

January 5, 2012  
EN 12-002

OFFICE OF ENFORCEMENT  
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Universal Product Concepts, Inc.  
Chino, CA 91710

EA-11-222

Subject: NOTICE OF VIOLATION AND PROPOSED IMPOSITION OF CIVIL PENALTY-  
\$7,000

This is to inform the Commission that a Notice of Violation and Proposed Imposition of a Civil Penalty in the amount of \$7,000 will be issued on or about January 9, 2012, to Universal Product Concepts, Inc. (UPC). This action is based on two violations involving import and willful distribution of smoke detectors containing byproduct material (americium-241) without the NRC license as required by 10 CFR 110.5 and 30.3(a) respectively. Specifically, from May to July 2010, UPC imported and distributed approximately 19,423 smoke detectors without the required NRC license. In accordance with the Enforcement Policy these two violations will be collectively categorized as Severity Level (SL) III problem.

On December 5, 2011, a pre-decisional enforcement conference was held at the licensee's request, to discuss the apparent violation, its significance, the root causes, and the corrective actions.

Because UPC has not previously been the subject of escalated enforcement action and the violation was willful, the staff considered whether credit is warranted for Identification and Corrective Action. Because the violation was identified by NRC, the staff determined that Identification credit is not warranted. Credit for Corrective Actions is warranted based on the actions implemented by UPC that included: (1) ceasing import and distribution of any additional smoke detectors until all required licensing was in place; (2) obtaining a possession license from the State of California; (3) submitting a NRC exempt-distribution license application; and (4) retaining the assistance of a consultant to assist in ensuring knowledge of, and compliance with regulatory requirements. Therefore, in accordance with the Enforcement Policy, the staff is proposing imposition of a base civil penalty in the amount of \$7,000 for the above SL III problem.

It should be noted that UPC has not been specifically informed of the enforcement action. The schedule of issuance and notification is on or about:

Mailing of Notice  
Telephone Notification of Licensee

January 9, 2012  
January 9, 2012

The State of California will be notified.

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**Distribution:** EN-12-002, January 5, 2012

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