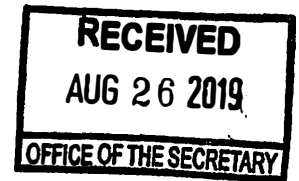


**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**



In the Matter of

Artisanal Brands, Inc. and  
Daleco Resources Corporation

Respondents.

**Administrative Proceeding**  
**File No. 3-19308**

**ANSWER TO ALLEGATIONS**

**ANSWER OF RESPONDENT ARTISANAL BRANDS, INC.**

RESPONDENT Artisanal Brands, Inc. (“Artisanal” or the “Company”), respectfully submits this Answer to the Order Instituting Administrative Proceedings and Notice of Hearing (“OIAP”) of the United States Securities and Exchange Commission (the “Commission”). Except as specifically indicated otherwise below, Artisanal denies each and every allegation set forth in the Order as it relates to Artisanal.

**I. ARTISANAL’S RESPONSE TO THE ALLEGATIONS**

1.e Artisanal denies the allegations contained in Paragraph 1 of the OIAP and avers that (1) it is a New York corporation that has a class of securities registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 (the “Exchange Act”); (2) its offices, as first reported on a Form 8-K filed with the Commission on February 12, 2015, are located at 42 Forest Lane, Bronxville, New York 10708, Telephone (914) 441-3591; (3) it is not an inactive company but is transitioning from a licensing company to an operating company; (4) while it had been dissolved by proclamation by the state for a delinquency in filing franchise tax returns, all such returns were filed as of April 2019 and the Company is currently seeking reinstatement; (4) as described in detail below (see *infra* Pars. 6-16), since the filing of Artisanal’s Form 10-Q for the period ended February 28, 2013, Artisanal filed a Form 8-K on October 3, 2013; a Form 8-K on May 28, 2014; a Form 8-K on October 6, 2014; a Form 8-K on February 12, 2015; a Form 8-K on May 12, 2015; a Form 8-K on January 4, 2016; a Form 8-K on May 23, 2017; a Form 8-K on August 21, 2017; a Form 8-K on January 8, 2018; a Form 8-K on December 7, 2018; and a Form 8-K on June 25, 2019; and (5) its common stock (symbol OTC:AHFP) is quoted on OTC Link.

2.e Artisanal denies having knowledge or information sufficient to admit or deny the allegations contained in Paragraph 2 of the OIAP.e

3.e Artisanal denies the allegations contained in Paragraph 3 of the OIAP to the extent they relate to Artisanal. Specifically, and as described in detail below (see *infra* Par. 19), Artisanal denies that it “failed to heed delinquency letters sent to them by the Division of Corporate Finance requesting compliance with their periodic filing obligations.”e

4.e Artisanal denies the allegations contained in Paragraph 4 of the OIAP, and, insofar as the allegations set forth legal conclusions, neither admits nor denies such allegations.e

5.e Artisanal denies the allegations contained in Paragraph 4 of the OIAP, and, insofar as the allegations set forth legal conclusions, neither admits nor denies such allegations. However, Artisanal’s eleven (11) Form 8-K filings over the past six (6) years have provided current information to the marketplace.e

## **II. ARTISANAL’S FORM 8-K FILINGS WITH THE COMMISSION**

6.e On or about October 3, 2013, Artisanal filed a Form 8-K disclosing that the Company had signed a lease for new aging caves, production and office facilities in Long Island City, Queens, which would also become the first retail outlet to be owned and managed by the Company.e

7.e On or about May 28, 2014, Artisanal filed a Form 8-K disclosing that because the Company was unable to raise the requisite capital to continue its operations, the Company’s board had decided to change the Company’s business plan from an operating company to either a licensing company or to sell the business altogether.e

8.e On or about October 6, 2014, Artisanal filed a Form 8-K disclosing that the Company had entered into a licensing agreement which had been approved by the board as well as by shareholders holding a majority of the company’s common stock and that the Company would be meeting with its auditors to determine its reporting requirements going forward;e

9.e On or about February 12, 2015, Artisanal filed a Form 8-K disclosing that in addition to bringing on a chief financial officer, the Company’s board of directors had approved a new capital program for its plan to open company-owned stores with over 75% of its shareholder-lenders already agreeing to convert loans to common stock as part of the recapitalization, and that the Company intended to revert to a full-reporting public company by May 2015.e

