

**UNITED STATES**  
**NUCLEAR REGULATORY COMMISSION**  
WASHINGTON, D.C. 20555-0001

June 3, 2021

EA-20-084

CampCo, Inc.  
ATTN: Motti Slodowitz, President  
4625 West Jefferson Blvd.  
Los Angeles, California 90016

SUBJECT: CAMPCO, INC - REVISED NOTICE OF VIOLATION AND ORDER IMPOSING  
CIVIL MONETARY PENALTY - \$75,000

Dear Mr. Slodowitz:

This letter refers to the CampCo Incorporated letter dated March 8, 2021, found at the U.S. Nuclear Regulatory Commission's (NRC) Agencywide Documents Access and Management System (ADAMS) Accession No. [ML21074A348](#). Your letter was written in response to the NRC Notice of Violation and Proposed Imposition of Civil Penalty (Notice), sent as an enclosure to our letter dated February 11, 2021 (ADAMS Accession No. [ML21035A136](#)). Our letter and the Notice described nine violations involving the import and distribution of watches containing radioactive material (hydrogen-3, also known as tritium). Some of these were repeated violations from a previous enforcement action (EA-14-080), issued on December 10, 2015. To emphasize the significance of the violations and the importance of compliance with the NRC regulatory requirements, a civil penalty of \$75,000 was proposed. In your response letter dated March 8, 2021, you did not dispute the violations or their severity levels. However, you provided information requesting remission or mitigation of the proposed civil penalty amount.

Based on the information provided in your letter, we determined that the Notice of Violation for Violation A should be revised to remove models HMV-W-ZTI and SWW-77 from the list of models distributed without approval. The remaining models in the list were determined to be accurate. The revised Notice of Violation for Violation A is included in Enclosure 1.

We have also concluded that an adequate basis does not exist for remission or mitigation of the proposed civil penalty amount. Accordingly, we hereby serve the enclosed Order Imposing Civil Monetary Penalty (Order) on CampCo, Incorporated, imposing a civil penalty in the amount of \$75,000 (see Enclosure 2). Within 30 days of the date of the enclosed Order, you must either: (1) pay the civil penalty in accordance with Section IV of the Order, or (2) request a hearing in accordance with Section V of the Order. The NRC's evaluation and conclusions are documented in the Appendix to the enclosed Order Imposing Civil Monetary Penalty (Order). Enclosure 3 contains a copy of NRC's NUREG/BR-0254, "Payment Methods."

The NRC recognizes that many licensees have been impacted economically by the public health emergency caused by the Coronavirus Disease 2019 (COVID-19). Consequently, the

NRC would consider a request for additional time, if appropriate. If you require additional time, please submit your request in writing to the NRC. If payment of the civil penalty as a lump sum in the required timeframe would pose a financial hardship, you may contact NRC to determine if you may qualify for a payment plan over time.

Any responses to this letter should be clearly labeled on the first page with the case reference number: "EA-20-084," and addressed to Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738, with a copy mailed to Jill Shepherd, Acting Chief, Material Safety and Tribal Liaison Branch, Division of Materials Safety, Security, State, and Tribal Programs, Office of Nuclear Material Safety and Safeguards, Two White Flint North, 11545 Rockville Pike, Rockville, MD 20852-2738. A courtesy copy may also be sent via email to [jill.shepherd@nrc.gov](mailto:jill.shepherd@nrc.gov).

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, its enclosures, and your response, if you chose to provide one, will be made available electronically for public inspection in the NRC Public Document Room and from the NRC's ADAMS, accessible from the NRC Web site at <http://www.nrc.gov/readingrm/adams.html>.

To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the public without redaction. The NRC also includes significant enforcement actions on its Web site at <http://www.nrc.gov/readingrm/doc-collections/enforcement/actions/>.

If you have any questions concerning this matter, please contact Ms. Jill Shepherd at [jill.shepherd@nrc.gov](mailto:jill.shepherd@nrc.gov) or at 301-415-1230.

