

EXHIBIT 52

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EXHIBIT 52

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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OFFICE OF INVESTIGATIONS

INTERVIEW

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IN THE MATTER OF:

INNOVATIVE WEAPONRY, INC.

INTERVIEW OF

PATRICIA G. WILSON

:
:
: Docket No. N/A
:

-----X
Thursday, October 19, 1995

Innovative Weaponry, Inc.

337 Eubank, Northeast

Albuquerque, New Mexico

The above-entitled interview was conducted at
11:00 a.m.

BEFORE:

VIRGINIA J. VAN CLEAVE, Investigator

DENNIS BOAL, Investigator

NEAL R. GROSS & CO., INC. EXHIBIT 52
(202) 234-4433

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CASE NO. 4 - 95 - 022

1 APPEARANCES:

2 On behalf of the Witness and the Licensee,

3 Innovative Weaponry, Inc.

4 HERBERT M. JACOBI, ESQ.

5 8 West 38th Street, 9th Floor

6 New York, New York 10018

P R O C E E D I N G S

1
2 MS. VAN CLEAVE: On the record. For the record,
3 this is an interview of Patricia G. Wilson, ([REDACTED]
4 [REDACTED]) date of birth, [REDACTED]
5 [REDACTED] who is employed by Innovative Weaponry,
6 Incorporated, IWI.

7 The date is October the 19th, 1995 and the time
8 is approximately 11:00 a.m. Present at this interview are
9 myself, Virginia Van Cleave, NRC Senior Investigator;
10 Dennis Boal, NRC Investigator; Herbert M. Jacobi, attorney
11 representing Ms. Wilson; and Ms. Wilson.

12 This interview is being tape recorded by court
13 reporter Carrie Gansle. Ms. Wilson, if you would please
14 stand and raise your right hand?
15 WHEREUPON,

16 **PATRICIA G. WILSON**

17 having been called as a witness in the above-entitled
18 proceedings, was sworn and testified as follows:

19 BY MS. VAN CLEAVE:

20 Q Ms. Wilson, what is your position with IWI?

21 A I am the executive vice president of IWI Nevada
22 and of IWI New Mexico.

23 Q How long have you held those positions,
24 approximately?

25 MR. JACOBI: Could we determine whether IWI

1 Nevada is the same company now known as 21st Century --
2 21st something or other?

3 THE WITNESS: Right, it is. IWI Nevada's name
4 has been changed to 21st Century Technologies, Inc.

5 MS. VAN CLEAVE: All right.

6 BY MS. VAN CLEAVE:

7 Q And you're the executive vice president of that
8 corporation --

9 A Yes.

10 Q -- also?

11 A Yes, I am.

12 Q And how long have you held those positions?

13 A I have, approximately, been with them since
14 August of '94.

15 Q And did you come into IWI as the executive vice
16 president?

17 A No. I believe the way it happened was I was
18 working -- I was brought -- my husband was brought in to
19 help financial --

20 MR. JACOBI: Your husband is who?

21 THE WITNESS: Kenneth Wilson was brought in to
22 help with the financial problems of IWI New Mexico. When
23 he was brought in to do that, they needed help in the front
24 office and so they asked -- I work with him on projects,
25 and so they asked if I could help answer the phone and take

1 care of various odds and ends with IWI New Mexico.

2 MR. JACOBI: The answer to the question is no,
3 she didn't originally come into the company as an executive
4 VP.

5 THE WITNESS: Right.

6 BY MS. VAN CLEAVE:

7 Q When did you become the executive vice president,
8 approximately?

9 A Approximately October of '95.

10 Q '94?

11 A I mean '94. Sorry.

12 Q What is your background? Did you have a
13 background in weapons?

14 A No, I did not.

15 Q Were you familiar with weapons?

16 A Yes, I am familiar -- I was familiar with
17 weapons.

18 Q Who was your previous employer before you came to
19 work for IWI?

20 A A law firm in Dallas by the name of Sullivan &
21 Ave.

22 Q What was your position with them?

23 A I was a paralegal.

24 Q How long did you work for them?

25 A Approximately ten years, off and on.

1 Q And you said you helped your husband? I believe
2 you said you helped your husband on some work?

3 A Yes, I did.

4 Q In what capacity?

5 A He did financial ventures and I worked with him
6 in that area.

7 Q And what is your current position with IWI?

8 A I'm executive --

9 Q You're still executive vice president?

10 A Yes, I am.

11 Q What is your involvement with the day-to-day
12 operations?

13 A Well, I take care --

14 MR. JACOBI: Wait, wait. Perhaps it would be
15 easier if we understood what day-to-day operations you're
16 asking about.

17 MS. VAN CLEAVE: Excuse me.

18 BY MS. VAN CLEAVE:

19 Q As executive vice president, what are your
20 functions?

21 A I report to the board for any public company
22 resolutions or anything of that nature that the company has
23 to have done. I basically just record those type of
24 instruments for the public company. That's what I do for
25 the Nevada public company.

1 And do you want me to explain what I do for the
2 other company, too, as well?

3 Q Yes.

4 A For IWI New Mexico, I sit in a position where the
5 supervisors come to me. I am their direct boss.

6 Q When you say supervisors, what do you mean?

7 A I mean the -- we have levels of supervisors in
8 the manufacturing department and those supervisors report
9 to me.

10 Q What about in the shipping department?

11 A Yes. The shipping department is made up of one
12 person and he -- if there are any types of problems, he
13 does report to me.

14 Q Who is he?

15 A His name is Michael Mangum.

16 Q What about purchasing?

17 A Okay. We have different types of purchasing, so
18 which type?

19 Q What type do you have?

20 A Okay. We have supplies, inner-office supplies
21 type of purchasing, and then we also have the supplies for
22 manufacturing purchasing, which they are separate.

23 Q What about the supplies for the manufacturing?
24 Who is responsible for that?

25 A I am.

1 Q And is there a supervisor under you that is in
2 that department?

3 A This is confusing. Do I explain how this works?

4 MR. JACOBI: Yes.

5 THE WITNESS: Okay.

6 MR. JACOBI: Do you understand what the question
7 is?

8 THE WITNESS: Yes.

9 MR. JACOBI: Answer it. Try and give an
10 understanding.

11 THE WITNESS: Right, okay. How this works is, we
12 are on an inventory-based system. Inventory is separated
13 out by pieces. When an inventory goes low, I'm contacted
14 and they tell me what we need. So there are different
15 supervisors who monitor each different type of inventory
16 and they report to me.

17 BY MS. VAN CLEAVE:

18 Q When you say different type, are these the two
19 categories that you had mentioned earlier?

20 A No.

21 Q There are even more than this?

22 A Yes.

23 Q Within the manufacturing purchasing, how is that
24 divided?

25 A It's divided by raw steel and by tritium and by

1 all the supplies that are required for the tritium
2 encapsulations. So you actually have three different
3 divisions of supplies -- actually -- excuse me. There's
4 actually more than three divisions because we also have a
5 division for the machinists, also, which is totally
6 separate. But that has nothing to do with the tritium.

7 Q And who purchases the tritium or who is
8 responsible for purchasing the tritium?

9 A Okay. I need to -- as far as who orders the
10 tritium and who sends out the order for tritium, Dave
11 Gregor actually signs and sends that order out. I'm the
12 one that sets -- my supervisor from the tritium room comes
13 to me and tells me what she needs, and then I tell Dave. I
14 write it up and then he actually sends the order out.

15 Q When you say the supervisor from the tritium
16 room, do you mean the room back there where they're putting
17 tritium inserts into the sights?

18 A Yes, I do.

19 Q Does she have any involvement in ordering the
20 tritium other than what you've just said, that when she
21 runs low, she comes and tells you what she's low on? Does
22 she have any input as to who IWI buys tritium from?

23 A No, she does not.

24 Q She comes to you, if I can rephrase. She comes
25 to you and says we're running low on some particular

1 tritium --

2 MR. JACOBI: Is there more than one kind of
3 tritium? I thought tritium was tritium.

4 THE WITNESS: It's different colors.

5 MS. VAN CLEAVE: Go ahead.

6 MR. JACOBI: Is that what it is, the color of
7 tritium? So when you're asking --

8 THE WITNESS: Sizes, also.

9 MR. JACOBI: Sizes?

10 THE WITNESS: Yes.

11 MR. JACOBI: Okay. It's like wood is wood except
12 there are types of wood. I'm not trying to be funny. I
13 don't understand and I'm trying to learn.

14 THE WITNESS: Okay.

15 MR. JACOBI: You understood Ms. Van Cleave's
16 question about different types of tritium?

17 THE WITNESS: Yes, I did.

18 MR. JACOBI: As long as you did, fine.

19 THE WITNESS: As long as that's what she's
20 talking about, is the different sizes and the different
21 colors.

22 MS. VAN CLEAVE: Yes.

23 THE WITNESS: Because that's the only difference
24 that there is between tritium.

25 MR. JACOBI: Okay.

1 THE WITNESS: I assumed. I'm sorry. I guess I
2 shouldn't have, but yes, that's the only differences that
3 there are in tritium.

4 BY MS. VAN CLEAVE:

5 Q As far as what we're dealing with here on the
6 inserts, that would be the only difference, right?

7 A Right.

8 MR. JACOBI: I appreciate it.

9 MS. VAN CLEAVE: All right.

10 THE WITNESS: I'm sorry.

11 MR. JACOBI: Don't be sorry. We want a nice,
12 clean record in spite of me.

13 BY MS. VAN CLEAVE:

14 Q What is her name, the supervisor's?

15 A Audrey Perea.

16 Q So Ms. Perea comes to you, she says she's running
17 low of some type of tritium. I think I lost you.

18 What do you do then?

19 A She comes to me, she tells me, for example, she
20 tells me that bars -- no --

21 MR. JACOBI: No, it's my knee.

22 THE WITNESS: -- that bars are low.

23 MR. JACOBI: She said no because she saw me
24 wince. It's got nothing to do with her.

25 MS. VAN CLEAVE: Okay.

1 THE WITNESS: We have a low inventory policy.
2 Because we call it low doesn't mean that it's low. We just
3 have breaks that we like to be notified of where we stand
4 in our inventory . here are reasons for that. The
5 inventory system, ll come to me and she will say, "I
6 only have so many pieces of bars," and that's it and that's
7 as far as it goes as far as she's concerned.

8 BY MS. VAN CLEAVE:

9 Q What do you do with that information?

10 A I write it down and I decide what we do from
11 there. I usually come and talk to Dave about it.

12 Q Who makes the final decision to order tritium?

13 A Dave and I together.

14 Q Who fills out the paperwork and sends it off?

15 A I give Dave the numbers, Dave signs the letter,
16 and then an inner-office person sends it out.

17 Q Who makes the decision who IWI will purchase
18 tritium from?

19 A That's complicated. There really isn't a -- who
20 we buy it from?

21 Q Yes.

22 A Whoever we're buying from at that time, that's
23 who we buy from.

24 MR. JACOBI: Rephrasing the question, if you
25 always bought from the same person, that would be fine, but

1 obviously, you purchase from more than one person.

2 THE WITNESS: Right.

3 MR. JACOBI: Who decided from whom to buy or to
4 change?

5 THE WITNESS: If there's a -- I don't know if I
6 -- there was a current of events that caused what happened
7 and --

8 MS. VAN CLEAVE: Let's back up then.

9 BY MS. VAN CLEAVE:

10 Q Do you know if any particular company is named on
11 your NRC license as the supplier for tritium?

12 A Yes, I do.

13 Q Who is that company?

14 A Saunders-Roe -- I don't know their whole name --
15 of Canada.

16 Q Would that be SRB Technologies, Inc.?

17 A I believe so, yes.

18 Q Have you read the NRC license?

19 A Yes, I have.

20 Q Do you recall when you first read it?

21 A No, I do not.

22 Q Was it your understanding from the NRC license
23 that SRB Technologies or Saunders-Roe of Canada was the
24 source of tritium for IWI on the license, on the NRC
25 license?

1 A Yes. I didn't really -- that's not my expertise,
2 so I really didn't understand all of the license because
3 it's very complicated, and so that was not my expertise.
4 So I saw their name there, yes. I didn't understand what
5 those -- I believe they're in blocks, and that's as far as
6 it went with me.

7 Q SRB Technologies, according to the NRC license
8 which I have here, is listed as the source of the tritium?

9 A Right.

10 Q And I was here in June, if you recall, and at
11 that time, you gave me some invoices, copy of invoices of
12 tritium and they were from SRB Technologies.

13 Do you recall that?

14 A Yes, I believe I do.

15 Q All right. At some point, as you just stated,
16 there was a sequence of events that led IWI into believing
17 that perhaps, if I understand it correctly, they might need
18 a different source of tritium.

19 Has IWI purchased tritium from anyone else
20 besides SRB Technologies?

21 A Yes, we have.

22 Q And what caused IWI to purchase tritium from
23 another source besides SRB Technologies?

24 A Besides? Oh, okay. Because of this current of
25 events that started in January of '95 --

1 MR. JACOBI: What do you mean by current of
2 events? You mean a history?

3 THE WITNESS: Yes.

4 MR. JACOBI: Okay.

5 BY MS. VAN CLEAVE:

6 Q What happened in January of 1995?

7 A In January of 1995, we attended a SHOT show in
8 Las Vegas, Nevada. This was our first exposure to all
9 suppliers in the large arena of the industry that we were
10 involved in.

