

## Assignment and Report

1. OPERATING NAME AND ADDRESS (INCLUDE ZIP CODE AND COUNTY) ER Shaw Inc. 5312 Thoms Run Road Bridgeville, PA 15017, Allegheny		2. U.I. NUMBER (ORG. SEG. CODE, ASSIGNMENT NO., P.P.C.) 766060-2017-0184-B1B		
		3. PERMIT/LICENSE NUMBER 825003079D05044	4a. TARGET DATE 7/1/2017	4b. TARGET HOURS
		5. REQUESTED BY (SIGNATURE, TITLE AND DATE)		
6. ATF OFFICER(S) ASSIGNED (b)(6) - Lead Investigator				
7. ASSIGNED BY (SIGNATURE, TITLE AND DATE) (b)(6), Area Supervisor, 10/03/2016				
8. PURPOSE/SPECIAL INSTRUCTIONS FY2017 DA-TYPE 07 FFL DE COMPLIANCE (MANDATORY)  Please conduct a Type 07 FFL DE Compliance Inspection. Please conduct this inspection in conjunction with the following inspections:  ER Shaw Inc. FFL# 8-25-05217 UI# 766060-2017-0185-B1B (Type 08 FFL)  ER Shaw Inc. FFL# 8-25-04117 UI# 766060-2017-0303-B1B (Type 07 FL)  Shaw Precision Guns, Inc. FFL# 8-25-05096 UI# 766060-2017-0199-B1B (Type 07 FFL)				
9. INSPECTION RESULTS		<input type="checkbox"/> CHECK IF NO VIOLATIONS, ADJUSTMENTS, ETC		10. TRAVEL EXPENSES (OPTIONAL)
NO. OF VIOLATIONS	1	NO. OF REFERRALS		2111 - PER DIEM
NO. OF TECS CHECKS		NO. OF TECS HITS		2112 - P.O.A.
NO. OF TAX ADJUSTMENTS		\$ VALUE OF TAX INCREASES		2113 - COMM. AIR
		\$ VALUE OF TAX DECREASES		2114 - RENTAL CAR
NO. OF ASSESSMENTS		\$ VALUE OF ASSESSMENTS		2115 - GPV EXPENSES
NO. OF CLAIMS		\$ VALUE OF CLAIMS		2116 - MISC.
NO. OF TAX PERIODS		\$ VALUE OF TAXES VERIFIED		TOTAL \$ FOR INSP.

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### 11. ATF OFFICER'S RECOMMENDATION

Submitted by (b)(6) - Industry Operations Investigator

Submitted on: 05/15/2017

On March 27, 2017, Industry Operations Investigator (IOI) (b)(6), with the assistance of Special Agent (S/A) (b)(6), initiated a compliance inspection of Shaw Precision Guns Inc (8-25-05096) and ER Shaw Inc dba Small Arms Manufacturing (8-25-05044) that also included ER Shaw Inc dba Small Arms Manufacturing (8-25-04117 and 8-25-05096). The inspections were initiated as Manufacturer/Importer compliance inspections. The main point of contact for the inspections, Carl Behling, recently underwent a major medical procedure and, as a result, was unavailable during the inspections. Present in his place were storefront manager Chris Murray (PADL (b)(6), exp (b)(6)), firearm assembler (b)(6) (PADL (b)(6), exp (b)(6) 8), office administrator (b)(6) (PADL (b)(6), exp (b)(6)), recordkeepers/sales staff (b)(6) (PADL (b)(6), exp (b)(6)) and (b)(6) (PADL (b)(6), exp (b)(6)), heir apparent/shop employee (b)(6) (PADL (b)(6), exp (b)(6)), and storefront sales clerks (b)(6).

Shaw Precision Guns Inc holds a type 07 Manufacturer of Firearms Other Than Destructive Devices Federal firearms license (FFL) (FFL 8-25-05096; UI 766060-2017-0199). ER Shaw Inc holds a type 07 Manufacturer of Firearms Other Than Destructive Devices FFL (FFL 8-25-05044; UI 766060-2017-0184) and, at a third location, a type 07 Manufacturer of Firearms Other Than Destructive Devices (FFL 8-25-04117; 766060-2017-0303) and a type 08 Importer of Firearms Other Than Destructive Devices FFL (FFL 8-25-05217; UI 766060-2017-0185). The inspections covered a period of April 1, 2016 – March 27, 2017. Advance notice of inspection was not given. FFLs 8-25-04117 and 8-25-05217 were most recently inspected in August 2016; however, since the inspections of 8-25-05096 and 8-25-05044 crossed over to all portions of the business, the licensee consented to a full inspection of all licenses to assure nothing was missed across the sites. IOI (b)(6) identified herself with Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) credentials.

