



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

NOV 30 2006

REPLY TO THE ATTENTION OF:
DT-8J

CERTIFIED MAIL

Receipt No. 7001 0320 0005 8932 8983

Arnold Joseff, President
Diversified Chemical Technologies, Inc.
15477 Woodrow Wilson Street
Detroit, Michigan 48238

Consent Agreement and Final Order, Docket No. FIFRA-05-2007-0012²².

Dear Mr. Joseff:

Enclosed please find a copy of a fully executed Consent Agreement and Final Order concerning violations of the Federal Insecticide Fungicide & Rodenticide Act (FIFRA), 7 §§ U.S.C.136 et seq., in resolution of the above case. This document was filed on November 30, 2006 with the Regional Hearing Clerk.

The civil penalty in the amount of \$2,074 is to be paid in the manner prescribed in paragraphs 44, 45 and 46. Please be certain that the number BD 2750745P014 and the docket number are written on both the transmittal letter and on the check. Payment is due by January 2, 2007 (within 30 calendar days of the filing date).

Thank you for your cooperation in resolving this matter.

Sincerely,



David Star
Pesticides and Toxics Branch

Enclosures

cc: Marcy Toney, Regional Judicial Officer/C-14J (w/Encl.)
Charles Mikalian, ORC/C-14J (w/Encl.)
Eric Volck, Cincinnati Finance/NWD (w/Encl.)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 West Jackson Boulevard
Chicago, Illinois 60604

2007 NOV 30 AM 10:10
REGIONAL CLERK

_____)
In the Matter of:)
)
)
DIVERSIFIED CHEMICAL)
TECHNOLOGIES, INC.)
15477 Woodrow Wilson Street)
Detroit, Michigan 48238)
Respondent.)
_____)

Consent Agreement and Final Order

Proceeding to Assess a Civil Penalty
under Section 14(a) of the Federal
Insecticide, Fungicide, and Rodenticide
Act, 7 U.S.C. § 136l(a)

Docket No. FIFRA-05-2007-0012²⁶

CONSENT AGREEMENT AND FINAL ORDER

1. This is a civil administrative action commenced and concluded pursuant to Section 14(a)(1) of the Federal Insecticide, Fungicide and Rodenticide Act, as amended (FIFRA), 7 U.S.C. § 136l(a)(1), and Sections 22.1(a)(1), 22.13, 22.18, and 22.35 of the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits* (Consolidated Rules) as codified at 40 C.F.R. Part 22 (2005).

I. PARTIES

2. The Complainant is, by lawful delegation, the Chief, Pesticides and Toxics Branch, Waste, Pesticides and Toxics Division, United States Environmental Protection Agency (U.S. EPA), Region 5.

3. The Respondent is Diversified Chemical Technologies, Inc., a corporation doing business in the State of Michigan.

4. At all times relevant to this Consent Agreement and Final Order (CAFO), the Respondent had a place of business at 15477 Woodrow Wilson Street, Detroit, Michigan 48238.

5. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a CAFO. (See 40 C.F.R. § 22.13(b) (2005).)

6. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

7. Respondent consents to entry of this CAFO and the assessment of the specified civil penalty and agrees to comply with the terms of the CAFO.

II. JURISDICTION AND WAIVER OF RIGHT TO HEARING

8. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

9. Respondent waives any right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO, and its right to appeal this CAFO.

III. STATUTORY AND REGULATORY BACKGROUND

10. Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L), states that it shall be unlawful for any person who is a producer to violate any of the provisions of Section 7 of FIFRA, 7 U.S.C. § 136e.

11. Pursuant to Section 7(a) of FIFRA, 7 U.S.C. § 136e(a), no person shall produce any pesticide subject to FIFRA or active ingredient used in producing a pesticide subject to FIFRA in any State unless the establishment in which it is produced is registered with the Administrator of the U.S. EPA (Administrator).

12. Under Section 7(b) of FIFRA, 7 U.S.C. § 136e(b), the Administrator registers establishments that produce pesticides and assigns them an establishment registration number.

13. Section 12(a)(1)(E) of FIFRA, 7 U.S.C. § 136j(a)(1)(E), states that it shall be unlawful for any person in any State to distribute or sell to any person any pesticide which is adulterated or misbranded.

14. Section 2(q)(1)(D) of FIFRA, 7 U.S.C. § 136(q)(1)(D), states that a pesticide is misbranded if its label does not bear the registration number assigned under Section 7 of FIFRA, 7 U.S.C. § 136e, to each establishment in which it was produced.

15. Section 2(q)(1)(A) of FIFRA, 7 U.S.C. § 136(q)(1)(A), states that a pesticide is misbranded if its labeling bears any statement, design, or graphic representation relative thereto or to its ingredients which is false or misleading in any particular.