11 Q Okay. When you say "your," do you mean IWI of
12 New Mexico with the current corporate officers or do you
13 mean just IWI period, the night sights?

14 A I mean mine personally.

15 Q Okay.

16 A Okay. I attended, as several other people did,
17 attended this SHOT show in Las Vegas for IWI New Mexico.
18 During this SHOT show, a gentleman came up to our booth and
19 came to me first, I believe. Let me take that back. I
20 believe he came to me first. I was sitting at the table
21 and our booth was very busy. I did not know this
22 gentleman.

23 He walked up to me, he said, "My name is Brian
24 Pullen and I'm from SRB Technologies." We introduced
25 ourselves and he -- like I say, the booth was very busy.

1 There were customers everywhere. He began to berate IWI.

2 I was in shock because I had never really talked
3 with this gentleman, and so I was very surprised at his
4 animosity.

5 Q Did you know what or who SRB Technologies was?

6 A Yes, I did. He proceeded to tell me that he had
7 applied for a license with the NRC for his company to make
8 gun sights, also, and that he was going to become a
9 competitor of ours.

10 Many things were said that I really can't
11 remember at this time because they really weren't that
12 important to me, but he did say that he had the best of
13 both worlds because he would also be supplying the lights,
14 as they call them, to us and to whoever else he supplied
15 to, but that he would also be able to be in the sight
16 business.

17 And so, he would become a competitor of ours.
18 But not to worry at this point because he had control of
19 the lights so he would give us what he didn't need.

20 Q And how did you feel about that conversation?

21 A I was very surprised. It was the first mention
22 of this and I didn't know how to take it. I believe what
23 happened next was Ken Wilson was in the booth, I believe
24 Dave Gregor was in the booth, but the only thing I know is
25 that he left at that point in time.

1 Q Did you respond to Mr. Pullen at all?

2 A As I remember, I believe I just stood there with
3 my mouth agape. I don't believe I did respond.

4 Q All right. And what happened next after? You
5 said Mr. Pullen turned around and left?

6 A Yes. I think Ken -- I'm really not sure, but I
7 believe Ken Wilson was in the booth, but I believe he was
8 talking with other people. And then I know that Mr. Pullen
9 did return at a later time.

10 Now, I do not know if it was that same day. It
11 might have been the next day, because the day that I saw
12 him was the very first day of the show which was Friday.
13 So I really don't know if he came back that day or the
14 next, but he did return.

15 When he returned, Ken Wilson was in the booth and
16 they had a conversation. I was not privy to any of that at
17 that point in time.

18 Q You didn't hear the conversation?

19 A No, I did not.

20 Q Did Mr. Wilson discuss that conversation with you
21 later?

22 A He briefly went over it with Dave Gregor and I.
23 I believe it was at the hotel, either later that night or
24 the next day. I can't answer for anybody else, but I was
25 very concerned after hearing what I had heard that day, so,

1 of course, I was interested and I asked about it.

2 Because I was not privy to the conversation, it
3 was secondhand what he did tell me, and I really don't
4 remember a whole lot of what he did tell me except that it
5 was basically what I had heard, was that he had the best of
6 both worlds and that he would give us whatever he had left
7 over, and it was basically the same conversation.

8 Q And SRB Technologies, we've already established,
9 is listed on the NRC license as the source for the tritium
10 inserts.

11 You were concerned then that your source of
12 tritium inserts might have a competitive edge? Would that
13 be accurate? What was your concern?

14 A I was concerned because of the way -- okay. I
15 was concerned because we had had previous problems with
16 them that I was aware of. And so, I was concerned because
17 --

18 Q What kind of problems?

19 A I was not privy -- I was not involved in those
20 problems, but I knew of them.

21 Q Okay. You said you were aware of them --

22 A Yes.

23 Q -- so what kind of problems were they?

24 A The problems -- Mr. Mowry, Barry Mowry --

25 Q The former president of IWI; is that correct?

1 A Yes, he was, of IWI New Mexico.

2 Q Of New Mexico, right.

3 A He had evidently had many problems in the past, I
4 understand, because that's why we were called in. They
5 were monetary problems. He and his wife went to Canada. I
6 don't know what month it was, it was in '94. Went to
7 Canada and signed a contract with -- it was a contract of
8 completion with SRB. I do not know if it was with Brian
9 Pullen or not.

10 This contract set out the ordering of lights for,
11 I believe, an eight-month period or something like that.
12 So I was aware of this. When they returned, I believe
13 there were many comments from the Mowrys that -- well, they
14 came back and they spoke with me -- that it was not a good
15 relationship. But I was not privy to that, so I don't know
16 what that really meant.

17 Q What type of contract was signed?

18 A It was a contract for them to provide us with
19 lights for, like I say, so many -- I mean, it was detailed
20 and it said how many of each type of sight would be ordered
21 each month for, I believe, a six or eight-month period.

22 Q When you say "sight," you mean the tritium
23 inserts?

24 A I mean the light.

25 Q The light?

1 A Yes.

2 Q So this was six months?

3 A I'm really not sure. I'm really not sure.

4 Q Do you recall if this was in the fall? You said
5 you didn't know exactly when it was in 1994. Was it in the
6 fall?

7 A Yes, it was in the fall.

8 Q What was to happen at the end of six months? Was
9 there anything mentioned in the contract about that?

10 A I cannot remember. I do not remember.

11 Q Was there any discussion that you can recall
12 about what would happen at the end of six months as far as
13 where IWI would get their tritium if that contract wasn't
14 renewed?

15 A What I was told by the Mowrys was that the
16 contract was only to provide a level of security for SRB;
17 that they would have their money up front before they
18 produced lights for us; and that it would be a set amount
19 of lights so that they could have -- that they could feel
20 secure with the order. That is the only reason why I was
21 told there was this type of contract.

22 Q Okay. So getting back to your concerns after
23 your conversation with Mr. Pullen, I interrupted you when
24 you said that you had had some other problems with SRB.

25 I'd asked you what those problems were, but I had

1 asked previously what were your concerns as far as his
2 conversation with you? What were you afraid might happen?

3 A I was concerned. I guess you would have had to
4 have been there to see the animosity and to see the
5 attitude that was thrown at me. First of all -- first of
6 all, that set the mood. So that concerned me first and
7 foremost. It wasn't so much what he said, it was how he
8 said it.

9 It concerned me because when you have one sole
10 source of tritium and that one sole source is telling you,
11 "I'm going to, number one, become your competitor and
12 number two, I'm going to control your light source," that
13 concerned me.

14 Q Was there any discussion between the IWI officers
15 and yourself and then your husband, who's a consultant, Mr.
16 Gregor, about any steps IWI might want to take regarding
17 purchasing tritium?

18 A At that point, no. No, there was not. When this
19 happened, it was a three-day period that all of this hit
20 us. The first day when Mr. Pullen hit me with this, and
21 then hit Ken Wilson with it, we did discuss it that
22 evening. I cannot remember everything that we discussed.
23 We were pretty much taken aback, all of us, because that
24 was our survival, the company's survival, we felt.

25 And so, everybody was concerned at that point in

1 time.

2 Q Did IWI take any steps to locate a different
3 source of tritium?

4 A I did not take any steps to locate a different
5 source and I do not believe that anyone -- we did not go
6 out and search for anyone. No one in our group went out to
7 search for a different source of tritium at that time.

8 Q Then there was no recommendation by any of the
9 three of you that a different source might be necessary or
10 that we should do this?

11 A At that point in time, none of us really knew
12 where to go. We were not in that business before and so
13 none of us -- when we walked in here, these people were
14 already here. So we didn't know where to go.

15 Q You've already stated that IWI has purchased
16 tritium from another source.

17 How did IWI locate a different source?

18 A The source located us.

19 Q What happened? How did they locate you?

20 A This was also at the SHOT show in Las Vegas. I
21 cannot remember what day of the show it was, and as I
22 recall, a representative came to our booth. I was not
23 involved in any of the conversations during the SHOT show.

24 Q Who was?

25 A I believe they came and asked for Ken Wilson.

1 Q When you say "they," who is they?

2 A There were two gentlemen. At the time, I did not
3 know who they were. They came and like I say, the booth
4 was very busy. We were surrounded at all times by people.
5 It was a very busy show. So I was used to people just
6 walking up and asking all kinds of questions.

7 Two gentlemen walked up. I believe they
8 introduced themselves, I don't remember. At that point in
9 time, it didn't make any difference to me, you know. I
10 mean, everybody was introducing themselves to me.

11 They came up, they asked for Ken, I believe, by
12 name.

13 Q Did Mr. Wilson talk to them, do you know?

14 A Yes. We had a table in our booth and I believe I
15 remember looking around and they were all sitting at the
16 table.

17 Q Did Mr. Wilson discuss the conversations that he
18 had with those two gentlemen with you?

19 A At a later date. I don't really remember. I
20 don't believe it was that night. He did mention who they
21 were and was quite -- kind of surprised that they had
22 contacted us, but a lot of people do, and said that he
23 wanted to check them out and see what it was all about.

24 Q Who were they?

25 A The one gentleman was Mark Zimmerman, who is a

1 rep in Belgium for us, for IWI New Mexico; and the other
2 gentleman was Mark Ager, and he represents Ramrod
3 Manufacturing from South Africa.

4 Q What is Ramrod Manufacturing?

5 A I really don't know. Ramrod, from what I
6 understand, they manufacture items in South Africa, but I
7 really don't know what they manufacture.

8 Q You said Mr. Zimmerman's representative in
9 Belgium.

10 What function does he serve as IWI's
11 representative?

12 A He had actually just come on board. He came to
13 the SHOT show. We had spoke with him before on the phone
14 and he came to the SHOT show. Because this was an
15 international show, he believed that ne could help us with
16 some of the arms manufacturers, the weapons manufacturers
17 that were out of the country that actually had companies in
18 the country.

19 But a lot of times, in order to get to them, you
20 have to go through the owners who are mostly out of the
21 country, and he had -- he felt that he could help us in
22 that area. So that is -- he was at the show for himself.
23 He was not there for us particularly. He was -- I believe
24 he represents many lines.

25 So he came and he met us. That was the first

1 time I'd ever met Mr. Zimmerman.

2 Q Mr. Ager?

3 A Ager, A-G-E-R.

4 Q Mr. Ager. Did you ever speak with him?

5 A Okay. At the show?

6 Q Just have you spoken with him.

7 A Oh, yes. Yes, I have.

8 Q When did you initially speak with him?

9 A I really don't remember the first time I talked
10 to him.

11 Q Well, has it been recent? Was it during the
12 show? Was it right after? Was it last week? Can you give
13 me a general idea?

14 A I did not speak with him at the show. It was
15 quite some time after the show, quite a while after the
16 show, probably several months after the show.

17 Q Was a decision made at some point to pursue
18 purchasing tritium from another source?

19 A The information was brought back. We discussed
20 the information.

21 Q When you say the "information," what do you mean?

22 A The information that Mark Ager had given to Ken
23 Wilson was later discussed.

24 Q What information was that?

25 A That he had a tritium source in South Africa, and

1 that this source -- that he knew SRB of Canada, that they
2 knew each other; that his source was a very good source;
3 and that they were looking for an avenue for other people
4 to supply to; and that he had heard -- now, that he had
5 heard that we were in dire straits for tritium.

6 Q Did he say where he had heard that?

7 A I never was told that. I don't know.

8 Q Mr. Wilson, you said, shared this information
9 later after the show, is that correct, with you and Mr.
10 Gregor; is that correct?

11 A Yes, that's correct.

12 Q And did someone make a decision to pursue that
13 avenue of possibly obtaining tritium from the South African
14 source?

15 A I really don't -- I do not remember how the
16 initial contact took place. I was not privy to that, not
17 at all.

18 Q Who was?

19 A Since there are only two other people involved, I
20 believe it was Dave Gregor that made the initial contact
21 after we came back, I believe, but it could have been Ken.
22 I'm really not sure.

23 Q Either Mr. Gregor or Mr. Wilson then contacted
24 someone.

25 Was it Mr. Ager who they contacted?

1 A Yes, I believe so.

2 Q And what happened next regarding negotiations or
3 discussions with Ramrod, I believe you said?

4 A Well, this is all speculative because before it
5 came to me, there had been many conversations back and
6 forth, but there might have been two or one. I really
7 don't know.

8 Q Conversations between whom?

9 A Dave Gregor, Mark Ager, and Ken Wilson. Like I
10 say, I was not privy to any of those conversations at the
11 time because I dealt with the day-to-day basis of the
12 company. So at that point in time, we didn't even know if
13 there was any way to get any other tritium. So I really
14 don't know.

15 Q What steps were taken to pursue that possibility?

16 A I believe that at that point in time, we were
17 very heavily involved with trying to get our license
18 redone.

19 Q What license are you referring to?

20 A The NRC license. We were working with a lady by
21 the name of Susan Greene in the Washington NRC office.
22 There had been many communications back and forth trying to
23 change our license.

24 I believe what happened -- like I say, I'm very
25 cloudy on this -- is that Ken Wilson contacted Ms. Greene

1 regarding how to make changes to the license.

2 Q Are you specifically referring to changes for the
3 source of tritium or are you talking about changes on the
4 sales of night sights?

