

EXHIBIT 53

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EXHIBIT 53

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

MS. VAN CLEAVE: On the record. For the record, this is an interview of David M. Gregor; address is [REDACTED] [REDACTED] date of birth, [REDACTED] who is employed by Innovative Weaponry, Inc.

The date is October the 19th, 1995 and the time is approximately 2:30 p.m. Present at this interview are myself, Virginia Van Cleave, NRC Senior Investigator; Dennis Boal, NRC Investigator; Herbert M. Jacobi, attorney representing Mr. Gregor; and Mr. Gregor.

This interview is being tape recorded by court reporter Carrie Gansle. Mr. Gregor, if you would please stand and raise your right hand?
WHEREUPON,

DAVID M. GREGOR

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

BY MS. VAN CLEAVE:

Q Mr. Gregor, what is your current position with Innovative Weaponry, Inc., IWI?

A President.

Q You're the president?

A Yes, ma'am.

Q Are you president of IWI of New Mexico or IWI of

1 Nevada?

2 MR. JACOBI: There is no IWI of Nevada anymore.

3 MS. VAN CLEAVE: That's right.

4 MR. JACOBI: It's 21st Century something or
5 other.

6 BY MS. VAN CLEAVE:

7 Q Are you president of IWI of New Mexico?

8 A Yes, ma'am.

9 Q And what about the company, the other company,
10 21st Century --

11 MR. JACOBI: That used to be --

12 BY MS. VAN CLEAVE:

13 Q -- that used to be IWI of Nevada?

14 A No.

15 Q Do you have any corporate -- do you hold any
16 corporate office with that company?

17 A No.

18 Q No? All right. How long have you been with IWI?

19 A I guess 15, 16 months. Late last summer.

20 Q The summer of 1994?

21 A Right.

22 Q When did you become president?

23 A The first part of November, that time frame.

24 MR. JACOBI: '94?

25 THE WITNESS: Yes.

1 BY MS. VAN CLEAVE:

2 Q What was your prior position with IWI?

3 A I was a gunsmith, machinist, worked in that
4 capacity.

5 Q Who was your previous employer before you came to
6 work for IWI?

7 A Wackenhut.

8 Q Oh, Wackenhut? What did you do for them?

9 A Gunsmith.

10 Q How long did you work for them?

11 A Nine years.

12 MR. JACOBI: You're saying as though they all
13 know. Is that a good place?

14 MS. VAN CLEAVE: Oh, no. We just deal with a lot
15 of Wackenhut employees.

16 MR. JACOBI: What does Wackenhut do, just for my
17 information?

18 THE WITNESS: They're a subcontractor to several
19 different facilities that provide security for whatever.

20 MR. JACOBI: Okay.

21 MS. VAN CLEAVE: Wackenhut provides security for
22 a lot of nuclear sites, too.

23 MR. JACOBI: And obviously they need gunsmiths.

24 THE WITNESS: That's correct.

25 BY MS. VAN CLEAVE:

1 Q Did you tell me last time that you were a
2 contractor to the Department of Energy?

3 A Um-hum.

4 Q Was that in your capacity as an employee of
5 Wackenhut?

6 A They were under contract to Department of Energy.

7 Q Can you briefly tell me what your -- give me a
8 description of your job duties here as president of IWI?

9 A Being a gunsmith, I handle all the gun work that
10 comes in here, all of the gun work. We blue and parkerize
11 and refinish and we have guns come in as a gunsmithing
12 shop. I do that.

13 I also am very much involved in writing the
14 amending amendments to our license, so I do most of the
15 writing for that.

16 Q When you say your license, which license are you
17 referring to?

18 A Well, it seems we've been trying to do this for
19 the year and I continually write things.

20 MR. JACOBI: Which license are you referring to?

21 THE WITNESS: The one that we're trying to get
22 the amendment for.

23 MR. JACOBI: Which license is that?

24 THE WITNESS: The NRC license. I'm sorry.

25 MR. JACOBI: Okay. There seems to be a New

1 Mexico license. That's why I asked.

2 THE WITNESS: Oh, no, I'm sorry.

3 BY MS. VAN CLEAVE:

4 Q I didn't mean to interrupt you. I just wanted to
5 clarify that for the record. Okay, go ahead.

6 A And that's what I do.

7 Q What about your involvement with purchasing and
8 shipping and sales? Do you have any involvement in those
9 areas?

10 A No, I don't.

11 Q You don't? Did you read the NRC license?

12 A Yes, I have.

13 Q When did, approximately, did you first read that
14 license?

15 A I don't know.

16 Q Was it shortly after you came here? Was it six
17 months ago last week?

18 A I know I had read it last week because I
19 continually write on it, and as recently as yesterday, it's
20 still ambiguous to me.

21 MR. JACOBI: When was the first time it was
22 ambiguous to you?

23 THE WITNESS: The first time it was ambiguous was
24 probably six months ago or so.

25 MR. JACOBI: Does that indicate that was the

1 first time you may have read it?

2 THE WITNESS: I don't know that.

3 MR. JACOBI: Okay.

4 BY MS. VAN CLEAVE:

5 Q If it was six months ago, you had already been
6 employed as the president for several months at that point.

7 Had you not reviewed the license prior to six
8 months ago?

9 A I don't know the first time that I read it.

10 Q When you became the president of IWI, did you
11 take any steps to familiarize yourself with the NRC?

12 A Yes, I'm sure we tried to get on the right track
13 and do things the way that the NRC wanted, and therefore,
14 started communication on that. But knowing what was
15 required and what's wanted, I can't say that I knew totally
16 that this is what the NRC requires.

17 Q Did you read the license so that you could try to
18 do those things that you just stated to amend the license,
19 to determine what the NRC wanted?

20 A At some point, I'm sure I read it. What that
21 point is, I don't know.

22 Q What was your understanding of what the license
23 allowed IWI to sell as far as night sights go?

24 A Tritium night sights.

25 Q What about specific gun sights?

1 A That's where the ambiguity comes in because there
2 were so many model numbers and I didn't understand what --
3 having not dealt in that before, the learning curve has
4 been tremendous.

5 Q Well, in your opinion, who at IWI was responsible
6 for dealing with the NRC?

7 A Well, I would imagine, as president, that came
8 under my envelope. I could only assume that the way
9 business was done with the NRC in the prior management,
10 that's the way that the license and the procedures would
11 continue to run.

12 Q Were you aware that Mr. Mowry had problems with
13 the NRC?

14 A I was aware of problems, but didn't know what
15 they were.

16 Q If you were aware of problems, why would you
17 believe that things would continue as they had?

18 A Nobody had told me what the problems were.

19 Q As president, did you take any steps to try to
20 find out what those problems were?

21 A Well, we understood that there was an amendment
22 problem, in which case we started communications to the NRC
23 trying to get this license amended properly.

24 Q What was your understanding from the NRC license
25 as far as the type of tritium IWI could distribute?

1 A To me, tritium was tritium.

2 Q The NRC license says tritium from SRB
3 Technologies.

4 Did you read the license and were you aware of
5 that?

6 A Now I am.

7 Q What do you mean by "now"?

8 A Well, after your meeting in June, I'm well aware
9 that this is specific to SRB Technologies. Prior to that,
10 again, I thought tritium was tritium.

11 Q This license is relatively clear to me on that
12 aspect. It says here, "sealed light sources, SRB
13 Technologies, Inc.," and it cites a specific model number.

14 Now, are you saying you did not read this or you
15 did not understand that?

16 MR. JACOBI: As of what date?

17 MS. VAN CLEAVE: As of -- wait a minute. What's
18 your question?

19 MR. JACOBI: Well, my question is, since, as I
20 gather it, there was no purchase from other than SRB prior
21 to June the 6th, which is their invoice date, of 1995,
22 which is their invoice date, then what his understanding
23 was, if it's improper or not improper, prior to any
24 purchase other than what's listed on this license may be
25 absolutely moot.

1 MS. VAN CLEAVE: Well, I don't believe it's moot
2 because I believe that IWI entered into negotiations with
3 another company that was not listed on the license, and
4 that was prior to June of 1995.

5 MR. JACOBI: It may have, but they didn't enter
6 into negotiations to distribute anything from that company,
7 did they? You've explained to me this is a distribution
8 license.

9 MS. VAN CLEAVE: That's correct.

10 MR. JACOBI: In which case, they can enter into
11 negotiations with every human being in the world to
12 purchase as long as they don't distribute. That's my
13 understanding of what you just went through.

14 MS. VAN CLEAVE: Well, the New Mexico license, of
15 course, you understand, did not authorize --

16 MR. JACOBI: That's correct.

17 MS. VAN CLEAVE: -- possession of the other
18 tritium either.

19 MR. JACOBI: But that's New Mexico interest.
20 They don't seek to penalize --

21 MS. VAN CLEAVE: That's true.

22 MR. WILSON: Herb, you have an important phone
23 call that you've got to take.

24 MR. JACOBI: Is it Marie?

25 MR. WILSON: Yes.

1 MR. JACOBI: Let me just take this. It's my
2 secretary. I'll take it right here.

3 (Brief pause in the proceedings)

4 MR. JACOBI: I apologize.

5 MS. VAN CLEAVE: For the record, that was a brief
6 conversation of Mr. Jacobi with his --

7 MR. JACOBI: Secretary.

8 MS. VAN CLEAVE: -- secretary. All right. I
9 would like to know what his understanding of this license
10 was prior to June and after June, actually, of 1995, and I
11 think it does have some significance because that was not
12 on the license and I would like to know the answer to that.

13 MR. JACOBI: Well, strangely, I think he's
14 already answered it. He said that prior to meeting with
15 you in June, he understood tritium to be tritium, and
16 though he doesn't remember when he first read the license,
17 he is clear that after meeting with you, this license
18 requires the distribution of tritium only from Canada.

19 Is that a fair characterization of what you just
20 said?

21 THE WITNESS: Yes, it is.

22 MS. VAN CLEAVE: But I would like to know again,
23 if he can recall -- I'm going to ask him one more time --

24 MR. JACOBI: Sure.

25 MS. VAN CLEAVE: -- if he read this prior to June

1 and if he did, what his understanding of this little
2 section here of the license is that I just read.

3 THE WITNESS: Tritium --

4 MR. JACOBI: It's a compound question. Do you
5 recall reading it prior to June of 1995? Do you recall?

6 THE WITNESS: No.

7 BY MS. VAN CLEAVE:

8 Q As the president of IWI, you do not recall having
9 read the NRC license prior to June of 1995; is that true?

10 A That's true.

11 Q Okay. And what occurred in June of 1995 to -- I
12 believe you said --

13 A You paid me a visit.

14 Q All right. And what was your understanding from
15 that point forward?

16 A That there's a potential problem with an
17 alternative tritium source.

18 Q You and I did not discuss tritium sources.

19 A You had mentioned African tritium to me.

20 Q No, I did not mention African tritium to you. I
21 had no idea that such a thing existed. That is not true,
22 Mr. Gregor.

23 A Okay.

24 Q I had no idea such a thing existed. I had no
25 idea that IWI had entered into negotiations with anyone.

1 You and I did not discuss this. You and I discussed what
2 was being sold, night sights and things like that, but we
3 did not discuss tritium from any other source.

4 Now again, after that visit, what was your
5 understanding about tritium?

6 A That the amending process, because of the African
7 tritium, the amending process, we were going forth with
8 that and providing the NRC with the proper documentation
9 that they required.

10 Q Who did you tell that to in the NRC, if anyone?

11 A I have a lobbyist-consultant that works in
12 Washington, D.C. that communicates to the NRC directly.

13 Q When did you hire that consultant?

14 A May, June, that time frame.

15 Q Prior to my visit or after my visit?

16 MR. JACOBI: If you don't know, say so.

17 THE WITNESS: I don't know.

18 MS. VAN CLEAVE: Okay.

19 BY MS. VAN CLEAVE:

20 Q Did you personally have any discussion with
21 anyone at NRC about the South African tritium and about
22 possibly amending your license to include the South African
23 tritium?

24 A I may have talked to Ms. Greene one time. I know
25 I've communicated with letters through the lobbyist, but

1 I'm not sure if I talked to her directly.

2 Q Do you recall if you had any such conversations
3 prior to May or June when you hired your consultant -- and
4 his name is?

5 A Morgan Casner.

6 Q -- since you hired Mr. Casner? Now, prior to
7 your hiring of Mr. Casner, do you recall if you discussed
8 that subject with Ms. Greene?

9 A No, I don't.

10 Q Or anyone else at the NRC?

11 A No, I don't.

12 Q Have you met Susan Greene?

13 A No, ma'am.

14 Q Have you been to the NRC offices in Washington
15 and talked with anyone up there personally?

16 A No, I haven't.

17 Q Then have your communications been by telephone?

18 A I have communicated to the NRC through our
19 lobbyist, Bruce Casner.

20 MR. JACOBI: He's also said that he's written
21 letters to the NRC.

22 THE WITNESS: Yes.

23 BY MS. VAN CLEAVE:

24 Q Prior to hiring Mr. Casner, did you have any
25 conversations with Ms. Greene?

1 A Earlier, I had said that I don't recall if I have
2 ever talked to her on the phone.

3 Q What about any other individuals with the NRC?
4 Do you recall if you've spoken with them?

5 A It seems to me that Ms. Greene was the one
6 heading up this whole project long before I ever got here.
7 I've heard that name for a long time and that's why I don't
8 know the other names. They don't mean a thing to me.

9 Q So have you spoken with anyone else at NRC
10 besides -- you said you didn't recall if you spoke with Ms.
11 Greene.

12 Have you spoken with anyone else?

13 A I don't believe so.

14 MR. JACOBI: You mean ever?

15 MS. VAN CLEAVE: In the NRC.

16 MR. JACOBI: In Washington?

17 MS. VAN CLEAVE: In Washington, excluding myself
18 and this conversation.

19 BY MS. VAN CLEAVE:

20 Q Can you just run through the scenario of how you
21 became involved with the South African tritium source, and
22 what transpired to lead you there to eventually purchase
23 from them? I can ask you specific questions, but if you
24 wouldn't mind just running through that scenario, I would
25 appreciate it.

1 THE WITNESS: Is that all right with you?

2 MR. JACOBI: Please.

3 THE WITNESS: At the SHOT show last year, which
4 is a show -- it's an acronym for Shooting, Hunting, Outdoor
5 Trade. It was in Las Vegas, Nevada. We had a booth there
6 and we had talked to --

7 MR. JACOBI: Dave, speak up. Talk louder.

8 THE WITNESS: We had a booth there and we talked
9 to an individual involved with SRB.

10 BY MS. VAN CLEAVE:

11 Q That's SRB Technologies?

12 A Right. His name was Brian Pullen. Brian came to
13 our booth and was not very cordial with us. After
14 listening to Brian, we felt it was in our best interests
15 that he probably is not after our best interests, and
16 therefore, it would behoove us to possibly look for an
17 alternative source.

18 Q What did Mr. Pullen say to you to lead you to
19 that conclusion?

20 A I didn't talk directly to him. I heard him
21 talking and the gist of the conversation was something to
22 the effect that he sells us tritium, he is going to go into
23 the night sight business and he's got the best of both
24 worlds.

25 As he was sarcastically and -- it was a real

1 unprofessional way to do things, in my opinion, and at that
2 point, I felt this guy is not after our best interests.

3 Q Who was he speaking to? You said it was not to
4 you.

5 A There were several people there. You know, I
6 don't know that because I never heard that name before
7 until that day. I really didn't know who SRB Technologies
8 were, let alone Brian Pullen, and then you put two and two
9 together. I don't know who he was speaking to.

10 Q So at that time in January of 1995, you did not
11 know that SRB Technologies was IWI's source of tritium?

12 MR. JACOBI: Now wait. That's not what he said
13 at all. He said he didn't know who Brian Pullen was. He
14 didn't associate Brian Pullen's name with SRB.

15 MS. VAN CLEAVE: Oh, okay.

16 BY MS. VAN CLEAVE:

17 Q So you did not know that he was with SRB?

18 A No, ma'am.

19 Q Okay. What did you think he was doing, I mean,
20 saying these things? Did you --

21 A That's why I said you put two and two together
22 during this conversation and then you start paying
23 attention to what people say. There were people coming
24 talking about, you know, all sorts of things and lo and
25 behold, as this escalates, I only caught part of it, but I

1 knew that this was probably not good for IWI or the future
2 thereof. That's what I remember from that conversation.

3 Was it directed at me? No, ma'am. Can I tell
4 you every -- no, I can't. That's what I remember. To the
5 best of my knowledge, that's what I remember. I remember
6 this is not going to be good for IWI.

7 Q And did you know what SRB Technologies was, who
8 they were?

9 A The tritium people from Canada.

10 Q Had you had any dealings with Mr. Pullen?

11 A No.

12 Q Had you seen his name anywhere on any
13 correspondence or anything like that?

14 A Possibly, but again --

15 Q You didn't make the association?

16 A I don't -- right.

17 Q Who is responsible for purchasing the tritium
18 from SRB Technologies?

19 MR. JACOBI: When?

20 BY MS. VAN CLEAVE:

21 Q Prior to January of 1995, who was responsible for
22 purchasing the tritium?

23 A I don't know.

24 Q Did you purchase by signature on a purchase order
25 any tritium to your knowledge prior to that time?

1 A I'm sure purchase orders have my signature on it.
2 We purchase a lot of things, but the actual call to Canada
3 and say, "I want to purchase," I don't really do that, but
4 I do sign purchase orders.

