June 19, 1998

Docket No. 030-33678

License No. 29-30178-01

Joseph Cerullo After Sales Service Director North American Watch Corporation 125 Chubb Avenue Lyndhurst, NJ 07071

SUBJECT: INSPECTION NO. 030-33678/98-001 AND NOTICE OF VIOLATION

Dear Mr. Cerulio:

On June 10, 1998, Eric Reber of this office conducted a safety inspection at the above address of activities authorized by the above listed NRC license. 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 inspector, interviews with personnel, and a selected examination of representative records. The findings of the inspection were discussed with you and Daniel Klein of your organization at the conclusion of the inspection.

Based on the results of this inspection, it appears that your activities were not conducted in full compliance with NRC requirements. A Notice of Violation is enclosed and categorizes each violation by severity level in accordance with C General Statement of Policy and Procedure for NRC Enforcement Actions, "(Enforcement, micy), NUREG 1600. You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. In your response, you should document the specific actions taken and any additional actions you plan to prevent recurrence. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. After reviewing your response to this Notice, including your proposed corrective actions and the results of future inspections, the NRC will determine whether further NRC enforcement action is necessary to ensure compliance with NRC regulatory requirements.

In accordance with Section 2.790 of NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and your reply will be placed in the Public Document Room (PDR).

**IE07** 

RETURN ORIGINAL TO REGION I

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Your cooperation with us is appreciated.

Sincerely,

## Original signed by John R. McGrath

Francis M. Costello, Chief Nuclear Materials Safety Branch 3 Division of Nuclear Materials Safety

Enclosure: Notice of Violation

cc: State of New Jersey J. Cerullo North American Watch Corporation

Distribution: PUBLIC Nuclear Safety Information Center (NSIC) Region I Docket Room D. J. Holody, RI

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