5 A That part of it I'm not sure. I believe it was
6 -- Ken always handled that part of it, because we were
7 having problems rewriting the license, and so every door we
8 knocked on kind of slammed. So we were trying to do it the
9 right way, but it seemed to be very hard to get an answer
10 as to what the right way was.

11 So we just kept plugging along and I know there
12 were many conversations. So as to the tritium, change in
13 the tritium source, I'm not sure.

14 Q Did you ever discuss changing the tritium source
15 with anyone from the NRC, Ms. Greene or anyone else?

16 A No, I did not.

17 Q What steps were taken back, I guess this was
18 still in the January, February time frame, to pursue this
19 possibility? I guess that's what I had asked before and I
20 think we got off on the NRC license.

21 A Like I believe I said before, there were phone
22 calls back and forth between Mr. Gregor and, I believe, Ken
23 and Mark Ager. I do not know when this took place, but
24 there was a trip. Dave Gregor made a trip over to South
25 Africa to inspect -- at that point in time, I didn't even

1 know who the tritium source was -- to inspect their
2 grounds, I believe.

3 Q Do you recall when that was, his trip?

4 A I'm terrible at dates. I really don't remember
5 names and dates.

6 Q Maybe you recall the season, if it was in the
7 spring?

8 A I believe it was in the spring.

9 MR. JACOBI: Do they have seasons in Albuquerque,
10 New Mexico?

11 THE WITNESS: No.

12 MS. VAN CLEAVE: Let's just pretend you just
13 follow the calendar.

14 BY MS. VAN CLEAVE:

15 Q He went to South Africa then. What was his
16 purpose in going to South Africa?

17 A To see what they had to offer, to see what they
18 were producing now, what they were doing, what their
19 business was, to see generally if they would even fit into
20 what IWI's necessities or needs were. That was basically
21 it.

22 Q When Mr. Gregor returned to IWI, did he have any
23 discussions with you or other employees or Mr. Wilson, as a
24 consultant, about what he had learned in South Africa?

25 A He did speak with me about the meetings that he

1 did.

2 Q What did he say?

3 A First of all, most of the conversation was about
4 his safari that he went on. Well, it really wasn't a
5 safari, but that was most of the conversation about South
6 Africa. He went to many lakes and rivers and did many
7 things.

8 I believe one day he did inspect -- he inspected
9 the facility of a company called Lumitech, and he went to
10 Lumitech.

11 Q What is their business?

12 A They, as I understand it, they are the -- they're
13 comparable to the NRC in the United States. They are the
14 environmental agency for South Africa. Now, that's what I
15 was told, and they actually produce tritium products
16 themselves.

17 Q Then is Ramrod a distributor? Would they act as
18 a distributor for Lumitech?

19 A I was told they were an agent.

20 Q An agent? All right, go ahead. You said that
21 Mr. Gregor inspected their facilities one day?

22 A He went to their facilities, he inspected their
23 facilities. Of course, he didn't really inspect them. He
24 just went and looked through them because he didn't really
25 understand a lot of it. He went through the facility, he

1 said that he talked at great length with a gentleman by the
2 name of George Behrens. I really don't know what his
3 capacity at Lumitech is.

4 And that they had discussed what we needed as far
5 as lights were concerned, and that they would get back to
6 us.

7 Q They being Lumitech or they being Ramrod?

8 A Lumitech and Ramrod is what I understood, that
9 Lumitech would go through Ramrod and that we would be --
10 that they would get back to us on the information that Mr.
11 Gregor had given to them.

12 Q What information?

13 A I believe he gave them specs of what type of
14 lights, sizes, dimensions of what type of lights that we
15 dealt in.

16 Q And did someone from Ramrod or Lumitech get back
17 to Mr. Gregor or anyone at IWI?

18 A Yes, they did.

19 Q What did they tell -- was it Mr. Gregor that they
20 got in touch with?

21 A Yes.

22 Q What did they tell him?

23 A There was a letter, I believe, sent, I believe.
24 I know there was a communication. I believe it was either
25 a letter or a memo or a phone call. I'm not sure which one

1 the first time. But they contacted him and said that they
2 were working on it, and I really don't remember the first
3 transmission.

4 I remember that he said they were working on it
5 and that they would see what they could produce, but they
6 wanted to keep in contact. That's really all I remember
7 about when they first contacted us after he came back.

8 Q Was there a second contact from Lumitech or
9 Ramrod?

10 A Yes. I believe it was from Ramrod.

11 Q Do you recall what was said in that contact?

12 A No, I really don't. Most of all the
13 transmissions that came into IWI from Ramrod always came to
14 Dave.

15 Q You said you had spoken with someone from Ramrod,
16 but you couldn't recall exactly when.

17 Did your involvement then come later?

18 A Actually, the involvement with Ramrod and
19 Lumitech, I've never really been involved in any of the
20 interactions with Ramrod and Lumitech. What I meant by
21 that statement was that Mark Ager had called and spoke to
22 me and, you know, things like that, but we never -- I never
23 really discussed anything with Mark at that time.

24 Q Who handled the negotiations or the discussions
25 regarding IWI possibly purchasing tritium from Ramrod?

1 A I believe it was mostly Dave and Ken might have
2 been involved because of the financial aspects, but I was
3 never involved in any of those negotiations.

4 Q At some point, was a decision made to purchase
5 from Ramrod or Lumitech, purchase tritium from them?

6 A When they -- yes, there was.

7 Q When was that?

8 A I don't remember. I would have to -- like I say,
9 I'm not good with dates. I don't remember when it was.

10 Q Do you remember who made the decision?

11 A Actually I don't. I would think that it would
12 have had to have been Dave.

13 Q Was there any kind of meeting of corporate
14 officers about this issue?

15 A Actually, IWI New Mexico handled their problems
16 with the tritium themselves. We never really had a
17 corporate meeting as far as the public company went except
18 for the finances and that was finances for many things. It
19 wasn't particularly for tritium.

20 IWI New Mexico, I really don't remember there
21 being a full-blown board of directors meeting about it.

22 Q Who was party then to the discussions regarding

23 --

24 A I was part of the discussions. I didn't make any
25 decisions, but I was part of the discussions about the

1 tritium problem. Dave was party to those discussions.

2 There was an old accountant that was just a part-time

3 employee that was here that I think was party to maybe a

4 couple of the discussions.

5 Q Who would that be?

6 A His name is Cliff Rounds.

7 Q What about Mr. Wilson? Was he a party to those?

8 A I believe he was, yes.

9 Q And was there anyone else?

10 A I don't think so.

11 Q When the decision was made to go ahead and

12 purchase from Ramrod and Lumitech, do you know what

13 happened at that point?

14 A From which standpoint?

15 Q Was there a contract drawn up?

16 A No, there was not.

17 Q Were there any discussions, verbal discussions?

18 Was a purchase order sent?

19 A I believe for the very first order, a purchase

20 order was sent.

21 Q Who signs the purchase orders?

22 A Dave and I sign purchase orders, so I'm not

23 really sure who signed it.

24 Q Both of you have equal authority to sign purchase

25 orders?

1 A Yes, we do.

2 Q Or did you mean that both of you have to sign
3 each one?

4 A I'm sorry. No. Either one of us can sign.

5 Q Can sign?

6 A Yes.

7 Q And one of you would have had to sign.

8 Is there anybody else who can sign purchase
9 orders?

10 A No, there's not.

11 Q So one of you would have had to have signed the
12 purchase order, is that correct, for the tritium?

13 A Yes, that's correct.

14 Q Do you know if that was then mailed or faxed to
15 South Africa?

16 A I believe it was faxed, and the reason -- I
17 believe it was faxed.

18 Q Do you have any idea when that was?

19 A No.

20 MR. JACOBI: If you don't know, you don't know.

21 THE WITNESS: In the spring.

22 BY MS. VAN CLEAVE:

23 Q In the spring of 1995?

24 A Yes.

25 Q When did you receive your first shipment of

1 tritium from Ramrod?

2 A I really don't -- I believe it was in the spring,
3 but I really don't know because there were problems from
4 the Lumitech side. So the purchase order went out way
5 before the first shipment was ever received.

6 Q When the purchase order went out, what happened?

7 A I believe Dave was contacted a couple of weeks
8 after the purchase order was sent out, and I believe that a
9 machine had broken down at Lumitech. It was not
10 surprising. We were used to dealing with Canada, so I
11 believe that was the first contact after the purchase order
12 went out. I believe the contact was made from Ramrod.

13 Q To notify IWI of this problem. Is that what you
14 mean?

15 A Yes, I believe that's -- and this is very
16 confusing because you can't pick up the phone and call
17 South Africa. So all of the correspondence was done by fax
18 and it was done overnight.

19 MR. JACOBI: Why can't you pick up the phone and
20 call South Africa?

21 THE WITNESS: It's night there when it's day
22 here.

23 MR. JACOBI: Oh, you mean you can, but it's just
24 inconvenient.

25 THE WITNESS: Oh, yes, you can. It's very

1 inconvenient.

2 MR. JACOBI: Stay up later.

3 BY MS. VAN CLEAVE:

4 Q So you used the fax a lot; is that correct?

5 A Yes, that's true. Very true.

6 Q Did you keep copies of all these faxes?

7 A I believe we have most of them, yes.

8 Q Do you have the invoices and receipt documents
9 that would show us the dates that IWI received the tritium?

10 A I believe so, yes.

11 Q Did Dave have any additional contact then with
12 Ramrod and Lumitech as this was progressing?

13 A As I said before, they corresponded with him. So
14 there were times that I really didn't know. I really
15 couldn't say. I mean, I know that there was corresponding
16 going on, but I wasn't privy to a lot of it.

17 Q Do you know how many shipments of tritium IWI has
18 received from Ramrod or Lumitech?

19 A No, I don't. I do not.

20 Q Do you have those records available here?

21 A Yes, we do.

22 Q Do you know whether all the tritium was purchased
23 on a purchase order?

24 A Yes, it was.

25 Q There were no verbal purchases?

1 A I believe not.

2 Q At the point in time when you started purchasing
3 from Lumitech or Ramrod, did you purchase any more from SRB
4 Technologies, any more tritium?

5 A Our contract was not quite -- excuse me. Can you
6 repeat that question?

7 Q After you purchased -- you started purchasing
8 from -- tritium from Lumitech or Ramrod -- I don't know
9 which to say -- in the spring, I believe you said, of 1995,
10 has IWI purchased any tritium from SRB Technologies since
11 that time?

12 A Not since that time, no.

13 MR. JACOBI: You mean since the first purchase
14 from Lumitech?

15 MS. VAN CLEAVE: Yes.

16 THE WITNESS: Should I expound on that?

17 MR. JACOBI: Well, I think this is a yes or a no
18 question. Do you know whether as of the day you received
19 your first shipment from Lumitech you ever made any
20 purchases from SRB thereafter?

21 THE WITNESS: We tried, but no, we did not.

22 BY MS. VAN CLEAVE:

23 Q You tried when?

24 A When? It was in the summer, I believe, end of
25 spring, first of summer.

1 Q Of 1995?

2 A Yes, of 1995. Yes.

3 Q Okay. Now, you mentioned the contract and we got
4 off on something else. The contract with SRB Technologies,
5 if I understood your testimony earlier, you said that was
6 only supposed to be something to protect them financially.

7 Did that prohibit you from ordering anything
8 after the, if there was, the expiration date on that
9 contract? Did that prohibit IWI from ordering from SRB
10 Technologies?

11 A I can't remember the last page of the contract
12 with the -- we did not write this contract. It was written
13 by Barry Mowry, and so, we did not feel it was done very
14 well.

15 It was basically a contract that was written for
16 SRB Technologies. It was all good for them and not so for
17 us. Barry felt that he needed to do that, from what I
18 understand.

19 Q Barry did or Mr. Pullen did?

20 A Barry did. Barry felt that the only way that he
21 could continue to have this source, because he had already
22 made SRB so angry in the past before we were involved, was
23 that he needed to give SRB a comfort level, major comfort
24 level.

25 And so, that's the way the contract was written.

1 It was like SRB had written it.

2 Q So do you know whether there was anything in the
3 contract that prohibited IWI from purchasing from SRB after
4 the contract expired?

5 A I believe that there was a clause within the
6 contract, but I can't remember.

7 Q Do you have a copy of the contract here?

8 A Yes, we do.

9 Q Thank you. I'm going to ask you one more time,
10 do you know who made the decision to purchase tritium from
11 Ramrod or Lumitech?

12 A I really don't know who made the actual conscious
13 decision to actually make the first order. I do not know.

14 Q Okay.

15 MR. JACOBI: May I, for a second? How many
16 officers for IWI are there?

17 THE WITNESS: Well, it had to be Dave, but I
18 didn't -- I don't actually know.

19 MR. JACOBI: Was it you?

20 THE WITNESS: No, it was not me.

21 MR. JACOBI: Is anybody else other than you and
22 Dave authorized to make a decision like this?

23 THE WITNESS: No.

24 BY MS. VAN CLEAVE:

25 Q When IWI purchased tritium or decided to purchase

1 tritium from Lumitech or Ramrod, what was your
2 understanding of IWI's New Mexico possession license
3 regarding tritium?