Sincerely,

Anton Vogel, Acting Director  
Office of Enforcement

Docket No. 030-36619  
License No. 04-23910-01E

Enclosures:

1. REVISED NOTICE OF VIOLATION – VIOLATION A
2. ORDER IMPOSING CIVIL MONETARY PENALTY
3. NUREG/BR-0254, "Payment Methods" (Licensee only)

cc: State of California  
Gonzalo Perez, Chief  
California Dept. of Public Health  
Radiologic Health Branch

SUBJECT: CAMPCO, INC - REVISED NOTICE OF VIOLATION AND ORDER IMPOSING  
CIVIL MONETARY PENALTY - \$75,000 DATED: June 3, 2021

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ADAMS Package No.: ML21139A308

ADAMS to Cover Letter and Attachments No.:ML21139A313

ADAMS to Imposition Order No.:ML21139A318

OFFICE	NMSS/MSST	NMSS/MSST/BC	RIV/DNMS	RIV/DNMS/ BC	RIV/DNMS	NMSS/MSST
NAME	SXu	JShepherd Via email	JDykert	LRoldan-Otero via email	LHowell Via email	KWilliams Via email
DATE	04/26/2021	04/27/21	04/26/2021	04/30/21	05/10/21	05/10/21
OFFICE	NMSS/EC	OE	OE	OGC	OE	
NAME	MBurgess	LSreenivas	JPeralta	RCarpenter NLO	AVegel	
DATE	05/10/21	5/17/21	5/17/21	5/28/21	6/1/21	

OFFICIAL RECORD COPY

## NOTICE OF VIOLATION (REVISED)

CampCo, Inc.  
Los Angeles, CA

Docket No. 030-36619  
License No. 04-23910-01E  
EA-20-084

During a U.S. Nuclear Regulatory Commission (NRC) inspection conducted May 11, 2017, at your Los Angeles, California, facility, with continued review through September 3, 2020, nine violations of NRC requirements were identified. In accordance with the NRC Enforcement Policy, the NRC proposes to impose a civil penalty pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and Title 10 of the *Code of Federal Regulations* (CFR), Section 2.205. On February 11, 2021, NRC issued a Notice of Violation and Proposed Civil Penalty. Based on information provided by CampCo, Incorporated, in a letter dated March 8, 2021, the NRC has revised Violation A, as follows:

### Violation A:

License Condition 10 of Materials License 04-23910-01E, Amendments No. 3 and No. 4, require, in part, that the licensee distribute only timepieces whose model numbers are specifically authorized on the license.

Contrary to the above, from March 1, 2016 through January 23, 2018, the licensee failed to distribute only timepieces whose model numbers were specifically authorized on the license. Specifically, CampCo distributed tritium timepieces whose model numbers were not listed in License Condition 10: SWWMP18; UZI-18B; UZI-26; and UZI-32.

Violation A is a repeat Severity Level III violation (6.3)  
Civil Penalty - \$15,000 (EA-20-084)

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of	)	
	)	
CAMPCO, INC.	)	Docket Number: 03036619
LOS ANGELES, CALIFORNIA	)	License Number: 04-23910-01E
	)	EA-20-084

ORDER IMPOSING CIVIL MONETARY PENALTY

I

CampCo, Inc. (Licensee) is the holder of Materials License No. 04-23910-01E issued by the U.S. Nuclear Regulatory Commission (NRC or Commission) pursuant to Part 30 of Title 10 of the *Code of Federal Regulations* (10 C.F.R.). The license was initially issued on October 12, 2004, and Amendment No.5 was issued on October 22, 2018. The license authorizes distribution of watches containing radioactive material (hydrogen-3, also known as tritium) to unlicensed persons in accordance with the conditions specified in the license. The Licensee facility is currently located in Los Angeles, California.

II

U.S. Nuclear Regulatory Commission's (NRC's) Office of Investigations initiated an investigation on June 20, 2017, and the NRC staff initiated an inspection at the Licensee's facility in Los Angeles, California, on May 11, 2017, with subsequent records review, conducted from May 11, 2017, to September 3, 2020. The purpose of the investigation and inspection was to examine activities conducted under the license and to verify the Licensee's compliance with the

Enclosure 2

Confirmatory Order Modifying License, dated June 20, 2016, issued under previous Enforcement Action EA-14-080.

