

## UNITED STATES NUCLEAR REGULATORY COMMISSION REGION IV 611 RYAN PLAZA DRIVE, SUITE 400 ARLINGTON, TEXAS 76011-4005

December 22, 2005

Mr. Michael S. Graham Customer and Technical Service Manager Coemar USA 3000 SW 42<sup>nd</sup> St., Hollywood, FL 33312

SUBJECT: NRC INSPECTION REPORT 999-90004/05-002 AND NOTICE OF VIOLATION

Dear Mr. Graham:

This letter refers to the safety inspection conducted on February 9, 2005, at your facility located in Hollywood, Florida. The inspection was an examination of activities as they relate to safety and compliance with the Commission's rules and regulations. Within these areas, the inspection consisted of a selective examination of procedures and representative records. The preliminary inspection results were discussed with you at the conclusion of the onsite inspection. A final exit interview was conducted with you on December 15, 2005.

Based on the results of this inspection, the NRC has determined that one violation of NRC requirements occurred. This violation was evaluated in accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions" (Enforcement Policy). The current Enforcement Policy is included on the NRC's website at <u>www.nrc.gov</u>; select **What We Do, Enforcement**, then **Enforcement Policy**. The violation cited in the enclosed Notice of Violation (Notice) involved the distribution of licensed material without an exempt distribution license issued by the NRC.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/Adams.html">http://www.nrc.gov/reading-rm/Adams.html</a>. 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.

If you have any questions concerning this inspection, please contact Mr. Larry Donovan at (817) 860-8140 or the undersigned at (817) 860-287.

Sincerely,

/**RA**/ Mark R. Shaffer, Chief Nuclear Materials Inspection Branch

Docket No.: 999-90004

Enclosure: As stated cc w/enclosure: Florida Radiation Control Program Director bcc w/enclosure via e-mail distrib: LDWert CLCain JEWhitten LDonovan HFreeman KEGardin NMIB R-I/DNMS/MSIB (provided hard copy) RIV Materials Docket File (5<sup>th</sup> Floor)

SUNSI Review Completed: ADAMS: Yes 9No Initials: Id

: Publicly Available Non-Publicly Available Sensitive : Non-Sensitive

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## **ENCLOSURE**

## NOTICE OF VIOLATION

Coemar USA. Hollywood, Florida Docket No. 999-90004

During an NRC inspection conducted on February 9, 2005, one violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," the violation is listed below:

10 CFR 30.3 requires, in part, that except for persons exempted, no person shall transfer byproduct material except as authorized by a specific or general license issued pursuant to 10 CFR Part 30.

10 CFR 30.15(b) requires that any person who desires to apply byproduct material to, or to incorporate byproduct material into, the products exempted in 10 CFR 30.15(a), or who desires to initially transfer for sale or distribution such products containing byproduct material, should apply for a specific license pursuant to 10 CFR 32.14, which license states that the product may be distributed by the licensee to persons exempt from the regulations pursuant to 10 CFR 30.15(a).

Contrary to the above, between September 2004 and March 2005, Coemar USA distributed 464 specialty electrical light bulbs containing krypton-85 in fixtures, without a valid NRC license and was not exempt from the requirement for a license.

This is a Severity level IV Violation (Supplement VI)

Pursuant to the provisions of 10 CFR 2.201, Coemar USA, is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555, with a copy to the Regional Administrator, Region IV, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation; and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Because your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>, to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information. If you request withholding of such material, you <u>must</u> specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Dated this 22 <sup>th</sup> day of December 2005