4 A My understanding of the license was that we
5 needed -- that for their sealed source possession, SRB, I
6 believe, was the only company that was on that license at
7 that time. We knew we had to get the change -- the license
8 amended. So we filled out -- we had done this before when
9 we changed the names.

10 So their procedures here are very simple and
11 because we had gone through this before in making a change,
12 we -- I still had the copies of that in the file, so I made
13 new copies and we filed them. We sent them, I believe, by
14 courier. Well, let me take that back. I'm really not sure
15 how we sent it.

16 But we filled it out to change the sealed source
17 possession, and filled out all the requirements and sent a
18 check with it and sent it down there to Santa Fe.

19 Q Do you remember when you did that?

20 MR. JACOBI: Spring.

21 THE WITNESS: Spring. I'm terrible at names and
22 dates.

23 BY MS. VAN CLEAVE:

24 Q Did you keep a copy of that?

25 A Yes, we have.

1 Q Was your check ever cashed?

2 A That I don't remember. And, you know, on the
3 check issue, I can't even remember because I sent so many
4 checks out for the NRC and for New Mexico, that I might be
5 confused. We might not have needed a check for New Mexico
6 Environment Department. That I might be confused on.

7 Q Okay.

8 A Because when we -- okay.

9 Q Okay. Did you ever get an amended license from
10 New Mexico?

11 A Yes, we did.

12 Q When?

13 MR. JACOBI: After.

14 BY MS. VAN CLEAVE:

15 Q When did you -- do you remember approximately
16 when?

17 A I believe it was the first part of the summer, I
18 believe.

19 Q Did you have any discussions, you yourself, with
20 the State of New Mexico regarding this?

21 A Yes, we did.

22 Q What discussions did you have?

23 A I believe the New Mexico Environment Department
24 landed on our doorstep some time in the beginning of
25 summer, I believe. They walked in, said that they had been

1 contacted by you, I believe, regarding --

2 MR. JACOBI: You indicating Ms. Van Cleave?

3 THE WITNESS: By Ms. Van Cleave, yes. That's
4 what they told us. That they had been notified that we
5 were possessing African tritium and that our license did
6 not cover us to possess African tritium.

7 MS. VAN CLEAVE: I did not notify them that your
8 New Mexico license did or did not do anything. So don't
9 say --

10 MR. JACOBI: She's testifying to what she was
11 told.

12 THE WITNESS: I'm sorry.

13 BY MS. VAN CLEAVE:

14 Q So I'd like to know, when you say that, did they
15 tell you that I notified you that your New Mexico license
16 --

17 A They told me they were notified by an NRC
18 investigator.

19 Q That what?

20 A That we were holding South African -- that the
21 NRC had been notified that we were holding South African
22 tritium and that the NRC wanted to investigate it, was it
23 true, were we holding.

24 Q But did the --

25 MR. JACOBI: That's not the same thing as you

1 said before.

2 THE WITNESS: Right.

3 MR. JACOBI: Let's go back because you mentioned
4 Ms. Van Cleave's name and I understand her concern for
5 accuracy.

6 THE WITNESS: Right. I understand.

7 MR. JACOBI: The New Mexico Environmental
8 Protection people? Is that who you said they were?

9 MS. VAN CLEAVE: I don't know the exact name.

10 THE WITNESS: NMED.

11 MR. JACOBI: Whatever that means. NMED "landed
12 on your door"?

13 THE WITNESS: Yes.

14 MR. JACOBI: And they, the NMED, told you, Pat
15 Wilson?

16 THE WITNESS: No.

17 MR. JACOBI: Told somebody?

18 THE WITNESS: Yes.

19 MR. JACOBI: At IWI that they had arrived on your
20 doorstep because they had been made aware that IWI was in
21 possession of South African tritium.

22 THE WITNESS: Yes.

23 MR. JACOBI: Is that right so far?

24 THE WITNESS: Yes.

25 MR. JACOBI: And they were aware -- they were

1 concerned that the New Mexico possession license -- is that
2 the right word?

3 MS. VAN CLEAVE: Possession license.

4 MR. JACOBI: -- possession license might have not
5 been adhered to, if that were the case. Something like
6 that?

7 THE WITNESS: Yes, that's correct.

8 MR. JACOBI: And they further told somebody here,
9 other than you, that they arrived on the doorstep with that
10 information because someone at the NRC, an investigator at
11 the NRC, had contacted the NMED, to that effect?

12 THE WITNESS: That is what I was told.

13 MR. JACOBI: And you were told this by somebody
14 at IWI?

15 THE WITNESS: Yes.

16 MR. JACOBI: And who would that person be?

17 THE WITNESS: It was either Dave or Ken. I can't
18 remember which one.

19 MR. JACOBI: And did either of those people --
20 you might want to have Ken come back in then. Did either
21 of those people mention Ms. Van Cleave's name as being
22 referred to by NMED as the person from NRC who made these
23 statements?

24 THE WITNESS: That's what I was told.

25 MR. JACOBI: Okay.

1 BY MS. VAN CLEAVE:

2 Q Who were you told this by?

3 A Either --

4 MR. JACOBI: Ken or Dave Gregor.

5 THE WITNESS: -- Dave or Ken. I really can't
6 remember which one.

7 BY MS. VAN CLEAVE:

8 Q So you didn't hear this directly from the person
9 who came from the State of New Mexico?

10 A The quote about you, about Ms. Van Cleave? No, I
11 did not hear that directly from them.

12 Q What did they specifically tell you? Did you
13 meet with them, whoever that person was from the State of
14 New Mexico?

15 A There were two gentlemen. I was very busy that
16 day with a big order that we were working on, so I was not
17 called in immediately. Eventually, I was called in off of
18 the job that I was working on and they asked me
19 specifically to see the tritium inventory.

20 I immediately went and got the tritium inventory
21 and brought it to them.

22 MR. JACOBI: You mean physically bringing in all
23 the tritium?

24 THE WITNESS: No, no, no, no. We are required to
25 do tritium inventory sheets.

1 MR. JACOBI: A list?

2 THE WITNESS: Yes. So I brought them the tritium
3 inventory sheets and I left and went back to what I was
4 doing.

5 BY MS. VAN CLEAVE:

6 Q Did you have any further involvement with their
7 inspection?

8 A No, I did not.

9 Q What was the outcome of the inspection?

10 A From what I was told -- I received a letter and a
11 phone call approximately four or five days late from the
12 NMED. I do not remember the gentleman's name, but it was a
13 gentleman that was here. In fact, there were two gentlemen
14 that came that day.

15 The phone call was to let me know that a letter
16 was on its way and to tell me that that day, when we
17 produced -- when they were in the office, we produced a
18 copy of everything that we had sent to the NMED for them to
19 add South Africa to our license.

20 They got back to their office. He said they
21 searched high and low for it. He said that there was a
22 desk -- and this is what he told me. He said his
23 secretary's desk was literally stacked with applications
24 and whatever, and that they had searched through that pile,
25 but had not been able to find it, and could I please fax

1 him all the information again, even though he had carried a
2 copy of it with him.

3 And so I did. And that he would -- that the
4 letter that was coming, he explained the letter to me and
5 told me what to do about the letter, and that was the end
6 of the call.

7 Q What did he tell you to do about the letter?

8 A The letter listed two items that they wanted us
9 to change, as far as inventory of tritium went. We were
10 doing it right, but we were leaving some information off
11 and he wanted us to add this information so that it would
12 be easier for him, when he came back to do his inspections,
13 as far as millicuries and curies went, how to read the
14 chart.

15 And so, it was just basically a housekeeping type
16 of situation.

17 Q Now, if I understood you correctly, they could
18 not locate the request to amend the state license that you
19 said IWI had sent to the state; is that correct?

20 A That's what he told me.

21 Q That's what he told you personally, right?

22 A Yes, he did.

23 Q And has New Mexico subsequently amended IWI's
24 possession license to show tritium received from the South
25 African source?

1 A Yes, they have.

2 Q Does it also show SRB Technologies?

3 A I don't know. I believe it does. I believe it
4 shows both of them.

5 Q Okay.

6 MR. JACOBI: All on the same license?

7 THE WITNESS: Yes. The reason why it would is
8 because he knew we still had Canadian tritium in house, and
9 that we also had the South African. So he added South
10 Africa to the license.

11 MS. VAN CLEAVE: Okay.

12 THE WITNESS: Can I add something about that,
13 about the license?

14 MR. JACOBI: If you want to.

15 THE WITNESS: Can I add something about that
16 license?

17 MS. VAN CLEAVE: Sure.

18 THE WITNESS: I know how our office works and
19 maybe I'm wrong in assuming this, but the minute that we
20 showed him a copy of the license that we had sent to them
21 and that had been sent quite a while before they came in,
22 the phone call I received, which I said was approximately
23 four days later, I received a license in my hand through
24 the mail actually before I received the infraction letter.

25 So I don't know if that makes any difference, but

1 I was kind of surprised.

2 MR. JACOBI: Shows how efficient they are.

3 THE WITNESS: I was just shocked that we received
4 it so quickly. I mean, it was immediately sent.

5 BY MS. VAN CLEAVE:

6 Q Did New Mexico, the State of New Mexico take any
7 additional steps? Did they sanction IWI for possessing
8 South African tritium or say that that was any kind of
9 violation or anything like that?

10 A They did not sanction us as far as I know. In
11 the letter, they mentioned it in the letter and that was
12 one of the items that needed to be fixed.

13 MR. JACOBI: That sounds like a letter of
14 correction.

15 THE WITNESS: That's exactly it.

16 MR. JACOBI: I think the question asks whether
17 any affirmative action or negative affirmative action was
18 taken by the state by letter or authority, by sanction, by
19 penalty, by anything.

20 THE WITNESS: No, not that I know of. No.

21 BY MS. VAN CLEAVE:

22 Q But you did receive a letter that mentioned that?

23 A Yes, I believe it did.

24 Q And what was your understanding of the NRC
25 license regarding a source of tritium for IWI?

1 A After we started to -- that we could only sell
2 sights with SRB Canada tritium in them.

3 Q Distribution license?

4 A Yes.

5 Q Correct?

6 A Right, yes.

7 Q You've already said you don't know exactly when
8 you received the first shipment of tritium from South
9 Africa, so I can't really speak exactly to that specific
10 time, but you did receive it? Can I say that you did
11 receive some at least a few months ago?

12 A Yes, that would be accurate.

13 Q What did IWI plan on doing with the tritium from
14 South Africa if you were aware that you, under your NRC
15 license, were not authorized to distribute South African
16 tritium?

17 A First of all, we thought that we could add it to
18 the license, that we were working on having our NRC license
19 changed or amended at that time, and we felt that we could
20 add that as another amendment within that same amendment
21 that was being worked on at that time.

22 We hired a consultant in Washington and he was
23 going to help us do that. And so, when we had the
24 possession license, that's exactly what we did, we
25 possessed. We knew that we also had to do research and

1 development with this tritium that's required by the NRC.
2 So we had to do testing with it and we knew that we had to
3 do that in-house because it had been done before.

4 So that was basically what we were doing. We
5 were preparing for the future, I guess you would say.

6 MR. JACOBI: Can I ask a question? Maybe we
7 could go off the record for a second because I don't think
8 it's appropriate for the record.

9 MS. VAN CLEAVE: We could probably take a break
10 now anyway.

11 MR. JACOBI: Okay.

12 MS. VAN CLEAVE: We're going to go off the
13 record. It's approximately 12:15 p.m.

14 (Recess)

15 MS. VAN CLEAVE: We are back on the record. It's
16 approximately 12:30 p.m. and we took a break, a stretch
17 break, and Mr. Jacobi asked for a little explanation on the
18 difference between the New Mexico possession license and
19 the NRC distribution license.

20 BY MS. VAN CLEAVE:

21 Q Ms. Wilson, at that point when we went off the
22 record, we were discussing your understanding of the NRC
23 license.

24 You had said that, I believe, that you had hoped
25 that the license would be amended to include sights or

1 lights from Lumitech or Ramrod; is that correct?

2 A Right, that is correct.

3 Q Has such an amendment been filed with the NRC, to
4 your knowledge?

5 A Yes, it has.

6 Q Has it --

7 A To my knowledge it has.

8 MR. JACOBI: You mean an application for an
9 amendment or an amendment?

10 MS. VAN CLEAVE: Has it been filed. It's a
11 request for an amendment that had been filed with the NRC.

12 THE WITNESS: Yes, I believe it has.

13 BY MS. VAN CLEAVE:

14 Q Has any --

15 MR. JACOBI: Do you know when it was done?

16 THE WITNESS: End of summer, fall.

17 BY MS. VAN CLEAVE:

18 Q So it's been fairly recent; is that correct?

19 A Yes, but the reason -- actually, we've been
20 working on it since we started to decide to make the
21 change, and the problem -- there has been a problem with
22 the licensing at the NRC in Washington and they keep
23 flipping it back to us, back and forth, back and forth.

24 So we have a consultant in Washington who has
25 been literally walking it in and dealing with the inter-

1 bowels of the NRC in Washington with it.

2 Q Has any amendment been issued?

3 A No, not at this time.

4 Q Then is it your understanding that IWI's still
5 working with this license here, which was issued on April
6 the 3rd, 1995? I believe the change at that time that was
7 made was to change the name and IWI of Nevada as opposed to
8 IWI of New Mexico, and I believe there was one additional
9 change. There was an insertion of a clause regarding Mr.
10 Mowry.