5 Q So did you have any discussions with anyone at
6 SRB Technologies that you can recall prior to January of
7 1995?

8 A I don't believe so.

9 Q Any involvement in the purchasing other than the
10 fact that your signature may appear on a purchase order?

11 A I don't believe so.

12 Q And again, do you know who would have handled
13 that here?

14 A I would imagine Pat handles a lot of the POs and
15 things like that. I'm assuming. That's my assumption.

16 Q All right. So Mr. Pullen came to your booth at
17 this SHOT show and was making some comments that led you to
18 believe that there may be some problems for IWI; is that
19 accurate?

20 A That's correct.

21 Q And what happened then?

22 A He left.

23 Q Okay. And then were there some discussions about
24 what was said between the individuals at IWI?

25 A Well, I'm sure at one point in time, Ken and I

1 discussed this relationship probably is not ing to go
2 anywhere. When you have a person that is actual -- your
3 actual supplier basically saying, "I have the best of both
4 worlds and I control you," that's not a good position to be
5 in and it didn't give me a warm and fuzzy.

6 I am sure that Pat, Ken and I had talked about we
7 need to rectify this because there's a problem coming.
8 This relationship isn't good.

9 Q What did you do next? Were any steps taken to
10 locate an alternate source of tritium?

11 A No, there wasn't.

12 Q What happened? How did you get involved with
13 these individuals or this company, Lumitech and Ramrod?

14 A There was a gentleman that stopped by the booth.
15 How he heard of us I don't know.

16 MR. JACOBI: You're referring to the SHOT show?

17 THE WITNESS: The SHOT show booth, yes, sir. He
18 stopped by the booth, identified himself, identified his
19 company, and said -- asked me where we had purchased our
20 tritium, and I had told him it's Canadian tritium, it's
21 SRB, and he had said, "If ever in the future you need help,
22 I can help you with that."

23 He came out of the blue. I had never met the man
24 before, never heard of his company, and he approached me.
25 It may have been that very same day, to boot.

1 BY MS. VAN CLEAVE:

2 Q Who was he?

3 A His name was Mark Ager.

4 Q And who was he with?

5 A A company called Ramrod.

6 Q Did you say he approached you personally rather
7 than IWI?

8 A No. He approached IWI.

9 Q Okay. Who did he approach with IWI?

10 A I know I sat in. There's tables at the SHOT show
11 and we sat down at the table, and I can speak for myself, I
12 was there. I can't tell you that Ken sat there or Pat sat
13 there, but I do know that I sat there.

14 Q What did he say?

15 A And I'm sure there were other people with me,
16 too.

17 Q What did he say, Mr. Ager?

18 A He just said that if you need an alternative
19 source of tritium in the future, I can help you with that
20 problem, and I had told him, it's funny. I don't know if
21 this was divine intervention or what, but it's funny that
22 you should say something to me like that because I just had
23 a relatively bad experience not but recent.

24 Q Then what happened?

25 A And then I started sharing with him the SRB, what

1 Mr. Pullen had basically said the way he said it and the
2 conflict that was probably going to ensue after that.

3 Q And if you can just continue with telling me how
4 you became further involved with Lumitech and Ramrod?

5 A At a later date -- and I don't know what that
6 date is, but at a later date, Mr. Ager had invited me to
7 come talk to him about this back-up tritium source.

8 Q Did you initiate further contact with Mr. Ager or
9 did he initiate contact with you?

10 A Don't know. We struck up a friendship, a
11 relationship and an ethical business relationship and our
12 relationship grew from that. His company is involved in
13 after-market accessories of which he utilizes tritium.
14 That's why he came to me.

15 It was kind of a marriage made in heaven. He's
16 already doing it and he's distributing it in South Africa
17 and he had just come to me, as he may have to come to
18 Trijicon and Meprolight, and said, "We have a source here."
19 I don't know if that's totally true. I'm surmising that,
20 but that's the way he came to me because his product is
21 tritium, too, which I did some research and found that he
22 is an honest, ethical businessman, the kind that I like to
23 deal with, and then the relationship escalated.

24 At a point down the road when we were getting
25 nowhere fast and he had said -- you may want to even come

1 over here and visit and let's take this thing further --

2 Q Now, he being Mr. Ager?

3 A Yes. Let's take this further. We can show you
4 the facilities and we can show you what we do and you may
5 want to consider that.

6 Q Did you do that?

7 A Yes, I did.

8 Q Do you recall when you went to South Africa?

9 A I'm going to guess late March, early April.

10 Q And what did you do while you were in South
11 Africa regarding tritium?

12 A I went to Ramrod and again, their whole business
13 is accessories for weapons, for scopes, for flashlights for
14 the sportsman, and spent a day or two there. He showed me
15 his operation, showed me what he does, and then he had
16 said, "I have set up a meeting with the tritium people from
17 the Atomic Energy Commission, specifically Lumitech. They
18 would like to meet with you tomorrow. Would that be fine?"
19 I said, "Sure."

20 Q What is Ramrod's relationship to the Atomic
21 Energy Commission?

22 A Lumitech supplies the tritium to Ramrod for their
23 products.

24 Q Okay. That very next day, we went over to
25 Lumitech, the Atomic Energy Commission, and met with them

1 and discussed the possibility of in the future purchasing
2 tritium from Africa.

3 They had asked me where I had been purchasing and
4 why I was considering an alternative, and I leveled with
5 them and said, "We're having problems with them. I need to
6 know that this business will continue to run. I don't have
7 that feeling by dealing with Canada and I feel that in the
8 best business sense and practice, I need to find an
9 alternative source."

10 Prior to that, I had called several
11 organizations. I had even called the DOE community trying
12 to find out how I could get a secondary source because it's
13 just a matter of time until something's going to be wrong,
14 to no avail, really to no avail.

15 Ken and I spent one solid day calling everywhere
16 trying to find out how can we alleviate this problem, and I
17 talked to Lumitech that day and shared all that with them
18 and told them my problems and told them why I -- what I'm
19 doing over here, and we just sat down and talked.

20 Q Did you arrive at any business arrangement by the
21 end of your visit?

22 A No. They had told me that they could supply the
23 tritium, that's not a question, not a problem. And if we
24 could further that relationship, that would be fine.

25 Q And then you came back here, I guess --

1 A Yes, I did.

2 Q -- is that right?

3 A Um-hum.

4 Q And then what happened?

5 A Relationships were continuing -- they weren't
6 getting any better with SRB.

7 Q Were you continuing to order during this time
8 from SRB?

9 A I don't know that. I don't know that.

10 Q I just wondered what led you to say that things
11 were not getting any better.

12 Did you have any dealings with them?

13 A Well, the communications that -- again, the only
14 time I talked to Brian Pullen -- listened to him talk was
15 at the SHOT show, and things appeared not to be getting
16 anywhere fast. He had said that he was going to apply for
17 an NRC license and made the statement that he was going to
18 put us out of business.

19 Again, when I say, I don't have a warm and fuzzy
20 when somebody does that, I mean that. That's a direct
21 threat to me. We have a little company here that we're
22 trying to do well and here our supplier is going to put us
23 out of business? What would you assume?

24 Q Had anything else happened for that time period
25 though? You said things didn't seem to be getting any

1 better. Had anything else happened as far as your
2 dealings?

3 A I think delivery times started being a little
4 absurd, but specifically, I don't recall.

5 Q When you came back here from South Africa then,
6 did you discuss this with anyone else here at IWI?

7 A I'm sure I did.

8 Q Who?

9 A Pat, Pat for sure, and possibly Ken.

10 Q Were any decisions reached as to a tritium
11 supplier?

12 A We had thought that it would be in our best
13 interests to place an order with Lumitech for their
14 tritium.

15 Q And who made that decision?

16 A I believe we corporately did it.

17 Q When you say "corporately," who do you mean?

18 A Pat and Ken -- Pat and myself.

19 Q Did Ken Wilson have anything to do with that
20 decision?

21 A I don't believe so.

22 Q So you and Pat together decided to purchase
23 tritium from Lumitech or Ramrod; is that correct?

24 A Right.

25 Q Do you recall when an order was placed, the first

1 order?

2 A I'm going to say --

3 MR. JACOBI: Do you recall?

4 THE WITNESS: No.

5 BY MS. VAN CLEAVE:

6 Q Can you give me an estimate?

7 A Estimate? Sure.

8 Q When would that be?

9 A June.

10 Q Do you believe that the order was placed in June
11 or do you think that's when you first received the tritium?

12 A I don't know.

13 Q Was there any problem receiving the first order?

14 A In what way?

15 Q Was it delayed? Was there an excessive delay?

16 Did you have any communications with them as to any
17 difficulties?

18 A I don't do shipping.

19 Q Well, this is purchasing.

20 A I really don't do purchasing either.

21 Q Well, then who would deal with Ramrod or
22 Lumitech?

23 A I would communicate with Ramrod.

24 Q Do you recall any problems with the shipments
25 from South Africa?

1 A I'm not sure what --

2 Q Any delays? Was there any communication with you
3 as to -- or did they just get your order and just ship it?

4 A I don't believe that was the case. All things
5 take time.

6 Q But you don't recall any problems, any
7 communications, any further discussions with them?

8 A No, I don't.

9 Q Who placed the order? Was it you or was it Pat
10 or someone else here at IWI?

11 A It could have been I. It could have been me.

12 Q Was it?

13 A I don't know that.

14 Q Do you know how the order was placed?

15 MR. JACOBI: Well, if it were moot court, I'd say
16 it's a conundrum. He can't possibly answer that question
17 based on his last answer. If he doesn't know who placed
18 the order, how can he possibly say how it was placed?

19 MS. VAN CLEAVE: He might know that all their
20 orders were placed by telephone from someone.

21 MR. JACOBI: Okay. Do you know how it was
22 placed? license

23 THE WITNESS: No, I don't.

24 BY MS. VAN CLEAVE:

25 Q Did you have any kind of arrangement with

1 Lumitech or Ramrod? Did you have a contract?

2 A No, we didn't.

3 Q No? How would you usually -- how would IWI
4 usually place their orders? Is there some sort of a
5 standard procedure that IWI follows to purchase things?

6 MR. JACOBI: Purchase things from Lumitech?

7 MS. VAN CLEAVE: From just in general.

8 MR. JACOBI: Anybody?

9 MS. VAN CLEAVE: Right. He said he doesn't know
10 how this happened. I'm just trying to see if there is a
11 standard procedure that was usually followed.

12 THE WITNESS: To my knowledge, no. I initiated
13 the conversation between -- Ramrod and Lumitech and I
14 communicated and got it to the point where we could
15 purchase the tritium. How we purchased it, I'm not aware
16 of. I really don't do purchase orders, even though, like I
17 told you, I sign them.

18 BY MS. VAN CLEAVE:

19 Q Who is responsible for purchasing?

20 A I don't know.

21 Q Well, Mr. Gregor, you're the president of IWI.
22 Who is responsible for purchasing?

23 A I don't know. We have several people that do
24 that.

25 Q You don't know. You're the president of the

1 company and you don't know who's responsible for
2 purchasing? If you want to purchase something, who do you
3 go to? You just said you don't do purchasing, so if you
4 want to buy something, who do you go to?

5 A I don't go to anybody. I really don't purchase a
6 lot.

7 Q You never need to purchase anything? If you
8 wanted a new calculator for the desk, who would you go to?

9 A I don't purchase things.

10 Q You do not know -- you're the president of this
11 company and you don't know who you would go to to purchase
12 things?

13 MR. JACOBI: He's answered the question five
14 times so far, and incredulity, yours, is not going to show
15 up on this tape because it's going to be typed.

16 Do you care to amend your answer in any way?

17 THE WITNESS: No.

18 MR. JACOBI: Okay.

19 BY MS. VAN CLEAVE:

20 Q So you do not know who's responsible for
21 purchasing and do I understand you to say that you were not
22 responsible for purchasing? You communicated with Ramrod
23 and Lumitech, but you were not responsible for the
24 purchasing; is that correct?

25 A I do not know if I signed the purchase order. I

1 communicated to the point where we could potentially buy
2 this tritium.

3 Q Who made a decision as to what quantities to
4 purchase the tritium?

5 A It was possibly a corporate decision.

6 Q Do you know?

7 A No.

8 Q You don't recall who made the decision?

9 A I don't recall.

10 Q You don't know how the figures would get from
11 one, maybe we need this much, to the paperwork and to the
12 actual order?

13 A No, I don't.

14 Q When you sign the purchase orders, do you look at
15 them?

16 A Sometimes.

17 Q Who else can sign purchase orders besides
18 yourself?

19 A Patricia.

20 Q Is there anyone else that can sign purchase
21 orders?

22 A I don't believe so.

23 Q Were you familiar with IWI's New Mexico
24 possession license?

25 A Not very familiar, no.

1 MR. JACOBI: Speak up, Dave.

2 THE WITNESS: Not very familiar.

3 BY MS. VAN CLEAVE:

4 Q Were you aware that that license only authorized
5 tritium from SRB Technologies?

6 A At some point in time, I'm sure I became aware of
7 that. To my knowledge, that license allows us to handle
8 tritium.

9 Q It's a possession license.

10 A Right.

11 Q Right. But prior to June when I believe you said
12 that you thought you perhaps ordered the initial -- you
13 being IWI -- ordered the initial tritium from South Africa,
14 were you aware that the possession license only authorized
15 SRB Technology tritium?

16 A No, ma'am.

17 Q Do you have any idea when you became aware of
18 that?

19 A As I had stated earlier, the more we're involved
20 in this, the learning curve has gone up dramatically. It's
21 very hard for me to put dates and times and people and
22 occasions together to piece this thing. I am still
23 learning about the intricacies of the NRC and how to get
24 this amendment process performed, and again, it has been a
25 gross learning curve.

1 Q So were you aware before June -- let me rephrase
2 that.

3 When did you become aware that the New Mexico
4 license -- I think that's what I asked -- authorized the
5 possession of only SRB Technologies tritium?

6 A I'm not sure when that was.

7 Q You don't recall?

8 A No.

9 Q Did you take any steps to amend the New Mexico
10 license?

11 A Yes. We sent --

12 MR. JACOBI: She's asking if you did. Are you
13 asking if IWI did or --

14 MS. VAN CLEAVE: No, I'm talking about him
15 personally.

16 MR. JACOBI: Him personally. Did you personally
17 do anything?

18 THE WITNESS: I don't recall. All as I recall
19 paperwork was sent to Santa Fe concerning the environmental
20 license.

21 BY MS. VAN CLEAVE:

22 Q So someone at IWI --

23 A Yes.

24 Q -- did take some steps to amend the New Mexico
25 license; is that correct?

1 A Yes.

2 Q Do you recall when that was?

3 A No, I don't.

4 Q Has your license been amended?

5 A Yes, it has.

6 MR. JACOBI: Referring to the New Mexico license.

7 MS. VAN CLEAVE: New Mexico, yes, New Mexico.

8 BY MS. VAN CLEAVE:

9 Q It has been amended?

10 MR. JACOBI: Is that a yes, Dave?

11 THE WITNESS: Yes, yes.

12 BY MS. VAN CLEAVE:

13 Q Did you take any steps to also amend the NRC
14 license to include distribution of tritium received from
15 Lumitech or Ramrod?

16 A Yes, I have.

17 Q What steps have you taken?

18 A I have, through the consultant, Mr. Casner,
19 supplied the NRC with the paperwork that they required on a
20 continuing basis to rectify this license amending process.

21 Q Do you know what specifically has been provided
22 to the NRC? Now I'm talking only about this Lumitech-
23 Ramrod situation on the tritium. Do you know specifically
24 what's been provided to the NRC regarding that?

25 A Yes, I do, pretty much.

1 Q What is it?

2 A All the questions that Ms. Greene's office has
3 asked us to answer, plus all the questioning on the line of
4 is the Lumitech tritium equal to the SRB tritium, and
5 substantiate that with documentation from Lumitech to
6 substantiate, and I provided that information to them.

7 Q Do you recall when the issue initially came up
8 with the NRC regarding the Lumitech or Ramrod tritium?

9 A No, I don't.

10 Q Maybe the summer, fall? Can you give me a
11 season?

12 MR. JACOBI: We're laughing because Ms. Wilson's
13 testimony acknowledging -- I may do this, may I not?

14 MS. VAN CLEAVE: Sure.

15 MR. JACOBI: -- acknowledging that her memory for
16 dates is less than perfect, the questions had to do with
17 general seasons. So without being sarcastic, because they
18 didn't think it was, I'm trying to --

19 THE WITNESS: Well, I would imagine that it was
20 probably spring, summer seasons because I had come back
21 from Africa in April and had not purchased anything, struck
22 up this relationship. I would think that it was possibly
23 spring, summer.

24 BY MS. VAN CLEAVE:

25 Q Do you recall if the initial discussion with NRC

1 regarding the tritium from this South African source was
2 verbal or if there was a request or a mention of it in
3 writing?

4 A I did not have an initial discussion with the
5 NRC.

6 Q So would it have been in writing then after your
7 consultant? Do you think that's the initial -- to your
8 knowledge.

9 A To my knowledge, everything has -- to the best of
10 my knowledge, everything that is handled through the NRC is
11 handled through our consultant/lobbyist.

12 Q Okay

13 A Someone, and I don't know who this is, had
14 basically said that it would be a good idea if you hired a
15 consultant to handle these NRC problems. That's the way
16 things need to be done. I don't know who told me that.
17 And therefore, we went out and hired ourselves a consultant
18 based on someone from the NRC's recommending that.