Licensee was cited for violation of 27 CFR 478.123(b) on (b)(3) 112 Public occasions after reporting (b)(3) 112 Public receivers missing (F20170000891).

Viols WL ONLY and No Recall Inspection

### 12. TIME ACCOUNTING DATA

ATF OFFICER'S NAME (MONTH, YEAR, HOURS) (b)(6)	
MAR 2017	11.00
APR 2017	28.00
MAY 2017	2.00
ATF OFFICER'S SUBTOTAL	41.00
ATF OFFICER'S SIGNATURE	
TOTAL HOURS	41.00



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### 13. REVIEW AND ROUTING

#### REVIEW COMMENTS AND RECOMMENDATION

UI# 766060-2017-0184-B1B  
FFL# 8-25-05044  
Licensee: ER Shaw, Inc.  
Dates of Inspection: 03/27/2017-04/25/2017  
Scope of Inspection: Type 07 FFL DE Compliance  
Time Frame of Inspection: 04/01/2016-03/27/2017  
Recommendation: Violation; WL Only; NO Recall  
IOI: (b)(6)

A/S Comments: From 03/27/2017-04/25/2017, IOI (b)(6) conducted a Type 07 DE Compliance Inspection at the licensed premises of ER Shaw, Inc. This inspection was conducted concurrently with the following inspections:

- 1.) ER Shaw Inc.  
FFL# 8-25-05217  
UI# 766060-2017-0185-B1B (Type 08 FFL)
- 2.) ER Shaw Inc.  
FFL# 8-25-04117  
UI# 766060-2017-0303-B1B (Type 07 FL)
- 3.) Shaw Precision Guns, Inc.  
FFL# 8-25-05096  
UI# 766060-2017-0199-B1B (Type 07 FFL)

As a result of this inspection, IOI (b)(6) cited the following violation:

27 CFR 478.123(b): Acquisition & Disposition Records

Nature of Violation: On (b)(6) occasions, the licensee was unable to account for the whereabouts of firearm receivers acquired by the business resulting in the completion of a Theft/Loss Report.

Based upon this violation and in accordance with the AA Policy, IOI (b)(6) has recommended issuance of a WL with NO Recall.

A/S Recommendation: Violation; WL; NO Recall. A WL is sufficient for the following reasons:

- 1.) No compliance history. This was the licensee's first Compliance Inspection since issuance of the FFL in May 2013.
- 2.) Each of the 3 concurrent inspections did not result in adverse action.
- 3.) Licensee has logical explanations for the (b)(6) unaccounted for firearm receivers. Licensee believes (b)(6) receiver was "lost in the shuffle" during a transition period in 2013 with a former employee/recordkeeper misplacing or destroying the receiver's corresponding work ticket. Regarding the (b)(6) receiver, licensee believes it was most likely destroyed with the corresponding destruction paperwork lost or misplaced.
- 4.) Licensee appears to have satisfactory internal controls in place. For example, in regards to tracking firearms inventory, IOI (b)(6) notes, "In addition to maintaining paper bound books, ER Shaw maintains an internal electronic file for the purposes of tracking production which identifies the ticket number of the job request, the firearm received or assigned to the ticket, and dates of start and end."
- 5.) NO ATF Form 4473 violations
- 6.) NO unreported Multiple HG Sales
- 7.) NO trace activity
- 8.) NO suspicious purchasers
- 9.) Timely filing of AFMER Reports verified

A WL will be issued via Certified Mail on 05/18/2017. Also, based upon the findings, the scheduling of a Recall Inspection does NOT appear to be necessary at this time.

Viols WL ONLY and No Recall Inspection

<input checked="" type="checkbox"/> REVIEWED	<input checked="" type="checkbox"/> CONCUR	<input checked="" type="checkbox"/> SEE COMMENTS	<input checked="" type="checkbox"/> FINAL DISPOSITION
SIGNATURE AND TITLE (b)(6) - Area Supervisor		Digitally signed by (b)(6) Date: 2017.05.18 10:10:55 -0400 Adobe Acrobat version: 2017.009.20044	REVIEW DATE 05/18/2017

#### ROUTING SEQUENCE AND DATE

- ☐ 1. \_\_\_\_\_
- ☐ 2. \_\_\_\_\_
- ☐ 3. \_\_\_\_\_
- ☐ 4. \_\_\_\_\_

CONTROL FILE POSTED DATE \_\_\_\_\_



**U.S. Department of Justice**

Bureau of Alcohol, Tobacco,  
Firearms and Explosives  
1000 Liberty Avenue, Suite 1515  
Pittsburgh, Pennsylvania 15222

www.atf.gov

May 18, 2017

766060: (b)(6)  
5300

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**  
**WARNING LETTER**

ER Shaw, Inc.  
5312 Thoms Run Rd.  
Bridgeville, PA 15017  
ATTN: Harry Behling, Corporate Officer and Responsible Person  
RE: FFL# 8-25-003-07-9D-05044

Dear Mr. Behling:

During a recent Compliance Inspection at your firearms business covering the period of April 1, 2016 through March 27, 2017, your corporation was cited for a violation of 27 Code of Federal Regulations, Part 478. A copy of the Report of Violations, Form 5030.5, issued at the time of the inspection is enclosed.

