

APR 30 1981

Cetco, Inc.
ATTN: Mr. J. C. Lee
President
504 Lunt Avenue
Schaumburg, IL 60193



Gentlemen:

This refers to the investigation conducted by Messrs. R. M. Burton, C. H. Weil, and Dr. W. J. Adam of this office during the period July 14, 1980 through March 2, 1981, of activities at Cetco, Inc., a corporation not authorized by the NRC to possess or utilize radioactive materials.

This investigation was conducted in response to information that Cetco, Inc. had imported and distributed smoke detectors containing byproduct material without the authorization of a byproduct material license.

During this investigation certain of your activities appeared to be in violation of NRC requirements, as described in the enclosed Appendix A, and a response is required.

It is our understanding you are now disposing of your remaining stock of smoke detectors and that in the future you will not engage in activities involving smoke detectors containing byproduct material, unless the appropriate byproduct materials license is obtained. In addition, we intend to monitor your progress in fulfilling your commitment to dispose of the smoke detectors and believe that enforcement action by the NRC can be avoided by voluntary compliance in this matter.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter, the enclosures, and your response to this letter will be placed in the NRC's Public Document Room, except as follows. If the enclosures contain information that you or your contractors believe to be proprietary, you must apply in writing to this office, within twenty-five days of the date of this letter, to withhold such information from public disclosure. The

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application must include a full statement of the reasons for which the information is considered proprietary, and should be prepared so that proprietary information identified in the application is contained in an enclosure to the application.

We will gladly discuss any questions you have concerning this investigation.

Sincerely,

J. F. Streeter, Acting Director
Enforcement and Investigation Staff

Enclosures:

- 1. Appendix A, Notice of Violation
- 2. IE Inspection Report No. 81-01

cc w/encls:
 Central Files
 Reproduction Unit NRC 20b
 PDR
 NSIC

RIII	RIII	RIII	RIII	RIII	RIII	RIII	RIII	RIII
Burton/so	Weil	Adam	Wiedeman	Fisher	Streeter	Notus	Davis	Keppler
4/7/81	4/4/81	4/21	4/21		4/24/81	4/30/81	4/30/81	
RMB 4/8/81								