



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
REGION I
475 ALLENDALE ROAD – SUITE 102
KING OF PRUSSIA, PA 19406-1415

June 28, 2022

Manny Bell, Vice President Finance
Marathon Watch Company, Ltd.
1-8355 Jane Street
Vaughan, Ontario, CN L4K 5Y3

**SUBJECT: MARATHON WATCH COMPANY, LTD. - NRC INSPECTION NO.
030-31742/2022-001 AND NOTICE OF VIOLATION**

Dear Mr. Bell:

This letter refers to the inspection conducted on April 6, 2022, at the Montoursville, PA location and in-office review of additional information provided on May 27, 2022. This inspection examined activities conducted under your license as they relate to public health and safety, and to confirm compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selected examination of procedures and representative records, observations of activities, and interviews with personnel. The inspector discussed the finding of the inspection during an online meeting June 27, 2022, with you and other members of your staff.

Based on the results of this inspection, the NRC has determined that a Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at <https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>. The violation is cited in the enclosed Notice of Violation (Notice) because the violation was identified by the NRC.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with 10 CFR 2.390 of the NRC's " Agency Rules of Practice and Procedure," a copy of this letter and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/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.

If you have any questions regarding this matter, please contact Betsy Ullrich of my staff at 240-704-4575 or by electronic mail to Elizabeth.Ullrich@nrc.gov .

Thank you for your cooperation.

Sincerely,

Christopher Cahill, Chief
Commercial, Industrial, R&D
and Academic Branch
Division of Radiological Safety and Security
Region I

Docket No. 030-31742
License No. 54-28526-01E

Enclosure:
Notice of Violation

cc w/ enclosure
James Felegle, Radiation Safety Officer
Danny Conforti, Executive Assistant
Commonwealth of Pennsylvania

MARATHON WATCH COMPANY, LTD. - NRC INSPECTION NO. 030-31742/2022-001 AND
NOTICE OF VIOLATION DATED JUNE 28, 2022

DISTRIBUTION:

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OFFICE	DRSS	DRSS			
NAME	Betsy Ullrich	CCahill			
DATE	6/27/22	6/28/22			

OFFICIAL RECORD COPY

NOTICE OF VIOLATION

Marathon Watch Company, Ltd.
Vaughan, Ontario,

Docket No. 030-31742
License No. 54-28526-01E

During an NRC inspection conducted on April 6 through June 27, 2022, 1 violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

Condition 14 of License No. 54-28526-01E requires that the licensee conduct its program in accordance with the statement, representations, and procedures contained in the documents listed in the condition.

Item 6 of the letter dated April 25, 1995, states in part that watches are shipped to the Marathon Watch Company, Ltd. facilities in Montoursville, PA, prior to distribution. It further states that this facility 1) receives watches in the USA; 2) performs non-destructive acceptance testing of the watches, and 3) stores watches until distributed.

Contrary to the above, for an unknown period of time until June 27, 2022, Marathon Watch Company, Ltd. did not ship all watches to the Montoursville PA facility prior to distribution. Specifically, on April 6, 2022, the inspector reviewed testing records of 209 watches which were shipped to the Montoursville, PA, facility in 2021, which is fewer than the 8,062 watches reported to be distributed in 2021. The inspector also reviewed the "NRC Watch Tracking and Lab Testing Process" provided on May 27, 2022, which stated that only the watches selected for testing are sent to the Montoursville, PA facility.

This is a Severity Level IV violation (Enforcement Policy Section 6.3).

Pursuant to the provisions of 10 CFR 2.201, Marathon Watch company, Ltd. is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555, with a copy to the Regional Administrator, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001. Under the authority of Section 182 of the Act, 42 U.S.C. 2232, any response which contests an enforcement action shall be submitted under oath or affirmation.

Your response will be placed in the NRC Public Document Room (PDR) and on the NRC Web site. To the extent possible, it should, therefore, not include any personal privacy, proprietary, or safeguards information so that it can be made publicly available without redaction. However, if

you find it necessary to include such information, you should clearly indicate the specific information that you desire not to be placed in the PDR, and provide the legal basis to support your request for withholding the information from the public.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated This 28th day of June 2022