



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
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ATLANTA, GEORGIA 30303-8931

October 25, 2001

EA-01-266

Burlington Performance Wear
ATTN: Don Beusse
Director-Health and Safety
3330 West Friendly Avenue
Greensboro, North Carolina 27410

SUBJECT: NRC INSPECTION REPORT NO. 999-90002/01-03

Dear Mr. Beusse:

This letter refers to the special inspection conducted on September 26, 2001, at your Hurt, Virginia facility and a scrap metal recycling company, Cycle Systems, located in Lynchburg, Virginia. The purpose of the inspection was to (1) investigate the loss of a generally licensed Panalyzer Analyzer Model 4000, S/N 518 containing 10 mCi of Americium-241; (2) determine whether Burlington Performance Wear transferred the generally licensed gauging device to an unauthorized recipient, Cycle Systems; and (3) determine if any additional generally licensed devices remained onsite or at other Burlington facilities. The results of the inspection were discussed on September 26, 2001, during a meeting with you and members of your staff. The enclosed report presents the results of the inspection.

Based on the results of this inspection, the NRC has identified one apparent violation. The apparent violation involved the licensee transferring a generally licensed device to a person who was not authorized by the NRC or an Agreement State license to receive and possess such licensed material in accordance with 10 CFR 31.5(c)(8).

The apparent violation remains under NRC review and the characterization of the apparent violation may change as a result of this NRC review. You will be advised by separate correspondence of the results of our deliberations on this matter.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/NRC/ADAMS/index.html> (the Public Electronic Reading Room). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Burlington Performance
Wear

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Should you have any questions concerning this letter, please contact Thomas R. Decker at (404) 562-4721 or Mr. Richard Gibson at (404) 562-4745.

Sincerely,

/RA/

Douglas M. Collins, Director
Division of Nuclear Materials Safety

Docket No. General License (10 CFR 31.5)
License No. 999-90003

Enclosure: Inspection Report

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U. S. NUCLEAR REGULATORY COMMISSION

REGION II

Docket No.: General License (10 CFR 31.5)

License No.: 999-90002

Report No.: 999-90002/01-03

Licensee: Burlington Performance Wear

Location: Hurt, Virginia

Inspection Date: September 26, 2001

Inspectors: Richard Gibson, Jr., Radiation Specialist
Cynthia Taylor, Radiation Specialist

Approved by: Thomas R. Decker, Chief
Materials Licensing/Inspection Branch 1
Division of Nuclear Materials Safety

EXECUTIVE SUMMARY

Burlington Performance Wear NRC Inspection Report No. 999-90002/01-03

This special, announced inspection was conducted to evaluate the circumstances surrounding the unauthorized transfer of a Panametrics, Model No. 4000, S/N 518 X-ray Spectrochemical analyzer containing 10 millicuries of Americium-241 to a person not licensed by the NRC or an Agreement State. The device was under an NRC general license.

Burlington Performance Wear purchased the device on May 15, 1977 for the R&D lab located at the Burlington Hurt, Virginia Facility. According to company officials, the device was placed in storage in the early 80's and no longer used. Burlington Performance Wear received correspondence from the NRC in June 2001 requesting information for the registration of the device. The company had gone through a buyout and several managerial changes at the corporate level. In addition, the individual who was responsible for the gauge had long since retired in the late 80's. An internal review conducted by Burlington Performance Wear revealed that the device had been unknowingly transferred to an unauthorized facility, a scrap metal facility, on October 31, 1997. The licensee's failure to transfer the generally licensed device to NRC or an Agreement State licensee authorized to receive and possess such licensed material was identified as an apparent violation of NRC regulatory requirements, 10 CFR 31.5(c)(8).

Two inspectors were sent to investigate the unauthorized transfer of the generally licensed device on September 26, 2001. They searched the Hurt, Virginia facility and the scrap metals recycle facility, Cycle Systems, located in Lynchburg, Va. The inspectors were unable to locate the device at the Hurt facility and the scrap metal recycling facility. If the gauge had been found by a member of the public, the safety significance would be low because the gauge has a low activity and would be adequately shielded in an intact gauge. However, if the gauge source housing was compromised and the source was breached by smelting or crushing, decontamination efforts could become lengthy and extremely costly.

Attachment:

Persons Contacted

Inspection Procedure Used

REPORT DETAILS

1. **Program Scope and Licensee Organization**

The licensee is authorized to possess and use radioactive material under a General License (GL) for the purposes of measuring the amount of flame retardant chemical on fabric swatches. The Burlington Performance Wear facility located in Hurt, Virginia, possessed one device that contained 10 millicuries of Americium-241.

