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NRC CITES FIVE STAR PRODUCTS AND CONSTRUCTION PRODUCTS RESEARCH FOR ALLEGED DISCRIMINATION AGAINST EMPLOYEE

The Nuclear Regulatory Commission staff has issued an enforcement action against Five Star Products, Inc., and Construction Products Research, (CPR) Inc., both of Fairfield, Ct., for alleged discrimination against a former employee who raised safety concerns about the sale and testing of grout and concrete products to the nuclear industry.

An investigation by the NRC determined that a former director of research for CPR, was discriminated against when he was placed on involuntary leave, denied access to his office, and terminated within 30 days of reporting safety concerns to the NRC. Company officials also resisted an NRC investigation of his allegations and instructed other employees not to discuss the matter with him. The former director of research filed a complaint with the U.S. Department of Labor, which ruled that his termination was "directly related" to his protected activities." Last year, DOL issued a final order approving a settlement between the parties.

As a result of a prior enforcement action issued by the NRC staff in 1995, CPR and Five Star are not permitted to supply products, including concrete or grout, certified as safety-grade, to NRC licensees. Notwithstanding that prohibition, however, Five Star and CPR have an obligation to "maintain an environment conducive to raising concerns relating to the companies' continuing responsibilities to meet NRC requirements," since they have supplied material to NRC licensees in the past. CPR and Five Star are not NRC licensees.

In a letter to the companies, Samuel J. Collins, Director of the NRC's Office of Nuclear Reactor Regulation, said the violation is of "very significant regulatory concern" because it involved an act of employee discrimination by senior corporate officials, including the president and vice-president of CPR, and the president and vice-president of Five Star. "The sphere of influence of such individuals is significant, and the impact of discrimination committed at this level has the potential to create a chilling effect throughout the company."

Although no civil penalty has been proposed, Mr. Collins said the violation has been categorized as the most severe under NRC enforcement guidelines. CPR and Five Star are required to respond in writing within 30 days to explain specific actions taken to prevent recurrence.

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