The results of the investigation and inspection indicated that the Licensee had not conducted its activities in full compliance with NRC requirements. The NRC determined that nine violations of NRC requirements occurred, involving multiple failures (including several repeat failures from EA-14-080) to comply with the license and regulations, failure to provide complete and accurate information to the NRC, and failure to comply with the Confirmatory Order.

A written Notice of Violation and Proposed Imposition of Civil Penalty (Notice) was served upon the Licensee by letter dated February 11, 2021. The Notice states the nature of the violations, the provisions of the NRC's requirements that the Licensee violated, and the amount of the civil penalty proposed for the violations.

The Licensee responded to the Notice in a letter dated March 8, 2021. In its response, the Licensee stated that they believed the civil penalty was not consistent with NRC policy and not justified by the violations that occurred.

### III

After consideration of the Licensee's response and the statements of fact, explanation, and argument for mitigation contained therein, the NRC staff has, as set forth in the Appendix to this Order, determined that the violations occurred as stated and that the penalty proposed for the violations identified in the Notice should be imposed.

#### IV

In view of the foregoing and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205, IT IS HEREBY ORDERED THAT:

The Licensee pay a civil penalty in the amount of \$75,000 within 30 days of the date of this Order, in accordance with NUREG/BR-0254, "Payment Methods."

(<https://www.nrc.gov/reading-rm/doc-collections/nuregs/brochures/br0254/index.html>). In

addition, at the time payment is made, the Licensee shall submit a statement indicating when and by what method payment was made to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, MD 20852-2738.

#### V

In accordance with 10 C.F.R. § 2.202, "Orders," the Licensee must, and any other person adversely affected by this Order may, submit an answer to this Order within 30 days of the date of the Order. In addition, the Licensee and any other person adversely affected by this Order may request a hearing on this Order within 30 days of the date of the Order. Where good cause is shown, consideration will be given to extending the time to answer or request a hearing. A request for extension of time must be directed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, and include a statement of good cause for the extension.

All documents filed in NRC adjudicatory proceedings including documents filed by an interested State, local governmental body, Federally recognized Indian Tribe, or designated agency thereof that requests to participate under 10 CFR 2.315(c), must be filed in accordance

with 10 CFR 2.302. The E-Filing process requires participants to submit and serve all adjudicatory documents over the internet, or in some cases, to mail copies on electronic storage media, unless an exemption permitting an alternative filing method, as discussed below, is granted. Detailed guidance on electronic submissions is located in the Guidance for Electronic Submissions to the NRC ([ADAMS Accession No. ML13031A056](#)) and on the NRC Web site at <https://www.nrc.gov/site-help/e-submittals.html>.

To comply with the procedural requirements of E-Filing, at least 10 days prior to the filing deadline, the participant should contact the Office of the Secretary by e-mail at [hearing.docket@nrc.gov](mailto:hearing.docket@nrc.gov), or by telephone at 301-415-1677, to (1) request a digital identification (ID) certificate, which allows the participant (or its counsel or representative) to digitally sign submissions and access the E-Filing system for any proceeding in which it is participating; and (2) advise the Secretary that the participant will be submitting a petition or other adjudicatory document (even in instances in which the participant, or its counsel or representative, already holds an NRC-issued digital ID certificate). Based upon this information, the Secretary will establish an electronic docket for the proceeding if the Secretary has not already established an electronic docket.

Information about applying for a digital ID certificate is available on the NRC's public Web site at <https://www.nrc.gov/site-help/e-submittals/getting-started.html>. After a digital ID certificate is obtained and a docket created, the participant must submit adjudicatory documents in Portable Document Format. Guidance on submissions is available on the NRC's public Web site at <https://www.nrc.gov/site-help/electronic-sub-ref-mat.html>. A filing is considered complete at the time the document is submitted through the NRC's E-Filing system. To be timely, an electronic filing must be submitted to the E-Filing system no later than 11:59 p.m. Eastern Time on the due date. Upon receipt of a transmission, the E-Filing system time-stamps the document



and sends the submitter an e-mail confirming receipt of the document. The E-Filing system also distributes an e-mail that provides access to the document to the NRC's Office of the General Counsel and any others who have advised the Office of the Secretary that they wish to participate in the proceeding, so that the filer need not serve the document on those participants separately. Therefore, applicants and other participants (or their counsel or representative) must apply for and receive a digital ID certificate before adjudicatory documents are filed to obtain access to the documents via the E-Filing system.