19 Q Does Mr. Casner have any background -- I'm just
20 curious -- with dealing with the NRC?

21 MR. JACOBI: I asked the same question last
22 night.

23 THE WITNESS: I don't know that.

24 MR. JACOBI: I can give you the answer I was
25 given. No. He seems to be a general lobbyist, as I

1 gathered.

2 MS. VAN CLEAVE: I'm just wondering. I never
3 heard the name, but that doesn't mean anything, of course.

4 MR. BOAL: How were you put in contact with Mr.
5 Casner?

6 THE WITNESS: There is a gentleman that works
7 here and he had said that, "He is an associate who handles
8 these types of concerns with other governmental agencies.
9 He is a lobbyist. If you would like, I can give you his
10 name and number and you can contact him." That's the way
11 we first contacted Mr. Casner. I had never met him before,
12 never heard his name before, didn't know who he was.

13 Met the gentleman once and now we do business
14 over the fax and the phone and through writing, and he
15 delivers to whoever Susan Greene is.

16 MS. VAN CLEAVE: Okay.

17 THE WITNESS: And I've also heard a name of
18 Patricia Santiago. I don't know who that is either, but
19 I've seen that name before, too.

20 MS. VAN CLEAVE: That's Susan's boss now.

21 THE WITNESS: Okay.

22 MR. JACOBI: Susan Greene's boss?

23 MS. VAN CLEAVE: Yes.

24 BY MS. VAN CLEAVE:

25 Q Do you know how many shipments of tritium you've

1 received from South Africa?

2 A No, I don't. I believe it to be one, but I don't
3 know that.

4 Q Who decides when to order tritium?

5 A Based on inventory.

6 Q And who looks at the inventory and makes that
7 decision?

8 A Patricia is better versed and handles the
9 inventory and the tritium supply. I don't concern myself
10 with that.

11 Q Have you sold any night sights with inserts from
12 Lumitec^h or Ramrod?

13 A To my knowledge, no.

14 Q Or any other source of any other tritium inserts
15 other than SRB Technologies?

16 A To my knowledge, no.

17 Q I have a letter, I guess it's to the NRC, I think
18 it was to Susan, from you that was dated July the 17th, and
19 you said here, "Some of the South African tritium has
20 already been matched and could possibly be mixed in with
21 existing SRB tritium."

22 Do you recall that?

23 A May I?

24 Q Sure.

25 A Yes.

1 MR. JACOBI: Yes what?

2 THE WITNESS: Yes, I do recall that.

3 MR. JACOBI: Okay.

4 BY MS. VAN CLEAVE:

5 Q Can you tell me what that sentence meant? Did
6 you write this letter?

7 A Yes, I did.

8 Q "Some of the South African tritium has already
9 been matched and could be mixed in with existing SRB
10 tritium."

11 What did that mean when you wrote that? What did
12 you mean by that?

13 A To my knowledge, when tritium is brought in, what
14 personnel do is match the tubes for consistent intensities.
15 That is what we call matching. In other words, from what I
16 have seen, there are inconsistencies in brightness no
17 matter whose product you go after, whether it be
18 Meprolight, Trijicon or ours.

19 That's a function of the tritium. So if you have
20 a sight that has a brighter dot on this side than it does
21 on this side --

22 MR. JACOBI: Indicating left from right?

23 THE WITNESS: Right. Indicating left and right
24 of the sight, the shooter picks it up and it does not
25 appear -- it's not a professional job. So therefore, what

1 you want to do is match those intensities to make sure that
2 they look identical.

3 From the way the tritium is received, it's
4 inventoried and matched immediately because that's a timely
5 process. You have to pick each one up and take it in the
6 dark room and look at it.

7 BY MS. VAN CLEAVE:

8 Q Who does that?

9 A The gals in the back.

10 Q What do you mean by the gals in the back?

11 A There's three gals in the back that match the
12 tritium.

13 Q Are they the same ones that insert the tritium
14 into the sights?

15 A Yes.

16 Q Who are they?

17 A Beverly used to, Audrey does, Peggy does, and --
18 those three.

19 Q Okay. So when the tritium comes in, they match
20 them to find two that are the same. Is that what you said?

21 A To see that they're the same intensities.

22 Q Right. Two that match?

23 A Right.

24 MR. JACOBI: Is it the idea to find two that
25 match?

1 THE WITNESS: Right.

2 MR. JACOBI: So you go into -- they go into this
3 dark room carrying more than two?

4 THE WITNESS: Yes.

5 MR. JACOBI: And they hold up to eyesight two
6 until they find two that match?

7 THE WITNESS: Believe it or not, yes.

8 MR. JACOBI: Okay. It's a freaky way to do it.

9 THE WITNESS: Well, until I got a machine here
10 that could do it much better than the human factor, I don't
11 know another way to do it.

12 MR. JACOBI: Is there a machine that does this
13 now?

14 THE WITNESS: They tell me that there is and
15 hopefully in the future, I can afford it, but I certainly
16 can't afford to have people pick each and every one up and
17 match it.

18 MR. JACOBI: Seems rather inefficient.

19 THE WITNESS: Yes, it is.

20 BY MS. VAN CLEAVE:

21 Q So they go into this dark room and they do this.

22 Now, what do they do? Do they put each two that
23 match in a little baggie?

24 A There is -- I've never done the process.

25 Whenever they are done, I've seen the results.

1 Q Well, that's what I'd like to know. Are they in
2 bags or are they in little slots? I mean, how do they
3 ensure that these two stay together?

4 A There is two-sided tape. You go like this, and
5 then match the other one, and after that, I've seen baggies
6 back there myself. I don't know what phase that's in, but
7 in order to match them, you need to keep them together.

8 Q Okay. So after they match them, what do they do
9 with the tritium?

10 A Insert them into the PVC capsules.

11 Q Do they do that before they have the gun sights
12 ready? Is that something that they do and then --

13 A Yes.

14 Q -- and then put all these back somewhere?

15 A Yes.

16 Q Where do they put them after that?

17 A In a vault in the room.

18 MR. JACOBI: What's a PVC capsule?

19 THE WITNESS: It's the white tube that surrounds
20 the glass tritium vial. I don't know the technical term.

21 I call it PVC because that's what it looks like. It looks
22 like a small --

23 MR. JACOBI: Okay.

24 THE WITNESS: -- small PVC.

25 BY MS. VAN CLEAVE:

1 Q The tritium then comes in and these three women
2 match it up, put it on two-sided tape, then they put it in
3 PVC, and do they put it back on two-sided tape, I mean, to
4 ensure those two stay together?

5 A I believe they do.

6 Q And then after they do that, you said they put it
7 back in the safe? Is that what you called it?

8 A Right. There's a vault or a safe, much like
9 this.

10 Q In the back. Who has access to that?

11 A The sight room gals.

12 Q Is that a combination lock on there --

13 A Yes, it is.

14 Q -- on the one back there in the back --

15 A Yes, it is.

16 Q -- or is it a keyed lock? It's a combination?

17 A It's a combination.

18 Q Who has the combination?

19 A Audrey has it and I believe Patricia has it.

20 Q Do you have it?

21 A No.

22 Q Have you ever had it?

23 A I have never opened that vault.

24 Q Have you ever had the combination?

25 A I don't believe I have.

1 Q You've never opened it though?

2 A I've never opened it.

3 Q And you don't recall if you've had the
4 combination in the past?

5 A It could have been given to me, but I have no
6 need to open it. I don't do that for a living.

7 Q So you have never opened that vault?

8 A I have never opened it.

9 Q When you wrote this letter which is dated July
10 the 17th, what led you to make this statement that some has
11 been matched and could be mixed in with existing SRB
12 tritium? Had you spoken with someone about it?

13 A Well, when it came in, I didn't know how far
14 along we were, and obviously, there was a potential problem
15 here with the NRC concerning the African tritium. With
16 that in mind, I would stop everything until we found out
17 this was separate from the Canadian tritium and let's not
18 ship or produce anything until we know that it's separated.

19 Q Had you spoken to anyone about what the status
20 was of the South African tritium?

21 A Unfortunately, I shut the place down at that time
22 frame because I did not know if -- I did not know if it had
23 been or -- I wanted to make sure that we didn't ship any
24 out, and until I could discern that, I wasn't going to ship
25 any product.

1 Q Well, you said down in the next paragraph,
2 "Because there is no way to determine if the South African
3 vials have been inserted and shipped," what did that mean?

4 A There was no way for me to determine that. I
5 couldn't tell you if they were mixed. I don't do that
6 inventory and I wanted to be totally clear that until I
7 know that this is Canadian and this is African, let's just
8 not do anything.

9 Q And your sentence continues, "We are stopping all
10 production until we can obtain approval to insert and ship
11 South African tritium."

12 What did that mean?

13 A Hopefully, the amendment process would allow us
14 to do South African tritium, at which time we could do
15 insertion and ship that type of tritium.

16 Q How long were you closed down?

17 A Possibly a week.

18 Q Approximately a week? Now, your sentence here
19 that says, "There is no way to determine if South African
20 vials have been inserted and shipped," did you subsequently
21 find some way to determine if that had happened?

22 A When Pat had returned from vacation, she had
23 known what Canadian tritium was there and basically that
24 the two were separated at that point. I don't match, I
25 don't put them in PVC, I needed to, you know, make a

1 decision to not do anything until we could be totally sure
2 that the African product was over here and the Canadian
3 product was over here. That's the only way that I could do
4 it rightfully.

5 Q So are you saying you didn't know if there had
6 been --

7 A I don't know if any were mixed. I don't know
8 that.

9 Q When did she come back from vacation? Was it
10 during the week you were shut down or was it prior to that
11 or after that?

12 A She was -- I shut down when she wasn't here, so
13 she had to come back after I shut it down.

14 Q And what did you do then? Did you take some
15 steps to talk to her and try to determine where the South
16 African tritium was?

17 A She said that she would handle the separating
18 problem of the Canadian to the South African, and when she
19 was totally sure that this is Canadian and this is South
20 African, then we started production again.

21 Q What did she tell you?

22 A She said that the Canadian tritium was separate
23 from the African tritium.

24 Q Did she said it had always been separate or that
25 she subsequently --

1 A I don't know that.

2 Q -- separated it?

3 A I don't recall that.

4 Q Did you or she or anyone else here, to your
5 knowledge, do an inventory of the tritium that was on hand
6 at that time?

7 A I don't know that either.

8 Q You have said that IWI did not sell, to your
9 knowledge, any tritium inserts from South Africa.

10 Do you know that for a fact? I mean, do you know
11 if all that South African tritium is here?

12 A No, I don't. Again, I don't inventory. I don't
13 do that.

14 Q Well, I understand, Mr. Gregor, but you're the
15 president of the company and you have made these statements
16 here. I'm just trying to determine what steps you took to
17 ensure that none had been shipped or that none would be
18 shipped in the future.

19 I'm not saying that I expected you to go out and
20 physically count. I'm just trying to determine what steps
21 you, as the president, took.

22 A Patricia, because of her involvement in that, she
23 told me that the separation, the Canadian and the African
24 tritium was separate, and that's the product that we had
25 been shipping from that point on. I did not count it, I

1 did not separate it, I did not open the vault. I didn't do
2 any of that.

3 Q Did you ask anyone else to do any of those
4 things, count it?

5 A No, I didn't.

6 Q Do you know if there was a count done?

7 A No, I don't.

8 Q You don't know then if the inserts had always
9 been kept separate. Is that what you said? Or if they
10 were subsequently separated out? Is that what you said?

11 A Being not familiar with the matching and the
12 process that they do there, but knowing that a shipment
13 from Africa had come in, I just wanted to make sure, until
14 somebody who really does do that and knows about that,
15 could separate that product and that's why I shut it down
16 until Patricia got back, because she's aware of those
17 things.

18 Q So who do these three women report to, Audrey and
19 Beverly --

20 A Pat.

21 Q Pat is --

22 A Right.

23 Q -- the person they deal with?

24 What about night sights that had already been
25 packaged and were ready to be shipped at that time? Did

1 you know whether any of those contained South African
2 tritium?

3 A No.

4 Q Did they go ahead and leave? Were they shipped
5 out?

6 A To my knowledge, no.

7 Q What did you do with them?

8 A With what?

9 Q The ones that were packaged and ready to be
10 shipped out, the sights.

11 A Of Canadian tritium?

12 Q No, I don't know. That's what I asked you. Did
13 you know if they were South African or SRB?

14 A The ones that were packaged to be shipped out,
15 we're sure that it was Canadian tritium.

16 Q How did you know that?

17 A Because prior to the African shipment coming in,
18 everything in there was Canadian.

19 Q Right. But we don't know exactly when the South
20 African tritium came in. We have an invoice from Ramrod
21 dated June the 6th of 1995. Your letter of July the 17th
22 indicates that it had come in by then because it says,
23 "Some of the South African tritium has already been
24 matched."

25 A Why I probably put that in there was for test and

1 evaluation purposes on South African tritium for NRC
2 amending procedures.

3 Q No, I didn't understand that. What did you mean
4 by that?

5 A We all know that we want to get our license
6 amended.

7 Q Yes, we do know that, right.

8 A That's pretty clear. The NRC had said that in
9 order to get this amendment done, we need to test and
10 evaluate the African tritium to ensure that it meets the
11 specifications of the Canadian tritium.

12 And if, in fact, the two tritium sources are
13 identical, and if you do the testing, the amending process
14 should go as planned.

15 Q Who told you that?

16 A I am sure that that was -- no, I'm not sure.
17 Probably Bruce Casner through communications with the NRC.
18 Again, I communicate through a lobbyist now.

19 Q Can we find out when Mr. Casner was initially
20 hired by IWI? That might give me at least some --

21 A I'm sure we could by the first check that we
22 wrote.

23 MR. JACOBI: Do you want to find out right now?

24 MS. VAN CLEAVE: All right. Let's go off the
25 record for a minute. We'll take a break. I could use a

1 break anyway.

2 (Recess)

3 MS. VAN CLEAVE: Back on the record. We're back
4 on the record after a break to stretch our legs, and it's
5 approximately 3:48 p.m. We were also trying to determine
6 when IWI entered into an agreement with Mr. Casner and we
7 were unable to determine that, and hopefully we will find
8 that out at a later time.

9 MR. JACOBI: Well, we were unable to determine it
10 because the people from whom it could be determined are not
11 here, not because we couldn't determine that.

12 MS. VAN CLEAVE: Well, we couldn't determine it.

13 MR. JACOBI: Because nobody is here. It's
14 determinable.

15 MS. VAN CLEAVE: Okay. Hopefully we will
16 determine that later.

17 BY MS. VAN CLEAVE:

18 Q We were discussing, I think, the discussions that
19 Mr. Casner had with the NRC regarding the alternate source
20 of tritium, Ramrod or Lumitech, and I was going to ask you
21 and I will ask you, but I'm not sure, without a date of
22 when Mr. Casner came in, do you know whether or not IWI
23 discussed that subject with the NRC prior to your hiring
24 Mr. Casner?

25 A No, I don't know that.

1 MR. JACOBI: Speak up, Dave.

2 THE WITNESS: No, I don't know that.

3 BY MS. VAN CLEAVE:

4 Q Did you personally discuss that with anyone in
5 the NRC?

6 A No.

7 Q Does IWI now have a written agreement with
8 Lumitech or Ramrod?

9 A No, ma'am.

10 Q Have you purchased any tritium from anyone other
11 than Lumitech, Ramrod, or SRB Technologies?

12 A To my knowledge, no.

13 Q Do you know when the last shipment of tritium was
14 received from SRB Technologies?

15 A I'm stuck on that June time frame. To the best
16 of my knowledge, that's when that occurred.

17 MR. JACOBI: We're talking about the last
18 shipment from SRB?

19 MS. VAN CLEAVE: SRB.

20 THE WITNESS: Oh, SRB? Oh, no. No, I don't know
21 that.

22 MR. JACOBI: So you're amending your answer.

23 THE WITNESS: I was referring to Lumitech's
24 order. I'm sorry. SRB? No, I don't know that.

25 BY MS. VAN CLEAVE:

1 Q Do you know if you or anyone at IWI attempted to
2 purchase any tritium from SRB Technologies since -- I was
3 here in June of 1995 and I was provided some invoices from
4 SRB Technologies. The last one was dated February the
5 15th, 1995.

6 A Okay.

7 Q Have you attempted to purchase any tritium from
8 SRB Technologies since that time?

9 A Yes, I have.

10 Q What was the result of that attempt?

11 A I had sent them a letter and said that -- I
12 explained to them that I would like to begin purchasing
13 again, could you please quote me price and availability,
14 and they certainly did and it was a thousand percent
15 increase with a big delivery schedule.

16 MR. JACOBI: Big meaning the length?

17 THE WITNESS: A long -- in other words, it
18 wouldn't be relatively quick. I forget the exact date. I
19 do know that the price was a thousand percent more than
20 what we were used to paying.

21 MR. JACOBI: Are you using a thousand percent as
22 a hyperbole and as an actual amount?

23 THE WITNESS: I believe we were initially paying
24 86 cents. He came back with a quote of \$10 and something
25 per tube. It's probably not a thousand percent, but it's

1 grossly --

2 MS. VAN CLEAVE: It's much higher. Okay.

3 MR. JACOBI: Close to a thousand percent.

4 BY MS. VAN CLEAVE:

5 Q Did you purchase any anyway even --

6 A No.

7 Q -- given that price? No?

8 And you said earlier that you believe you had
9 only received one shipment of tritium from Lumitech or
10 Ramrod; is that correct?