11 A That is correct.

12 Q And this license shows an expiration date of
13 1993. It was my understanding from the NRC headquarters
14 that IWI has authority to continue to operate under this
15 license.

16 Is that your understanding?

17 A That is my understanding.

18 Q I was here in June of 1995. I spoke with you,
19 Mr. Wilson, Mr. Gregor, and I looked at some records, and,
20 in fact, you provided me with SRB invoices for purchases of
21 tritium.

22 At that time, you didn't mention to me another
23 source of tritium, Lumitech or Ramrod, or the fact that IWI
24 had entered into negotiations or, I believe at that time,
25 you had already even issued a purchase order for tritium

1 from South Africa.

2 Why didn't you tell me that?

3 A I don't -- okay. I don't really know that we had
4 issued a purchase order at that time. I don't remember if
5 those two facts --

6 Q The invoice that I have from Ramrod, I believe it
7 came from Mr. Gregor, was dated June the 6th, and I was
8 here on June the 8th, and if I understood you earlier, you
9 said there would have been a purchase order; is that
10 correct?

11 A That is correct.

12 MR. JACOBI: Before you go further with that
13 question, I would like to remind the record that Ms.
14 Wilson's testimony was that she didn't know whether it was
15 by purchase order or who signed it or when it took place.
16 It would have been one of either her signature, and it was
17 not, or Mr. Gregor's signature, which by inference,
18 therefore, it was, but she didn't know when it took place.

19 And now you're advising at least me that you
20 showed up here two days after this June 6th purchase order,
21 and now your base question was -- I don't mean it's a base
22 question. I mean, the basic question is, why didn't you,
23 Pat Wilson, tell me, Virginia Van Cleave, that there was no
24 South African order.

25 MS. VAN CLEAVE: Wait a minute. There was no

1 South African order?

2 MR. JACOBI: Why didn't, you asked her, why
3 didn't Pat tell you about the South African order.

4 MS. VAN CLEAVE: Or about the negotiations with
5 South Africa. Yes, that is my question.

6 MR. JACOBI: Well, as far as the order is
7 concerned, I think that it's -- forgive me -- a
8 disingenuous question because of her prior testimony saying
9 she doesn't know when the order was issued. As far as
10 negotiations, that's a different question and I'll be happy
11 to have her try and answer it.

12 MS. VAN CLEAVE: But she had said that she was --
13 it was her understanding that there was a purchase order
14 issued for that first order and I believe the record will
15 show she did say that. Now, she said --

16 MR. JACOBI: But she didn't say when.

17 MS. VAN CLEAVE: Excuse me, excuse me. No, she
18 didn't say when, but she did say that there was a purchase
19 order issued and that it was signed either by her or by Mr.
20 Gregor.

21 MR. JACOBI: No, she said it wasn't her. You
22 asked whether her capacity to sign purchase orders existed.
23 I then asked her who besides she and Gregor have the power.

24 MS. VAN CLEAVE: Well, I don't want to get into
25 an extended discussion on that. I believe that she said

1 that she didn't recall who had signed that initial purchase
2 order, that it was either one of them.

3 MS. VAN CLEAVE: I'm saying -- I believe that the
4 NRC got this invoice from Ramrod from Dave Gregor, I
5 believe, or from someone at IWI and it shows a date of June
6 the 6th of 1995. So I'm just saying that. I was here on
7 June the 8th of 1995.

8 MR. JACOBI: I'm not disputing that.

9 MS. VAN CLEAVE: Now, even if we discount any
10 knowledge she might have had of a specific purchase order
11 or a specific date, she has testified that she was aware of
12 negotiations with Ramrod or with Lumitech to purchase --

13 MR. JACOBI: Yes.

14 MS. VAN CLEAVE: -- the tritium.

15 MR. JACOBI: Yes.

16 BY MS. VAN CLEAVE:

17 Q Why didn't you mention that to me at that time?

18 A My position, as far as when you came that day,
19 was that I was to provide you with everything that you
20 asked me for. I'd never gone through this before, of
21 course, with any federal agency, and so I really didn't
22 know what I was supposed to give you. I just was supposed
23 to give you what you asked for.

24 It wasn't that I didn't do it intentionally at
25 all. It really wasn't. I really don't remember that that

1 order had gone out before you came. I'm surprised when you
2 just said that.

3 I know that I was told that it was being worked
4 on and that the purchase order, in my understanding, was
5 only so that they could start to see if they could do an
6 order for us in South Africa. Like I also stated earlier,
7 they were unable to at that point in time because a machine
8 broke down and various other things happened.

9 I believe that during the meeting with you, I
10 believe a question was stated to me if all we had in-house
11 -- well, no. You asked me about our tritium in-house. I
12 didn't think I was saying anything wrong. I knew that all
13 we had in-house was Canadian tritium and as far as I knew,
14 I didn't know that we would be receiving any South African
15 tritium for a long time.

16 I did not handle changing the license at all. I
17 thought that these measures were being taken. That was my
18 understanding.

19 Q Do you know if these measures were taken?

20 A I knew that I had sent the amendment for New
21 Mexico, but that's as far as I carried that information.

22 Q Now, the information that I had from New Mexico
23 was that the date on the form, the amendment form that you
24 had submitted that they said they could not find, was dated
25 June the 14th of 1995. So again, that would have been

1 after my visit here.

2 A I don't remember that. It shouldn't have been.
3 It should have been before the initial order. I really
4 don't know --

5 Q Well, I don't know when you received it. I
6 really don't know exactly when you received it. I've just
7 been citing the date of the invoice from Ramrod, was June
8 the 6th.

9 MR. JACOBI: That's an invoice or the purchase
10 order or is that the same thing?

11 MS. VAN CLEAVE: No, it's from Ramrod.

12 MR. JACOBI: It's an invoice from Ramrod?

13 MS. VAN CLEAVE: Right. So I really don't know
14 when it got here and that's going to be one of the things
15 that I would like to know.

16 THE WITNESS: Right.

17 MS. VAN CLEAVE: When it was received here.

18 BY MS. VAN CLEAVE:

19 Q I cannot recall asking you, and I'll tell you
20 that I can't recall, if I asked you if you had another
21 source of tritium because, frankly, it didn't even occur to
22 me. And you and I discussed the license and we discussed
23 SRB Technologies and I believe I recall discussing some
24 problems that you had with them and you provided me with
25 what you said were the invoices for the purchases of

1 tritium.

2 But I just wonder why you didn't tell me about
3 that at that time, that you were looking to a different
4 source. It just never came up in conversation. I just
5 wondered if there was any particular reason for that.

6 A No, there really wasn't. I thought that it was
7 being handled and what I had been told --

8 MR. JACOBI: Pat, you answered the question.

9 THE WITNESS: Okay.

10 BY MS. VAN CLEAVE:

11 Q And then I talked to you again in June, according
12 to my records it was June the 30th of 1995, about this. I
13 don't know if you recall me calling on the phone and asking
14 about whether or not IWI was purchasing tritium from South
15 Africa.

16 Do you recall talking to me on the phone about
17 that?

18 A I remember you calling me.

19 Q Well, I'm not asking you if you remember the
20 exact date, but do you remember?

21 A I remember you calling me, but I really couldn't
22 tell you what the conversation was about.

23 Q You don't recall the conversation?

24 A I promise you I do not. I really don't. I
25 remember being called, but I don't remember the

1 conversation.

2 Q Okay. You sent me a letter dated July the 5th,
3 1995, that I believe was following up on our conversation
4 and you mentioned in the letter that there was a verbal
5 agreement with South Africa. I believe I had asked you if
6 there was a contract or anything like that, whether or not
7 you had received any tritium from the company yet.

8 In your letter, you said there was just a verbal
9 agreement with South Africa, but you didn't mention that
10 any tritium had been ordered.

11 Is there any reason why you didn't mention that?

12 A When I wrote the letter, I was in a hurry to
13 leave to go to Cancun, and I remember --

14 MR. JACOBI: Pat, is there any reason? If you
15 can't think of a reason, say --

16 THE WITNESS: No, there was no reason, no. I
17 don't -- I just answered your questions, I believe.

18 BY MS. VAN CLEAVE:

19 Q Well, I had asked whether or not you had received
20 any, verbally. I mean, this was on the phone, whether you
21 had received any, and again, I'm not sure if you had
22 because I don't know the exact date that they were
23 received.

24 A I don't remember.

25 MR. JACOBI: This is a letter in response --

1 MS. VAN CLEAVE: I had called her.

2 MR. JACOBI: -- to further conversations with --

3 MS. VAN CLEAVE: Yes. I had called and spoken
4 with Ms. Wilson and I spoke with Mr. Gregor. I believe I
5 spoke with him -- did I speak with him first? I think I
6 did. And he said he didn't --

7 MR. JACOBI: Does the letter indicate that no
8 tritium has been received?

9 MS. VAN CLEAVE: No. It just doesn't address
10 that question. It doesn't address that question.

11 THE WITNESS: I don't remember being asked that
12 question.

13 MR. JACOBI: It would be helpful to find out when
14 it was received.

15 MS. VAN CLEAVE: Well, right. I certainly agree
16 with that.

17 BY MS. VAN CLEAVE:

18 Q Do you have a written contract or written
19 agreement now?

20 A No, we do not.

21 Q At that time, you said you did not.

22 MR. JACOBI: With Ramrod?

23 THE WITNESS: We do not.

24 BY MS. VAN CLEAVE:

25 Q With Ramrod or Lumitech? You still do not have a

1 --

2 A We do not.

3 Q -- written contract or anything in writing?

4 Okay.

5 Has IWI sold any night sights with inserts from
6 Lumitech or Ramrod or any other company besides SRB
7 Technologies?

8 A Not that I know of.

9 Q You're unaware of sales of any night sights to
10 any company that have Lumitech or Ramrod inserts in them;
11 is that correct?

12 A We were told -- I believe not.

13 Q Who's responsible for the sales?

14 A Well, indirectly it comes to me. Do I expound on
15 this? I have to explain it in order to answer it.

16 MR. JACOBI: Are you aware of any sales of
17 Lumitech or Ramrod inserts -- is the word inserts?

18 THE WITNESS: They're the lights.

19 MS. VAN CLEAVE: In tritium inserts is what they
20 are.

21 MR. JACOBI: Tritium inserts.

22 MS. VAN CLEAVE: Um-hum, in the gun sights.

23 MR. JACOBI: By IWI.

24 MS. VAN CLEAVE: They're put into the sights.

25 THE WITNESS: Personally no.

1 BY MS. VAN CLEAVE:

2 Q Well, my next question, though, was who was
3 responsible for the sales, and you have said that you are
4 ultimately.

5 Now, is there a middle person in here somewhere?

6 A We have a sales team that sell our sights,
7 basically, and the orders come through them. So I
8 ultimately do not see orders until they're brought to me at
9 a later date.

10 Q When the tritium inserts came in-house to IWI,
11 you earlier said that you amended your New Mexico license
12 to possess them, and that you were hoping to amend the NRC
13 license to distribute them; is that correct?

14 A That is correct.

15 Q You're nodding your head.

16 A That is correct. I'm waiting for you to finish.

17 Q Were you planning on holding them? I asked you
18 before, what were you planning on doing with them? You did
19 not have an NRC license that authorized distribution of
20 them.

21 Were you holding them somewhere? Did you have
22 them in a safe somewhere or a storeroom? What did you do
23 with them when they came in?

24 A They were inventoried to some and they were put
25 in a safe.

1 Q Who has access to the safe?

2 A The supervisor of the tritium room has access to
3 the safe.

4 Q Who is that?

5 A And I also believe Dave has access to the safe.

6 Q Dave Gregor and who is the other individual?

7 A Audrey Perea.

8 Q She's the --

9 A Supervisor of the tritium room.

10 Q Who's responsible for getting the tritium out of
11 the safe to give to the women that put it in the gun
12 sights?

13 A Audrey Perea is.

14 Q Was there ever -- was the tritium from South
15 Africa segregated from the tritium from SRB Technologies?

16 A To my knowledge, yes, it was.

17 Q Where was it? How was it segregated?

18 A When the tritium was received, it's received in a
19 canister. Each different bag of tritium is marked and it's
20 separated at that time. It's kept in its bags, it's not
21 taken out of them except to do inventory. It's put right
22 back in and then it's put back in the safe.

23 Q Where was the tritium from SRB?

24 A The tritium from SRB is in the same safe, but it
25 is -- SRB tritium is taken out of the bag because it was

1 inventoried a long time ago, and it's separated as per size
2 and color and if it's for bars or whatever. And then it is
3 separated into -- she has separate little compartments, so
4 to speak.

5 They're not actually compartments, but separate
6 places in the safe where those go, and she knows which is
7 which.

8 Q When you say "which is which," what do you mean?

9 A Well, the South African tritium was kept in its
10 actual baggies. It was never actually separated out to be
11 put into plastic tubes or anything.

12 Q So what are her instructions? Does she only
13 handle the tritium once it's in plastic tubes?

14 A No. She actually handles the lights once they
15 come in. She was told to do an inventory because I had to
16 for the NMED, and to put it back in its canister and to put
17 it in the safe and leave it alone.

