



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406-1415

June 29, 2011

Docket No. 99990001

Non-Licensee

William Anspach
Seattle Watch Company
934 6th Street South
Kirkland, WA 98033

SUBJECT: SEATTLE WATCH COMPANY AND NOTICE OF VIOLATION

Dear Mr. Anspach:

During an inspection of NRC licensee mb-microtec USA, Inc. (mb-microtec) on April 20, 2011, the inspector determined that a shipment of watches containing tritium, a byproduct material licensed by the NRC, was delivered to your facility in Kirkland, Washington and was subsequently sent by you to one of your clients for distribution prior to being evaluated by the licensee as required by the NRC license. This was confirmed by you during a telephone conversation with Jeffrey Ferich of the NRC's Office of Investigations and me on April 22, 2011.

Possession of licensed material without a specific or general license is a violation of 10 CFR 30.3 which states, in part, "Except as provided in paragraphs (b)(2), (b)(3), (c)(2), and (c)(3) of this section and for persons exempt as provided in this part and part 150 of this chapter (none of which apply in your case), no person shall manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material except as authorized in a specific or general license issued in accordance with the regulations in this part." Contrary to the above, in November 2010, you possessed and transferred a shipment of approximately 300 watches containing tritium, a byproduct material, without being authorized by a specific or general license issued in accordance with the regulations of this part. Specifically, you directed a common carrier to ship the watches to your facility in Kirkland, Washington and then you sent the watches to one of your clients for distribution prior to allowing the licensee, mb-microtec, to perform the quality control procedures required by their NRC license. This is considered a Severity Level IV violation.

We understand from our conversations with you that this violation occurred because of pressures to get the watches to market and that you attempted to intercept the shipment of watches at the common carrier's facility prior to delivery to your client; however, this failed when the shipment was delivered early. We further understand that, in the future, you will accept shipments from mb-microtec only after the shipments have undergone the quality control procedures required by mb-microtec's license. Mr. Timothy Brandon, Radiation Safety Officer of mb-microtec, informed the NRC that the Seattle Watch Company received a shipment of watches containing tritium in 2011 and that all of the quality control procedures were able to be completed prior to the transfer of the shipment to you. The NRC has concluded that information regarding the reasons for the violation and the corrective actions taken and planned to correct the violations and prevent recurrence are already adequately addressed on the docket in this

letter. Therefore, you are not required to respond to this letter unless the description therein does not accurately reflect your corrective actions or your position.

Current NRC regulations are included on the NRC's website at www.nrc.gov; select **Nuclear Materials; Medical, Academic, and Industrial Uses of Nuclear Material**; then **Regulations, Guidance, and Communications Page**. The current Enforcement Policy is included on the NRC's website at www.nrc.gov; select **About NRC; How We Regulate; Enforcement**; then **Enforcement Policy**. You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 7:00 a.m. to 6:30 p.m. EST, Monday through Friday (except Federal holidays).

Thank you for your cooperation.

Sincerely,

/RA/

James P. Dwyer, Chief
Commercial and R&D Branch
Division of Nuclear Materials Safety

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/RA/

James P. Dwyer, Chief
Commercial and R&D Branch
Division of Nuclear Materials Safety

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