11 A To my knowledge, that's correct.

12 Q What is your supply of tritium now, do you know?
13 Is it low?

14 A I'm sure it is. Again, not doing that, I'm sure
15 it's low. We're getting down to -- how low? I don't know.
16 Again, Pat's involved with the inventories, but I'm sure
17 it's just a matter of time.

18 MR. JACOBI: What's just a matter of time?

19 THE WITNESS: Until we exhaust the Canadian
20 supply.

21 BY MS. VAN CLEAVE:

22 Q What will you do at that point?

23 A Probably close business --

24 MR. JACOBI: And maybe sue the NRC for not
25 amending the license on time.

1 THE WITNESS: I'm sorry. Not probably close
2 business. We will have to shut our doors completely. We
3 will have to.

4 BY MS. VAN CLEAVE:

5 Q What percentage of IWI's business is the sale of
6 night sights?

7 A A large, large percentage. Even though I told
8 you that I am the gunsmith and I work on guns daily, that
9 may only account, even though I am busy daily working on
10 guns, that may only attribute to four or five percent of
11 the total value of IWI. This building would be a little
12 bit too big for Dave to continue to just work on guns.

13 Q Are you saying that the remaining 95 or 96
14 percent is the sale of night sights?

15 A I have never broken it out accordingly. I don't
16 know that, but the largest part of this business is the
17 tritium night sight business.

18 Q Is there anything else besides the sale of
19 tritium sights and your gunsmithing? Does IWI have any
20 other interests to bring in income?

21 MR. JACOBI: IWI or the parent?

22 MS. VAN CLEAVE: No, IWI of New Mexico.

23 THE WITNESS: To my knowledge, no.

24 MS. VAN CLEAVE: Okay.

25 MR. JACOBI: And so the record is clear, and I'm

1 not making a speech at this point, maybe Mr. Shapiro and
2 his friends will start listening to what I am saying. They
3 don't call me back anymore. Mr. Shapiro, Daryl Shapiro,
4 promised me that, more than four weeks ago, that he would
5 investigate for me and get back to me the next day as to
6 what the status of this amended license was.

7 I have placed more than 30 phone calls to him
8 since then.

9 MS. VAN CLEAVE: Would you like me to tell you
10 the status that I was told yesterday?

11 MR. JACOBI: I'd be happy to, but I also would
12 like Mr. Shapiro to have the courtesy to tell me. What is
13 the status as of yesterday?

14 MS. VAN CLEAVE: Now, you understand this is what
15 I was told.

16 MR. JACOBI: Not quoting it as fact other than
17 somebody told you and you were telling me.

18 MS. VAN CLEAVE: I don't have anything to do with
19 the license.

20 MR. JACOBI: Understood.

21 MS. VAN CLEAVE: I spoke with Doug Broaddus
22 yesterday.

23 MR. JACOBI: Who is Doug Broaddus?

24 MS. VAN CLEAVE: He is in sealed source and
25 device review.

1 MR. JACOBI: Okay.

2 MS. VAN CLEAVE: And he said that it was his
3 understanding that the initial thing to be done from the
4 NRC viewpoint was to check on the tritium, to try to get
5 that straight rather than the rest of the license. There
6 are some problems with the sales of gun sights and they are
7 trying to amend the types of gun sights they can sell.

8 MR. JACOBI: I understand.

9 MS. VAN CLEAVE: But that was supposed to be
10 assigned to someone, probably him, and he does not know how
11 long that's going to take, but he said that Mr. Casner had
12 just last week brought in the final, what they hoped to be
13 the final document, on the amendment request, all the
14 information that was requested by the NRC.

15 MR. JACOBI: Well, you were right. I'm not going
16 to quote you on it because I have no idea what you just
17 said exactly other than some guy named Broaddus says I
18 don't know when I'm going to get an answer out.

19 MS. VAN CLEAVE: I know you're not very familiar
20 with the --

21 MR. JACOBI: I am familiar with the government.
22 I am also familiar, sad to say, and I'm not saying this
23 with any great adoration of government or any great
24 distaste for government, that right now, the United States
25 government in the person of the NRC is, maybe legitimately

1 or maybe not so legitimately, in a position to be putting
2 people out of work and closing this company down.

3 That may happen simply because somebody has
4 chosen not to move with the alacrity that citizens might
5 wish they had. And whether Mr. Broaddus did or not
6 communicate this to you and whether you understand it or
7 not yesterday, I am exacerbated to a fault with Mr.
8 Shapiro. I am not used to being treated quite with this
9 disdain.

10 I don't care about how people treat me. I care
11 about how people treat my clients. There will be a message
12 going off to Mr. Shapiro and to the NRC when I get back to
13 New York, not because of anything here, but because of what
14 you've just told me and further inaction about this,
15 advising the NRC that I intend to commence against them.

16 MS. VAN CLEAVE: Well, let me explain to you.
17 Mr. Broaddus is just an individual who does sealed source
18 reviews.

19 MR. JACOBI: I understand.

20 MS. VAN CLEAVE: He is not a supervisor or
21 anyone, but I understood that it was assigned to him, which
22 he told me it has not been, but that is why I asked him.

23 MR. JACOBI: My concern, and I say it with great
24 anxiety, is that it's very easy for things to fall into
25 cracks and I mean no malicious intent by the NRC or anybody

1 else. It's just floating out there and people's lives are
2 also floating out there.

3 And if this company closes down, which may or may
4 not become a fait accompli, when they run out of Canadian
5 tritium, when they run out, then the lease doesn't get paid
6 anymore and some girl named Audrey or Beverly, and somebody
7 doesn't buy milk and et cetera, et cetera, et cetera.
8 There's trickle up and there's trickle down. I'm very
9 distressed by this kind of thing.

10 So I've said my piece and it's for the record and
11 I hope Mr. Shapiro will refer to this record when it's
12 typed.

13 BY MS. VAN CLEAVE:

14 Q The sales of gun sights, do you have any dealings
15 with specific customers regarding the sale of gun sights?

16 A What types of customers?

17 Q Any customers.

18 A There are people that walk in the front door and
19 say, you know, do you -- can you put night sights on this
20 gun, and if the answer is yes, so yes, I do have dealings
21 with customers.

22 Q What about the large customers who purchase in
23 quantity? Do you handle any of those transactions?

24 A Yes. I do much the same service as I did with
25 Lumitech and Ramrod in that get this to a certain point and

1 then business will run its course. So yes, the larger
2 ones, we don't have that many. There's probably only a
3 couple, but if you call them large, that's -- we're not the
4 Meprolights or the Trijicons, so our large is their
5 pittance.

6 Q What was your understanding from the NRC license,
7 if you had an understanding, as to what type of night
8 sights IWI was authorized to distribute under that license?

9 A Again, as the learning curve has gone up,
10 whenever I initially worked here, we put sights on
11 virtually anything that came in the door, and with that in
12 mind, that is what I had thought that we were allowed to
13 do.

14 This is a tritium night sight company. The terms
15 min and max tolerances had been -- I had written on those,
16 and it seems to me that that's what the NRC was totally
17 intent about, and Ms. Greene, through, I'm sure, Mr.
18 Wilson, had said in order to do this amending process, you
19 have to be more generic. You have to be more non-specific.
20 You have to -- a sight is a sight and a tube is a tube and
21 we're concerned about a min/max tolerance and I don't care
22 what the sight looks like. I don't care.

23 That's the understanding that I had and
24 therefore, that's the way that we proceeded to rewrite the
25 amending procedure to be all-encompassing, to be more what

1 the NRC wanted. Does that mean that I did it perfect?

2 Probably not, but I took my best whack at it.

3 Q Okay. But that's going to be the amendment on
4 the license, but what about the license as it stands now,
5 which it has not yet been amended as we have been
6 discussing? What is your understanding of the license now
7 as far as what IWI can distribute for night sights?

8 A Again, that license is so ambiguous to me, I do
9 not understand that license. I truly don't understand that
10 license.

11 Q What is IWI selling, do you know?

12 A Tritium night sights. Tritium night lights for
13 rifles, handguns, pistols.

14 Q For anything? Any kind of weapon?

15 A Yes. To my knowledge, yes.

16 Q Mounted or unmounted?

17 A I don't understand that mounted or unmounted. I
18 don't know what that means. Mounted -- what does mounted
19 mean?

20 Q On the weapon.

21 A We do that.

22 Q What about unmounted, loose, sight sets?

23 A I would assume that we could do that, too. We
24 did that prior to.

25 Q Prior to what?

1 A Prior to -- well, since IWI was in business, they
2 used to sell gun sights.

3 Q The license lists nine. It says up here, "The
4 following apply to removable sights manufactured by the
5 licensee," being IWI, and then it cites Colt, Glock, Sigs.
6 "The following apply to removable sights manufactured by
7 the OEM, original equipment manufacturer, Smith & Wesson."
8 And those are listed, removable sights.

9 Then at the front it talks about weapons
10 identified where the licensee has mounted the sources onto
11 the weapons, meaning the sights are on the weapon, on the
12 slide. And these others are listed separately as being
13 removable sights.

14 Did or does IWI sell removable sights that are
15 not listed on the license?

16 MR. JACOBI: If you don't know the answer to this
17 question, please say so.

18 THE WITNESS: I don't know the answer because I
19 don't know what these numbers, what they mean, models G, C,
20 F-003, and a whole list. I don't know what that means;
21 therefore, I don't know the answer.

22 BY MS. VAN CLEAVE:

23 Q Who at IWI would know the answer to these things?

24 A I believe that that initial license was generated
25 through Mr. Mowry.

1 MR. JACOBI: No. The question is, who at IWI
2 would know today or since January of this year, if sales
3 are being made, other than as set forth -- relating to
4 items other than as set forth in this license? Isn't that
5 what you're asking?

6 MS. VAN CLEAVE: Yes. I understand Mr. Mowry was
7 the former president, but I'm talking about now.

8 MR. JACOBI: And so do we.

9 THE WITNESS: I don't know if anyone here truly
10 understands that. I certainly don't.

11 MR. JACOBI: No, that's not the question either.

12 THE WITNESS: Okay.

13 MR. JACOBI: If I'm using the wrong name, forgive
14 me because I don't know anything about guns, but I don't
15 see the name Beretta on this. I assume Beretta is not
16 manufactured or listed on any of these. If I walked in
17 here into this office with a Beretta and I say, "Please put
18 a night sight onto it," do you know whether that night
19 sight would be put onto my gun? Is it a gun? Whatever it
20 is. Onto my Beretta.

21 If you do not know, say so.

22 THE WITNESS: Do I know --

23 MR. JACOBI: Do you know whether anybody has put
24 a night sight on a Beretta?

25 THE WITNESS: Yes.

1 MR. JACOBI: Yes what?

2 THE WITNESS: Yes, we have.

3 BY MS. VAN CLEAVE:

4 Q I guess what I really want to know is, who makes
5 the decisions as to whether or not IWI can and/or will put
6 night sights into a specific sight, either existing sight
7 or a new sight on a weapon.

8 Who makes that decision whether or not it would
9 fall within the NRC license?

10 A Again, with all these model numbers, sights are,
11 in your mounted and non-mounted, the terms to me are
12 ambiguous, much like the license. Gun sights can be taken
13 on and off of guns.

14 Q I understand.

15 A Much as tires can be taken on and off of
16 vehicles. I would certainly hope that the vehicle that I
17 bought had tires, but that doesn't mean that. So I look at
18 gun sights -- and again, I'm not understanding the
19 terminology -- mounted and unmounted, our business is to
20 sell gun sights.

21 Gun sights can be put on the gun or I can have
22 you put them on the gun. I'm assuming that we can do that.

23 Q Why are you assuming that?

24 A It's been my understanding that we can do that.

25 Q From whom?

1 A That I don't know. That's just an assumption
2 that I have.

3 Q The license starts out saying mounted, sources
4 mounted onto the weapons. The next section says, "The
5 following applies to removable sights manufactured by the
6 licensee."

7 So there's a distinction here between mounted and
8 removable or mounted and unmounted, depending on -- this
9 actually says mounted and removable.

10 You don't feel that there is a distinction?

11 A One way to -- when it says what you just said,
12 sources mounted, one way that one could view that is, this
13 tritium source needs to be mounted in that gun sight.

14 Q Well, it says on weapons, though.

15 A But it says sources mounted to gun sights,
16 doesn't it?

17 Q It says, "The licensee has mounted sources onto
18 weapons," not sights.

19 A Okay.

20 Q You're shaking your head.

21 A I can't answer that.

22 Q You did not see -- I'm asking you, do you see a
23 distinction between where it says mounted onto weapons and
24 then it says removable sights manufactured by the licensee,
25 IWI being the licensee?

1 A Again, with all the model numbers and things that
2 are listed there, it becomes ambiguous to me. Maybe to
3 this model, you could do it, but to this model you can't,
4 and to this model you can, and to this one you can't, and
5 it's ambiguous. I don't know the answer to that.

6 Q Well, you're the president of IWI. Let me ask
7 again.

8 Who at IWI would decide what they believed would
9 be in compliance with the NRC license and whether or not if
10 I come in as a customer that IWI will put tritium inserts
11 into sights that I may have? Who would make that decision?

12 A Again, to my knowledge, what we could do -- and I
13 don't know, this is to my knowledge -- what we could do is
14 put tritium into sights to sell as gun sights. That is the
15 assumption that I made whenever I became involved in this
16 company because it was done before.

17 Q Did you know that Mr. Mowry had problems with the
18 NRC?

19 A I didn't know what the problems were, but I
20 assumed he had problems.

21 Q Why would you assume that?

22 A From hearing people talk.

23 Q Mr. Mowry has had a black book, and Patricia
24 Wilson and I have talked about that, with the NRC license
25 and some other things in there and it was left here.

1 Did you ever review that black book?

2 MR. JACOBI: What black book?

3 MS. VAN CLEAVE: Oh, it's just a book.

4 MR. JACOBI: A physical book that was black?

5 MS. VAN CLEAVE: Yeah, um-hum, that has the --

6 Ms. Wilson referred to that.

7 MR. JACOBI: Okay.

8 MS. VAN CLEAVE: That has the NRC license in it

9 and some communications with IWI.

10 THE WITNESS: I've seen that book.

11 BY MS. VAN CLEAVE:

12 Q You have seen that? Did you review the documents
13 contained in it?

14 A If we're speaking of the same book, that book is
15 probably this thick and it has regulations, also, in it,
16 which did I peruse every document in there? No, I haven't
17 read every document in there.

18 Q Did you read any of the correspondence, the
19 letters from the NRC to IWI?

20 A Yes, I have.

21 Q And were you aware of the specific problems that
22 IWI was having with the NRC?

23 A The specific problems, no.

24 Q Some of the letters, it's my understanding, in
25 that black book do reference some of the problems, though.

1 Is it your testimony that you didn't read those
2 letters?

3 A I did not read those letters. I had heard that
4 one of the complaints was for stamping of sights. I did
5 not read that letter. I had heard that. I think probably
6 Pat told me that, but I did not read the letter.

7 Q Who is actually in control of IWI?

8 MR. JACOBI: What does that mean?

9 MS. VAN CLEAVE: I'm trying to determine who
10 makes the decisions here, who decides what is going to be
11 sold, who decides what's going to be purchased.

12 MR. JACOBI: Okay, fair question.

13 THE WITNESS: Pat and I do.

14 BY MS. VAN CLEAVE:

15 Q And yet, if I misunderstood you, I believe you
16 said you didn't -- you don't believe you read the license
17 until perhaps June, guessing, approximately June of 1995.

18 MR. JACOBI: No, actually he didn't say that.

19 MS. VAN CLEAVE: What did he say?

20 MR. JACOBI: Well, you asked him when the first
21 time he read the license was and he said he didn't know.
22 Then you asked him was he aware of -- when did he become
23 aware that it was limited to -- there might be a problem in
24 holding South African tritium, and he said when he talked
25 to you in June.

1 But we never established from him when he might
2 have read it for the first time.

3 MS. VAN CLEAVE: Okay.

4 MR. JACOBI: But I don't dispute the implications
5 you want to draw from this, he hasn't read the license
6 until later on.

7 THE WITNESS: The license has been a lesson in
8 futility for me because I can't make heads or tails out of
9 it.

10 BY MS. VAN CLEAVE:

11 Q But when did you read it?

12 A I have read it off and on a lot and I still can't
13 make heads or tails out of it. The guidance that we had
14 through Mr. Casner was, let's rewrite this thing to make it
15 workable for you so you can compete with the other
16 companies.

17 Q But Mr. Casner, if I understand your testimony
18 correctly, was only hired within the last four or five
19 months; is that correct?

20 A I would have to wait and check with Pat and Ken
21 when the first check for his consultation fees was cut.

22 MR. JACOBI: But we think May or June was your
23 testimony.

24 MS. VAN CLEAVE: I believe you said -- yes. I
25 believe you said May or June and that would be four or five

1 months, and you've been the president, did you say, since
2 November of '94?

3 MR. JACOBI: Now wait a second, wait a second.
4 Subject to their reviewing and finding the contract, it's
5 my understanding that Casner has a three-month contract
6 with IWI, and this is the third month of it. Since this is
7 October, that would indicate, assuming it's a three-month
8 contract, that the first month was August.

9 MS. VAN CLEAVE: Well, we have a letter in here
10 from him dated in July --

11 MR. JACOBI: I know, but I don't know if that
12 means that he was employed at that point.

13 MS. VAN CLEAVE: Perhaps the contract was renewed
14 maybe?

15 MR. JACOBI: I don't know. We'll find out when
16 they get back.

17 MS. VAN CLEAVE: Okay.

18 BY MS. VAN CLEAVE:

19 Q So who was in control -- who was in control? Who
20 made these decisions before Mr. Casner was hired as a
21 consultant in May or June, whenever we determine that to
22 be? You were in place, Ms. Wilson was in place as
23 corporate officers.

