Lechanical and Nuclear Engineering Services

(206) 453-0525

MEMORANDUM

May 16, 1983

Mr. David Moran Standardization and Special Projects Branch U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Subject: Copy of Amendment 2 and Proprietary Affidavat

Dear Mr. Moran:

Thomak, I had asked for another correct the 1982 affidavat Colla spoles

Per our telephone discussion, I am sending you another copy of the preliminary draft of Amendment 2 to Revision 3 of EDR-I and a copy of the October 8, 1983 proprietary affidavat for Revision 3.

Please do not hesitate to contact me if you have any questions about this memorandum or its attachments.

Sincerely

Robert W. Holloran

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EDERER INCORPORATED

AFFIDAVIT

- I, C. William Clark, Jr., being duly sworn, depose and state as follows:
- I am the Director of Engineering of Ederer Incorporated, herein and hereafter referred to as Ederer, and have been delegated the function of reviewing the information described in Paragraph 2 which is sought to be withheld and have been authorized to apply for its withholding.
- 2. The information sought to be withheld consists of designated pages of a revision to a Licensing Topical Report, EDR-I(P), Revision 3, dated October 8, 1982, which describes Ederer's Nuclear Safety Related X-SAM Cranes.
- 3. In designating material as proprietary, Ederer utilizes the definition of proprietary information and trade secrets set forth in the American Law Institute's Restatement of Torts, Section 757. This definition provides:

"A trade secret may consist of any formula, pattern, device, or compilation of information which is used in one's business and which gives him an opportunity to obtain an advantage over competitors who do not know or use it.... A substantial element of secrecy must exist, so that, except by the use of improper means, there would be difficulty in acquiring information.... Some factors to be considered in determining whether given information is one's trade secret are: (1) the extent to which the information is known outside of his business; (2) the extent to which it is known by employees and others involved in his business; (3) the extent of measures taken by him to guard the secrecy of the information; (4) the value of the information to him and to his competitors; (5) the amount of effort or money expensed by him in developing the information; (6) the ease or difficulty with which the information could be properly acquired or duplicated by others."

- 4. Some examples of categories of information which fit into the definition of proprietary information are:
 - Information that discloses a process, method, or apparatus where prevention of its use by Ederer's competitors without license from Ederer constitutes a competitive economic advantage over other companies;
 - Information consisting of supporting data and analyses, including test data, relative to a process, method, or apparatus, the application of which provide a competitive economic advantage, e.g., by optimization or improved marketability;
 - Information which if used by a competitor, would reduce his expenditure of resources or improve his competitive position in the design, manufacture, shipment, installation, assurance of quality or licensing of a similar product;
 - d. Information which discluses patentable subject matter for which it may be desirable to obtain patent protection.



- 5. The procedure for approval of external release of such a document is review by the President and Director of Engineering for technical content, competitive effect and determination of the accuracy of the proprietary designation in accordance with the standards enumerated above. Disclosures outside Ederer are generally limited to regulatory bodies, customers and potential customers and their agents, suppliers and licensees only in accordance with appropriate regulatory provisions or proprietary agreements.
- 6. The document mentioned in Paragraph 2 above has been evaluated in accordance with the above criteria and procedures and has been found to contain information which is proprietary and which is customarily held in confidence by Ederer.
- 7. The information sought to be withheld consists of the designated pages of the topical report, including those of its appendicies. These pages reveal Ederer's design methods and apparatus for meeting certain NRC safety requirements, and disclose analysis methods and results regarding X-SAM Cranes' performance during certain accidents, all with particular reference to the unique characteristics of Ederer's design. As such this information is of important competitive commercial value.
- 8. The information sought to be withheld, to the best of my knowledge and belief, has consistently been held in confidence by Ederer Incorporated, no public disclosure has been made, and it is not available in public sources. All disclosures to third parties have been made pursuant to regulatory provisions or proprietary agreements which provide for maintenance of the information in confidence.
- 9. Public disclosure of the information sought to be withheld is likely to cause substantial harm to the competitive position of Ederer and deprive or reduce the availability of profit making opportunities because disclosure could enable competitors to obtain a better understanding of our product and programs and utilize this information so as to adversely impact on our sales.

C. William Clark, Jr., being duly sworn, deposes and says that he has read the foregoing affidavit and the matters stated therein are true and correct to the best of his knowledge, information, and belief.

Executed at Seattle, Washington this 1th of October, 1982.

(I Milliam Clark, Jr. Ederer Incorporated)

STATE OF WASHINGTON)
COUNTY OF KING) ss:

Subscribed and sworn before me this 2 day of Cololie, 1982.

NOTARY PUBLIC IN AND FOR SAID COUNTY AND STATE

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