



Steven W. Troxler
Commissioner

North Carolina Department of Agriculture
and Consumer Services
Meat and Poultry Inspection Division

Joseph W. Reardon
Assistant Commissioner
for Consumer Protection

Dr. Beth Yongue
Director

September 10, 2019

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Yakub Adam (Individually)
P.O. Box 786
Murphy, NC 28906

Mr. Yakub Adam (Registered Agent and General Manager)
Adam Farms LLC
P.O. Box 786
Murphy, NC 28906

RE: CIVIL PENALTY ASSESSMENT FOR VIOLATIONS OF THE NORTH CAROLINA MEAT INSPECTION LAWS, N.C.G.S. §§ 106-549.23(3), 106-549.24(b)(6) AND THE NORTH CAROLINA POULTRY PRODUCTS INSPECTION ACT, N.C.G.S. § 106-549.56(a)(2)&(c)(6).

Dear Mr. Yakub Adam,

Pursuant to North Carolina General Statutes §§ 106-549.35(c) and 106-549.59(a1), you and Adam Farms LLC are hereby assessed a civil penalty by the North Carolina Department of Agriculture and Consumer Services (NCDA&CS), Meat and Poultry Inspection Division. The Notice of Violations and Assessment of Civil Penalty is attached.

Within 60 days from the date of receipt, you must do one of the following:

1. Pay the civil penalty assessment; or
2. File a written petition for a contested case hearing in the Office of Administrative Hearings appealing the penalty assessment.

Pursuant to G.S. §150B-22, informal settlement negotiations may be initiated at any time. To negotiate a settlement of this assessment, present your offer to Dr. Beth Yongue, Director, Meat & Poultry Inspection Division, who may be contacted by telephone at (919) 707-3180. Settlement offers do not extend the 60-day deadline for payment or filing of a contested case petition.

Additional information about your options is provided on the next page:

-PAYMENT-

To pay the penalty, please send your payment by check or money order made payable to the North Carolina Department of Agriculture and Consumer Services to:

North Carolina Department of Agriculture and Consumer Services
Dr. Beth Yongue, Director
Meat & Poultry Inspection Division
1001 Mail Service Center
Raleigh, North Carolina 27699-1001

-APPEAL-

If you file a contested case petition, it must be in writing and in the form prescribed by G.S. § 150B-23. File the petition with:

Office of Administrative Hearings
6714 Mail Service Center
Raleigh, North Carolina 27699-1001

Any questions about filing a petition may be directed to the Clerk of OAH by telephone (919) 431-3000. You must serve NCDA&CS by mailing a copy of the petition to:

Ms. Tina Hlabse
North Carolina Department of Agriculture and Consumer Services
Process Agent and General Counsel
1001 Mail Service Center
Raleigh, North Carolina 27699-1001

Payment of the penalty will not foreclose further enforcement action against you for any new violation. If the violations which resulted in the assessment are of a continuing nature, NCDA&CS reserves the right to assess additional civil penalties in the future or take other enforcement action against you.

Your attention to this matter is appreciated.

Sincerely,



Dr. Beth Yongue
Director, Meat & Poultry Inspection Division

MEY:dm

Attachments: Assessment Document
CC: Mr. Christopher McLennan, Assistant Attorney General
Mr. Joe Reardon, Assistant Commissioner
Ms. Tina Hlabse, General Counsel

IN THE MATTER OF
YAKUB ADAM
AND ADAM FARMS LLC

) NOTICE OF VIOLATIONS AND
) ASSESSMENT OF CIVIL PENALTY
) FOR VIOLATIONS OF NC COMPULSORY
) MEAT INSPECTION LAWS AND NC
) POULTRY PRODUCTS INSPECTION LAWS:
) N.C.G.S. §§ 106-549.23(3), 106-549.24(b)(6),
) AND 106-549.56(a)(2)&(c)(6).