As a result of this Compliance Inspection, your corporation was cited for the following violation:

**1.) 27 CFR 478.123(b)**

**Nature of violation:**

On (b)(3) 112 Public Law occasions, the licensee was unable to account for the whereabouts of firearm receivers acquired by the business resulting in the completion of a Theft/Loss Report.

The violation was fully explained to you by the Bureau of Alcohol Tobacco, Firearms and Explosives (ATF) Industry Operations Investigator (IOI), (b)(6). You indicated that you understood the requirements of the firearms laws and regulations. You further indicated that corrective actions would be taken to eliminate future violations.



You attributed this violation to oversights and a lack of attention to details by yourself and/or your employees. You advised IOI (b)(6) that you believe one (1) of the receivers was "lost in the shuffle" during a transition period in 2013, with a former employee/record keeper misplacing or destroying the receiver's corresponding work ticket. Regarding the second receiver, you stated that it is your belief that the receiver was most likely destroyed, with the corresponding destruction paperwork lost or misplaced. You were instructed by IOI (b)(6) that, going forward, you must ensure that all firearm acquisitions and dispositions are accurately and timely recorded in the A&D Record Book(s). Additionally, IOI (b)(6) emphasized to you the importance of conducting frequent, full physical inventories of the firearms on hand. IOI (b)(6) stated that these inventories should include a concurrent A&D Record Book Review to ensure that all firearms are properly accounted for and all A&D Record Book Entries are complete and accurate. IOI (b)(6) stressed that frequent, full physical inventories will greatly assist with the prevention of missing/unaccounted for firearms in the future.

The records you are required to maintain and the business operations you conduct are important to law enforcement in our continuing effort to reduce violent crime and protect the public. It is essential that you comply with all Federal Laws and Regulations that govern your firearms business. This is critical to carrying out our mission to protect the public and ensure that criminals do not gain access to firearms. ATF appreciates the efforts you and other industry members make in this area, and we look forward to continuing to work with you in that regard.

You are reminded that retention of your Federal Firearms License is conditioned upon your compliance with Federal Laws and Regulations. Any future violations, repeat or otherwise, could be viewed as willful and may result in the Revocation of your Federal Firearms License. Please ensure that future compliance is achieved.

Should you have any questions regarding this matter, please contact the Pittsburgh Area Office at 412-395-0600.

Sincerely yours,

(b)(6)

Area Supervisor, Industry Operations  
Pittsburgh III, Philadelphia Field Division

Enclosure

cc: National Licensing Center  
Pittsburgh III Area Office

## Report of Violations

### Instructions

Please write firmly with a ball point pen when completing this form. ATF officers will prepare this form in triplicate. The original copy will be given to the proprietor or a responsible representative. The remaining copies will be submitted with the completed inspection report. Supervisors will detach one copy from the completed report for their files.

Name of Proprietor ER Shaw Inc.	Street Address 5312 Thoms Run Road	City Bridgeville	State PA	Zip Code 15017-	County Allegheny	Page 1 of 1 Pages
License/Permit/Registry Number (If any) 825003079D05044		Expiration Date 4/1/2019	Date(s) or Period of Inspection 03/27/2017 through 04/17/2017			

### Inspection Results

An examination of your premises, records and operations has disclosed the following violations which have been explained to you:

Number: 1

#### Nature of Violation:

Licensee had (b)(3) 112 Pub instances of this violation pertaining to Acquisition & Disposition (A&D) records. On (b)(3) 112 Pub occasions, the licensee was unable to account for the whereabouts of firearm receivers acquired by the business.

#### Date Corrections to be Made:

(If not corrected immediately)

#### Corrective Action to be Taken:

(If not corrected immediately)

The licensee filed ATF Form 3310.11, Federal Firearms Licensee Firearms Inventory Theft/Loss Report on April 17, 2017 to reflect the loss of (b)(3) 112 Pub firearms receivers from inventory. The licensee completed the dispositions in the A&D record with the ATF Incident number associated with the report. The licensee will assure that all firearm acquisitions and dispositions are accurately and timely recorded in the A&D record.

Citation: 27 CFR 478.123(b)

I Have Received a Copy of This Report of Violations (Proprietor's signature and title)

Date

4/28/17

Signature and Title of ATF Officer

(b)(6)

FOI

Date

4/24/17