UNITED STATES NUCLEAR REGULATORY COMMISSION

In the Matter of .	
GORSIRA X-RAY, INC.	
Attn: F. E. Gorsira	
President	
P. O. Box 3031	
Farmington Hills, MI	48024

License No. 21-19339-01 Docket No. 30-17456 EA 85-02

ORDER TO SHOW CAUSE AND ORDER SUSPENDING LICENSE EFFECTIVE IMMEDIATELY

I

Gorsira X-Ray, Inc., P. O. Box 3031, Farmington Hills, MI (licensee) is the holder of License No. 21-19339-01 (license) issued by the Nuclear Regulatory Commission (NRC). License No. 21-19339-01 authorizes the possession and use of byproduct materials for industrial radiography and is due to expire April 30, 1985.

II

On April 27, 1984, the NRC Region III Office conducted an inspection of the licensee's byproduct material program. As a result of this inspection, three violations of NRC requirements were identified. These violations included:

(1) byproduct material was stored at locations not authorized by the license;

(2) a survey meter that was used by the licensee during radiographic operations

was not calibrated at required intervals; and (3) sealed radiography sources were not, in all cases, leak tested at required intervals.

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On July 2, 1984, the NRC sent a Notice of Violation to the licensee. The Notice set forth the violations identified during the April 27, 1984 inspection and stated that the licensee was required to submit a written response to these violations within 30 days of the date of the Notice. The licensee failed to respond to the Notice within 30 days. The NRC Region III staff attempted to contact the licensee by telephone on six occasions during the period August 14 through September 24, 1984. These attempts were not successful. The NRC sent the licensee another letter on October 22, 1984 requesting a response to the July 2, 1984 Notice. The licensee did not respond. On November 26, 1984, the Region III staff contacted the licensee's attorney. The attorney stated the licensee had received the July 2, 1984 Notice and the October 22, 1984 letter from the NRC. The attorney also stated the licensee was currently involved in bankruptcy proceedings. The attorney made arrangements for a meeting on December 12, 1934 between the licensee and the NRC staff to discuss the July 2, 1984 Notice and the licensee's response. The licensee failed to attend this meeting.

These developments raise substantial questions as to whether the licensee has sufficient financial resources as well as the ability and willingness to comply with NRC requirements to ensure that licensed byproduct material will be used in a manner that will provide adequate protection of public health and safety.

Accordingly, I find that the public health, safety, and interest require that this Order be made immediately effective.

In view of the above, it is hereby ORDERED, EFFECTIVE IMMEDIATELY, pursuant to Sections 81, 161b., and 186 of the Atomic Energy Act of 1954, as amended, and the regulations in 10 CFR Parts 2, 30, and 34 that:

- a. License No. 21-19339-01 is suspended pending further Order, and the licensee shall cease and desist from any use of byproduct material in its possession and shall immediately place all such material in locked storage;
- b. Within seven days of the issuance of this Order, the licensee: (1) shall transfer all licensed material within its possession to a person authorized by the NRC to possess such material as set forth in 10 CFR 30.41, and (2) shall notify the NRC Region III Office in writing to whom the material was transferred and when the transfer was completed; and
- c. The licensee shall show cause, as provided in Section IV below, why License No. 21-19339-01 should not be revoked.

IV

Within 25 days of the date of this Order, the licensee may show cause why the license should not be revoked, as required in Section III above, by filing a written answer under oath or affirmation that sets forth the matters of fact and law on which the licensee relies. The licensee may answer, as provided

in 10 CFR 2.202(d), by consenting to the entry of an Order in substantially the form proposed in this Order to Show Cause. Upon failure of the licensee to file an answer within the specified time, the Director of the Office of Inspection and Enforcement may issue without further notice an Order revoking License No. 21-19339-01.

V

The licensee or any other person whose interest is adversely affected by this Order may request a hearing on this Order. Any request for hearing shall be submitted to the Deputy Director, Office of Inspection and Enforcement, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, within 25 days of the date of this Order. A copy of the request also shall be sent to the Executive Legal Director at the same address. A REQUEST FOR HEARING SHALL NOT STAY THE IMMEDIATE EFFECTIVENESS OF THIS ORDER.

If a hearing is to be held concerning this Order, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order shall be sustained.

FOR THE NUCLEAR REGULATORY COMMISSION

James M. Taylor, Deputy Director Office of Inspection and Enforcement

Dated at Bethesda, Maryland this ______ day January 1985.

Gorsira X-Ray, Inc.

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