

CNE

International Chemical & Nuclear Corporation

171 South Lake Street
Pasadena, California 91101

July 10, 1969

Mr. Lawrence D. Low, Director
Division of Compliance
United States
Atomic Energy Commission
Washington, D.C. 20545

Dear Mr. Low:

I refer to your letter of June 27, 1969, advising me that the Commission has issued licenses GL-324, 20-13235-01 and SNM-1126.

I am sure you recognize that ICN acquired the Tracerlab business intact from Laboratory for Electronics -- there has been no change in the personnel or product mix of that facility, and all controls in force under the licenses issued to Laboratory for Electronics were and are fully adhered to by ICN. The delay which we experienced in obtaining a license in the name of ICN caused serious problems. Nevertheless, we appreciate its finally having been issued.

I must take exception to the comments in the last paragraph of your letter of June 27, which imply that the procedures and controls followed by ICN in certain of its licensed facilities are not up to the Commission's standards. You must be aware that ICN's growth has come through a number of acquisitions. You should realize that we have always been careful to restrict or terminate operations which have come under the control of our management if those operations constitute any hazard or involve any breach of AEC regulations. In accordance with that policy,

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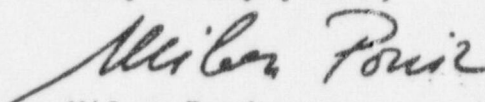
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we have shut down facilities in Burbank (operated by U. S. Nuclear Corporation), in Pittsburgh (operated by Nuclear Science and Engineering Corp.) and in Cambridge (operated by Chemtrac). Those facilities had been marginal in nature, operated by under-capitalized companies and drastic steps became necessary. Those steps, taken by our management despite the fact that the facilities in question held licenses from the AEC, should demonstrate to you that our Company is always very much concerned with the public interest.

ICN's management decisions to close questionable facilities have in fact constituted a service to the public, and I believe our Company is entitled to recognition of that fact from the Commission rather than implied criticism of our procedures.

Very truly yours,



Milan Panic
President

MP:lg