24 Who was making decisions back then?

25 A We both were.

1 Q But did you ever read the NRC license to say this
2 is what we're supposed to be doing? This is what we're
3 authorized to do?

4 A Again, that license is ambiguous to me. With all
5 the model numbers, the way that it was initially written, I
6 don't understand that license. I don't understand that
7 license.

8 Q Did you take any steps to try to understand it?

9 A Yes, through communications with the NRC to try
10 and get it amended in such a way that we could work within
11 the system.

12 Q And when did you take those steps to communicate
13 with the NRC?

14 A I would imagine it was when Mr. Wilson was back
15 in Washington. I don't know when that time frame was, but
16 he had communications with some people back there to try
17 and alleviate the problems that we were having and to get
18 this rectified and changed so we could be competitive.

19 Q When Mr. Wilson came back from Washington, did
20 you have any discussions with him as to what the license
21 meant?

22 A I'm sure I did. What I remember from that was
23 start initiating a broader-based license, more generic,
24 more -- don't be specific. The min/max tolerances, give
25 min/max tolerances, but don't -- be generic in design.

1 Q I understand that, but that has to do with an
2 amendment of this license. Until that license is amended,
3 IWI is still working under this license right here.

4 A Yes.

5 Q So did you have any discussion as to what that
6 license meant, the license that IWI was authorized to sell
7 night sights under?

8 A I don't know if we did or not.

9 Q Then did IWI -- is it your testimony that IWI
10 sold night sights on any type of weapon?

11 MR. JACOBI: Not would they have. Did they.

12 BY MS. VAN CLEAVE:

13 Q Did they.

14 A Did they on any type of weapon?

15 Q Any type of weapon. I understood you to say all
16 you thought that the business was to sell night sights.

17 A Yes.

18 MR. JACOBI: He said that.

19 THE WITNESS: Yes.

20 BY MS. VAN CLEAVE:

21 Q So did IWI then sell night sights on any type of
22 weapon? Was there any prohibition as far as you were
23 concerned --

24 MR. JACOBI: Wait, wait, wait. That's a compound
25 question and the prohibition may not be the same thing as

1 did they.

2 MS. VAN CLEAVE: All right.

3 MR. JACOBI: Did somebody prohibit them from
4 selling, but did they sell to -- did you sell to anyone
5 which sale would have violated the terms of that license?

6 MS. VAN CLEAVE: That's not what I asked.

7 MR. JACOBI: I know it isn't, but that's what
8 you're asking without him understanding it.

9 BY MS. VAN CLEAVE:

10 Q Did IWI sell night sights, as far as you were
11 aware, on any type of weapon that people might bring in, or
12 were there -- it's still a compound question -- or were
13 there any prohibitions as to what could not be sold?

14 MR. JACOBI: Let's answer each question.

15 THE WITNESS: Okay.

16 MR. JACOBI: Did IWI sell -- I'm going to
17 rephrase it for you and you don't want me to.

18 MS. VAN CLEAVE: No.

19 BY MS. VAN CLEAVE:

20 Q Did IWI sell -- did IWI sell night sights on
21 various types of weapons? How about that?

22 A Yes.

23 MR. JACOBI: But that doesn't have anything to do
24 with this list.

25 MS. VAN CLEAVE: Just a minute.

1 BY MS. VAN CLEAVE:

2 Q Listed here are Smith & Wesson, Glock, Sigs and
3 Colts. That's listed here on page two of your NRC license.

4 Did IWI sell any night sights on any weapons that
5 were not listed here? These are the ones that I just
6 named.

7 MR. JACOBI: Let's take just manufacturers
8 because he keeps saying the numbers confuse him.

9 MS. VAN CLEAVE: Okay.

10 MR. JACOBI: Let's take those four --

11 MS. VAN CLEAVE: Well, the problem with that is
12 that some of these sights are manufactured by IWI to fit
13 Glocks.

14 BY MS. VAN CLEAVE:

15 Q Is that not correct, Mr. Gregor?

16 A Yes.

17 MR. JACOBI: So try and answer it the way it's
18 asked

19 THE WITNESS: One more time.

20 BY MS. VAN CLEAVE:

21 Q Okay. If I can repeat that.

22 Did IWI sell night sights on weapons other than
23 those listed here on page two?

24 A Again, with these numbering systems here, we have
25 sold sights for Smith & Wesson and Colt and Glock.

1 Q But other than those, how about Taurus, H&K?

2 A We could have.

3 MR. JACOBI: Did you, is the question.

4 THE WITNESS: We probably did, yes.

5 BY MS. VAN CLEAVE:

6 Q Now, do you know if the sights were mounted on
7 weapons or if they were unmounted? Loose, you know, the
8 little sight sets.

9 A No, I don't.

10 Q And who would know that?

11 A On those specific weapons?

12 Q No. I said other than these.

13 A I don't follow that.

14 Q Who would know what your sales have been as far
15 as -- on other weapons other than these listed here?

16 MR. JACOBI: Is Taurus a weapon? Is H&K a
17 weapon? I mean, is that a manufacturer?

18 MS. VAN CLEAVE: Yes.

19 MR. JACOBI: Who would know if IWI sold night
20 sights to or for a Taurus or an H&K weapon?

21 THE WITNESS: I'm sure we could pull the files.

22 MR. JACOBI: Do you know?

23 THE WITNESS: No. I don't do that. I'm sure if
24 we pulled the files, we could get you that question.

25 BY MS. VAN CLEAVE:

1 Q Okay. You don't do that. Who does?

2 A Sales department has work orders, accounting.

3 Q Was the sales department ever told or given any
4 parameters within which they could work, you can sell night
5 sights for these weapons and these have to be mounted or
6 anything like that?

7 A I don't know that.

8 Q Were they given any instruction by you?

9 A I don't believe so. Prior to becoming president,
10 we sold night sights. That was the business and that's
11 what we continued to do. The ambiguity of the license is
12 very confusing.

13 Q Are you familiar with sales to Miniature Machine
14 Corporation of Fort Worth?

15 A Somewhat.

16 Q Who handled those sales?

17 A Probably myself.

18 Q Who negotiated getting MMC as a customer?

19 MR. WILSON: You were looking for me?

20 MR. JACOBI: Do you want to go off the record for
21 a minute? This has to do with the Casner --

22 MS. VAN CLEAVE: Let me go ahead and finish this.
23 We can come back to that.

24 MR. JACOBI: Okay. We'll be right there.

25 MR. WILSON: Okay.

1 BY MS. VAN CLEAVE:

2 Q Who negotiated getting MMC as a customer?

3 A I believe Dale Kreisman called me and asked me if
4 he could insert or if we could insert for him and I said we
5 could, provided that minimum and maximum tolerances were
6 adhered to.

7 Q Where did you meet Mr. Kreisman?

8 A Probably at the SHOT show.

9 Q The one we've been talking about in Las Vegas?

10 A That's right.

11 Q What was your understanding of MMC's business?
12 What do they do?

13 A They sell sights.

14 Q Who manufactures those sights?

15 A They do.

16 Q What was it that Mr. Kreisman wanted IWI to do?

17 A To provide the tritium inserts for his line of
18 sights.

19 Q And how would that work?

20 A He would machine the sights to the dimensions
21 that we have to adhere to. They would be sent up here, we
22 would do the insertion, and then send them back.

23 Q And did that take place?

24 A Yes, it did.

25 Q Did you believe that those sights would be

1 covered under IWI's NRC license?

2 A Yes, I did.

3 Q Why did you believe that?

4 A Because that was done in the past with some other
5 companies and I assumed that that was allowable.

6 Q What do you mean? What other companies?

7 A I believe it was done in the past with Millett.
8 I had heard we had done things with Wilson. I had heard
9 that. I don't know that. Again, I'm assuming that.

10 Q When you say things, you mean where these
11 companies had manufactured their own?

12 A Installations for a company.

13 Q Where they had manufactured their own sights and
14 IWI put the tritium inserts inside those sights?

15 A Yes.

16 Q Is that accurate?

17 A Yes.

18 Q Do you know where those sights would be covered
19 in the NRC license?

20 A The minimum and maximum tolerances that we had
21 discussed via the license as long as the sights were
22 manufactured to these tolerances, that would be acceptable.

23 Q To what tolerances are you referring?

24 A The front sight, for instance, would have to have
25 a 10,000ths wall on each side and an 18-20,000ths, so

1 therefore, the front sight or the sight was surrounded by
2 sufficient amount of steel. That was the prescribed
3 tolerances.

4 Q Where did you get those figures?

5 A I'm sure it's a drawing from a book somewhere. I
6 didn't dream those up. Those have been what we've had to
7 play by since I got here.

8 Q When you say prescribed tolerances, what do you
9 mean? Prescribed by whom?

10 A I would imagine the prior people who submitted
11 the license to the NRC. The license should have this
12 tolerance on it and the tolerance happened to be 10,000ths
13 on the side and 18 to 20 on the top. On a drawing.

14 Q On a drawing?

15 A On a drawing.

16 Q And did you provide that to MMC?

17 A I don't believe I did. I gave them the
18 tolerances though. I may have provided it, but I'm sure
19 that I said that what we have to maintain a certain amount
20 of steel between the tritium and the sight and these are
21 those tolerances.

22 Q And you don't recall exactly where you got those
23 tolerances?

24 A I'm sure from the book from the prior management
25 here. Those are the only tolerances that I've ever written

1 to the NRC about because that's the ones that have kept
2 coming up. This is what -- I don't care how big the sight
3 is. I want to make sure that the hole -- that there's
4 enough steel on both sides and above. That was what I've
5 understood as far as what they're concerned about
6 tolerances.

7 I wrote for the longest time. I thought they
8 wanted to know about dovetails, and lo and behold, after
9 several communications, the NRC could care less about the
10 size of the dovetail. The only thing I can figure is the
11 actual hole itself that houses the tritium capsule in
12 there. The NRC wants to be sure that there's enough steel
13 surrounding it. That's my assumption.

14 Q What do you think that you gave Mr. Kreisman,
15 just the dimensions verbally?

16 A Just the verbal dimensions.

17 Q Do you know if you gave him any other
18 specifications or anything?

19 A No, I don't know that.

20 Q How did he respond?

21 A Favorably he said. He said, you know, we can do
22 that and if that's what you have to play by, that's what
23 we'll do.

24 Q It's my understanding that these sights are
25 proprietary and they have patents pending design, utility

1 patents pending.

2 Do you know if that's correct?

3 A On sights?

4 Q The MMC sights.

5 A No, I don't know that.

6 Q What category did you think that these sights fit
7 into in IWI's NRC license?

8 A The same category that fit into what the sights
9 prior to me taking the position that I did have, where I
10 referred to the Milletts and the Wilsons if they had done
11 them. Those sights were sent in from another sight company
12 to have installations done.

13 Q Those sights were not authorized by the NRC
14 license.

15 A I didn't know that.

16 Q You had no idea that that was one thing that got
17 Mr. Mowry into problems with the NRC, was the sales to
18 Millett?

19 A What I was under the understanding was the
20 Millett sights were not stamped. I didn't read the letter,
21 but I had heard that the Millett sights were not stamped
22 and that was the problem. I don't know if that's true.
23 That's what I had heard. I wasn't privy to that and I
24 never discussed it with anybody at the NRC saying what got
25 him into trouble before if, in fact, he is in trouble.

1 Q As the president of IWI, you didn't take any
2 steps then to find out what problems Mr. Mowry had in order
3 to not repeat them?

4 A Well, Mr. Wilson met with several people at the
5 NRC, of which I don't know who they were, I would think
6 last spring, and I didn't realize there was a problem. The
7 guidance was rewrite the license more generic.

8 Q Why did you believe that the license needed to be
9 rewritten if there was no problem?

10 A Obviously there was a problem. When the NRC
11 writes back and says Mr. Mowry can't be involved with the
12 company, that's a pretty good indication that there's a
13 problem.

14 Q Did you take any further steps at that time to
15 determine what the problem was?

16 A We've had correspondence, but for the NRC to send
17 a letter saying this is the -- these are the problems, no,
18 I don't believe I've read anything like that.

19 Q But the question was, did you take any steps to
20 try to determine what the problems were?

21 A By Mr. Wilson going back to the NRC in Washington
22 and talking to whoever he talked to, the understanding that
23 I had was rewrite the license more generic, broader.

24 Q But again, why would that be necessary? What was
25 your understanding as to why that would be necessary?

1 A Because possibly it could be too specific. The
2 opposite of specific is broad. If someone tells you that,
3 you know, don't be specific, be broad, let's rewrite it and
4 amend it to the way we should have it to be competitive.

5 Q Well, that's correct. The opposite of specific
6 would be broad. So if you were going to rewrite the
7 license to be broad, did you ever question, well, is the
8 license specific?

9 A I may have.

10 MR. JACOBI: By the way, the opposite of specific
11 is un-specific.

12 MS. VAN CLEAVE: Well, I realize that.

13 MR. JACOBI: I'm not sure --

14 MS. VAN CLEAVE: In this context, I think that's
15 probably close enough.

16 BY MS. VAN CLEAVE:

17 Q You may have. What does -- you may have. What
18 does that mean?

19 A Let's go back to the question again.

20 Q I asked you whether or not you ever thought that
21 -- you said, I think, the opposite of broad was specific --
22 that if you have to rewrite the NRC license to be broad to
23 be in competition. Is that how you phrased it?

24 MR. JACOBI: To be competitive, he said.

25 MS. VAN CLEAVE: Competitive.

1 BY MS. VAN CLEAVE:

2 Q Did you ever question, well, maybe our license is
3 specific now?

4 A From reading the license and words like mounted
5 or unmounted into these certain models, all these other
6 things, it is very, very confusing. My intent was to make
7 it so a novice could pick up the license and say, "You can
8 put tritium into gun sights and be competitive with the
9 other two companies," and to me, get rid of all those model
10 numbers, whatever they are and whatever they mean; have
11 minimum, maximum tolerances, and do not worry about what
12 the sight looks like as far as -- I forget the terminology
13 in there.

14 The NRC is not concerned about the sight itself.
15 They're concerned about the min/max tolerances. That is
16 what I assumed and that's why I wrote the license and
17 submitted the paperwork the way I did, to try and get all
18 things amended so we could be competitive.

19 Q But if I understood you earlier, you have stated
20 that you believed that you could sell night sights.

21 A Yes, I did.

22 Q Period.

23 A Yes, I did.

24 Q So why would you need to amend the license to be
25 competitive if you could sell night sights anyway?

1 A Because there's obviously a problem with some
2 models here, whether it be mounted or unmounted, fixed or
3 adjustable, this or that, and I didn't understand what
4 modifications needed to be made.

5 So therefore, let's rewrite the whole thing and
6 get it down the way it should be so we could be
7 competitive.

8 Q But if I understood what you said to me, you were
9 selling night sights regardless of the weapon. You were
10 selling night sights.

11 MR. JACOBI: No, he hasn't said that.

12 MS. VAN CLEAVE: Well, he said night sights were
13 night sights.

14 THE WITNESS: That is correct.

15 MR. JACOBI: He has not specifically
16 affirmatively stated that he has sold night sights to
17 anybody other than what's on that license.

18 MS. VAN CLEAVE: Well, he sold night sights to
19 MMC.

20 MR. JACOBI: Is that different than those on the
21 list?

22 MS. VAN CLEAVE: Yes.

23 MR. JACOBI: Then I stand corrected and I
24 apologize.

25 MS. VAN CLEAVE: Okay.

1 BY MS. VAN CLEAVE:

2 Q I'm trying to understand, I guess, your thinking
3 back there. If you know you have to amend the NRC license
4 or you think you do to be broad so that you'll be
5 competitive, what did you think the current license was?
6 I've asked that three times, but I'm not really
7 understanding your answer.

8 There must have been a reason that IWI's jumping
9 through all these hoops and talking to the NRC for a year
10 and pulling their hair out and trying to get something
11 done. What was that reason?

12 A Again, the Milletts and the Wilsons from the
13 past. I'm assuming that we can do that, we're allowed to
14 do that. The questions that the NRC had asked me, they
15 were really concerned about stamping, so I wrote and told
16 them how they would be stamped, the size of the stamps, all
17 the technical features that they were questioning.

18 Based on what was sold in the past, I'm assuming
19 that we're allowed to do that. We tried to get the
20 stamping and things of that nature, those are the responses
21 I gave to the questions.

22 Q Where is the -- I mean, the license just says
23 they will be stamped. The license already says that.

24 A Right.

25 Q Why would you believe that that would be, as long

1 as you complied with that. The licensee shall ensure that
2 when a weapon must be labelled rather than the sight, the
3 attachment complies with the criteria, and it says model
4 number such-and-such will be stamped with the isotope and
5 the manufacturer's logo. And it goes on to say exactly
6 where if you can't get it right on the sight, where to
7 stamp it on the weapon and that kind of thing.

8 How were you being more specific than that
9 regarding stamping?

10 A I would have to refer to the letter that the NRC
11 sent that I answered the questions, which I could do.

12 Q Well, of course, if you're going to amend your
13 license, that's going to be addressed, but I'm asking, how
14 did you believe that there would be anything different on
15 the stamping? You seem to be --

16 A If, in fact, one of the things that the NRC was
17 involved with Mr. Mowry was the fact that he did not stamp
18 certain sights, if in fact that was, which I don't know, I
19 had heard it was, that to me was a key thing, to make sure
20 that the NRC knows that yes, everything will be stamped.