18 Q You mean the South African tritium?

19 A Yes.

20 Q So what tritium does she retrieve from the safe
21 to put into the gun sights?

22 A The Canadian tritium. When the Canadian tritium
23 came in, it was blocked, which is a term that they use in
24 the back, and that means that they put the sights into the
25 plastic tubes and they're ready to be installed. They're

1 put in blocks.

2 Q Does she insert the tritium into the little
3 plastic sleeves, or her people?

4 A Yes, they do.

5 Q They do? Okay. So she is taking out just the
6 little vials of tritium; is that correct?

7 A Yes, that's correct.

8 Q Okay. Could she have removed or would she have
9 removed any tritium from the South African packages?

10 A I -- I --

11 MR. JACOBI: Is that the end of the question?

12 MS. VAN CLEAVE: You don't know?

13 MR. JACOBI: Wait a minute. I'm not sure, is
14 that the whole question?

15 MS. VAN CLEAVE: Yes. I have a secondary
16 question after this.

17 MR. JACOBI: No. I wasn't sure you were finished
18 and she started to answer too soon.

19 THE WITNESS: I don't know.

20 BY MS. VAN CLEAVE:

21 Q Did you ever have any discussion with her that
22 this is South African tritium and it's up here and it's in
23 baggies and we aren't going to do anything with that?

24 A Yes, I did.

25 Q You did tell her. Did you personally tell her

1 that?

2 A Yes, I did.

3 Q Okay. What did you tell her?

4 A I believe I told her to count the tritium because
5 I had to have it for the NMED, and then I needed her to put
6 it back into the canister and to put it away and not to use
7 it.

8 Q As far as you know, is that what she did?

9 A As far as I know, yes.

10 Q Is IWI still selling gun sights, night sights
11 now?

12 A Yes, we are.

13 Q With tritium in them?

14 A Yes, we are.

15 Q There was a letter from Mr. Gregor to the NRC
16 saying that IWI had discontinued sales of night sights.

17 Are you aware of that letter? It's dated July
18 the 17th.

19 A Discontinued total sales?

20 Q Yes. I'm not sure what that means or for how
21 long. That goes to my next question.

22 You're not aware of that letter?

23 MS. VAN CLEAVE: Dennis, can you find it? It may
24 be behind a fax from Susan to me. That letter, I don't
25 believe, is addressed to me. I think it's addressed to

1 Susan. Here it is.

2 BY MS. VAN CLEAVE:

3 Q That's the letter and it's dated July the 17th,
4 1995, and it is addressed to Susan Greene from Mr. Gregor.

5 Are you familiar with that letter?

6 A I never saw the letter.

7 Q You've never seen this letter before?

8 A I have not.

9 Q Do you know what it means?

10 MR. JACOBI: I think the letter speaks for
11 itself.

12 THE WITNESS: I never read this letter.

13 BY MS. VAN CLEAVE:

14 Q To your knowledge, did IWI ever discontinue
15 sales?

16 A There was one --

17 MR. JACOBI: Well, wait a minute. It does not
18 say sales, if you're asking that question. It says
19 stopping production.

20 MS. VAN CLEAVE: All right.

21 BY MS. VAN CLEAVE:

22 Q Did IWI ever stop production?

23 A We did for one week. We laid off -- we didn't
24 lay off. We sent several people home. I never saw this
25 letter, but I was told by Dave that we needed to do an

1 inventory of tritium. We needed to check all the tritium.
2 We needed to make sure that we were not installing African
3 tritium into sights.

4 At that point in time, I told him I had told
5 Audrey not to, but I didn't know anything about this
6 letter. I never saw it.

7 Q Did he say anything to you at that time that
8 would be similar to what he has said here, that some of the
9 tritium has been matched and could be mixed in with the
10 existing SRB tritium? Did he mention that to you?

11 A He asked me if that was a possibility. My answer
12 to him for that was I don't know. I guess it could be a
13 possibility, I'll have to check it. And so that's when I
14 let several machinists go for the week. We basically shut
15 down for approximately a week, I believe it was, and the
16 shipper just came in to receive packages. We didn't send
17 anything out that week at all.

18 And we did an inventory, and the canister was up
19 in the top of the safe like I had said it was and that was
20 it.

21 Q When you did the inventory, were all the tritium
22 inserts there?

23 A I did not physically do the inventory.

24 Q Who did?

25 A Audrey did.

1 Q Did you see the count?

2 A Yes, I did.

3 Q Did you compare it with the tritium that had been
4 received from South Africa?

5 A Yes, I did.

6 Q Was all the tritium there?

7 A No, all of it was not there.

8 Q How much was missing?

9 A I'm not sure.

10 Q Do you have those records somewhere that I could
11 look at?

12 A Actually, no.

13 Q What happened to them?

14 A What happened was Audrey did a count, her count,
15 and I brought the count up front and I noticed that what
16 she had done when she did the tritium counts, she added all
17 the tritiums together.

18 Q You mean by color, size, everything, just one big
19 total?

20 A Yes.

21 Q Is that what you mean?

22 A So we had a major problem on our hands because
23 when she did the counts, she added them all together. She
24 added South African counts with the Canada counts in her
25 final count.

1 Q Okay. I understand. So she gave you a total of
2 everything that was in that safe?

3 A Yes.

4 Q Did anyone recount it, separate it out?

5 A We did after the fact, yes.

6 Q Well, after that, right. After she counted it,
7 did anyone do it again?

8 A At that point in time when I had her do the
9 count, that's when I first became aware that she was adding
10 both tritiums together. And I believe I told Dave that
11 there was no way. I would have to go back through all the
12 sales to decide how many Canadian lights had gone out, that
13 had been shipped out, and would have to just start working
14 backwards in order to come up with a number, and that was
15 pretty much the end of it.

16 He told me that we needed to make sure that all
17 of the South African tritium was totally separated in that
18 safe, and that they were notified, and that's when I
19 notified her again that they were not to use any South
20 African tritium.

21 Q Did I not understand you to say that some of the
22 tritium was missing?

23 MR. JACOBI: South African tritium.

24 MS. VAN CLEAVE: South African tritium.

25 BY MS. VAN CLEAVE:

1 Q How did you --

2 A Yes.

3 Q -- determine that if you had a big count?

4 A Because there was one -- there was only one
5 particular light that we could determine that was South
6 African and that was red.

7 Q Because why?

8 A We did not have any other red in stock from
9 Canada. When I researched this further, I found that Dave
10 had actually had red tritium put into some sights for R&D
11 so that we could test it, and I could not get a count on
12 exactly how many lights had been put into those sights at
13 that point in time.

14 Q Do you know how many sights then were missing?

15 A No, I cannot remember.

16 Q And is red the only thing that you could
17 definitively say was not all there?

18 A Yes, that is correct.

19 Q You didn't go back then and do a separate count?
20 You said that they South African tritium was separated.
21 You didn't go back and -- you or someone else -- do a
22 separate count of the South African tritium?

23 A I do not have a separate count at this point
24 because when the New Mexico Environmental Department, when
25 they sent me the letter, they told me to put it all

1 together in millicuries, and so that's what I did. And
2 then it kind of stopped at that point and I gave the
3 information to Dave and waited to see what they wanted to
4 do, and I was really never told to carry it any further.

5 Q What information?

6 A About when he told me to go and --

7 Q The total?

8 A Exactly.

9 Q So he didn't ask you to separate it out further
10 or have Audrey separate it out further.

11 Is that what you're saying? You waited for him
12 to tell you something, but he didn't?

13 A That is correct.

14 Q You didn't pursue it any further; is that
15 correct?

16 A That is correct.

17 Q Now, there was also a letter by your consultant
18 to the NRC that said something very similar to this.

19 MR. JACOBI: Casner wrote a letter similar to the
20 17th letter from Gregor?

21 MS. VAN CLEAVE: Yes, stating that -- I'm not
22 sure where that is either.

23 THE WITNESS: What month is that again?

24 MR. JACOBI: July.

25 MS. VAN CLEAVE: This is July the 17th. And it

1 states something to the effect that IWI has shown good
2 faith by -- yes, here. July the 19th to Pat Santiago. It
3 says, "IWI reaffirms its commitment to maintain compliance
4 with the NRC. The decision to stop shipping product," may
5 be where I got that.

6 MR. JACOBI: Could I see it?

7 MS. VAN CLEAVE: Yes, um-hum.

8 BY MS. VAN CLEAVE:

9 Q So I want to be sure I understand, you did not
10 ship, is that correct, or produce for one week?

11 A For one week.

12 Q Was that approximately in July --

13 A Yes.

14 Q -- this time period of these letters?

15 A Yes. The moment that we were notified or that
16 Dave was notified, I believe it was Dave that was notified,
17 and I don't even know who. I don't know if it was the
18 consultant that told him, I don't know.

19 Q Notified of what?

20 A That there was a problem with mixing of African
21 and Canadian tritium.

22 Q How would the consultant know if tritium had been
23 mixed?

24 A I don't know. I don't know how this all came
25 about. I'm still confused because the conversations

1 weren't with me. I just know that I was told to go back
2 and do that. I guess that's I've never actually seen that
3 letter.

4 Q Okay. And after this one-week time period, what
5 happened? Did IWI go back into production?

6 A Yes, we did.

7 Q Were any additional steps taken to ensure that
8 the South African tritium would not be shipped out?

9 A Weekly, I would check the work orders of what was
10 being shipped, and it was a spot-check type of situation
11 because everyone here had been notified not to ship out any
12 African tritium. And we would spot-check the work orders.

13 Q How would you know, other than the red, which you
14 already stated? How would you know if it was South African
15 or SRB?

16 A I knew that we still had enough Canadian tritium
17 that were in blocks that there was no reason for her to
18 even touch the South African tritium. And she knew that I
19 knew that because I made her aware of that. So I would
20 check with her weekly, also, to see how low she was.

21 MR. JACOBI: How low she was on?

22 THE WITNESS: How low she was on Canadian
23 tritium.

24 BY MS. VAN CLEAVE:

25 Q What is your status now? How much tritium do you

1 have left of Canadian?

2 A I would have to have it separated, but we're very
3 low. I couldn't give you a number at this point in time,
4 but I could get it. But we're getting very low.

5 Q Do you know how much tritium you have from South
6 Africa here?

7 A It's, like I said, before the tritiums were
8 still, because of the NMED being put together for how much
9 we're holding, and we haven't separated that out yet, but
10 we can. So it's the same amount. The numbers on the South
11 African tritium for the last two months, three months,
12 whatever, have not changed. We're still holding the same
13 amount that we had and they're still, I believe, in the
14 canisters.

15 Q But I understood you to say you didn't really
16 know what that was because everything was together.

17 A Exactly. It's still together.

18 Q Okay. I just want to be sure I understand that
19 you don't really know; is that correct?

20 MR. JACOBI: I'm not sure I understand what she
21 is saying.

22 MS. VAN CLEAVE: Okay.

23 MR. JACOBI: Would the following be correct?

24 Understandings of your testimony so far on this, that the
25 South African tritium is in a safe?

1 THE WITNESS: Yes.

2 MR. JACOBI: In the same safe there is presently,
3 there always have been, some number of -- some amounts of
4 Canadian tritium?

5 THE WITNESS: Yes.

6 MR. JACOBI: That the South African tritium is
7 segregated in the safe by virtue of it being in bags that
8 it came in or canisters that it came in?

9 THE WITNESS: Yes, that's correct.

10 MR. JACOBI: That when the inventory count was
11 done on tritium, whatever her name was, Audrey made a total
12 tritium count as opposed to so much South African plus how
13 much Canadian?

14 THE WITNESS: Yes, that's correct.

15 MR. JACOBI: That over the last two months, there
16 has not been an increase in the number of South African --
17 in the amount of South African tritium that's in your safe?

18 THE WITNESS: Correct.

19 MR. JACOBI: Can I assume that that's the case
20 because you haven't received any more from South Africa?

21 THE WITNESS: Right, we haven't.

22 MR. JACOBI: And that the amount of Canadian
23 tritium in the safe has gone down because it's been used in
24 the production of sights and the shipping of sights?

25 THE WITNESS: Correct.

1 MR. JACOBI: And finally, that the amount of
2 Canadian tritium in the safe is very low?

3 THE WITNESS: Correct.

4 MR. JACOBI: And you could find out the total
5 numbers of each of Canadian tritium and South African
6 tritium by counting or referring to audits or doing
7 something that you can do to isolate one from the other?

8 THE WITNESS: Correct.

9 MR. JACOBI: Good, thank you.

10 BY MS. VAN CLEAVE:

11 Q Well, it's my understanding they were physically
12 separated; is that correct?

13 A They are physically separated, yes.

14 MR. JACOBI: Well, see, the problem that I had
15 was she used the word "separated" two different ways and I
16 just wasn't sure it was clear on the record.

17 MS. VAN CLEAVE: Okay.

18 MR. JACOBI: I'm happy that you said they're
19 physically separated because it is.

20 MS. VAN CLEAVE: All right.

21 BY MS. VAN CLEAVE:

22 Q So actually, although Mr. Gregor's letter here
23 says that "We're stopping all production until we can
24 obtain approval to insert and ship South African tritium,"
25 if I understand you correctly, production was stopped for

1 one week and then production resumed, shipping what you
2 believe to be only SRB Technologies tritium; is that
3 accurate?

