

## **Solved! 7-year battle over gun sales records**

### **Feds agree to end threat to shop's dealer's license**

By Bob Unruh WorldNetDaily March 12, 2009

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A battle between an Idaho gun shop and federal regulators over the shop's right to sell guns that has consumed nearly seven years and tens of thousands of dollars in legal fees has been closed down with an agreement that an outside third party will help with the shop's record-keeping.

The long-running dispute was between inspectors for the federal Bureau of Alcohol, Tobacco, Firearms and Explosives and Ryan Horsley, manager of Red's Trading Post of Twin Falls, Idaho. The resolution comes in a case in which the government alleged the shop made mistakes in its gun sales record-keeping to the point that inspectors complained about a "threat" from the gun shop manager when he posted an update on his disagreement with the agency on his blog.

The agency complained in court its inspectors "suspended" their work at the store for having their presence documented. The store responded that, "It is equally as likely that Respondents decided to exaggerate innocuous circumstances to justify terminating an inspection that was not finding any regulatory violations or breaches of the Court's order."

WND documented earlier how the store appeared to be caught up in a new campaign for gun control, focusing on the elimination of retail outlets through technical rules infractions.

Larry Pratt of Gun Owners of America told WND that as recently as 15 or 20 years ago, there were 250,000 licensed gun dealers in the United States. The federal government confirms there are only about 108,000 now.

The saga with Red's began when the ATF inspection in 2000 discovered various paperwork violations, Horsley said, just shortly after he arrived to take over the store, mistakes such as a customer failing to write down the county in which he lived. In 2001, "they couldn't find any violations," he told WND. A few other minor problems were found later, including a failure to put up a poster. "I wasn't alarmed because this agent ... had told us we were one of the best small gun shops he'd ever seen," Horsley told WND. Then early in 2006, "We get a letter that 'We're [ATF] revoking your license,'" Horsley said. "I just came unglued. I couldn't believe it."

But according to Chris Chiafullo, a lawyer who works with a program called FFLGuard.com, said the federal agency and the store reached an agreement by which every disagreement "from soup to nuts" has been resolved. "Neither side really relented on their position," he told WND. But he said the agreement involves FFLGuard working with the store. The program will offer Red's "ongoing guidance with both firearms compliance issues, and the legalities involved with retail firearms operations."

He said FFLGuard clients pay an annual fee and "in a time of need, FFLGuard attorneys step in to regulate any potentially compromising legal situation." "Chris Chiafullo, FFLGuard's chief counsel, and the other lawyers at FFLGuard have the best interests of the independent retail firearms dealer in

mind – whether it be from a business, legal or financial perspective. That FFLGuard viewpoint is in alignment with ATF's goal to preserve public safety and insure retail dealers are in compliance at all times," Horsley said. "Thanks to FFLGuard's involvement in my business, I have fine-tuned everything to the extent to where I can now put the past behind me and concentrate on selling firearms for another 100 years," he said.

Horsley said the agency had discovered a .4 percent clerical error rate and determined those mistakes were "willful" in order to threaten to revoke the license. Red's then went to court, and incurred some \$90,000 in legal fees in the dispute