21 Q Well, that's true, but the license says it will
22 be stamped.

23 A But I had heard possibly that some in the past
24 weren't stamped. That's why I'm saying that.

25 Q Right, but the license says they will be.

1 MR. JACOBI: You don't have to amend the license

2 --

3 MS. VAN CLEAVE: Right.

4 MR. JACOBI: -- to handle the question of whether
5 things should or should not be stamped.

6 MS. VAN CLEAVE: The license already says that
7 they will be stamped, so all you have to do is comply with
8 that condition. There's nothing different. I mean, I'm
9 not going to discuss whether Mr. Mowry did or did not stamp
10 it, but all you have to do is comply with that stamping.

11 BY MS. VAN CLEAVE:

12 Q Now, my question to you is, what did you think
13 you were doing with the NRC all this time? What were you
14 trying to do? The license doesn't have to be amended just
15 to stamp it. It already says they will be stamped.

16 What did you think that IWI was doing with the
17 NRC for a year? What did you think had to be changed?

18 MR. JACOBI: What uncompetitive edge did you
19 think you had that required an emendation of the license?
20 How's that?

21 MS. VAN CLEAVE: Okay. That's fine.

22 MR. JACOBI: Maybe, I don't know.

23 THE WITNESS: It seemed that Meprolight and
24 Trijicon could basically do any installation, any -- just
25 any installation where we were limited, to some degree, on

1 what we could do. The limiting factor again gets confusing
2 on the license because of the reference to the model
3 numbers.

4 MR. JACOBI: Okay.

5 THE WITNESS: I am still not totally sure on what
6 all those numbers mean. I based a lot on the prior company
7 doing these things with other companies because that's
8 where the license was generated from.

9 BY MS. VAN CLEAVE:

10 Q Did you limit your sales of night sights in any
11 way?

12 A I don't know that. Did I limit my sales?

13 Q You said that your license appeared to be
14 limiting.

15 Did you limit your sales in any way? Was there
16 any kind of night sight that you believed you could not
17 sell?

18 A It seems to me on there, a Smith & Wesson
19 manufactured by Smith & Wesson, that is not the way I would
20 have written it. That's a limiting factor. It needed to
21 be written, a two dot rear sight for a semi-auto pistol.
22 That is limiting.

23 Q Did you purchase -- did you manufacture Smith &
24 Wesson sights or sights for Smith & Wesson pistols or
25 weapons?

1 A Yes, we have.

2 Q So you did not always use the original equipment
3 manufacturer; is that correct?

4 A That's correct.

5 Q And when did you discover that that's what the
6 license said, the following applies to removable sights
7 manufactured by the original equipment manufacturer, and it
8 lists Smith & Wesson?

9 A Approximately the June time frame.

10 Q Was that when I was here?

11 A I would believe so, yes.

12 Q Do you recall that you and I had some discussion
13 about that?

14 A Okay. Yes.

15 Q Okay. Were there any other limiting factors
16 besides that that you saw in this license? Any other
17 prohibitions, as Mr. Jacobi said, that led you to believe
18 you weren't competitive or couldn't be competitive with
19 Meprolight or Trijicon?

20 A Different configurations.

21 Q Of what?

22 A Of colors, configurations, how the sight should
23 look.

24 Q The colors are not addressed here, I don't
25 believe.

1 So anything else?

2 A I don't believe so.

3 Q Did you limit sales of night sights by IWI in any
4 way? Were there any night sights that you would not sell,
5 that people were told we can't do that? They're not
6 mounted or they're not the right type of sight? Anything
7 like that that you can think of?

8 A I don't believe so.

9 Q I'm still at a loss to understand this
10 competitive edge. If you were selling sights and not
11 limiting them in any way, I still don't really understand
12 why you believed you lacked a competitive ability with
13 Trijicon and Meprolight.

14 A Well, it seems to me that Trijicon and Meprolight
15 could perform basically any installation, ship any sight
16 for anything or for any gun any way, where with those model
17 designations there, that is limiting and you basically have
18 to know what each and every model would be in order to do
19 that.

20 Q What do you mean by limiting?

21 A The original equipment manufacturer, that's
22 limiting.

23 Q That was something you said you did not
24 understand until I was here in June; is that accurate?

25 A Right.

1 Q Any other limitations in the license that you
2 see?

3 A I'm not sure.

4 MR. JACOBI: Can we be off the record?

5 MS. VAN CLEAVE: Let me just finish up this one
6 long question here.

7 BY MS. VAN CLEAVE:

8 Q What was your understanding of these models
9 listed here? Did you know what they meant, models C, G, F-
10 003 designed for Colt pistols? Did you know what those
11 things meant?

12 A I'm sure they crossed as something, but again,
13 the ambiguity of that, I'm not totally sure what they
14 meant, no.

15 Q What do you see as the ambiguity of the license?
16 It says models C, G, F-003, front dot sight designed for
17 Colt pistols. What do you see as ambiguous in that?

18 A That's pretty straight-forward. A two-dot sight
19 for any pistol is what the intent on the amended license
20 is, where that specifies the Colt. Now, another number
21 might specify another sight and another one would specify
22 another sight, rather than just a front dot and two rear
23 dots.

24 Q I understand that that's what IWI hopes to amend
25 their license to, but I'm still trying to get your

1 understanding of the license as it stands now and as it has
2 stood for several years. There are many other weapons, as
3 you know, you're a gunsmith, other than Colt, Glock, Sigs
4 and Smith & Wesson, which are listed here. There are many
5 other sights. There are sights manufactured by other
6 companies such as Millett and MMC.

7 Where did those particular sights fall into this
8 license?

9 A I don't know that.

10 Q Did you take any steps to determine whether or
11 not those sights would be authorized by the distribution
12 license?

13 A I don't believe I did.

14 Q Did you take any steps to submit any of these
15 other sights to the NRC for a device review?

16 A I have submitted the configurations and the
17 tritium and the paperwork to the NRC for the device review
18 on the amended license.

19 Q And when was that?

20 A I would imagine it got delivered a week or so,
21 two weeks ago. We were waiting for some documentation from
22 Lumitech that basically spelled out that it was -- the
23 tritium was the same as the Canadian tritium. I would
24 guess a week or so ago. But that whole continuum of
25 writing has transpired over a long period.

1 Q And included in that package, were there MMC
2 sights?

3 A No, there weren't.

4 Q No?

5 A It was basically a configuration, and again, the
6 NRC guidelines was to be generic. I don't care what the
7 sight looks like as long as you have one dot and you have
8 two dots. We have this amount of tolerance on each side.
9 I don't care if the sight is this big or this big. And I
10 don't really care what the sight looks like. Just give me
11 the configurations, make it generic, and that's the way I
12 wrote it because that's the way I thought I was supposed to
13 write it.

14 Q Are you familiar with device reviews that are
15 done by the NRC?

16 A No, ma'am.

17 Q Do you know what that means?

18 A No, I don't.

19 Q Did --

20 MR. JACOBI: If this is a new line, could I get
21 him for a second?

22 MS. VAN CLEAVE: Yes. We can go off the record
23 at 4:45 p.m.

24 (Recess)

25 MS. VAN CLEAVE: Back on the record. We are back

1 on the record at approximately 4:55 p.m. We've had a brief
2 break here to stretch our legs.

3 BY MS. VAN CLEAVE:

4 Q During that break, Mr. Gregor, did you consult
5 with your attorney, Mr. Jacobi?

6 A Yes.

7 Q And did you have any clarifying statement that
8 you wished to make?

9 A Yes, I do. The confusion on the license, the
10 license says that we can go into existing. I had said
11 earlier that we wanted to make our license more broad so we
12 could be competitive. The other manufacturers can make
13 their own sights for all the different weapons, and we
14 would like ours to be that way, too.

15 MR. JACOBI: You would like?

16 THE WITNESS: We would like ours to be that way,
17 also.

18 BY MS. VAN CLEAVE:

19 Q So are you saying that you believed that the
20 change in the license related to manufacturing sights for
21 weapons other than Colt, Glock and Sigs?

22 A Yes. We want to be able to manufacture here
23 those type sights for those type guns as opposed to
24 original equipment, which I didn't understand. To me, when
25 somebody says a Smith & Wesson sight, I take it as a sight

1 for a Smith & Wesson handgun, where it could be
2 misconstrued as a sight that Smith & Wesson makes.

3 Q Again, you're speaking then to Smith & Wesson
4 where it says the following apply to removable sights
5 manufactured by the original equipment manufacturer, and
6 then it mentions Smith & Wesson.

7 Is that what you're talking about?

8 A Right. We would like the latitude to make the
9 Smith & Wesson sights like the other companies do.

10 Q Well, it was my understanding from your testimony
11 earlier that you were unaware that you could not do that
12 until I was here in June of 1995. Is that not correct?

13 A I was under the assumption that we could go into
14 existing, because the license spells out that we can go
15 into existing, but whenever you had said that it has to be
16 a Smith & Wesson as original equipment, I didn't know that.

17 Q Even though it says here manufactured by the
18 original equipment manufacturer and then it says three
19 models for Smith & Wesson? You did not understand that?

20 A No. I assumed that -- again, looking at a Smith
21 & Wesson sight as a Smith & Wesson sight, a Glock sight is
22 a Glock sight, a Colt sight is a Colt sight, a Ruger sight
23 is a Ruger sight.

24 Generically, that's the name of the sight. You
25 wouldn't put a Sig sight on a Glock.

1 Q Well, what did you think manufactured by the
2 original equipment manufacturer meant?

3 A Basically the sights should be machined in such a
4 way that it is equal to original equipment.

5 Q Where does it say that? It says manufactured by
6 the original equipment manufacturer. Where does it say
7 equal to?

8 A You brought that to my attention in June.

9 Q What are you saying, that prior to that time,
10 what did you believe?

11 A I assumed that a Smith & Wesson sight was a Smith
12 & Wesson sight.

13 Q No matter who was the manufacturer?

14 A No, I didn't say that. A Smith & Wesson was
15 manufactured by Smith & Wesson for a Smith & Wesson pistol.

16 Q Well, wait a minute now. I'm confused.

17 I thought you said that you wanted to be able to
18 manufacture sights for Smith & Wesson.

19 A I would like to manufacture sights here for all
20 gun companies.

21 Q And, in fact, if I remember your records
22 correctly, IWI had manufactured or had contracted out to
23 manufacture sights for Smith & Wesson --

24 A Yes.

25 Q -- is that now correct?

1 A That's correct.

2 Q So I don't understand what you just said when I
3 said regardless of the manufacturer of the sight. You said
4 not necessarily. Well, isn't that the case, regardless of
5 the manufacturer of the sight?

6 A We manufacture sights for specific guns. When
7 you pointed out original -- the way I think it is now, it
8 has to be original equipment on a Smith & Wesson in order
9 to have the sight put in.

10 Q Well, it says here manufactured by the original
11 equipment manufacturer. Now, that's only the Smith &
12 Wesson. And up here, it says manufactured by the licensee
13 and it refers to sights designed for Colt, Glock and Sig-
14 Saur. So that is a little different.

15 A Yes, it is.

16 Q And IWI is the licensee, correct?

17 A Um-hum.

18 Q So you are referring to the Smith & Wesson; is
19 that right? When you keep telling me about wanting to be
20 able to manufacture --

21 A And to be able to -- not only Smith & Wesson,
22 everything else out there.

23 Q Okay. Like what?

24 A H&K, Taurus, Astra, Firestart, all the different
25 manufacturers out there that you could possibly put sights

1 on.

2 Q Okay.

3 A And there's a whole line of weapons manufacturers
4 out there.

5 Q What about MMC? Let me go back to MMC here a
6 minute. What about MMC sights? How did you view them?
7 Did IWI manufacture any sights for MMC?

8 A No. MMC manufactured their own sights.

9 Q Always?

10 A I don't know that.

11 Q It's my understanding that IWI had manufactured
12 some front sights for MMC.

13 Are you aware of that?

14 A Manufactured some front sights. Could have
15 happened.

16 Q Do you know if it did?

17 A No, I don't. MMC is a company that's called
18 Miniature Machine Corporation and they build sights. That
19 is what they do. I'm not saying we couldn't or wouldn't,
20 but they build sights much like -- that's what they do for
21 a living. If they bought sights from us, there could have
22 been some Glock sights without tritium that they bought.

23 Q Okay. Do you recall that now?

24 A Yes.

25 Q Did that occur then?

1 A Yes, it did. Yes, it did. Dale wanted -- I'm
2 sure he was short and he needed front sights without
3 tritium to support his weapons and we had sold him Glock
4 fronts.

5 Q So you didn't put any tritium into those after
6 you manufactured them?

7 A No.

8 Q What sights did you put tritium into for MMC?

9 A The line of sights that they offer. I'm sure he
10 offers Glock. He offers a whole line.

11 Q I asked this before, but in light of what you've
12 said, where did you -- you said that you did put tritium
13 inserts into MMC sights. They sent them to you, IWI
14 inserted the tritium and sent them back.

15 Where did you believe that those sights fit into
16 the NRC license, under what category?

17 A A Glock or a Sig sight to me was a Glock or a Sig
18 sight. Again, and I don't want to confuse -- if you look
19 at a Glock sight made by Glock or a Glock-type sight made
20 for Glock, I think that's where the problem is here.

21 They manufacture Glock sights. I looked at it as
22 it's a Glock sight that meets the requirements as far as
23 the min/max tolerances.

24 Q Even though your license, the IWI license says,
25 the following apply to removable sights manufactured by the

1 licensee, which is IWI?

2 A Again, we had done it for Millett and other
3 people before. I assumed that with that wording, a Glock
4 sight is a Glock sight.

5 Q What did you understand manufactured by the
6 licensee to mean?

7 A Manufactured in-house here.

8 Q So how did the sights manufactured by MMC fall
9 into that category?

10 A If it was a Glock-type sight, it was a Glock-type
11 sight.

12 Q Right, but it was manufactured by MMC, which was
13 not the licensee.

14 A A Glock sight that fit the criteria as far as
15 min/max tolerances.

16 Q Can you be a little more specific? I can't
17 really understand how you categorize sights manufactured by
18 MMC into removable sights manufactured by the licensee,
19 which then cites Colt, Glock and Sig.

20 How did that tie into that category?

21 A Again, the sight is a Glock sight, whether it's
22 manufactured by Glock or manufactured by IWI or
23 manufactured by MMC or manufactured by whoever. It's a
24 Glock sight is the way that I view that.

25 Q But your license doesn't say that. Your license

1 says manufactured by the licensee.

2 What was your understanding of that phrase?

3 A Again, assuming from before where we did
4 installations for other people, I assumed that we continued
5 to do that for sight companies.

6 Q When I was here in June, you and I talked about
7 the NRC license.

8 Do you recall talking about the NRC license with
9 me?

10 A To some extent.

11 Q I have some copies of some drawings that you
12 provided me that you told me were sights that IWI was
13 manufacturing through subcontractors.

14 Do you recall providing me with drawings like
15 that?

16 A If you say I did, I did.

17 Q Well, do you recall it?

18 A No, I don't.

19 Q You don't recall that?

20 A No.

21 Q Well, I have some drawings from IWI and you also
22 -- you mentioned to me that those were all the sights that
23 IWI was manufacturing through subcontractors, and then you
24 and I had some discussion about Smith & Wesson, about what
25 the license says here and I asked you whether or not IWI

1 manufactured and put tritium into any other sights that IWI
2 manufactured. You mentioned a Smith & Wesson Sigma.

3 Do you recall talking to me about a Smith &
4 Wesson Sigma?

5 A No, I don't.

6 Q You don't?

7 A No, I don't.

8 Q Okay. You said that that was a different kind of
9 weapon. I guess it's similar to a Glock.

10 Is the Sigma similar to a Glock?

11 A A Sigma is similar to a Glock, right.

12 Q Is it correct that you did, in fact, design a
13 night sight for a Smith & Wesson Sigma and designed a sight
14 for the Sigma to put the insert into; is that correct?

15 A Did I?

16 Q Um-hum.

17 A No, I didn't.

18 Q Who did?

19 A Someone at IWI, I'm sure.

20 Q And did you sell, IWI sell, the Smith & Wesson
21 Sigma sights with the tritium inserts?

22 A To my knowledge, no.

23 Q Well, I have some invoices that indicate that you
24 did from when I was here in June.

25 A Okay.

1 Q Do you know whether or not IWI had ever requested
2 a device review on that product from the NRC?

3 A Device review that, I'm assuming, was covered in
4 the amending process that we're going through now.

5 Q But the license, again, had not yet been amended.
6 So this is what --

7 A I do not know that.

8 Q -- is supposed to be -- your authorized to
9 distribute what's on the license now. What you're asking
10 for later is not my question.

11 Now, prior to your selling the Sigma night
12 sights, had you asked for a device review from the NRC?

13 A I don't know that.

14 Q You and I talked about specific sights that were
15 listed on the NRC license and the different companies
16 manufacturing different sights and things like that, and
17 where IWI was obtaining sights and what sights IWI was
18 inserting tritium into, but you didn't mention MMC to me.

19 Was there any reason for that?

20 A No. Again, we had dealt with Millett and Wilson
21 and some other companies in the past and I'm assuming that
22 we're allowed to do that.

