

Report of Investigation, NOPC-9883-24, Lone Star Organic Dairy LLC

United States Department of Agriculture
Agricultural Marketing Service
National Organic Program
Compliance and Enforcement Division

REPORT OF INVESTIGATION

Complaint Number: NOPC-9883-24

Date of Complaint: November 16, 2023

Complaint Type: Noncompliance

Complained Party: Lone Star Organic Dairy LLC
9078 FM 47
Wills Point, TX 75169
[REDACTED]

Complainant: Colin Henstock
Investigations Project Manager
People for the Ethical Treatment of Animals (PETA)
1536 16th St. N.W.
Washington, DC 20036
[REDACTED]

(b) (6), (b) (7)(C), (b) (7)(D)

[REDACTED]

Allegations: Dairy animals at the dairy had access to unsafe conditions and fell into a manure pit, had access to nails in bedding materials causing injury and crippling, were cut with barbed wire fencing trying to eat roughage through the fence, some animals got out of the inadequate fencing and were hit by cars and killed, blind calves were shocked repeatedly by electric fencing and some blind calves were not attended to until they died. Some bedding and living areas were saturated with feces and urine, and water troughs were filthy. Calves were not treated for illnesses and died, there were double the number of dead calves in the last six months. Some cow collars were not loosened and became embedded in the animal's necks causing wounds and abscesses. Some carcasses were exposed for days and not buried.

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Relevant Regulations:

7 C.F.R. § 205.238 Livestock health care practice standard.

7 C.F.R. § 205.239 Livestock living conditions.

Compliance Specialist: Emily Prisco

Date of Report: July 2, 2024

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Exhibits

- 1. Complaint from PETA, dated 11/16/2023
- 2. Complaint from (b) (6), (b) (7)(C), (b) (7)(D)
- 3. USDA Organic Integrity Database Profile Lone Star Organic Dairy, dated 12/27/2023
- 4. Thomson Reuters Consolidated Lead Evaluation and Reporting CLEAR background report Lone Star Organic Dairy, dated 11/16/2023
- 5. Web article Rise Run and Lone Star, 11/23/2022
- 6. Summary of evidence, dated 11/26/2019
- 7. Investigation Request NOP to Organic Certifiers, dated 1/4/2024
- 8. Investigation Report Organic Certifiers to NOP, dated 3/19/2024
- 9. Lone Star Organic Dairy response to Organic Certifiers, dated 11/22/2023
- 10. Lone Star Organic Dairy response to Organic Certifiers, dated 12/2/2023
- 11. Inspection Report Organic Certifiers of Lone Star Organic Dairy, dated 12/8/2023
- 12. Combined Notice of Noncompliance and Proposed Suspension Organic Certifiers to Lone Star Organic Dairy, dated 3/14/2024
- 13. Settlement Agreement between Organic Certifiers and Lone Star Organic Dairy, 7/2/2024

I. Introduction

On November 16, 2023, the U.S. Department of Agriculture (USDA), Agricultural Marketing Service (AMS), National Organic Program (NOP) received an email complaint from Colin Henstock, the Investigations Project Manager for People for the Ethical Treatment of Animals (PETA). (Exhibit 1, page 1) The complaint alleged that Lone Star Organic Dairy LLC, located at 9078 FM 47, Wills Point, TX 75169, was violating the USDA organic livestock regulations. PETA stated that they had received the complaint with photographic and video evidence to support the allegations, which was submitted to the NOP.

(b) (6), (b) (7)(C), (b) (7)(D)

(Exhibit 3, pages 4-6)

A December 27, 2023, NOP Organic Integrity Database (OID) search showed that Lone Star Organic Dairy LLC had been certified organic for livestock and crops with Organic Certifiers, Inc. (OC) since June 2022. (Exhibit 3) The OID search showed a mailing address of 14180 Dallas Pkwy, North Tower Suite 510, Dallas, TX 75254.

