

Eastern District of Kentucky

**FILED**

SEP 06 2018

AT LEXINGTON  
ROBERT R. CARR  
CLERK U.S. DISTRICT COURT

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF KENTUCKY  
CENTRAL DIVISION  
LEXINGTON**

**UNITED STATES OF AMERICA**

**V.**

**INDICTMENT NO. 5:18-CR-112-KKC**

**EUGENE BARBER & SONS, INC. and  
JOHN M. MORAN**

\* \* \* \* \*

**THE GRAND JURY CHARGES:**

**BACKGROUND**

1. At all relevant times, **JOHN M. MORAN** was a veterinarian based in Flemingsburg, Kentucky. Since on or about July 18, 1980, **JOHN M. MORAN** was accredited with the United States Department of Agriculture and was required to comply with the federal regulations governing accredited veterinarians. 9 C.F.R. § 161.4.

2. At all relevant times, **EUGENE BARBER & SONS, INC. ("BARBER & SONS")** was a cattle company based in Lexington, Kentucky. In the course of its business, **BARBER & SONS** routinely shipped cattle interstate.

3. In the Animal Health Protection Act, Congress determined that the prevention, detection, control, and eradication of diseases and pests of animals was essential to protect animal health, the health and welfare of the people of the United States, the economic interests of the livestock and related industries of the United States,

the environment of the United States, and interstate commerce of the United States in animals and other articles.

4. Congress authorized the United States Secretary of Agriculture to prohibit or restrict the movement in interstate commerce of any animal, article, or means of conveyance if necessary to prevent the introduction or dissemination of any pest or disease of livestock and the use of any means of conveyance or facility in connection with the movement in interstate commerce of any animal or article if determined that the prohibition or restriction is necessary to prevent the introduction or dissemination of any pest or disease of livestock. 7 U.S.C. § 8305.

5. An Interstate Certificate of Veterinary Inspection (“ICVI”) is an official document issued by accredited veterinarians certifying the inspection of animals in preparation for interstate movement.

6. Federal regulation requires the ICVI to show the species of animals traveling, the number of animals traveling, the purpose for which the animals are to be moved, the address at which the animals were loaded for interstate movement, the address to which the animals are destined, and the names of the consignor and consignee, and their addresses, if different from the shipping or receiving addresses.

7. Federal regulation mandates that those responsible for animals leaving a premises for interstate movement must ensure that the animals, including cattle, are accompanied by an ICVI. 9 C.F.R. § 86.

8. Federal regulation further mandate that the accredited veterinarian who issues the ICVI file a copy of the ICVI with the applicable state health official for the state of origin, within seven days of issuing the ICVI. 9 C.F.R. § 86. For interstate shipments of cattle from Kentucky to another state, ICVIs are to be filed with the Kentucky Department of Agriculture.

9. When issuing ICVIs, accredited veterinarians in Kentucky certify the following: “I certify as an accredited veterinarian that the above described animals have been inspected by me and that they are not showing signs of infection or communicable disease (except if noted). The vaccinations and results of tests are as indicated on the certificate. To the best of my knowledge, the animals listed on this certificate meet the state of destination and federal interstate requirements.” 302 K.A.R. 20:020.

**COUNT 1**  
**18 U.S.C. § 371**

10. The Grand Jury incorporates by reference Paragraphs 1 through 9 as if fully restated and alleged herein.

11. Beginning no later than in or around January 2013, and continuing thereafter until in or around September 2015, in Fayette County, and elsewhere in the Eastern District of Kentucky,

**BARBER & SONS and  
JOHN M. MORAN**

knowingly and willfully conspired and agreed together and with each other, and with other persons both known and unknown to the grand jury, to commit an offense against the United States, that is, circumvent and violate the Animal Health Protection Act, by using false ICVIs to knowingly import, export, or move cattle for distribution or sale, in violation of 7 U.S.C. § 8313.

*Manner and Means*

12. It was a part of the conspiracy that the defendants would by deceit, craft, trickery, and dishonest means defraud the United States by interfering with and obstructing the lawful governmental functions of the United States Department of Agriculture, in that the defendants would create and submit false ICVIs to be submitted to the United States and Kentucky Departments of Agriculture.

13. It was further a part of the conspiracy that **JOHN M. MORAN** would pre-sign ICVIs without inspecting the cattle being shipped by **BARBER & SONS**. Employee L.B. of **BARBER & SONS**, and others, would fill in the remaining sections of the ICVIs and return them to **JOHN M. MORAN** for filing with the Kentucky Department of Agriculture.

14. It was further a part of the conspiracy that **BARBER & SONS** would pay **JOHN M. MORAN** ten dollars for each pre-signed ICVI.

15. It was further a part of the conspiracy that between on or about January 28, 2013 and September 25, 2015, **JOHN M. MORAN** certified at least 600 false ICVIs for

**BARBER & SONS**, for shipment of more than 60,000 cattle interstate, and was paid over \$19,000 by **BARBER & SONS**.

*Overt Acts*

16. In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt acts, among others, were committed in the Eastern District of Kentucky and elsewhere:

- a. On numerous occasions throughout the course of the conspiracy, in the Eastern District of Kentucky, **JOHN M. MORAN** provided **BARBER & SONS** with booklets of blank ICVIs that he had pre-signed.
- b. On hundreds of occasions throughout the course of the conspiracy, in the Eastern District of Kentucky, Employee L.B. of **BARBER & SONS**, would fill in the remaining sections of the ICVIs and return them to **JOHN M. MORAN**.
- c. On hundreds of occasions throughout the course of the conspiracy, in the Eastern District of Kentucky, **JOHN M. MORAN** filed false ICVIs with the Kentucky Department of Agriculture, located in Frankfort, Kentucky, for shipments of cattle by **BARBER & SONS**.
- d. On or about January 28, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 78784.