23 Q Okay. Again, what led you to that assumption?

24 A The way business was run prior to.

25 Q But Mr. Mowry had problems with the NRC, which

1 you knew he had at least some problems with the NRC.

2 A But Mr. Mowry never shared the problems that he
3 had with the NRC to me. He never told me what they were.
4 It was none of my business.

5 Q But when you became president of IWI, did you
6 believe that it then became your business?

7 A Sure, but the business being let's amend the
8 license to make it more generic rather than into existing.
9 Let's allow us to manufacture sights.

10 Q But I understand from your earlier testimony, you
11 did not take any steps to determine what Mr. Mowry's
12 problems were with the NRC; is that correct?

13 A Myself personally? I didn't call anybody up back
14 there and say, "Look, what can I do to help you people
15 out?" When Ken went back there and talked to whoever he
16 talked to, he said, "We need to start making an amendment
17 to the license," and therefore, I went to work writing.

18 Me personally? Did I go back and visit with
19 anyone? No, ma'am, I didn't. I didn't know anyone, but I
20 started writing based on some conversation that Susan and
21 Mr. Wilson had and some questions that needed answered, and
22 then that's where it started to materialize into, okay, we
23 need this mount and then we need this information and then
24 we need this information, and that's my involvement.

25 Q Has IWI sold to Wilson's? You mentioned

1 Wilson's.

2 A I've heard they had in the past. I don't know
3 that. They have a product that they call Wilson -- I've
4 lost the trademark. They sell tritium sights. They tell
5 me that Meprolight installs the tritium.

6 Q So my question was, does LWI sell to Wilson's?

7 A Presently no, we don't. Did we before?

8 Q Have you in the past?

9 A I had heard that we did. I don't know that.

10 Q What about since you became the president?

11 A No.

12 Q No, you don't know or no, you haven't sold to
13 Wilson's?

14 A To my knowledge, we haven't sold to Wilson.

15 Q What about Millett?

16 A Yes, we have.

17 Q Since you became president?

18 A Yes, we have.

19 Q Do you know what was sold to Millett?

20 A It was the same type of relationship we had with
21 MMC, front and rear sights that meet the min/max
22 tolerances, stamped, and we filled them with tritium.

23 Q What about Scattergun Technologies? Are they a
24 customer of yours?

25 A They could have been in the past. I don't

1 believe we are doing business with them now.

2 Q Have you since you became the president?

3 A We could have. I don't know that to be true. We
4 could have, though.

5 Q Are you still selling night sights to MMC?

6 A Yes, we are.

7 Q I have a memo from the sealed source and device
8 review that says that the sights from MMC do not meet the
9 criteria of what has been approved by the NRC for IWI to
10 distribute. I submitted the drawings and asked if they
11 fell within the parameter of the distribution license and I
12 have been told that they do not.

13 A Is that --

14 MR. JACOBI: That's not a question.

15 MS. VAN CLEAVE: That's just a statement. I want
16 you to know that they do not fall within the parameters of
17 the distribution license as the license stands now.

18 MR. JACOBI: Can we see that memo?

19 MS. VAN CLEAVE: Yes, I have it with me.

20 MR. JACOBI: And this relates only to MMC?

21 MS. VAN CLEAVE: Yes. Those are the drawings
22 that I submitted to the sealed source and device review.

23 BY MS. VAN CLEAVE:

24 Q Do you have any idea how many night sights IWI
25 sold in the last year?

1 A No, I don't.

2 Q Do you know if that information is retrievable?

3 A I could imagine we could track it through work
4 orders and steel orders, things of that nature, and
5 recreate it. To give it to you off the top of my head, I
6 haven't a clue.

7 Q Do you know if there's any kind of running
8 inventory list retained as far as the tritium that's here,
9 the tritium that leaves?

10 A I believe Pat has a list of current inventories
11 on tritium and there's a list of current steel available.

12 Q Okay. Again, do you know whether or not IWI sold
13 any of the South African tritium inserts?

14 A No, I don't. To the best of my knowledge, no.

15 Q To the best of your knowledge, what?

16 A To the best of my knowledge, we have not sold
17 any.

18 Q You have not sold any? MMC has some invoices
19 showing receipt of red tritium inserts from IWI.

20 Where would the red tritium inserts have come
21 from?

22 A I don't know that. It would be obvious that that
23 would be African, but I wouldn't know that. I don't know
24 that.

25 Q You don't know what?

1 A I don't know if it said red on there, what it
2 would lead me to believe that yes, it was sold, but I
3 didn't know that we sold it.

4 Q Do you know how that could have occurred, if it
5 did?

6 A No. To my knowledge, we were selling them
7 orange.

8 Q And who dealt with MMC on the specific sales, do
9 you know?

10 A Specific sales? No, I don't. Getting to the
11 point of can we do business, it was Dale and myself. The
12 actual sales, I don't do anything with sales.

13 Q Let's say MMC is going to place an order. Who do
14 they contact, do you know?

15 A They just call up or send a PO over the fax and
16 say this is what we'd like.

17 Q Who does that fax go to?

18 A Faxes are just received right here.

19 Q Okay. A fax comes off the machine and somebody
20 sees it's an order.

21 Who does it go to?

22 A A work order is originated at that point to fill
23 a sight order coming in. That's MMC's way of saying,
24 "Okay, there are sights coming and here's the paperwork
25 that starts that process."

1 Q And who gets that paperwork?

2 A Any number of people that work up here.

3 Q Who would be responsible for keeping the South
4 African tritium from being sold?

5 A The sight room people and the people that have
6 access to the vault, to the safe.

7 Q It's my understanding you said that was Audrey,
8 Audrey and Pat Wilson?

9 A Pat, I believe, has the combo, too. Pat does the
10 inventories. I would assume that she would have the combo
11 to that.

12 Q And the other individual was that Audrey? Is
13 that her name?

14 A Audrey and the girls that work in the sight room.
15 There are two other women that work there.

16 Q Who would have the combination, though? Who would
17 actually go the safe and open it and take out the tritium,
18 do you know?

19 A Audrey.

20 Q Audrey? And you've stated earlier, if I
21 understood you, that you have never opened that safe.

22 A That's correct.

23 Q Do you have the combination?

24 A No, I don't.

25 Q Did you in the past have the combination?

1 A It could have been given to me. The combinations
2 that I open daily are this safe and the safe in the back
3 where the guns are. Those are the only two combinations
4 that I open. The other ones, I don't know what they are.
5 No, I do not have that combination.

6 Q Have you ever removed any tritium from that safe?

7 A No, ma'am.

8 Q No?

9 A No.

10 Q What steps, if any, have you taken to keep the
11 tritium from South Africa from being shipped out of IWI?

12 A Pat has told me that she has separated it from
13 the Canadian and it's physically separated. In what way, I
14 don't know, but she says that it's separated.

15 Q Have you had any discussions with the women in
16 the back who you said are the ones who match it and put it
17 in sleeves and then put it in the inserts? Have you talked
18 to them about that?

19 A No, I really don't deal with them.

20 Q Why did IWI order all this tritium from South
21 Africa? The invoice that I have, I think, came from you to
22 somebody at NRC headquarters and I just have one invoice.
23 I'm showing approximately 20,000 inserts.

24 Why did IWI order those back in June? The NRC
25 distribution license still only allowed SRB Technologies

1 inserts.

2 A I wasn't aware that the environmental license
3 needed to be corrected in order to house that tritium.
4 Again, the very first part of this conversation was
5 involved with SRB and the fact that we felt that we're
6 going to have a potential problem with them in the future,
7 and therefore, we should take some steps to get some
8 tritium in here because that relationship probably will not
9 materialize.

10 At that point, the relationship had grown and
11 grown and grown and an order was placed for that tritium.
12 I didn't realize that that license, the Santa Fe license,
13 needed to be amended to even house the tritium.

14 Again, as strange as it may seem, to me, tritium
15 is tritium, whether it's Canadian or African. I assumed
16 they're the same.

17 Q Although the two licenses specified SRB
18 Technologies tritium?

19 A Yes. You've shown me that.

20 Q And you've also said that at some point several
21 months ago, you became aware of that; is that correct?

22 A Yes. We have rectified the environmental
23 license.

24 Q Yes, you've said you received the new possession
25 license --

1 A Right.

2 Q -- right? Okay.

3 So what did you plan on doing with the tritium?

4 You did rectify the New Mexico license. You now, I
5 understand from your testimony, you have a New Mexico
6 license that authorizes the possession of South African
7 tritium.

8 What was your intent as far as the South African
9 tritium that came in approximately in June?

10 A To hold it and pursue and proceed with the NRC to
11 hold and get the amendment certified and approved by the
12 NRC so we can go purchase, sell, distribute tritium other
13 than JRB's.

14 Q Did you take out any of the South African tritium
15 for anything, research and development, testing, anything?

16 A Yes, I tested and evaluated South African tritium
17 based on the information that the NRC required for the
18 amendment of that license.

19 Q What did you test?

20 A Their tritium.

21 Q I mean, how many?

22 A I tested each configuration.

23 Q One, two?

24 A I believe there's nine or so.

25 Q So one of each?

1 A Yes.

2 Q Where did that tritium come from?

3 A That was African tritium.

4 Q Was it in this initial shipment of 20,000 some
5 odd?

6 A Yes.

7 Q And I understood you to tell me earlier that you
8 never removed any tritium from the safe.

9 Did you ask someone else to give you those nine
10 or so inserts?

11 A I'm sure I told someone I need to evaluate the
12 African tritium. Put them in any kind of sights so we can
13 evaluate them and test them.

14 Q Do you know who that individual would be?

15 A No.

16 Q Would it be -- do you think it would be one of
17 the women back there that usually puts the tritium into the
18 gun sights?

19 A They would have put the tritium into the sights.
20 What sights I even asked for, you know, I'm not sure of.

21 Q So you don't recall who you dealt with?

22 A No.

23 Q Do you recall if you specifically took those out?

24 A I shot the sights.

25 Q I mean, did you specifically take the inserts out

1 of the safe? You said earlier you didn't, but now that I
2 brought up --

3 A No, I didn't.

4 Q -- research and development, have you now thought
5 maybe --

6 A No.

7 Q No, you didn't?

8 A No, I didn't.

9 Q Somebody else did?

10 A Yes.

11 Q Other than those nine or so tritium inserts, do
12 you know if any other, to your knowledge, if any other
13 South African tritium was removed from that safe?

14 A To my knowledge, no.

15 MS. VAN CLEAVE: I don't have anything else right
16 now. Do you have any questions, Dennis?

17 MR. BOAL: Yes.

18 BY MR. BOAL:

19 Q Mr. Gregor, backing up, earlier in the interview,
20 you were talking about going over to South Africa and that
21 you went to Ramrod and then they set up an appointment for
22 you and the next day was going to be with Lumitech.

23 Back at that time, I believe you said it was
24 April of '95; is that right?

25 A Um-hum.

1 Q Back at that time, was there any discussion by
2 them with you about the NRC license in the United States?

3 A No, there wasn't. I didn't even know the
4 principle involved with Lumitech. I had dealt through
5 Ramrod and while I'm over there, naturally I'm going to
6 visit the facility that would, in fact, possibly do the
7 tritium for us.

8 Q But did anybody there make any mention to you
9 that you had to -- that it had to be approved by the NRC or
10 they had contacted --

11 A No, sir.

12 Q -- or you did?

13 A I don't believe so, no.

14 Q Did you know that at that time?

15 A Could you restate the question?

16 Q Okay. Did you know that at that time when you
17 were there in South Africa that you would have to notify
18 the NRC that you were going to buy tritium if you did?

19 A Did I know that I would need to in the future?

20 Q Right.

21 A No. Again, I had thought that tritium is
22 tritium, but to get the license amendment, it's pretty
23 obvious that I did have to notify the NRC. At the point in
24 time whenever I was over there, the whole intention was to
25 find out if we could, in fact, buy tritium from them, if

1 they would -- if it would be the same type of tritium, to
2 get a secondary source because of the SRB problems.

3 Q Well, you said several times during this
4 interview that to you, tritium was tritium, and I'm a
5 little puzzled as to what, in general, the purpose of the
6 NRC license was to you.

7 MR. JACOBI: Do you understand what that question
8 is asking?

9 THE WITNESS: No, I don't.

10 MR. BOAL: All right.

11 MR. JACOBI: I'm not trying to short-circuit his
12 answer. I know what I would answer to it, but I don't
13 think we want to have a philosophical discussions about
14 what the NRC should be in certain businesses or why, and I
15 think that's what he might have understood it to mean.

16 BY MR. BOAL:

17 Q What is the purpose of the NRC license?

18 A The NRC deals with radioactive substances.
19 Tritium is a radioactive substance. That license allows
20 IWI to work with a radioactive substance called tritium for
21 use in night sights.

22 Q But is it your understanding then that the terms
23 and the conditions of that license have to be followed?

24 A As I had said several times, the terms and
25 conditions and understanding of that license is -- I have

1 never totally understood that license. That license has
2 been ambiguous. I believe I've stated that several times
3 and it is still ambiguous to me.

4 Q We've been talking a long time here and I guess
5 I'm having a hard time understanding your answer, but you
6 said that you understand that the NRC license is to use the
7 tritium, right?

8 A To distribute the tritium.

9 Q Right.

10 A I have learned that in the last -- I have learned
11 several things in the last eight or nine months. I know
12 now that that license allows us to distribute, and I also
13 know now that the environmental license allows me to house.
14 At what point did I learn that? It's been within the last
15 eight or nine months as this process has made me more
16 knowledgeable about the license in general.

17 MR. JACOBI: That must help you a little.

18 MR. BOAL: No, it doesn't. It's still not -- but
19 maybe that's the response to my answer -- to my question.
20 Let me try and phrase it as I think, which is in very
21 simple terms.

22 BY MR. BOAL:

23 Q The NRC didn't give this license to just anybody.
24 They gave it to IWI to use or distribute tritium by certain
25 conditions, and in order to do that, you have to follow the

1 conditions of the license.

2 But you're telling me, essentially you've told
3 Ms. Van Cleave, that you can't remember when you read it
4 and when you did read it, it was ambiguous, but you
5 continued to do business.

6 It sounds to me like apples and oranges, either
7 one or the other. I don't see how they merge together.

8 A I'm not sure what you're asking on that.

9 Q Okay. Well, let me try and get it.

10 A We are allowed to go into existing sights;
11 therefore, we do. I want to become competitive with the
12 other folks who do this and manufacture the sights and have
13 the same latitudes that the competition does, rather than
14 go into existing sights.

15 The mounted, non-mounted, removable, non-
16 removable that -- I am a gunsmith and sights can be moved
17 and removed. I am unclear as to that in there. Sights are
18 mounted and they can be unmounted, much like you can remove
19 or install. That is ambiguous to me.

20 When you go into existing sights, do you remove
21 them from the slide when they're in-house here? Yes, you
22 can do that, and then you put them back on, which I guess
23 means mount them. The ambiguities throughout that whole
24 thing have got me very confused.

25 Q But the problem is that this is from the NRC's

1 perspective, is that if there was a problem with this, why
2 did you continue with your manufacturing and your
3 distribution of these sights rather than get it straight?

4 A We are allowed to go into existing sights. What
5 we have attempted to do, again, is to get this amendment so
6 we can manufacture our own. The Smith & Wesson sights, you
7 know, original equipment manufacturer, yes, that's what it
8 says there.

9 To me, original equipment manufacturer, it can be
10 taken as one of two things. It can be a sight that was
11 machined by Smith & Wesson at Smith & Wesson or original
12 equipment, a Smith & Wesson-type sight. Now, that was
13 ambiguous to me.

14 A Glock sight is a Glock sight, a Sig sight is a
15 Sig sight. Now, if Sig makes the sight, it's a Sig sight.
16 If someone else makes the sight for the Sig, is it still a
17 Sig sight?

18 Q Good question. Certainly the NRC would be --

19 MS. VAN CLEAVE: Well, the license here says
20 manufactured by the licensee. I think you and I went
21 through this already.

22 MR. JACOBI: Maybe I can understand something
23 just from a gun standpoint. If I walk into a gun store and
24 I buy a Glock, that Glock has got sights on it, yes?

25 THE WITNESS: You bet.

1 MR. JACOBI: Do I know who made those sights?

2 THE WITNESS: No.

3 MR. JACOBI: Is it possible I'm buying -- the
4 store sells nothing but Glocks. It's a Glock-owned store.
5 Is it possible or not -- is it possible that in a Glock-
6 owned store, I am buying a Glock with a sight made by MMC
7 screwed onto or soldered onto or whatever you do to a sight
8 onto a Glock?

9 THE WITNESS: That's correct. Manufacturers also
10 have a knack of having other people make their sights for
11 them. I shouldn't say sights. Make other components of
12 the gun for them.

13 MR. JACOBI: Like everything else in America.

14 THE WITNESS: Very much like everything else in
15 the American way. There's very few -- there's no one that
16 makes 100 percent all parts and things for the pistol.

17 MR. JACOBI: I'm sorry to interrupt. I really
18 don't understand the difference. With all the licenses,
19 I'm not sure anybody would know.

20 MS. VAN CLEAVE: Well, this is the licensee, so
21 hopefully, the licensee would know whether they
22 manufactured it, I hope.

23 MR. JACOBI: Well, how would the licensee know if
24 he got a Glock gun whether the sight -- and the sight's on
25 there already -- whether the sight was manufactured by

1 Glock or by somebody else?

2 MS. VAN CLEAVE: But see, he can do that. I
3 mean, the IWI license says --

4 MR. JACOBI: That's going into it, you mean?

5 MS. VAN CLEAVE: Yes. It's going -- right here
6 on the front section, it says mounted sources onto the
7 weapons, where you've got the weapon and that's irrelevant.
8 Now we're talking about removable sights. You know, they
9 sell little sight sets.