4 A That is correct.

5 Q How familiar are you with sales to specific
6 customers?

7 A Actually, I try to stay out of the sales office
8 as much as possible.

9 Q Who handles the sales?

10 A There -- well, sales is divided and we had an
11 individual who no longer works here, but was the head of
12 sales for a time, and he ran it.

13 Q Who was that?

14 A Andrew Barka.

15 Q And who does it now?

16 A Right now, it's kind of on a standstill. Since
17 we are low on Canadian tritium, we haven't hired anyone to
18 take his place. We have a female that sits in the rooms
19 that takes trouble-shooting calls for customers who have
20 had our sights or whatever, whatnot, and she takes those
21 calls. But we have not replaced Andrew.

22 Q The NRC license lists several different gun
23 sights and models and makes.

24 What was your understanding from your review of
25 the license as to what IWI -- what type of night sights IWI

1 could sell.

2 A My understanding from reading the full license
3 that had all the other amendments attached was that we
4 could manufacture and sell Glock, three dot and bar dot.
5 We could do Sig, we could do Colt. I understood from
6 reading it we could do Smith & Wesson, and then there was a
7 whole long list that evidently were amendments that Barry
8 had had added to the license for very specific weapons like
9 H&K Benellis, USPs. They could come in-house, but we could
10 do -- I thought from the license that we could do any of
11 those weapons. That was my understanding.

12 Q When you say weapons, do you mean the sights on
13 the weapons?

14 A When I read the license, I thought that we could
15 do those type of sights or that we could do the sights
16 actually into existing. That's what I thought.

17 Q Well, when you and I had some discussions here in
18 June, we talked about this and do you recall that we talked
19 about this? I think this is the list that you're referring
20 to here.

21 That the license here specifies these that would
22 be sold, the following removal sights manufactured by the
23 licensee, which is IWI, and the following again removable
24 sights manufactured by the OEM, the original equipment
25 manufacturer, which is Smith & Wesson. This is Glock and

1 this is Sig, I believe.

2 This list is something different right here, and
3 did you discern a difference in these, this license which
4 lists these nine categories here, removable sights, because
5 it says here, "The following applies to weapons identified
6 in the letter dated November the 4th, 1991, where the
7 licensee has mounted the sources onto the weapons," and
8 then these are the models of the tritium inserts that are
9 listed there.

10 And then it says, "The following apply to
11 removable sights manufactured either by the licensee, IWI,
12 or by the OEM," which in this case would be Smith & Wesson.

13 Did you discern that difference that is stated
14 here on the license?

15 A Yes, I did.

16 Q And what was your understanding of that
17 difference?

18 A Well, to me, it was very confusing at first, very
19 confusing. I understood the removable sights very well
20 except for (c). (c) I didn't understand because OEM, when
21 I first got involved, I actually thought that we had bought
22 from the OEM.

23 So when you later came and spoke to us at great
24 length about this, Smith & Wesson particularly, that was
25 news to me.

1 MR. JACOBI: I'm going to leave the room for a
2 second. She's welcome to continue. I must call my office
3 at exactly this moment because we're expecting a judge's
4 decision. Please continue.

5 MS. VAN CLEAVE: All right.

6 THE WITNESS: So that was the problem on letter
7 (c), was OEM to me did not mean particularly Smith & Wesson
8 because actually, Smith & Wesson doesn't make their own
9 sights. So OEM meant someone who manufactured those
10 sights, but not particularly Smith & Wesson. So that was
11 where the misunderstanding on Smith & Wesson came to me.

12 This part --

13 BY MS. VAN CLEAVE:

14 Q Now you're referring to the registry dated
15 November the 13th, 1991?

16 A Right. It talks about a November 4th letter. I
17 think this is what part of the misunderstanding was to me,
18 was when you would try to track the records, the dates
19 didn't correspond sometimes. Not in everything, but in a
20 few situations.

21 So when they -- when the license specifically
22 said November 4th letter, I don't know that I actually saw
23 a November 4th letter. I can't remember.

24 Q I think that that was probably a letter from --
25 yes, that was a letter probably from Barry Mowry to the

1 NRC. This is the NRC's registry of the sealed sources and
2 devices in accordance with his letter.

3 A Right. I understand. What didn't make sense to
4 me, though, was how they responded so quickly, November
5 13th from November 4th. So I didn't really think that this
6 was part of that, and I'm sure it was just my oversight,
7 but it seemed like this was something prior to this.

8 Q Had you seen this before --

9 A Yes.

10 Q -- this registry by the NRC?

11 A Yes, I had.

12 Q What did you think it meant?

13 A The way I took this document, interpreted this
14 document, was that any adjustable sights or fixed sights on
15 specific weapons like Smith & Wesson J-frames, which some
16 of these would be revolvers, they would have to be done in-
17 house. So I took it to mean that we had the permission to
18 put sights into existing sights on these weapons because we
19 couldn't do it any other way anyway.

20 So that's what I took it to mean. As we went
21 down the list, I was told by Barry Mowry that as we went
22 down the list, that we were approved anything that wasn't a
23 gun like a Taurus or a revolver of some sort, that the
24 people could just send their sights in and we could just
25 put them on the sights, because that's the way he explained

1 the license to me.

2 He had written this, so I assumed he understood
3 it because I didn't.

4 Q But did you know that he had problems with the
5 NRC?

6 A Let me explain something about him and the
7 problems with the NRC. To my understanding -- do you not
8 want me to?

9 Q Sure, go right ahead.

10 A I did not know, when we came in and we put a lot
11 of money and financial backing into this company in the
12 very beginning when we first started, I did not know he was
13 in trouble with the NRC. He kept a black book that has all
14 of the NRC licenses and everything hidden in his safe. We
15 never were privy to it in the beginning.

16 I've never in my life dealt with the NRC before.
17 This was a new experience, and so, when I was on my way to
18 Dallas in '94, I don't remember what month, it was the
19 fall, and we had just -- Ken had told me that we received a
20 letter from the NRC about the abeyance of the case, about
21 it was under abeyance. That was the first acknowledgement
22 or information that we had ever seen that there was any
23 type of problem with the NRC.

24 I took the book with all the licenses in it that
25 you have seen and went to Dallas, because I was a paralegal

1 there for many years, to talk to some of my friends to see
2 if I could get an NRC attorney, someone who could help us
3 to fix this, to see what the problem was, because we didn't
4 even really understand why it was in abeyance, what he had
5 done, nothing.

6 As I'm sitting in the airplane, I opened the book
7 and in the side pockets, there was a document that was
8 against Mr. Barry Mowry from the NRC stating that they were
9 trying to search -- trying for criminal charges of some
10 sort. I had never seen this document, none of us had ever
11 seen the document.

12 I immediately landed in Dallas, called Ken, he
13 was here at the time, and said, "You're not going to
14 believe this. I'll fax it to you." That was our first
15 real understanding that there was a problem. And that was,
16 I believe, in the fall of '94.

17 Q Did you ever find out what that problem was?

18 A That is, I believe, when Ken started dealing with
19 Susan Greene and she, I believe, explained it to him. I
20 was only given certain information on that. My
21 understanding of it was that he had evidently sold sights
22 to Millett and Colt Manufacturing, I believe it was, that
23 were not stamped, and that he had been told to fix it, I
24 believe.

25 I read the document, so I'm getting it pretty

1 much from the synopsis that was at the back of the
2 document, that he had been told to fix this problem; that
3 he evidently had told them he had fixed it, I believe, he
4 told them he had fixed it, but I believe that he didn't fix
5 it; that he did not -- supposedly, I think, Millett and
6 Colt were supposed to send the sights back.

7 He was supposed to then stamp them and then send
8 them back. But I don't believe he did that.

9 Q Well, there's also an issue with Millett as far
10 as those sights were unmounted and Millett sights are not
11 part of the registry of the -- were not approved by the NRC
12 the put tritium inserts into, and that issue -- I don't
13 know what document you saw, but it should have also
14 referred to that issue because those two issues were
15 closely tied.

16 A I don't remember that part.

17 Q The sale of unmounted night sights that were not
18 authorized and the sale of unmarked or unstamped sights.
19 Those were two separate issues.

20 A The only thing that stands out in my mind is the
21 logos. That's the only thing that I really remember
22 reading at great length were those.

23 Q So what were you selling then? Any kind of -- I
24 mean, inserting tritium into any kind of sight, mounted,
25 unmounted, loose?

1 A When we first came in, yes, and then and even up
2 until -- we were trying to get, and I don't know who they
3 were trying to get this from, but we were trying to get
4 someone to explain the license to us in greater detail, and
5 maybe it was Susan Greene. I really don't know who that
6 was.

7 Our knowledge was of weapons, but it wasn't of
8 this license, and to me, the license seemed sometimes
9 ambiguous. It seemed confusing to me. And then even when
10 you came for your investigation or to do your inspection
11 and all that the first time, it seemed like we both saw
12 things different, like our perception was different.

13 Of course, you're from the NRC, but it seemed
14 like I was not understanding what you were saying was a
15 fact. And so, that's when you told us we needed to stop
16 the Smith & Wesson's, but we still weren't in total
17 agreement over who the OEM was on Smith & Wesson.

18 Q I think you and I -- I know you and I discussed
19 -- I remember discussing the rifle sights.

20 A Oh, yes, right. And we took those off.

21 Q That they were authorized to be mounted only, and
22 that any of these would be -- as a matter of fact, when I
23 left, I thought we understood what the license -- I thought
24 you understood what the license when I left.

25 A I believed we did, but we still wanted -- well,

1 because we were trying to change the license to amend it,
2 so we wanted to make sure we were amending it correctly, or
3 to the best of our knowledge, and that's when Casner got
4 involved and we tried to go forward. So yes, I agree with
5 that.

6 Q What are you currently selling in terms of night
7 sights, mounted, unmounted, whatever?

8 A I would have to go back and get a -- we're doing
9 all Smith & Wessons on weapons. We're going into existing
10 on just about everything that's listed here, I believe, as
11 it comes in.

12 Q Now, the ones that are listed there, are those
13 being put into existing sights --

14 A Yes.

15 Q -- or sights on the weapon or the slide?

16 A That is correct. Most of these you could not do
17 them any other way. There are a few that you could, but
18 most of --

19 Q The rifle sights for one. Those can be, I
20 understand, can just be screwed off; is that correct?

21 A That is correct.

22 Q Okay. Who handles the customers? I guess I
23 should say is who tries to increase your customer base,
24 increase your sales? Do you have a sales force that does
25 that or does Mr. Gregor handle that?

1 A At this point in time, we really don't have
2 anyone doing that, at this point in time.

3 Q Let's say I want to buy an unmounted night sight
4 of some sort. What would happen? I would call your number
5 and I say, you know -- let's use a rifle. that's easy --
6 can you send me a night sight for my rifle because it just
7 screws in, what would happen? Who would I talk to?

8 A Okay. You want to know specifically about a
9 rifle sight?

10 Q Well, I'm going to use that one --

11 A Just as an example.

12 Q -- as an example.

13 A The call would come in, whoever answered the
14 phone would give it to the lady that I had mentioned
15 earlier who is the trouble-shooter.

16 Q And who is that again?

17 A Mary Patterson.

18 Q Okay.

19 A And she would just basically take the information
20 from them and then, the reason for that is she doesn't
21 really know a lot about this. She knows about the sights,
22 but she doesn't know about particular weapons that well
23 yet. So she just basically takes the information.

24 If they want information sent to them, then
25 she'll send them something like a brochure or something,

1 but other than that, if it is a normal order like a Glock
2 sight, a Sig sight, something very simple like that, she
3 will actually take the order over the phone.

4 Q Who finally decides whether or not a sight can be
5 sold, that it's okay to sell that unmounted under the NRC
6 license?

7 A We have a gentleman by the name of Ray Ryrick who
8 is very informed as to all of our sights. He was here
9 previously. He was in the Barry Mowry realm. He would be
10 the one that would decide if that was a sight that was able
11 to go out. He's a supervisor, also, in that area.

12 Q Are you familiar with Miniature Machine
13 Corporation in Fort Worth?

14 A Yes, I am.

15 Q Who handled or handles the sales of night sights
16 to them?

17 A Dave Gregor does.

18 Q He personally handles that?

19 A Yes, he does.

20 Q So if they wanted night sights inserted into
21 their sights, they would contact him rather than this other
22 individual that you mentioned? He wouldn't make that
23 decision?

24 A That is correct.

25 Q Are you aware of what's been sold to MMC?

1 A I get the work orders, but as far as -- no, not
2 really. I mean, I could trace it down.

3 Q But you're not familiar with it? If I wanted to
4 ask specific questions regarding the agreement with MMC,
5 would you have those answers? Who would you refer me to?

6 A Dave Gregor for MMC.

7 Q Do you know anything about their sights?

8 A Not really.

9 Q I mean, do you know they're patent pending?

10 A No, I do not.

11 Q Did you have anything to do with selling those
12 sights at all to MMC?

13 A The orders would come in. MMC would like fax,
14 for example, an order for Glock fronts.

15 Q Now, are those manufactured here?

16 A Yes, they are. And I would get the fax because
17 either Dave was not here, and I would write up the order
18 for the Glock fronts.

