells the cattle, on his own account or the account of others, for ultimate slaughter.

4. Accordingly, Martin is a “dealer” (or otherwise subject to the PSA) as that term is used under the Packers and Stockyards Act (“PSA”), 7 U.S.C. §§ 181–229c. *See* 7 U.S.C. § 201(d) (defining “dealer”).

5. Oak Lake is a Florida corporation with its principal place of business at 1067 Hwy 98 North, Okeechobee, Florida 34972.

6. Oak Lake is engaged in, among other things, the business of buying or selling in cattle, either on its own account or as the employee or agent of cattle purchasers. Oak Lake, for example, buys cattle in Florida through auctions or cow-calf operators on its own account, or on behalf of others, and then resells the cattle, on its own account or the account of others, for ultimate slaughter. To the extent Oak Lake buys cattle for others, Oak Lake is compensated for these services on a percentage, per-head, or commission basis.

7. Accordingly, Oak Lake is a “dealer” (or otherwise subject to the Act) as that term is used under the PSA. *See* 7 U.S.C. § 201(d).

8. Oak Lake is bonded through the United States Department of Agriculture under the PSA.

9. On at least two prior occasions, Oak Lake incurred civil penalties based on USDA enforcement proceedings for Oak Lake’s violations of the PSA.

10. Oak Lake may be served through its registered agent, I.E. “Jim” Byrd, at 1067 Hwy. 98 North, Okeechobee, Florida 34972.

JURISDICTION AND VENUE

11. The PSA, a federal statute, explicitly grants injured parties private rights of action and vests the United States district courts with jurisdiction over such actions. 7 U.S.C. § 209. And as discussed more below, Plaintiff asserts three claims through § 209.

12. This Court therefore has subject-matter jurisdiction under 28 U.S.C. § 1331 because this matter involves a federal question.

13. Defendants are subject to personal jurisdiction in this Court.

14. Venue is proper in the Southern District of Georgia under 28 U.S.C. § 1391(b) because, at minimum, a substantial part of the events giving rise to Plaintiff's claims occurred in the Southern District of Georgia.

15. Within the Southern District of Georgia, venue is proper in the Augusta Division because a substantial part of the events giving rise to Plaintiff's claims occurred in Jefferson County, Georgia, which is in the Augusta Division of the Southern District of Georgia. *See* 28 U.S.C. § 90(c).

FACTUAL BACKGROUND

The Written Agreement

16. Martin and Blackdirt entered into an agreement, dated September 30, 2020, under which Blackdirt agreed to precondition cattle bought and owned by Martin (the "Agreement").

17. A true and accurate copy of the Agreement is attached hereto as **Exhibit A** and is incorporated herein by reference.

18. Under the terms of the Agreement, Blackdirt agreed to "precondition" the cattle at the Bartow Farm for an estimated sixty (60) days (Agreement ¶ (f)) prior to the Cattle being

shipped to Martin in Kansas or other Midwestern locations where the cattle would ultimately be resold and “finished” on grain-based diets prior to slaughter.

19. “Preconditioning” is a cattle-management method that prepares recently weaned calves to enter finishing feedlots, reducing stress and disease susceptibility once they are in the finishing feedlot. The purpose of “preconditioning” is to spread out the stressors that calves experience. For example, it mitigates the effects of being weaned, vaccinated, and transported and with adjusting to unfamiliar animals and environments and dietary changes. This process helps prevent the calves’ immune systems from being overwhelmed. During a typical “preconditioning,” these recently weaned calves are fed primarily grain-based feedstuffs, and they are rarely fed grass.

20. With respect to this Agreement, Oak Lake acquired approximately 1,479 head of recently weaned calves (collectively, the “Cattle”) on behalf of Martin in or around Okeechobee, Florida at livestock auctions, where cattle from numerous different herds were sold to the highest bidder.

21. Almost immediately before they were shipped from the Okeechobee, Florida area, these Cattle were weaned from their mothers.

22. Oak Lake, on behalf of Martin, was responsible for caring for the Cattle as soon as they were purchased and until the Cattle arrived at the Bartow Farm. Oak Lake was responsible for, among other things, arranging transportation.

23. In accordance with the Agreement, Oak Lake, acting on behalf of Martin, delivered (or caused to be delivered) the Cattle to the Bartow Farm between September 2020 and December 2020.

24. Okeechobee, Florida is generally warmer than Bartow, Georgia.

25. It is understood in the cattle industry that transporting cattle, dietary changes, and weather changes can stress cattle, especially recently weaned calves. Therefore, owners of recently weaned calves must promptly provide care to those recently weaned calves, including providing required feed, water, medicine, and acclimation times.

26. Under the terms of the Agreement, Martin maintained ownership of the Cattle.

27. Oak Lake (specifically, Dan Byrd) was Blackdirt's primary point of contact regarding the Cattle with respect to the terms of the Agreement and delivery and pick-up of the Cattle.

28. Upon information and belief, Oak Lake was paid based, at least in part, on the number of calves it shipped to the Bartow Farm.

29. Under the terms of the Agreement, Blackdirt was to be paid based on the amount of weight the Cattle gained while at the Bartow Farm. The price per pound of gain was based on two factors: (1) the weight of the Cattle at arrival; and (2) whether the Cattle had received the first round of vaccinations prior to the Cattle arriving at the Bartow Farm.

30. Contrary to the terms of Paragraph (m) of the Agreement, all Cattle were not drenched (dewormed) or vaccinated prior to arrival at the Bartow Farm.

31. Blackdirt completed the first vaccinations of the Cattle within five to ten days of the Cattle arriving on the Bartow Farm.

32. At least 13 calves died at the Bartow Farm prior to this first working,¹ where the Cattle were retagged and vaccinated.

¹ "Working" cattle generally involves herding cattle into pens and ultimately through a chute, so that each calf can receive individualized treatment or care.

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