A person filing electronically using the NRC's adjudicatory E-Filing system may seek assistance by contacting the NRC's Electronic Filing Help Desk through the "Contact Us" link located on the NRC's public Web site at <https://www.nrc.gov/site-help/e-submittals.html>, by e-mail to [MSHD.Resource@nrc.gov](mailto:MSHD.Resource@nrc.gov), or by a toll-free call at 1-866-672-7640. The NRC Electronic Filing Help Desk is available between 9 a.m. and 6 p.m., Eastern Time, Monday through Friday, excluding government holidays.

Participants who believe that they have good cause for not submitting documents electronically must file an exemption request, in accordance with 10 CFR 2.302(g), with their initial paper filing stating why there is good cause for not filing electronically and requesting authorization to continue to submit documents in paper format. Such filings must be submitted in accordance with 10 CFR 2.302(b)-(d). Participants filing adjudicatory documents in this manner are responsible for serving their documents on all other participants. Participants granted an exemption under 10 CFR 2.302(g)(2) must still meet the electronic formatting requirement in 10 CFR 2.302(g)(1), unless the participant also seeks and is granted an exemption from 10 CFR 2.302(g)(1).

Documents submitted in adjudicatory proceedings will appear in the NRC's electronic hearing docket, which is publicly available at <https://adams.nrc.gov/ehd>, unless excluded pursuant to an order of the presiding officer. If you do not have an NRC-issued digital ID certificate as described above, click "cancel" when the link requests certificates and you will be automatically directed to the NRC's electronic hearing dockets where you will be able to access any publicly available documents in a particular hearing docket. Participants are requested not to include personal privacy information such as social security numbers, home addresses, or personal phone numbers in their filings unless an NRC regulation or other law requires submission of such information. With respect to copyrighted works, except for limited excerpts that serve the purpose of the adjudicatory filings and would constitute a Fair Use application, participants should not include copyrighted materials in their submission.

If a person other than CampCo, Inc. requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.309(d) and (f).

If a hearing is requested by a licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearings. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained. Pursuant to 10 CFR 2.202(c)(2)(i), CampCo, Inc. or any other person adversely affected by this Order, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer on the ground that the Order is not based on adequate evidence but on mere suspicion, unfounded allegations, or error. In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 30 days from the date this Order is published in the Federal Register without further order or proceedings.

If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. If payment has not been made by the time specified above, the matter may be referred to the Attorney General, for collection.

FOR THE NUCLEAR REGULATORY COMMISSION

Anton Vogel, Acting Director  
Office of Enforcement

Dated this 3rd day of June 2021

## APPENDIX

### EVALUATION AND CONCLUSION

On February 11, 2021, the NRC issued a Notice of Violation and Proposed Imposition of Civil Penalty (Notice) for violations identified during an NRC investigation and inspection. CampCo, Inc. (CampCo or Licensee) responded to the Notice on March 8, 2021, and provided information requesting mitigation of the proposed civil penalty amount. The NRC's evaluation and conclusion regarding the Licensee's request is as follows:

#### Summary of the Licensee's Request for Mitigation of the Civil Penalty Amount

In its letter, the licensee provides information regarding the violations cited in NRC letter to CampCo Inc. dated February 11, 2021 (EA-20-084) and, in summary, states that CampCo believes that the proposed civil penalty exceeds the nature of the violations, that the outcome does not consider CampCo's efforts to remedy the violations, and that the penalties are not fair or consistent with the NRC's Enforcement Policy since these violations had no actual consequences to public health and safety, and that they were not willful.

#### NRC Evaluation of the Licensee's Request

The Licensee provided new information regarding the models included in Violation A. The NRC reviewed the information that was provided as well as the information that had previously been gathered during the inspection and investigation and determined that two of the models listed in the Notice of Violation for Violation A should be deleted. The remaining models listed were determined to be correct. For the remaining violations, the NRC has determined that no new substantive information was provided regarding the violations. Therefore, no changes were warranted to the other violations in the Notice of Violation.