19 Q Now, when they ask IWI to manufacture those, are
20 those always just with the tritium inserts or do you ever
21 manufacture just the fronts that have nothing to do with
22 tritium?

23 A I believe at one point in time, we did do some
24 fronts without anything in them. I believe we did.

25 Q And what about the rear sights?

1 A The rear sights, I don't have anything to do
2 with.

3 Q Are you unfamiliar with those?

4 A I'm very unfamiliar with them.

5 Q All right. Do you know if IWI has sold sights to
6 Wilson's Gun Shop in Arkansas?

7 A Since I have been here, I believe not.

8 Q Prior to that time, would you know?

9 A Prior to that time, I was told that they did.

10 Q Who told you that?

11 A Barry Mowry.

12 Q In what context? Why did he mention Wilson's?

13 A Because Wilson's came out with several
14 advertisements, I believe, right before Barry left at the
15 end of last year, and many this year, and they were
16 advertising night eyes or night something, and Barry was
17 very upset because Wilson did not advertise whose tritium
18 it was.

19 After Barry left, I noticed another
20 advertisement. We get many of the gun magazines and I have
21 seen many advertisements from Wilson, so that's how I'm
22 familiar with who they are.

23 Q But to your knowledge, IWI hasn't sold any to
24 them since you've been involved with IWI?

25 A To my knowledge, that's correct.

1 Q What about Scattergun Technologies? I think
2 they're in Tennessee.

3 A The name rings a bell, but I have not dealt with
4 Scattergun Technologies personally, so I don't remember
5 them offhand.

6 Q How about Millett? We mentioned Millett earlier
7 about Barry Mowry having sold to them. What about Millett?
8 Are they currently or have they been a customer of IWI
9 since you've been here?

10 A They were a customer before I came. We got into
11 a big -- a large disagreement with their owner, I believe,
12 and as far as I know, we didn't do any sights for them for
13 a long time. I'm not sure if we have recently or not
14 because there was a big dispute, a large dispute between
15 the two companies, IWI and Millett.

16 Q Do you know if those sights were manufactured by
17 Millett or by IWI?

18 A I do not know.

19 Q Who would handle any discussions or sales with
20 Millett?

21 A Dave Gregor would.

22 Q Does Dave Gregor handle the larger customers?

23 A Earlier, I was going to break down how that
24 worked. If we have a large manufacturer who requires a
25 large amount of sights to be bid on, then Dave Gregor

1 handles that.

2 Q When you say a large manufacturer, do you mean
3 like Millett or like -- no? What do you mean?

4 A I'm talking about like if Glock came in and Glock
5 wanted us to do their sights, then they would come to Dave.

6 Q Okay. But what about Millett and MMC? You said
7 he handled them. Do you consider them to be a large
8 customer?

9 A Ever since I've been here, Dave's always handled
10 them. I really don't know why.

11 Q Are there any other large customers that he is
12 exclusively handling?

13 A He handles H&K. I believe he handled talking
14 with the Taurus when they called. That's all I really
15 know. If there is a quote called on and it's any kind of
16 an OEM or manufacturer, Dave's given the call.

17 Q Does IWI sell sights to H&K?

18 A Not at this time.

19 Q Have they since you've been here?

20 A I'd have to go back and look at the records, but
21 I believe so.

22 Q How about Taurus?

23 A No, we have not.

24 MR. JACOBI: Is there a difference in your
25 questions? This is for me. Is there a difference in your

1 question about selling sights between a sight with tritium
2 in it and a sight without tritium in it?

3 MS. VAN CLEAVE: Well, when I look at invoices, I
4 want to be sure I understand them because the NRC would
5 have no interest in sights that didn't have tritium in
6 them.

7 MR. JACOBI: That's why I'm asking the question.
8 I didn't understand why you would be the slightest bit
9 concerned about their manufacturing a sight without tritium
10 in it.

11 MS. VAN CLEAVE: Well, I want to be sure, if they
12 do that, I want to know that because I would not be
13 interested in that.

14 THE WITNESS: And we have.

15 MR. JACOBI: Okay.

16 BY MS. VAN CLEAVE:

17 Q Do you have any idea -- do you keep an inventory
18 or do you have any idea how many night sights IWI has sold
19 since you've been involved with the company?

20 A Not offhand I don't, but we do have monthly steel
21 inventory.

22 Q What does that mean?

23 A Piecemeal. It's split out between type of steel,
24 like if it's a Colt or if it's a Glock, then the inventory
25 is separated between the different type of sights.

1 Q Would that, if you looked through those, would
2 that give you a total, at least an estimate of some sort?

3 A Yes, it would.

4 Q Would it be the sights? If I wanted to know how
5 many tritium inserts have left here over the last year, how
6 would I determine that?

7 A Let me think a minute. We have monthly
8 inventories of everything that is made up with tritium and
9 without tritium. So you have steel without tritium and you
10 have steel with tritium. We have the inventories of the
11 raw tritium. Then what we have are the invoices from the
12 beginning of the year.

13 Q So there's not really like a running inventory of
14 things? There's some requirement, I know, that companies
15 have to turn into the NRC, but I think it's like every five
16 years or something, that they have to do an inventory
17 count, and I'm not sure. Not being an inspector or on the
18 technical side, I'm not sure exactly how it asks for that
19 information.

20 So you don't keep a running inventory of the
21 total of what is being sold?

22 A We keep the running inventory as to what's on
23 hand monthly of everything, but the only thing I can say is
24 that we do accounting reports monthly that would probably
25 give us that count.

1 Q Would that give us a count of the night sights
2 that left here or the tritium inser's?

3 A I would have to check that out. I know as of
4 yesterday, my accountant -- it's a brand new system and
5 she's had to input everything from January until now. So
6 it's been a major project and I know that it's all been
7 inputted, but I'm not really sure what kind of reports she
8 can get out of it yet. So I could ask her and she could
9 tell me.

10 Q Okay. Has that been input for the whole calendar
11 year or is that just something you just started like maybe
12 October the 1st?

13 A She started from January.

14 Q January the 1st?

15 A Yes.

16 Q How many tritium inserts go into these night
17 sights, three? I mean, like bar dot bar?

18 A Only three. We're only allowed --

19 Q Three, right?

20 A -- three.

21 Q Is that right?

22 A Yes, that is correct.

23 Q But like the rifle sights, what's that, just one?

24 A One. The bead on --

25 Q Yes.

1 A Yes, just one.

2 Q This whole thing. I can't remember what they
3 call that. Nightliner?

4 A Yes.

5 Q Okay. That's just one, right?

6 A Yes, it is.

7 Q But the others like the rear sights, do they all
8 have three or do some of them have two or one?

9 A Some of them just have two, some of them have
10 one, and some of them have three. So it would either be
11 just a bar by itself in the rear or it would be two dots in
12 the rear, and then we had -- our new license, we're hoping
13 to have covered the three in the rear like dot bar dot or
14 something like that, or bar bar bar, something like that.

15 Q But you might have two in the rear and one in the
16 front or something like that; is that correct?

17 A That's correct. There's only one always in the
18 front.

19 Q Front, right.

20 A Right.

21 Q And now the back one can only have no more than
22 two --

23 A That is correct.

24 Q -- is that right?

25 A That's correct.

1 Q Okay. And some of them are going to vary, so
2 really looking at the total of the sights, it might give
3 you an estimate of the tritium, but it wouldn't give you a
4 firm and final count, would it?

5 A That's true. I'm hoping that, from what I said,
6 these documents that she has put into the computer can give
7 us that.

8 Q All right. I'd like to see that. Do you have
9 any idea how many night sights or how many night sights do
10 you think IWI sold in the last year?

11 A This year?

12 Q Um-hum.

13 A I don't know. The only people that have been
14 interested in that from my perspective, I was interested in
15 it because sales was in the dumper in the beginning of the
16 year and we weren't selling very many at all. I mean, I
17 believe, I think in January we sold 800 sights. February
18 wasn't much better.

19 We were trying to fight the past history of this
20 company and it was a treacherous one, and so our first
21 quarter was horrible, I know that, as far as the money side
22 of it went. As far as knowing exactly how many night
23 sights there were, I don't know.

24 Q Who actually makes a decision to sell a sight? I
25 mean, who has the final authority around here to say that

1 this is what we're going to do, this is what we're going to
2 sell?

3 A I guess the buck stops with Dave, basically.

4 Q He's the president, correct?

5 A That is correct.

6 MS. VAN CLEAVE: Dennis, did you have any
7 questions?

8 MR. BOAL: Yes.

9 BY MR. BOAL:

10 Q Ms. Wilson, backing up to that January 1995 SHOT
11 show in Las Vegas, you said that was the first time that
12 you had heard from Mr. Brian Pullen of SRB Technologies,
13 and that you were amazed that he had displayed so much
14 negative emotion to you about IWI.

15 Is that, in general, what you recall of that
16 conversation?

17 A That is correct.

18 Q Since that time, have you ever determined what
19 motivated his outburst towards IWI?

20 A I haven't, no.

21 Q Do you know if anybody in your company has?

22 A That motivated what happened in January?

23 Q That knows why he would want to put you all out
24 of business.

25 A I do not know.

1 Q When he was talking to you, did you explain to
2 him that you were a new management and not Barry Mowry, who
3 appeared to have some kind of negative history with him?

4 A No. I was -- I was -- no, I did not. I was
5 shocked.

6 Q Coming up a little bit further from that
7 conversation, Ms. Van Cleave was asking you about the
8 segregation of the South African tritium versus the SRB
9 tritium, and you were telling us and agreeing with Ms. Van
10 Cleave that you had actually shut down for a week
11 production and actually took an inventory and had
12 determined that some South African tritium had been used;
13 is that correct?

14 MR. JACOBI: I'm not interfering with her answer.
15 There was an intriguing statement made by Ms. Van Cleave in
16 response to that. It was an ongoing series of questions
17 about was South African tritium used. The answer appeared
18 to be yes, it was, and then there seemed to be a statement
19 from the witness that it was red tritium. Ms. Van Cleave
20 had asked, how would you possibly know it was red tritium
21 and there was no Canadian red tritium, and then there was a
22 statement made about it was used for R&D purposes.

23 So I'd really like to not have the question
24 answered implying other than used for R&D purposes, if that
25 is the witness' testimony. Is that your testimony?

1 THE WITNESS: Yes, that's my understanding.

2 BY MS. VAN CLEAVE:

3 Q From whom?

4 A From Dave.

5 BY MR. BOAL:

6 Q Your understanding then of that week and that
7 inventory is the only South African tritium used was used
8 in R&D?

9 A That was my understanding.

10 Q Did you ask Andrea how that happened, since she
11 was responsible for it?

12 MS. VAN CLEAVE: I think her name is - is it
13 Audrey?

14 MR. BOAL: I'm sorry.

15 THE WITNESS: I knew who he meant, nobody else.

16 MR. BOAL: Well, two of us.

17 THE WITNESS: I don't remember.

18 BY MS. VAN CLEAVE:

19 Q Who handles R&D?

20 A Dave does.

21 Q Would he be responsible then for perhaps saying
22 to -- taking this tritium out maybe? If he handles it,
23 would he be responsible? You told me that he had access to
24 the safe and Audrey had access to it.

25 A That is true. That is correct, I believe. I'm

1 almost positive that Dave is the other person who has the
2 combination to the safe. I don't have it. He could have,
3 I don't know.

4 Q Did you ever discuss it any further with him?

5 A How he received those pieces?

6 Q No, the R&D part of it.

7 A No, I did not.

8 Q Do you know if any other colors were used in any
9 of the other South African tritium? I think you said red
10 was the only one that you could determine for sure.

11 A Exactly. That's the only one that I could really
12 determine in that. So no, I do not know.

13 MR. BOAL: That's all I had.

14 MS. VAN CLEAVE: I don't have any other questions
15 right now.

16 MR. JACOBI: Neither do I.

17 MS. VAN CLEAVE: We'll go off the record.

18 MR. JACOBI: No, maybe you want to ask the same
19 three questions.

20 MS. VAN CLEAVE: Oh, I'm sorry. Yes.

21 MR. JACOBI: Those are the three questions.

22 MS. VAN CLEAVE: I wouldn't want to omit those, I
23 know. Thank you very much.

24 MR. JACOBI: You're welcome.

25 MS. VAN CLEAVE: I'd just be in trouble if I

1 omitted that.

2 BY MS. VAN CLEAVE:

3 Q Ms. Wilson, I have three questions that I am
4 supposed to ask at the conclusion of an interview.

5 Have I or Mr. Boal threatened you in any manner
6 or offered you any rewards in return for the statement?

7 A No.

8 Q Have you given the statement freely and
9 voluntarily?

10 A Yes.

11 Q Is there anything further you care to add for the
12 record?

13 A No.

14 MS. VAN CLEAVE: Now we'll go off the record.

15 Thank you very much.

REPORTER'S CERTIFICATE

This is to certify that the attached proceedings before the United States Nuclear Regulatory Commission in the matter of: Innovative Weaponry, Inc.

INTERVIEW OF PATRICIA G. WILSON

at Albuquerque, New Mexico, were held as herein appears, and that this is the original transcript thereof for the file of the United States Nuclear Regulatory Commission taken by me and thereafter reduced to typewriting by me or under the direction of the court reporting company, and that the transcript is a true and accurate record of the foregoing proceedings.

Court Reporter