10.e On or about May 12, 2015, Artisanal filed a Form 8-K disclosing that Lenders have agreed to convert approximately 90% or \$6.9 million of outstanding loans to common equity as part of the Company’s recapitalization and that the Company had begun capital-raising efforts to fund its expansion into operating company-owned cheese-shop cafes while the Company’s licensee continued to develop the wholesale and online operations.e

11.e On or about January 4, 2016, Artisanal filed a Form 8-K disclosing that the Company’s recapitalization was progressing with more lenders agreeing to convert their debt and that the Company had begun site selection for its first cheese-shop café and advising that it intended to become fully reporting by mid-2016.e

12.e On or about May 23, 2017, Artisanal filed a Form 8-K disclosing that the Company had resolved a long-disputed tax claim and that the Company would become fully reporting upon completion of its equity offering which offering would also trigger the transition of the company from a licensing company to an operating company.e

13.e On or about August 21, 2017, Artisanal filed a Form 8-K disclosing that the Company had selected a location in Midtown Manhattan for its first cheese shop café and that upon completion of the Company's equity offering, it would transition from a licensing company into an operating company and become fully reporting at that time.e

14.e On or about January 8, 2018, Artisanal filed a Form 8-K disclosing that the Company had entered into a transitional operating agreement with its current licensee, to be financed by its current senior lender, pursuant to which the company would begin its transition from a licensing company to an operating company with a number of cheese shop/café's to serve as regional shipping hubs and further disclosing that the Company intended to become fully reporting in 2018 and to use RBSM, LLC as its auditors.e

15.e On or about December 7, 2018, Artisanal filed a Form 8-K disclosing that the Company had established a new subsidiary for purposes of opening its first cheese shop/café in New York, that it had issued a letter of intent with respect to a second location in Las Vegas which will serve as a second shipping hub; that it had also signed agreements to acquire a bakery operation to expand the company's product line and that it would become fully reporting within 90 days of closing its \$1.8 million capital raise.e

16.e On or about June 25, 2019, Artisanal filed a Form 8-K disclosing that its subsidiary had acquired the bakery operation with which the Company would integrate the cheese-aging operation that had previously been licensed to a third party and that transition from licensing to operating was occurring and that Artisanal would begin the process to become a fully-reporting filer.e

### **III.e AFFIRMATIVE DEFENSES**

17.e The Commission has failed to state a claim upon which relief can be granted.e

18.e The Commission lacks subject matter jurisdiction of the administrative proceeding.e

19.e Artisanal did timely respond to the Commission's delinquency letter dated May 24, 2018. In a letter dated June 11, 2018 to Special Counsel, Marva Simpson, in the Division of Corporate Finance (see Exhibit A), Artisanal informed the Commission that it was proceeding on the basis that its filing obligations were voluntary because of its small size in terms of assets and the number of registered shareholders. Artisanal had done so relying upon advice from securities experts as to Artisanal's filing obligations. Never in Artisanal's written or oral communications with Ms. Simpson (which there were several) did she ever clarify any misunderstanding about Artisanal's filing status. As such, Artisanal had no basis to believe that the advice Artisanal had relied upon with respect to its filing status was wrong, especially since the Company had placed

the Commission on notice of its position, and the Commission never responded one way or the other.

20. Artisanal was without an operating entity and had insufficient licensing revenues to become and stay current in its public filings.

21. Artisanal reserves the right to assert and rely on all additional defenses which become available or apparent in this proceeding.

#### **IV. REQUEST FOR EXTENSION**

22. In view of the foregoing, Artisanal believes that the information publicly available is current and accurate in all material respects, has kept the Company's shareholders and prospective investors informed of business changes and developments within the Company, and does not believe the temporary suspension should continue past August 19, 2019.

23. Artisanal was without an operating entity and had no source of revenue. Artisanal now has the funds to become and stay current in its public filings. Artisanal has begun the audit of its financial statements and will complete the audit and subsequent revised financial statements in a timely manner. Simultaneous with filing the Form 8-K on or about June 25, 2019, the Company made arrangements with the same independent outside auditing firm, RBSM, to handle the audit of our financial statements and we secured the services of a former managing director for financial reporting for the asset management firm Blackrock, to review our financial statements and oversee the audits. Since Artisanal licensed its brand for nearly the entire time it ceased filing, the audit will involve only a monthly trail of sales with a royalty accrual calculated on the actual sales, making the audit fairly straightforward. For this reason, Artisanal hereby requests an extension of up to ninety (90) days to become current in all of the SEC filings.

