UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW MEXICO

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)
) Civ. No. 1:13-cv-00639-MCA-RHS
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) SECOND DECLARATION
) OF RICARDO DE LOS
) SANTOS IN RESPONSE TO
) PLAINTIFFS' MOTION TO MODIFIY
) THE TEMPORARY RESTRAINING
) ORDER

I, RICARDO DE LOS SANTOS, do hereby declare as follows:

- I am the General Manager of Valley Meat Company, LLC ("VALLEY") of Roswell, NM. I am authorized to make statements on behalf of VALLEY and my herein represent the true and correct facts to the best of my knowledge.
- 2. VALLEY is currently the hold of a duly issued GRANT OF INSPECTION ESTABLISHMENT NO. E 7299 ("GRANT"). This Grant entitles VALLEY to be supplied inspectors at VALLEY's facility in conduct the necessary inspections for slaughter and processing of equine animals interstate and international sale for human consumption
- 3. VALLEY has expended considerable resources, incurred legal fees, and incurred expenses associated with preparation of its facility for operation which are unmitigated due to the delay of allowing for operation of the lawful business. These expenses exceed \$150,000.00.
- 4. This delay from August 2, 2013 thru the 30 days until a preliminary injunction hearing can be held has caused VALLEY to suffer economic loss. This economic loss is calculated based upon the work VALLEY would have been able to accomplish during this time period. The calculation of the price per head are based upon contemplated contracts VALLEY is engaged in with existing horse processing companies. The number of head per day was based upon estimations of the available work force, the previous capabilities of the plant processing cattle, and available supply of horses ready for

Case 1:13-cv-00639-MCA-RHS Document 119 Filed 08/21/13 Page 2 of 2 processing. The estimation of net profit per head is based upon past discussions with existing plants in contemplation of contracting, past performance of the plant processing cattle and current economic trends. The amount of net profit based upon these factors is conservatively between 50% and 60% yield a range of approximately \$180.00 to \$200.00 dollars per head. For instance net profit for the company had it been allowed to conduct its lawful business would have been \$435,600.00 (20 days X 121 horses X \$180.00 per head = \$435,600) based upon unrealized contract amounts.

5. VALLEY is a small locally operated Hispanic business that lacks the resources to protect itself from the economic harm sought to be done to it by the large multi-million dollar activist groups that are seeking enjoin USDA from facilitating VALLEY's lawful agribusiness operation. Because of this litigation and the delay previously sought by Plaintiffs coupled with the current interference with the injunction of the Court has imposed VALLEY has not been able to raise revenues that would allow it again change its business model and again retrofit its plant to change species. Plaintiffs have supplied numerous comments in response to a ground water discharge permit renewal causing delay by demanding a hearing even though there is no distinguishable difference between harvesting cattle and equines with regard to the discharge permit. These delays and acts of interference have made it a financial impossibility for VALLEY to now change course because the profit margins for cattle do not support the hauling away of waste water the way equines would. The actions of Plaintiffs have trapped Valley with no alternative but to devote its extremely diminished and dwindling resources towards litigation and the bare minimum needed to keep the plant in a ready state to open should the hurdles imposed by Plaintiffs and this Court be removed.

SO DECLARED THIS 2151 day of August 2013.

Ricardo De Los Santos