A December 27, 2023, Thomson Reuters Consolidated Lead Evaluation and Reporting (CLEAR) background report for Lone Star Organic Dairy LLC (Lone Star) confirmed the address in the OID. (Exhibit 4, page 3) An internet search for Lone Star showed a November 23, 2022, media release by Rise Run Capital who acquired Lone Star located in Wills Point, TX. (Exhibit 5)

II. Investigative Summary

The alleged violations compiled from the PETA complaint, additional information from (b) (6), (b) (7)(C), (b) (7)(D) and an NOP livestock technical expert summary review of photographic and video evidence included:

- Photographic and video evidence showed that cows had access to the facilities concrete manure waste separating system. Video evidence showed a live cow submerged except for the head and hip bones floating in a deep pit filled with liquid manure, and a pump running in that same pit. PETA's media release stated that when the cow was finally extracted, she could barely walk and was sold for slaughter. (Exhibit 1, page 3, Exhibit 2, page 4, Exhibit 6, page 2)
- Nails left in bedding materials resulted in injured and crippled animals. Video evidence showed a Holstein heifer walking with a limp in her right rear leg. (Exhibit 1, page 3, Exhibit 2, page 5, Exhibit 6, page 3)
- Collars on cows were not loosened causing them to be embedded in animals' necks causing wounds and abscesses. (Exhibit 1, pages 3 and 7, Exhibit 2, page 5, Exhibit 6, page 2)
- Animals grazing stuck their heads and necks through barbed wire fencing, to graze forage on the other side, and were cut. Some animals were reaching for grass and hay that had been dumped on the other side of the fence. (Exhibit 1, pages 3 and 8, Exhibit 2, page 4, Exhibit 6, page 2)

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- A photograph showed where other animals were crowded into a bunch near barbed wire and some of them had bleeding cuts on their rear legs. (Exhibit 1, page 8, Exhibit 6, page 2)
- Some animals escaped the pastures due to inadequate fencing and were struck and killed by cars. (Exhibit 1, pages 3 and 8, Exhibit 2, page 4, Exhibit 6, page 2)
- Blind calves were placed into a pen with electric fencing and were repeatedly shocked. (Exhibit 1, page 1, Exhibit 2, page 4)
- Blind heifers “wandered around the property until they died.” (Exhibit 1, page 1, Exhibit 2, page 4)
- The number of calves that died from scours and pneumonia had doubled in the last six months due to inadequate, or lack of, care. (Exhibit 1, pages 3,5,6,7,8, Exhibit 2, page 4, Exhibit 6, pages 1,2)
- Some bedding and living areas were saturated with feces, urine, and leaking water troughs. Water troughs were not cleaned and filthy with floating debris. (Exhibit 1, pages 3,8,9, Exhibit 6, page 2)
- Dead animals remained around the property, at times for days, before being buried. (Exhibit 1, pages 3,5,6,7, Exhibit 2, page 4, Exhibit 6, pages 1,2)

On January 4, 2024, the NOP sent an Investigation Request to OC and asked them to investigate all allegations. (Exhibit 7, page 2)

On March 19, 2024, OC emailed their investigation report to the NOP. (Exhibit 8, page 1) The investigation report outlined the following items:

- OC received the same complaint the NOP received from PETA on the same day.
- On November 21, 2023 and on December 1, 2023, OC requested that Lone Star provide information regarding allegations in the complaint to OC. (Exhibit 8, page 3)
- Lone Star responded to both requests. (Exhibits 9, 10) Lone Star purchased the dairy and animals in November 2022 and stated that they inherited calf health issues. OC evaluated Lone Star’s response which was further described in OC’s investigation report and summarized in this report below.
- Lone Star submitted a third party Validus Animal Welfare Review – Dairy Audit Findings Summary from November 16, 2023. (Exhibit 10, page 1) Validus is ISO 9001, 17065, and USDA Process Verified approved and the standards are evaluated by PAACO and USDA annually. (b) (4)

[REDACTED]

(Exhibit 10, pages 12,13)

- Lone Star submitted an (b) (4) [REDACTED] Audit performed by FSNS Certification Audit from November 20, 2023. (Exhibit 10, page 14) (b) (4) [REDACTED]

(b) (4)