2. **Circumstances Surrounding the Unauthorized Transfer of a Panalyzer Analyzer Model No. 4000 Generally Licensed Gauging Device.**

a. Scope

The inspectors reviewed licensee records, interviewed knowledgeable licensee representatives, and toured the licensee's Hurt, Virginia facilities, to evaluate the apparent unauthorized transfer of a Panalyzer Model No. 4000, S/N 518, a generally licensed device, to a person not licensed by the NRC or an Agreement State. The unauthorized transfer occurred on October 31, 1997 when the licensee transferred the general licensed device to a scrap metal recycling facility, Cycle Systems, located in Lynchburg, Virginia. In addition, a search to locate the device was conducted at the Cycle Systems facility.

b. Observations and Findings

The licensee received correspondence from NRC on July 6, 2001 requesting information about registration of a generally licensed device in their possession. The device was a Panalyzer Model 4000 analyzer, S/N 518, that contained 10 mCi of Americium-241. Present management was unaware of such a device being on the property. After interviewing personnel and conducting a search of the facility, the licensee discovered that the device was purchased on May 5, 1977 for the R&D lab of the facility. It was used to measure the amount of flame retardant on fabric swatches. The device had been used and maintained by one individual who had retired from the company in 1987. It was put in storage in a locked cabinet in the R & D lab and was no longer used after the 1980's. The licensee's records, a shipping manifest, showed that on October 31, 1997, the device was transferred to Cycle Systems, a metal recycle facility located in Lynchburg, Va. The licensee explained that during that time the R&D lab was going through major renovations. In addition, the licensee explained that the company had gone through several ownership and managerial changes. The licensee made two separate trips to the metal recycle facility with a photograph of the device on July 13, 2001 and August 10, 2001 and talked to the facility manager inquiring about the device. During each visit the Burlington Performance Wear officials stated that they were unsuccessful in locating the device.

Two NRC inspectors went to the general licensee on September 26, 2001 to conduct a safety inspection of the circumstances surrounding the release of the GL device to Cycle Systems. The inspectors went to the R & D area where the device was once stored. This area was no longer in existence because of major renovations. The inspectors reviewed the manifest documentation which showed that the device was

shipped to Cycle Systems on October 31, 1997. The inspectors then went to the Cycle Systems facility located in Lynchburg, VA to interview the facility manager and to search and survey scrap metal areas with survey meters to locate the device. The inspectors were unsuccessful in locating the device. The inspectors noted that the entrance to the facility had radiation detectors for trucks containing scrap metals entering and leaving the facility. From discussions with the facility manager, the inspectors determined that the detectors were at the facility during the time the device was sent there, but the facility manager could not show any documentation that the device had been received by the facility. The facility only documents the weight of scrap metals by the truckload.

From discussions with the licensee, the inspectors determined that the licensee did not plan to use licensed material in the future. In addition, the licensee had contacted their other plants to request that a search and inventory be conducted. As a result of the incident, the licensee had created an inventory of generally licensed devices at their Glasgow, VA and Raeford, NC facilities.

c. Conclusion

The inspector concluded that the licensee's apparent failure to transfer the generally licensed device to an entity specifically licensed by the NRC or an Agreement State to receive it was identified as an apparent violation of 10 CFR 31.5(c)(8).

EXIT MEETING SUMMARY

The results of the inspection were communicated during an exit meeting held on September 26, 2001 with company officials of Burlington Performance Wear. The overall findings from the inspection were discussed, including the apparent violation of regulatory requirements. The licensee did not offer any dissenting comments nor did they specify that information received during the inspection was proprietary in nature.

ATTACHMENT

PERSONS CONTACTED

Burlington Performance Wear Aggregates

- *Don R. Beusse- Health and Safety Manager
- *Mr. Crocker-Group Safety Manager
- *Kent Vesser- Human Resource Manger
- *Carroll McCrickard-Human Resource Manager
- *Tom Baker-Training Manager
- *Steve Simonon-Lab Manager

* Attended the exit meeting on September 26, 2001

Other

John Purdy, Cycle Systems

INSPECTION PROCEDURE USED

IP 87114 Fixed and Portable Gauge

Abbreviations Used

CFR Code of Federal Register

Am 241 Americium- 241

mCi millicurie

DOT Department of Transportation

NRC Nuclear Regulatory Commission