

Department of Health and Human Services

DEPARTMENTAL APPEALS BOARD

Civil Remedies Division

Center for Tobacco Products,

Complainant

v.

IFERU, Inc.
d/b/a Broadview Citgo

Respondent.

Docket No. C-13-530
FDA Docket No. FDA-2013-H-0293

Decision No. CR2789

Date: May 17, 2013

INITIAL DECISION AND DEFAULT JUDGMENT

The Center for Tobacco Products (CTP) filed an Administrative Complaint (Complaint) against Respondent, IFERU, Inc. d/b/a Broadview Citgo, alleging facts and legal authority sufficient to justify the imposition of a civil money penalty of \$500. Respondent did not timely answer the Complaint, nor did Respondent request an extension of time within which to file an answer. Therefore, I enter a default judgment against Respondent and order that Respondent pay a civil money penalty in the amount of \$500.

CTP began this case by serving a Complaint on Respondent and filing a copy of the Complaint with the Food and Drug Administration's (FDA) Division of Dockets Management. The Complaint alleges that Respondent impermissibly sold tobacco products to a minor and failed to verify appropriately the age of a person

purchasing tobacco products, thereby violating the Federal Food, Drug, and Cosmetic Act (Act) and its implementing regulations found at 21 C.F.R. Part 1140. CTP seeks a civil money penalty of \$500.

On March 19, 2013, CTP served the Complaint on Respondent by United Parcel Service, pursuant to 21 C.F.R. §§ 17.5 and 17.7. In the Complaint and accompanying cover letter, CTP explained that, within 30 days, Respondent should pay the penalty, file an answer, or request an extension of time within which to file an answer. CTP warned Respondent that, if it failed to take one of these actions within 30 days, the Administrative Law Judge could, pursuant to 21 C.F.R. § 17.11, issue an initial decision ordering Respondent to pay the full amount of the proposed penalty. Respondent did not take any of the required actions within the time provided by regulation.

I am required to issue a default judgment if the Complaint is sufficient to justify a penalty, and the Respondent fails to answer timely or to request an extension. 21 C.F.R. § 17.11(a). For that reason, I must decide whether a default judgment is appropriate here, and I conclude that it is merited based on the allegations of the Complaint and Respondent's failure to answer them.

For purposes of this decision, I assume the facts alleged in the Complaint are true. 21 C.F.R. § 17.11(a). Specifically, CTP alleges the following facts in its Complaint:

- Respondent owns Broadview Citgo, a business that sells tobacco products and is located at 2319 West Roosevelt Road, Broadview, Illinois 60155.
- On March 15, 2012, an FDA-commissioned inspector observed violations while inspecting Respondent's establishment. Specifically, a minor was able to purchase "Newport Box" cigarettes at 5:00 p.m. Additionally, Respondent's staff did not verify the minor's identification before this sale.
- On April 19, 2012, CTP issued a Warning Letter to Broadview Citgo detailing the inspector's observations from March 15, 2012. In addition to describing the violations, the letter also advised Respondent that if it failed to correct the violations, the FDA may initiate a civil money penalty action or take other regulatory action.
- On June 5, 2012, Mr. Lucky Khan responded, in writing, to the Warning Letter and on behalf of Respondent.

