NUCLEAR REGULATORY COMMISSION

REGION III 799 ROOSEVELT ROAD GLEN ELLYN, ILLINOIS 60137

JAN 6 1983

License No. 34-00486-04

30-7037

Victoreen, Inc. ATTN: John Ashe, Ph.D. President 10101 Woodland Avenue Cleveland, OH 44104

Gentlemen:

The refers to a special safety inspection conducted by Mr. S. R. Lasuk of our staff on November 9, 1982 of activities authorized by NRC Byproduct Material License No. 34-00486-04. The results of the inspection were discussed on November 18, 1982, during a telephone enforcement conference between you and others of your staff and Mr. A. B. Davis and others of the NRC staff.

The inspection indicates that the licensee failed to provide appropriate shipping papers and labeling for a shipment containing radioactive material. This matter becomes more significant when one considers that neither the Radiation Safety Officer nor a representative of licensee management made any attempt to notify the carrier, the customer, or the Victoreen field representative that the shipment contained radioactive material, although the shipping error was known to them on the date of the shipment.

To emphasize the importance of this matter and the need to ensure effective management control of your licensed program, we propose to impose a civil penalty for the item set forth in the Notice of Violation which is enclosed with this letter. The violation in the Notice has been categorized at a Severity Level III as described in the General Statement of Policy and Procedure for Enforcement Actions, Appendix C to 10 CFR Part 2. The base value for this Severity Level III violation is \$500. However, since the licensee failed to initiate prompt corrective action by notifying the carrier and the customer that radioactive material had been shipped, the civil penalty is being increased by 25% of the base value. After consultation with the Director of the Office of Inspection and Enforcement, I have been authorized to issue the enclosed Notice of Violation and Proposed Imposition of a Civil Penalty in the amount of Six Hundred and Twenty-Five Dollars.

You are required to respond to this letter and should follow the instructions in the Notice when preparing your response. You should give particular attention to those actions that will be taken by management to ensure compliance with NRC requirements. In your response to this letter, please describe what

actions you have taken or plan to take to ensure that all future shipments of radioactive material are in accordance with Department of Transportation regulations. Also, confirm that you will take immediate corrective action and make appropriate notifications if an error is made in a radioactive material shipment. In addition, you should indicate what action was taken against the involved employees for their failure to take remedial action. Your reply to this letter and the results of future inspections will be considered in determining whether further enforcement action is appropriate.

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 and the enclosure will be placed in the NRC Public Document Room.

The responses directed by this letter and the enclosed Notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

Original signed by A. Bert Davis

James G. Keppler Regional Administrator

Enclosure: Notice of Violation and Proposed Inposition of Civil Penalty

RIII WWS 1-6-83 Schultz/jp 1/5/83 Davis

RIAI Keppler 1

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