Dated: August 19, 2019

Respectfully submitted,

ARTISANAL BRANDS, INC.



By: Daniel W. Dowe, President

42 Forest Lane

Bronxville, New York 10708

(914) 441-3591 (telephone)

(914) 961-7828 (facsimile)

[ddowe@artisanalcheese.com](mailto:ddowe@artisanalcheese.com)

**Exhibit A**



June 11, 2018

Marva D. Simpson  
Special Counsel  
Office of Enforcement Liaison  
Division of Corporate Finance

Re: Artisanal Brands, Inc.  
File No. 0-26112

Dear Ms. Simpson:

This letter is in response to your letter dated May 24, 2018 relating to the above-referenced matter.

Artisanal Brands, Inc. ("Artisanal") is undergoing a transition from a licensing company to an operating company. The transition has been agreed to and announced via a Form 8-K filing. Upon the formal closing of the transition Artisanal plans to file a Form 8-K and engage auditors to become a fully-reporting public company.

Coincidentally, Artisanal's fiscal year ends May 31<sup>st</sup>, so the timing is opportune to move forward on this plan.

Artisanal's small size allowed it to voluntarily file or not, but with the new changes in Artisanal's operations it desires to be a fully-reporting SEC filer and it is making every effort to begin filing as soon as practical. The past 3 years of licensing makes the audit very simple.

I left you a voice message earlier, however if you have any additional questions please contact me at (914) 441-3591 or by email at [ddowe@artisanalcheese.com](mailto:ddowe@artisanalcheese.com).

Sincerely,

A handwritten signature in blue ink that reads "Daniel W. Dowe".

Daniel W. Dowe  
Executive Chairman and President



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

May 24, 2018

CERTIFIED MAIL  
TRACKING # 70090080000101934415  
RETURN RECEIPT REQUESTED

Daniel W. Dowe, Executive Chairman  
Artisanal Brands, Inc.  
42 Forest Lane  
Bronxville, NY 10708

Re: Artisanal Brands, Inc.  
File No. 0-26112

Dear Mr. Dowe:

We are writing to address the reporting responsibilities under the Securities Exchange Act of 1934 of the referenced company. For ease of discussion in this letter, we will refer to the referenced company as the "Registrant."

It appears that the Registrant is not in compliance with its reporting requirements under Section 13(a) of the Securities Exchange Act of 1934. If the Registrant is in compliance with its reporting requirements, please contact us (through the contact person specified below) within fifteen days from the date of this letter so we can discuss the reasons why our records do not indicate that compliance. If the Registrant is not in compliance with its reporting requirements, it should file all required reports within fifteen days from the date of this letter.

If the Registrant has not filed all required reports within fifteen days from the date of this letter, please be aware that the Registrant may be subject, without further notice, to an administrative proceeding to revoke its registration under the Securities Exchange Act of 1934. This administrative proceeding would be brought by the Commission's Division of Enforcement pursuant to Section 12(j) of the Securities Exchange Act of 1934. If the Registrant's stock is trading, it also may be subject to a trading suspension by the Commission pursuant to Section 12(k) of the Securities Exchange Act of 1934.

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Finally, please consider whether the Registrant is eligible to terminate its registration under the Securities Exchange Act of 1934. If the Registrant is eligible to terminate its registration, it would do so by filing a Form 15 with the Commission. While the filing of a Form 15 may cease the Registrant's on-going requirement to file periodic and current reports, it would **not** remove the Registrant's obligation to file all reports required under Section 13(a) of the Securities Exchange Act of 1934 that were due on or before the date the Registrant filed its Form 15. Again, if the Registrant is eligible to terminate its registration under the Securities Exchange Act of 1934, please note that the filing of a Form 15 would not remove the Registrant's requirement to file delinquent Securities Exchange Act of 1934 reports – the Registrant would still be required to file with the Commission all periodic reports due on or before the date on which the Registrant filed a Form 15.

If you should have a particular question in regard to this letter, please contact the undersigned at (202) 551-3245 or by email at [OEL\\_DFP@sec.gov](mailto:OEL_DFP@sec.gov).

Sincerely,

/s/ Marva D. Simpson

Marva D. Simpson  
Special Counsel  
Office of Enforcement Liaison  
Division of Corporation Finance