Acting pursuant to North Carolina General Statutes §§ 106-549.35(c) and 106-549.59 (a1), Dr. Beth Yongue, Director, Meat and Poultry Inspection Division (MPID) of North Carolina Department of Agriculture and Consumer Services (NCDA&CS) makes the following:

I. FINDINGS OF FACTS:

1. Yakub Adam (Mr. Adam) is the owner and operator of Adam Farms LLC (Adam Farms), located at 184 Stiles Packing Lane, Marble, North Carolina 28905.
2. Adam Farms is a registered limited liability company in North Carolina, and Mr. Adam is its general manager.
3. On February 25, 2014, Adam Farms was found by NCDA&CS, MPID, to be operating a custom slaughtering and processing facility without state or federal inspection in violation of the North Carolina Compulsory Meat Inspection Law, N.C.G.S. § 106-549.23.
4. On April 15, 2014, NCDA&CS, MPID, issued Adam Farms a Notice of Violation and an Assessment of Civil Penalty.
5. Adam Farms operates as a federal Talmadge-Aiken, United States Department of Agriculture (USDA), inspected food slaughter and processing facility.
6. Adam Farms' USDA establishment number is M46837, but regulatory control action of its inspected slaughter privileges has been in place since October 3, 2018.
7. On May 29, 2019, NCDA&CS, MPID, Food Compliance Officer Philip Renshaw (CO Renshaw) visited Adam Farms to perform a planned compliance review.
8. CO Renshaw observed and photographed meat and poultry products at Adam Farms that bore the USDA mark of inspection that have not been inspected, including one (1) package of beef jerky that had been processed and was held for sale and consumption by the general public.
9. On May 29, 2019, NCDA&CS, MPID, detained an estimated two thousand five hundred and one (2,501) pounds of misbranded meat products and fifty (50) pounds of poultry products at Adam Farms.
10. NCDA&CS, MPID, obtained invoices and custom slaughter logs from Adam Farms that documented the slaughtering and processing of the uninspected meat and poultry products.
11. Mr. Adam stated in a signed statement dated May 29, 2019, that the meat and poultry products, including beef, pork, lamb, goat, and chicken, were either slaughtered and processed under USDA custom exemption, processed under retail exemption, or slaughtered under USDA inspection prior to October 3, 2018, but did not produce any record to support his claims.

12. Some of the observed and detained meat and poultry products were processed, cut, sliced, ground, or seasoned; packaged in various styles of packaging that included clear vacuum sealed packages, waxed paper, and plastic tubes; and were labeled by an Adam Farms' employee. Other observed and detained meat and poultry products remained unlabeled.
13. Meat products observed and detained at Adam Farms did not have the required labeling features, including the ingredient statement and address of Adam Farms. The meat products also had inaccurate product names and bore the USDA mark of inspection without having been inspected.
14. Poultry products observed and detained at Adam Farms did not have the required labels. They were only labeled on an open top box as "Free Range Chicken" and labeled as "Not For Sale." There were no labels on the immediate packaging of the poultry products.
15. Adam Farms also processed and stored beef jerky outside of its approved hours of operation. Adam Farms' approved hours of operation are 8:30 to 17:30 Monday-Friday. The beef jerky bore the USDA mark of inspection without having been inspected.
16. Adam Farms continued to process and store meat and poultry products for sale and consumption by the general public since its inspected slaughter privileges were suspended on October 3, 2018.
17. On May 29, 2019, Mr. Adam was issued an on-site cease and desist letter for the processing, storing, offering for sale, and selling of misbranded meat and poultry products to the general public as well as applying the USDA mark of inspection to meat and poultry products without inspection.