In the March 8, 2021, response letter (CampCo's letter), under the section for Violation A, the licensee states "Under the CampCo work processes and check lists that were developed in response to Confirmatory Order EA-14-80, any of these types of error will be largely avoided. Operating a timepiece distribution business like CampCo's is incredibly detailed. Some mistakes will be made just because of the nature of the business, with no willfulness or negligence being involved." The NRC emphasizes that it is CampCo's responsibility to ensure compliance with its license. It is not adequate compliance that mistakes are "largely avoided". Distribution of even one unit that is not as authorized on the license is a violation of the license.

In CampCo's letter, under the section for violation B, the letter states that there was "never a clear template on how the reports needed to be written, that the "NRC had a mail dysfunction on where to send the reports," and that "CampCo should not be penalized by any dysfunction in the NRC mail system." The mailing address for annual reports has not changed, and a mail dysfunction did not occur. Violation B was not a citation for late or improperly mailed reports, but rather for repeat failures to file complete and accurate annual reports that included identification of each product distributed, the model numbers, and the number of units of each type of product transferred during the reporting period by model number. To ensure complete and accurate information is included in the reports, CampCo committed in a December 18, 2020 license amendment, to review its records and to submit amended distribution reports that reflect the correct activity for each watch. The NRC will confirm the implementation of corrective actions in a future inspection.

CampCo's letter stated that "the NRC created ambiguity" regarding Violation C in a 2015 letter. This repeat violation, cited on December 10, 2015, and again on February 11, 2021, was discussed in detail during the alternative dispute resolution (ADR) mediation sessions held between the NRC and CampCo that included CampCo's understanding of the requirement and its implementation. These mediation sessions culminated with the issuance of Confirmatory Order (EA-14-80) in June of 2016. However, after the ADR Confirmatory Order was issued, CampCo received at least two more shipments of timepieces without certificates. During an onsite inspection in May 2017, the NRC identified that Violation C had not been corrected and CampCo remained in non-compliance until 2018. The NRC will confirm the implementation of corrective actions in a future inspection.

CampCo's letter also identified that CampCo was waiting for NRC approval of the training materials required by the Confirmatory Order. After multiple rounds of NRC comments that CampCo failed to correctly incorporate, the NRC suspended its review pending completion of the enforcement case. Under separate letter, the NRC will provide comments to the last version submitted by CampCo on November 1, 2017.

Regarding the amount of the civil penalties, we have reviewed the civil penalty assessed to CampCo in EA-20-084 and determined that the total amount assessed is consistent with the NRC's Enforcement Policy. Specifically, the base civil penalties were assessed using standard values published in the NRC's Enforcement Policy, Section 8.0, Table of Base Civil Penalties, Table A, item e, for a distributor of exempt use products.

The NRC's determination of a civil penalty amount did include giving CampCo full credit for corrective actions. If corrective action credit is not given for any violation, the NRC Enforcement Policy is to assess the civil penalty at two times the base civil penalty amount. In this case, CampCo was given full credit for corrective actions, thereby resulting in only the base civil penalty for each violation.

The application of the civil penalty assessment process did not include any increase for willfulness, since the NRC did not conclude there was evidence to indicate willfulness.

In addition, the NRC Enforcement Policy allows the assessment of a civil penalty for each violation. There were nine violations. The NRC Enforcement Policy also allows grouping two or more violations as a problem, if appropriate. Grouping as a problem results in a single civil penalty for the problem, versus separate civil penalty for each violation within the problem. For this enforcement action, the NRC did use that option to combine several of the violations into problems, thus reducing the maximum civil penalty that was proposed. It was not appropriate, however, to combine the repeated violations into a problem. The NRC normally assesses repeat violations as separate violations to emphasize the importance of compliance and corrective actions. Section 3.6 of the Enforcement Policy allows the NRC staff to exercise discretion to increase the civil penalty for repeat violations. The NRC did not exercise this option.

### Conclusion

Based on our review, the NRC determined that, with the exception of the modification to Violation A, the violations occurred as described in the Notice dated February 11, 2021, and that the civil penalties were assessed fairly and in accordance with the NRC Enforcement Policy. Therefore, the NRC will impose a civil penalty in the amount of \$75,000.