10 MR. JACOBI: Okay.

11 MS. VAN CLEAVE: And they specifically say here
12 manufactured by the licensee --

13 MR. JACOBI: The OEM.

14 MS. VAN CLEAVE: Now, just a minute.
15 Manufactured by the licensee is IWI and it mentions six
16 different models here for Sigs, for Glocks, and for Colts,
17 and then another section mentions --

18 MR. JACOBI: (c).

19 MS. VAN CLEAVE: Right. -- original equipment
20 manufacturer, which is Smith & Wesson. Those are kind of
21 separate. Those are removable and the ones that are being
22 mounted onto the weapons or that are being put into, as Mr.
23 Gregor has called them, existing sights, that's under
24 category (a) here. That's fine.

25 MR. JACOBI: Got you.

1 MS. VAN CLEAVE: They don't need to know who
2 manufactured those sights. I'm sorry, Dennis.

3 MR. BOAL: That's fine. Clarification is always
4 appreciated.

5 MR. JACOBI: It was clarification for me, not for
6 anybody else in this room.

7 MR. BOAL: I could use it, too.

8 BY MR. BOAL:

9 Q Earlier, Ms. Van Cleave asked you about the
10 African tritium you said that you had tested and evaluated
11 it. You said there were approximately nine sights that you
12 shot; is that about right?

13 A Pretty much so.

14 Q Give or take. I'm not going to hold you to the
15 axe, but you did do so?

16 A Right.

17 Q Do you know what happened to those sights?

18 A I would imagine that they're somewhere in this
19 building. Could I put my hand on them right now? No.

20 Q And just to try and understand a little bit
21 better for myself, I know this question has been gone over
22 several times, but if -- you said this license was
23 ambiguous and that to your knowledge, you do not know
24 anybody that would have taken something, a sight, and
25 brought it to this license and looked to see whether or not

1 it was specifically approved; is that correct?

2 A Someone would have come here?

3 Q Right, you, you or somebody in IWI would have
4 specifically looked to see --

5 MR. JACOBI: It's a paraphrase of Ms. Van
6 Cleave's question, but it's an interesting paraphrase.

7 Would anybody have pulled out the license at some
8 point, anybody who worked for IWI, and taken a sight or
9 whatever, however these things show up --

10 MR. BOAL: Right.

11 MR. JACOBI: -- and decided whether IWI, pursuant
12 to that license, had the right, per that license, to
13 whatever you do with tritium to get it into a sight?

14 MR. BOAL: Right.

15 THE WITNESS: I guess I'm as confusing to you as
16 you are to me. We can go into existing sights. I'm not
17 sure about the sight in this hand, and that's what we do.

18 MR. JACOBI: Why would that be an issue after
19 what Ms. Van Cleave explained to me in terms of the sight,
20 unless it's somebody else's sight?

21 MS. VAN CLEAVE: Well, it's an issue, let's say,
22 MMC, Millett.

23 MR. JACOBI: Okay. MMC sells over a thousand
24 sights.

25 MS. VAN CLEAVE: Something like that, or there's

1 a second -- okay, let's stick with that for now --
2 something like that where they've manufactured the sights
3 and these -- see, right here. Manufactured by the
4 licensee. We know they were not manufactured by the
5 licensee. Mr. Gregor's testified to that.

6 MR. JACOBI: Yes.

7 MS. VAN CLEAVE: And they're not Smith & Wesson
8 manufactured by the original equipment manufacturer,
9 they're not necessarily for Smith & Wesson, and MMC is not
10 the original equipment manufacturer for Smith & Wesson, as
11 far as we know.

12 MR. JACOBI: But how does he know whether that
13 sight came off an already existing gun with a sight on it,
14 which would give him the right to go into it?

15 MS. VAN CLEAVE: Well, he's already said that MMC
16 manufactures their own and Millett manufactures their own
17 and Wilson manufactures their own.

18 MR. JACOBI: Yeah, but if MMC manufactures a
19 sight and sells it to Glock directly and Glock puts it on,
20 they put a thousand sights, a thousand MMC sights onto a
21 thousand Glocks, and then Glock says, "You know, we would
22 like MMC to now take these sights from these thousand guns
23 that we have sold, a thousand guns come back into Glock and
24 Glock takes the thousand sights off, sends them back to
25 MMC, which puts them in a big bag and sends them over to

1 IWI for shooting or whatever you call putting in the
2 tritium, what category is that under?

3 MS. VAN CLEAVE: Well, it depends on who they
4 were manufactured by. They're loose sights and you have to
5 --

6 MR. JACOBI: But they were on at one point.

7 MS. VAN CLEAVE: Nonetheless, there's a
8 differentiation in this NRC license between what is on the
9 weapon and what is a loose sight. I mean, there just is.
10 That's the way this license is written.

11 MR. JACOBI: But if it's on a weapon and taken
12 off to make it loose, is there still a differentiation?

13 MS. VAN CLEAVE: This license differentiates
14 between --

15 MR. JACOBI: Okay.

16 MS. VAN CLEAVE: -- what is loose and what is --

17 MR. JACOBI: I got you.

18 MS. VAN CLEAVE: -- on a weapon.

19 MR. JACOBI: No matter whether it had been on the
20 weapon before? If it's loose, it's loose.

21 MS. VAN CLEAVE: You would have no way of knowing
22 that. So loose is loose as far as --

23 MR. JACOBI: I guess that's what I'm asking. I
24 have no way of knowing it.

25 MS. VAN CLEAVE: So loose is loose and you have

1 different criteria here on the license for removable or
2 what's not mounted on the weapon and what is.

3 MR. JACOBI: His answer is, nobody ever picked up
4 these sights and compared them to the license. That's what
5 he has said. Yes?

6 MS. VAN CLEAVE: Is that what you said?

7 THE WITNESS: Yes.

8 MR. BOAL: I don't think I have any more
9 questions.

10 MR. JACOBI: Ask your three questions.

11 MS. VAN CLEAVE: I'm going to ask one more
12 question.

13 MR. JACOBI: I thought you were up to your three
14 questions.

15 MS. VAN CLEAVE: Not yet. I'm going to do this
16 one more time.

17 MR. JACOBI: I'm sure you'll get the same answer.

18 MS. VAN CLEAVE: I know, but I just have to.

19 MR. JACOBI: By the way, the answers are being
20 given to you in the absolute spirit of intending to
21 cooperate. It's his understanding and he is repeating it
22 ad nauseam simply because it is his understanding.

23 BY MS. VAN CLEAVE:

24 Q What did you consider to be -- what specifically
25 did you consider to be ambiguous about this license?

1 A Permanently fixed -- I mean, starting from the
2 first page, permanently fixed, the mounting. Permanently
3 fixed. Whenever I, as a gunsmith -- you want me to put a
4 sight on your gun. You want that sight to stay on your gun
5 permanently. You don't want to go out and shoot a round
6 out of your gun and have the sight come flying off the gun.

7 Q That's reasonable.

8 A It also would show up the inadequacies of me as a
9 gunsmith. I would like to think that whenever I put a
10 sight on your gun, it would be permanent so it would not
11 fly off for you. Permanently mounted could be viewed that
12 way. It is -- I want it to be permanent because I was Ms.
13 Van Cleave's sight to stay on the gun.

14 Q Right. But permanently mounted means permanently
15 mounted by IWI or coming in already permanently mounted.

16 So how does that address these loose sights? I
17 mean, how do you view that as ambiguous regarding the loose
18 sights? You're not going to be the one putting those on.

19 A The loose sights?

20 Q The loose sights like MMC sends you their sights
21 and you put the tritium in it and you send them back.
22 You're not going to be putting those on the weapons, so how
23 does that apply?

24 A Again, I assume because of everything done prior
25 to, I had heard that they had done Wilson's and Millett's.

1 Q No, no, no, no. You said you thought that was
2 ambiguous and I guess I'm trying to figure out how that is
3 ambiguous because that wouldn't apply to all these sights
4 that are coming in from Millett or from MMC or from some
5 source such as one of those companies. That doesn't apply
6 to them.

7 I mean, permanently fixed is fixed. I mean, it's
8 on a weapon, it comes in on a weapon. I guess I don't
9 understand what's ambiguous about that.

10 A Permanently fixed could also mean a front sight
11 like a Beretta that is not drift-adjustable.

12 Q I understand the Beretta's has to stay on it. Is
13 that correct? It has to stay on a Beretta, the slides come
14 in?

15 A Well, let me clarify here. Sights are held on by
16 dovetails, dovetail joints, meaning you can drive the sight
17 on and off.

18 Q Well, I had understood from someone that a
19 Beretta sight couldn't be removed. I mean --

20 A A Beretta sight is integral with the slide.

21 Q Right. That's what I had understood.

22 A But that's another way -- I'm trying to answer
23 the question. That's another way that you can view the
24 term "permanent," is that permanent, I want the sights to
25 permanently stay on the gun or is it permanent in that the

1 sight is permanently part of the frame and you can't drive
2 it off? That's ambiguous to me.

3 Q To me, permanently mounted on weapons, if it
4 comes in here on the weapon, it's mounted, isn't it?

5 A I would hope.

6 Q And if it comes in loose in a little box, it's
7 not mounted, is it?

8 A Okay.

9 Q So where's the ambiguity?

10 A Permanent -- again, I'm going to use the same
11 conclusion. A Beretta front is part of the slide.

12 Q And it would come in here, I would guess, with
13 the slide or with the whole weapon; is that correct?

14 A With the slide.

15 Q With the slide, okay.

16 A That is permanent because it's part of the slide.

17 Q Right, and that's fine. IWI puts their little
18 inserts in there and that's fine. I understand that.

19 A Now, to put sights on the gun, I want them to
20 remain on the gun permanently. I don't want them coming
21 off. I don't want them coming off.

22 Q Okay.

23 A We mount the sights to be permanent.

24 Q But you're not mounting the sights from MMC or
25 from Millett or some of these little rifle sights. You're

1 selling them loose. You personally or IWI are not mounting
2 them. Is that not correct?

3 A Based on what I had said in the prior management,
4 they did it with other people. I assumed, and that's not
5 correct, but I assumed that that is all right to do because
6 it's a front sight of a certain configuration with a
7 certain dimension.

8 Q But that's not mounted, is it? If it comes in
9 here loose and --

10 A It comes in here loose --

11 Q -- and leaves here loose.

12 A Yes, that's correct.

13 Q So that is not mounted by IWI; is that true?

14 A Right.

15 Q All right. So since category (a) says mounted
16 onto a weapon, do you see category (a) as applying to those
17 particular sights?

18 A I know you're going to hate to hear it, but it's
19 the same answer. I truly am sorry --

20 MR. JACOBI: Don't be sorry.

21 THE WITNESS: Okay. I'm not sorry. That's the
22 answer that I have to give.

23 BY MS. VAN CLEAVE:

24 Q What's your answer again? Did you view those as
25 applying to category (a)?

1 A I viewed those as the way IWI did business with
2 regard to those type sights.

3 Q Did you view them as falling into category (a)?

4 A I viewed those as the way IWI did business in the
5 past.

6 Q Did you ever think about it?

7 A We've done a lot of thinking here lately.

8 Q Well, prior to lately, did you ever think about
9 it?

10 A I don't know if I did or not. I can't recall
11 anymore. This whole process has been -- I have been
12 heavily involved in the amendment process and that's where
13 I've been generating all my time, into making the
14 amendment.

15 Q I still don't really understand what you've said
16 about what is ambiguous about that particular category, but
17 I know you're going to tell me the same thing again, so
18 let's move on.

19 Is there anything else ambiguous in that license?

20 A Sold separately or attached to weapon. Sold
21 separately and attached to weapons are two different areas.

22 Q Right, and that's why it says "or."

23 A Okay. But again, I guess I write different than
24 some people. I would have a tendency to write it, "You are
25 allowed to do this, this, this, this and this, and you

1 can't do this, this, this and this," and there's things
2 that may or may not be read into this that are ambiguous to
3 me.

4 Q And I'm asking you what those are. I mean, yes,
5 maybe you would write it differently, maybe the NRC would
6 write it differently in hindsight, I don't know, but my
7 question is, what is ambiguous to you in that license as it
8 is written?

9 A "The following applies to removable sights
10 manufactured by the original equipment manufacturer." That
11 could lead someone to believe that number one, it was
12 manufactured by Smith & Wesson at Smith & Wesson, or it
13 could lead one to believe that this type of sight
14 manufactured for the Smith & Wesson pistol as original
15 equipment.

16 That's the way I read that. That's ambiguous to
17 me because what you may find out is they don't manufacture
18 themselves. Someone else does it for them. Someone else
19 meaning somebody in Georgia, MMC. These sight companies
20 actually manufacture sights for the OEM people. That's
21 ambiguous to me.

22 Q What is the definition of original equipment
23 manufacturer to you?

24 A Original equipment manufacturer would be the
25 entity responsible for producing whatever product is being

1 produced. But what we find out is several subcontractors
2 produce the product that goes to the factory and the
3 factory doesn't produce it 100 percent.

4 Is it original equipment because the factory
5 didn't do it, someone else it was subcontracted to? I
6 don't know. But when it came out, this is what it looked
7 like. Did you produce it or did you produce it or did you
8 produce it? I don't know. It was produced to a
9 specification for the manufacturer.

10 MR. JACOBI: Not to get into this technically as
11 an argument, but I promise you that with the exception of
12 this license and your interpretation of it, if you go to
13 the Orient, if you go to Hong Kong and then to PRC,
14 People's Republic of China, you will find multi-billion
15 dollar companies that say that they are original equipment
16 manufacturers, and what they do is they put somebody else's
17 label on something.

18 Everything you buy from Japan is not manufactured
19 in Japan. I'm sorry, that's a ridiculous statement. All
20 of the -- a great percentage of the hi-fi equipment that
21 you buy, the stereo equipment that you buy in the names of
22 Sanyo and Sansui and all the rest of those names is
23 manufactured in PRC by companies, some of them public in
24 this country, two of which I represent, which say that they
25 are OEM manufacturers, and I promise you I do not represent

1 Sanyo or Sansui. I wish I did.

2 So without getting into an argument about what
3 original equipment manufacturing means, NRC may be
4 absolutely wrong, as opposed to the rest of the world, and
5 Mr. Gregor may be absolutely right.

6 MS. VAN CLEAVE: I just asked him his
7 understanding --

8 MR. JACOBI: Okay.

9 MS. VAN CLEAVE: -- of OEM.

10 MR. JACOBI: I'm pointing out something with it.

11 BY MS. VAN CLEAVE:

12 Q And are there any other ambiguities as you see
13 them, to your way of thinking, that are on this license?

14 A The model numbers are confusing because you have
15 to, you know, know what the model number refers to and have
16 a print of that.

17 Q Does IWI not have those model numbers and the
18 prints of those?

19 A Yes, but what I'm saying is that if we could
20 write it in such a way that it were manufactured for this
21 pistol rather than refer to all these letters and symbols
22 and numbers, that to me would be less confusing.

23 Q I understand we're trying -- you're trying to
24 amend the license, but again, I want to stick with the
25 license as it reads right now.

1 You do have those drawings or those model numbers
2 and the drawings for those model numbers, do you not?

3 A I would hope we do.

4 Q I would hope so, too. All right.

5 So what is ambiguous about it, since you do have
6 those drawings?

7 A The statements -- the items that I had mentioned
8 previous to you. Permanently mounted.

9 Q Right, I understand, but other than that. Other
10 than what we've already been through --

11 A That about covers it.

12 Q -- where it just lists these models and that kind
13 of thing.

14 Is there anything really ambiguous about these
15 models, because you say you do have the drawings and you
16 would hope that you have the drawings on those.

17 A It makes reference to all these communications
18 that have happened prior to 1995, and it lists all these
19 dates from '87, '88, '88, '88, 90, '91, '91, '91, the whole
20 way through. I have no way of knowing how this foundation
21 has been built.

22 I have no way of knowing anything about those
23 communications.

24 Q Have you asked the NRC to provide copies of those
25 communications?

1 A Have I personally? No.

2 Q Has anyone at IWI asked the NRC to provide copies
3 of those communications?

4 A To my knowledge, no.

5 Q So perhaps you do or did have a way to look at
6 these communications.

7 A In retrospect, I probably should have asked for
8 all the documentation based on those --

9 MR. JACOBI: The answer is it's possible.

10 BY MS. VAN CLEAVE:

11 Q Is there anything else in the license that you
12 view as confusing and ambiguous?

13 A I don't believe so.

14 MS. VAN CLEAVE: I don't have anything else.
15 Dennis, do you have any other questions?

16 MR. BOAL: No.

17 MS. VAN CLEAVE: Has he been warned about these
18 three questions?

19 MR. JACOBI: No, absolutely not.

20 BY MS. VAN CLEAVE:

21 Q Mr. Gregor, I have three questions that we ask at
22 the conclusion of any transcribed interview.

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

25 A Any rewards?

1 Q Right.

2 MR. JACOBI: Answer the question.

3 THE WITNESS: No, no.

4 BY MS. VAN CLEAVE:

5 Q Have you given the statement freely and
6 voluntarily?

7 A Yes, I have.

8 Q Is there anything further that you would like to
9 add for the record?

10 A No.

11 MS. VAN CLEAVE: I appreciate your time in
12 talking to us and we'll go off the record now.