NRC FORM 591X PART 1
(5-2002)
10 CFR 2.201

U.S. NUCLEAR REGULATORY COMMISSION

SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION

1. LICENSEE/LOCATION INSPECTED:	2. NRC/REGIONAL OFFICE
Shieldalloy Metallurgical Corporation West Boulevard Newfield, NJ 08344	Region I 475 Allendale Road King of Prussia, PA 19406-1415
REPORT NUMBER(S) 2002-001	

3. DOCKET NUMBER(S)	4. LICENSEE/CERTIFICATE NUMBER(S)	5. DATE(S) OF INSPECTION
040-07102	SMB-743	July 15 & September 18, 2002

6. INSPECTION PROCEDURES USED	7. INSPECTION FOCUS AREAS
87104 and TI2800/032	02.01; 02-02a - b; and 03.01 a-d

LICENSEE/CERTIFICATE HOLDER

The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license/certificate. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as

[X] 1. Based on the inspection findings, no violations were identified.

[ ] 2. Previous violation(s) closed.

[ ] 3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified, non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

_____ non-cited violation(s) were discussed involving the following requirement(s):

[ ] 4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This form is a NOTICE OF VIOLATION, which may be subject to posting in accordance with 10 CFR 19.11.

STATEMENT OF CORRECTIVE ACTIONS

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions is made in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken, date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

TITLE	PRINTED NAME	SIGNATURE	DATE
LICENSEE			
NRC INSPECTOR	Marie Miller	Marie Miller	10/02/02