II. CONCLUSIONS OF LAW

18. Meat products sold and offered for sale by Mr. Adam and Adam Farms were required:
 - a. To have accurate product names, ingredient statement, address of Adam Farms, and labels that are not false or misleading in accordance with N.C.G.S. §§ 106-549.15(15) and 106-549.21; and
 - b. To be inspected in accordance with N.C.G.S. §§ 106-549.17 and 106-549.18.
19. Poultry products sold and offered for sale by Mr. Adam and Adam Farms were required:
 - a. To have labels in accordance with N.C.G.S. §§ 106-549.51(17) and 106-549.55; and
 - b. To be inspected in accordance with N.C.G.S. §§ 106-549.53.
20. Mr. Adam and Adam Farms:
 - a. Sold and offered for sale of misbranded meat products in violation of N.C.G.S. § 106-549.23(3)a.;
 - b. Sold and offered for sale uninspected meat products in violation of N.C.G.S. § 106-549.23(3)b.;
 - c. Applied the USDA mark of inspection to meat products that have not been inspected and passed in violation of N.C.G.S. § 106-549.24(b)(6);
 - d. Sold and offered for sale of misbranded poultry products in violation of N.C.G.S. § 106-549.56(a)(2)a.;
 - e. Sold and offered for sale uninspected poultry products in violation of N.C.G.S. § 106-549.56(a)(2)b.; and
 - f. Applied the USDA mark of inspection to poultry products that have not been inspected and passed

in violation of N.C.G.S. § 106-549.56(c)(6).

21. Mr. Adam and Adam Farms failed to comply with the North Carolina Meat Inspection Laws and the North Carolina Poultry Products Inspection Act as prohibited by N.C.G.S. §§ 106-549.23(1) and 106-549.56(a)(1).
22. The Commissioner of Agriculture may assess a civil penalty of up to five thousand dollars (\$5,000.00) for violations of the North Carolina Meat Inspection Laws, N.C.G.S. §§ 106-549.15, *et seq.* N.C.G.S. § 106-549.35(c).
23. The Commissioner of Agriculture may assess a civil penalty of up to five thousand dollars (\$5,000.00) for violations of the North Carolina Poultry Products Inspection Act, N.C.G.S. §§ 106-549.49, *et seq.* N.C.G.S. § 106-549.59(a1).
24. This authority has been delegated to Dr. Beth Yongue, Director, Meat and Poultry Inspection Division by the Commissioner of Agriculture pursuant to North Carolina General Statute § 143B-10(a).

III. DECISION

25. As required by North Carolina General Statutes §106-549.35(c) and 106-549.59 (a1) in determining the amount of the civil penalty, I have considered the degree and extent of harm caused by the violations of N.C.G.S. §§ 106-549.23(3), 106-549.24(b)(6), and 106-549.56(a)(2)&(c)(6) by Mr. Adam and Adam Farms.
26. Specifically, I have considered Mr. Adam and Adam Farms operation of a slaughter and processing facility without inspection, selling and offering for sale of meat and poultry products for consumption by the general public without proper labeling, and placing USDA mark of inspection on meat and poultry products when in fact the products have not been inspected.
27. Accordingly, Mr. Adam and Adam Farms are assessed a civil penalty of:

\$2,500.00 for violating N.C.G.S. § 106-549.23(3)a. – Misbranded Meat Products;
\$2,500.00 for violating N.C.G.S. § 106-549.23(3)b. – Uninspected Meat Products;
\$2,500.00 for violating N.C.G.S. § 106-549.24(b)(6) – Placing USDA Mark of Inspection on Uninspected Meat Products;
\$2,500.00 for violating N.C.G.S. § 106-549.56(a)(2)a. – Misbranded Poultry Products;
\$2,500.00 for violating N.C.G.S. § 106-549.56(a)(2)b. – Uninspected Poultry Products; and
\$2,500.00 for violating N.C.G.S. § 106-549.56(c)(6) – Placing USDA Mark of Inspection on Uninspected Poultry Products.

\$15,000.00 TOTAL AMOUNT ASSESSED.

September 10, 2019
Date

Dr. Beth Yongue
Dr. Beth Yongue
Director, Meat and Poultry Inspection Division