



a company of SMH Swiss Corporation for Microelectronics and Watchmaking Industries Ltd

June 10, 1987

Mr. John T. Jensen
Health Physicist
United States Nuclear
Regulatory Commission
Region 1
631 Park Avenue
King of Prussia, PA 19406

Dear Mr. Jensen:

Thank-you for your visit to Hamilton Watch Company last week and also for the helpful observations pertinent to our licensing with the Nuclear Regulatory Commission. I'm sure you noticed an improved program with items being adhered to relative to our licensing.

The following items you have requested to finish your inspection of June 3, 1987. Please review them and if you need further clarification, don't hesitate to contact me at Extension 2239.

Also, the 1986 sales of products containing Promethium and Tritium paints will be forwarded to Mr. J. B. Carrico early next week as I discussed with you. I will enclose a copy to you at that time.

Item 1 - Tritium/Promethium Inventory Levels (End of May 1987)

<u>Brand Name</u>	<u>Tritium Level</u>	<u>Promethium Level</u>
Certina, U.S.A.	4.9 Ci	---
Swatch Watch, U.S.A., Inc.	117.8 Ci	---
Hamilton Watch Co., Inc.	57.2 Ci	50.2 Ci
Omega Watch Corp.	9.8 Ci	---
Tissot Watch, Inc.	---	---
Total May Levels	189.7 Ci	50.2 Ci

We are licensed to have a containment of 300 Ci per Tritium and Promethium sources. The inventoried levels are well within those guidelines.

NOTE: We do not feel the necessity to amend the license for an increase in levels. Our 1986 history is showing a decrease in the units being marketed with luminous dials and hands.

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The enclosures are the E.D.P. reports I receive the first week of our new fiscal month. They are the original copies with the figuration done as I do on a monthly basis for my documentation and files.

Item 2 - Verification of Composition of Luminous Paints

I have reviewed your request with our Purchasing Department and we have noted to have all orders placed with our specification of the following paints being used with verification quarterly of our receipts from vendors.

- 1) Radium Chemie PT 362 - Tritiated Luminous Paint
- 2) W. Maier Promethium - Oxalate Luminous Paint

This will provide a "checks and balance" for ourselves to ensure what we are receiving in all shipments is correct.

Item 3 - Hayworth Building

I reviewed the inventory levels at the Hayworth facility which included Swatch watches of no luminous paint. The Tritiated watches are immediately forwarded to the Clock Division facility upon receipt.

We have decided to add the following to our Possession and Distribution licenses under Condition #10 to include 1702 Hempstead Road, Lancaster, Pennsylvania. The amendment proposal and fee will follow within the next two weeks. This will eliminate any possibility of a licensing violation with either the Possession and Distribution licenses.

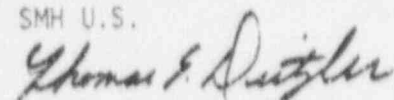
Also, our Possession License #37-03572-06 expires on November 30, 1987. Would you please send me any documentation necessary for renewal at your convenience - or, call me, if possible, on necessary procedures to follow. I do not want the same predicament to occur as did in 1984.

I'd like to make a change regarding our contacts here at 941 Wheatland Avenue. My assistant will now be as follows: Mr. Eric E. Steudel, Supervisor-Assembly Operations, 941 Wheatland Avenue, Lancaster, PA 17604. Please delete Mr. Joseph C. Sabol from all mailings and correspondence. With reorganizations, Mr. Sabol has no more involvement due to his new responsibilities. In my absence, please contact Mr. Steudel for inspection information and/or related information through either license.

Again, thank-you for your recent visit and inspection. If I can be of further assistance, please call me.

Best regards,

SMH U.S.



Thomas E. Deitzler
Director of Operations

cc: Mr. John F. Gelson, President
Mr. Thomas J. Middleton, Vice President

Enclosures