(Exhibit 10, pages 19-24)

- On December 6, 2023, OC performed an onsite inspection at Lone Star. (Exhibit 11 page 1) Items the inspector indicated as concerns included 1) high mortality rate in calves which was being addressed with a new calf manager and sanitation protocols, and 2) cows were dirty due to lack of bedding management. Other items observed by the inspector included 1) clean water troughs, 2) temporary barbed wire fencing around the manure pit, 3) excessive manure build up in some pens that were being cleaned, 4) no carcasses viewed and a pre-dug hole for carcasses was observed, 5) no animals with tight neck collars were observed, 6) fencing where animals reached through to graze was smooth and no animals were observed with cuts, and 7) during the interview, the inspector stated that no animals were struck by cars.

On March 14, 2024, OC issued a Combined Notice of Noncompliance and Notice of Proposed Suspension of Certification to Lone Star. (Exhibit 12, page 1) There were four noncompliances with multiple issues for each which were described as follows:

- §205.238 Livestock health care practice standard. 1) a high heifer mortality rate, 2) Lone Star's veterinarian (b) (4) 3) Validus Animal Welfare Audit showed (b) (4) 4) numerous animals were not treated for illness prior to death, 5) (b) (4) Audit showed (b) (4) 6) Lone Star preferred (b) (4) (Exhibit 12, page 2)
- §205.238 Livestock health care practice standard. And §205.239 Livestock living conditions. 1) (b) (4) 2) bedding had accumulated and was at abnormal height in barns, bedding was spilling over the side walls and cows were dirty, photographs of animals standing high up on a bedded pack, and 3) many heifers died from pneumonia and scours which could have been exacerbated by poor living conditions. (Exhibit 12, page 3)
- §205.239 Livestock living conditions. 1) cows had access to the concrete manure separating system (b) (4) 2) (b) (4) 3) (b) (4) (Exhibit 12, page 4)
- §205.403 On-site inspections. 1) at the time of inspection a new manager was onsite however, the new manager was not the most knowledgeable person regarding the operation, this was shown when the new manager only explained future plans for managing calves and not previous practices, it was stated that Banamine was not used however, the treatment log showed multiple uses of Banamine, and the new manager stated that it was a false accusation about animals in the road even though Lone Star

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confirmed and records showed that two animals were killed by a cars. (Exhibit 12, page 5)

On May 14, 2024, OC and Lone Star entered into a Settlement Agreement. (Exhibit 13, page 5) Lone Star agreed to the following terms of the agreement which extends for two years:

- Lone Star developed a comprehensive Herd Health Plan for all areas of §205.238 including goals for mortality rates and monitoring the rates and contingency plans if the rates are exceeded, information for recording health care treatments, how the operation would not withhold treatment to preserve an animals organic status, and who was responsible to administer the plan, annual training of the plan had to occur and new hires had to be trained, a vet-client relationship form had to be completed prior to a veterinarian providing health care services, annual animal welfare audits from Validus, FARM, etc. would be submitted to OC, OC would randomly request treatment and mortality records for all classes of animals. (Exhibit 13, page 4)
- Lone Star had to develop a plan for maintaining livestock living conditions per §205.239 including cleaning facilities and bedding which would be documented for review. Training for these procedures and recordkeeping had to occur.
- Lone Star had to develop permanent facilities around the manure waste system and monitor and fix other unsafe living conditions for livestock.
- Lone Star agreed that the most knowledgeable about the operation person would be available for annual inspections.
- OC would perform at least one unannounced inspection per year at Lone Star's expense.

IV. Conclusion

The NOP's investigation substantiated the allegations that Lone Star was not compliant with 7 C.F.R. § 205.238 Livestock health care practice standards and § 205.239 Livestock living conditions. OC issued a Combined Notice of Noncompliance and Proposed Suspension for the noncompliances to Lone Star and entered into a Settlement Agreement with them. The Settlement Agreement ensured compliance with the USDA organic regulations and increased oversight for two years of Lone Star.

V. Recommendation

The NOP recommends closing this complaint and issuing Case Closure Notices to OC and the complained parties.