

Docket Nos. 030-12704  
030-20570

08 OCT 1987

License Nos. 37-03572-06 ✓  
37-03572-08E

SMH, Incorporated  
ATTN: Thomas Middleton, Vice President  
Operations and Logistics  
941 Wheatland Avenue  
Lancaster, Pennsylvania 17604

Gentlemen:

Subject: Routine Inspection No. 87-001

On June 3, 1987, John T. Jensen and Selvan Rajendran of this office conducted a routine safety inspection at SMH, Incorporated of activities authorized by the above listed NRC licenses. The inspection was an examination of your licensed activities as they relate to radiation safety and to compliance with the Commission's regulations and the license conditions. The inspection consisted of observations by the inspectors, interviews with personnel, and a selective examination of representative records. In addition, our inspectors examined the activities covered in your correspondence dated November 21, 1986. The findings of the inspection were discussed with Tom Deitzler of your staff at the conclusion of the inspection.

During the exit meeting held with you at the conclusion of the inspection, the inspectors discussed the possibility of requiring you to amend your NRC license to include the Hayworth building at 1702 Hempstead Road, Lancaster, Pennsylvania as a location of use of licensed material. Since the material you possess at this location are watches that are returned to your facility after their initial distribution as products containing radioactive material in exempt quantities, I have concluded that this possession, and, therefore, this facility, are exempt from the requirement for a license under 10 CFR Part 32. No action by you on this matter is required.

Within the scope of this inspection, no violations were identified.

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 will be placed in the Public Document Room. No reply to this letter is required.

NEW LICENSE  
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RETURN ORIGINAL TO  
REGION I

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SMH, Incorporated

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Your cooperation with us is appreciated.

Sincerely,

Original Signed By:  
John D. Kinneman

John D. Kinneman, Chief  
Nuclear Materials Safety Section A  
Division of Radiation Safety  
and Safeguards

cc:  
Public Document Room (PDR)  
Nuclear Safety Information Center (NSIC)  
Commonwealth of Pennsylvania  
Tom Deitzler, Radiation Safety Officer

bcc:  
Region I Docket Room (w/concurrences)  
Management Assistant, DRMA  
J. Jensen, RI

RI:DRSS  
J. Jensen/bc  
~~07/1/87~~  
4/20/87

RI:DRSS  
S. Rajendran  
6/10/2/87

RI:DRSS  
J. Kinneman  
10/2/87

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