- e. On or about April 11, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 79646.
- f. On or about May 15, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 80002.
- g. On or about June 11, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 80420.
- h. On or about September 16, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$500 for pre-signed ICVIs using check number 81719.
- i. On or about September 20, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$500 for pre-signed ICVIs using check number 81814.
- j. On or about October 15, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,250 for pre-signed ICVIs using check number 82243.

- k. On or about November 18, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 82749.
- l. On or about December 12, 2013, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,250 for pre-signed ICVIs using check number 83087.
- m. On or about February 11, 2014, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 83763.
- n. On or about May 12, 2014, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,250 for pre-signed ICVIs using check number 85106.
- o. On or about July 7, 2014, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 85802.
- p. On or about August 5, 2014, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 86199.

- q. On or about September 16, 2014, in the Eastern District of Kentucky,  
**BARBER & SONS** paid **JOHN M. MORAN** \$1,000 for pre-signed ICVIs using check number 86765.
- r. On or about October 7, 2014, in the Eastern District of Kentucky,  
**BARBER & SONS** paid **JOHN M. MORAN** \$5,000 for pre-signed ICVIs using check number 87093.
- s. On or about October 17, 2014, in the Eastern District of Kentucky, A.P. of **BARBER & SONS** directed Employee L.B. to complete a pre-signed ICVI for a shipment of cattle consigned from Jamestown, Tennessee and shipped to Iowa. The ICVI, No. 61A-399054, listed the cattle as originating at Eugene Barber & Sons, 375 Lisle Industrial Avenue, Lexington, Kentucky 40511, when in fact they were shipped by **BARBER & SONS** from Jamestown, Tennessee. The certificate falsely stated the cattle had been inspected by **JOHN M. MORAN**. Once completed, A.P. faxed the false ICVI from the Eastern District of Kentucky to Tennessee.
- t. On or about November 13, 2014, in the Eastern District of Kentucky,  
**JOHN M. MORAN** filed ICVI No. 61A-399054 with the Kentucky Department of Agriculture in Frankfort, Kentucky.



- u. On or about June 10, 2015, in the Eastern District of Kentucky, **BARBER & SONS** paid **JOHN M. MORAN** \$500 for pre-signed ICVIs using check number 91237.

All in violation of 18 U.S.C. § 371.

**COUNT 2**  
**7 U.S.C. § 8313**  
**18 U.S.C. § 2**

17. The Grand Jury incorporates by reference Paragraphs 1 through 16 as if fully restated and alleged herein.

18. On or about October 17, 2014, in the Eastern District of Kentucky,

**BARBER & SONS,**

aided and abetted by

**JOHN M. MORAN,**

knowingly imported, entered, exported, and moved any animal or articles, for distribution or sale in violation of 7 U.S.C. § 8305 and 9 C.F.R. § 86.5, by shipping a load of sixty-six cattle from Jamestown, Tennessee, with a false ICVI, in that **JOHN M. MORAN** falsely certified he had inspected the cattle, all in violation of 7 U.S.C. § 8313 and 18 U.S.C. § 2.

**COUNT 3**  
**18 U.S.C. § 1001**

19. The Grand Jury incorporates by reference Paragraphs 1 through 16 as if fully restated and alleged herein.

20. Between on or about October 7, 2014, and October 17, 2014, in the Eastern District of Kentucky,

**JOHN M. MORAN,**

aided and abetted by

**BARBER & SONS,**

did knowingly and willfully make and use a false writing and document, knowing the same to contain a materially false, fictitious, and fraudulent statement and entry, in a matter within the jurisdiction of the U.S. Department of Agriculture, an agency of the executive branch of the United States, by pre-signing an ICVI, certifying that he, as a U.S. Department of Agriculture accredited veterinarian, had inspected a load of sixty-six cattle originating at Eugene Barber & Sons, 375 Lisle Industrial Avenue, Lexington, Kentucky 40511, and that the cattle were not showing any signs of infection, and/or communicable disease, and that the animals listed on the certificate met the state of destination and federal interstate requirements. The ICVI, and statements and representations contained therein, were false because, as **JOHN M. MORAN** knew, he had pre-signed the ICVI and had never inspected the cattle, which were actually shipped

by **BARBER & SONS** from Jamestown, Tennessee, all in violation of 18 U.S.C. § 1001.

**A TRUE BILL**

A handwritten signature in black ink, appearing to read "Robert M. Duncan, Jr.", written over a horizontal line.

**ROBERT M. DUNCAN, JR.**  
**UNITED STATES ATTORNEY**

**PENALTIES**

**COUNTS 1-3:** Imprisonment for not more than 5 years, fine of not more than \$250,000, and supervised release for not more than 3 years.

**PLUS:** Mandatory special assessment of \$100.

**PLUS:** Restitution, if applicable.