16. The term “person” as defined in Section 2(s) of FIFRA, 7 U.S.C. § 136(s), “means any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.”

17. The term “pesticide” is defined at Section 2(u) of FIFRA, 7 U.S.C. § 136(u), and 40 C.F.R. § 152.3, and is generally regarded as any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

18. In addition, according to 40 C.F.R. § 152.15(a)(1), a substance is considered to be intended for a pesticidal purpose, and thus to be a pesticide requiring registration, if the person who distributes or sells the substance claims, states, or implies (by labeling or otherwise) that the substance (either by itself or in combination with any other substance) can or should be used as a pesticide.

19. The term “establishment” is defined, in Section 2(dd) of FIFRA, 7 U.S.C. § 136(dd), as “any place where a pesticide or device or active ingredient used in producing a pesticide is produced, or held, for distribution or sale.”

20. The term “producer” is defined in Section 2(w) of FIFRA, 7 U.S.C. § 136(w), and 40 C.F.R. § 167.3, as meaning the person who manufactures, prepares, compounds, propagates, or processes any pesticide, or any person who produces any pesticide (including packaging, repackaging, labeling and relabeling).

21. The term “produce” as defined in Section 2(w) of FIFRA, 7 U.S.C. § 136(w), and 40 C.F.R. § 167.3, means “to manufacture, prepare, propagate, compound, or process any pesticide . . . or to package, repack, label, relabel or otherwise change the container of any pesticide or device.”

22. The term “distribute or sell” as defined in Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg), means “to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, release for shipment, or receive and (having so received) deliver or offer to deliver.”

23. The Administrator of U.S. EPA may assess a civil penalty of up to \$5,500 for each offense of FIFRA that occurred on or after January 31, 1997, through March 15, 2004, and may assess a civil penalty of up to \$6,500 for each offense of FIFRA that occurred after March 15, 2004 under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), and 40 C.F.R. Part 19 (2005).

IV. FACTUAL ALLEGATIONS AND VIOLATIONS

24. Respondent is a “person” as that term is defined at Section 2(s) of FIFRA, 7 U.S.C. § 136(s).

25. On or about May 6, 2005, U.S. EPA acquired information (Respondent’s records) regarding the production of a “pesticide” by Respondent, located at 15477 Woodrow Wilson Street, Detroit, Michigan 48238, during the 2004 calendar year.

26. Respondent’s facility at 15477 Woodrow Wilson Street, Detroit, Michigan 48238, is an “establishment” as defined in Section 2(dd) of FIFRA, 7 U.S.C. § 136(dd), and 40 C.F.R. § 167.3.

27. Respondent’s records indicated that Respondent produced the following pesticide, as the term “produce” is defined in Section 2(w) of FIFRA, 7 U.S.C. § 136(w), at its establishment:

- Wint Mint II Disinfectant (EPA Reg. 6836-166-12179)
- Splash Spray & Wipe Germacidal Cleaner/Deodorant (EPA Reg. 334-241-12179)
- Hospi-Septic G Deodorant Disinfectant (EPA Reg. 334-214-12179)

The pesticides listed above are pesticides, as defined in Section 2(u) of FIFRA, 7 U.S.C. § 136(u).

28. Records maintained by U.S. EPA reveal that the establishment was not registered as an active pesticide producing establishment during the 2004 calendar year and continuing to November 15, 2005, pursuant to the requirements of Section 7(a) of FIFRA, 7 U.S.C. § 136e(a), and 40 CFR Part 167.

29. Respondent is a “producer” as that term is defined at Section 2(w) of FIFRA, 7 U.S.C. § 136(w), and 40 CFR § 167.3.

30. Respondent produced a pesticide in an unregistered establishment in violation of Section 7(a) of FIFRA, 7 U.S.C. § 136e(a).

31. Respondent's production of a pesticide in an unregistered establishment constitutes an unlawful act pursuant to Section 12(a)(2)(L) of FIFRA, 7 U.S.C. § 136j(a)(2)(L), which states that it shall be unlawful for any person who is a producer to violate any of the provisions of Section 7 of FIFRA, 7 U.S.C. § 136e.

32. As a result of Respondent's violation of Section 7(a) of FIFRA, 7 U.S.C. § 136e(a), Respondent is subject to the assessment of civil penalties under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a).

33. At all times relevant to this CAFO, Respondent owned, controlled, or had custody of the pesticides identified in paragraph 27.

34. During the 2004 calendar year, Respondent "distributed or sold" the pesticides identified in paragraph 27, as that term is defined at Section 2(gg) of FIFRA, 7 U.S.C. § 136(gg).

35. Respondent distributed or sold the pesticides identified in paragraph 27 with a label or labels that did not bear a valid registration number assigned under Section 7 to the establishment in which they were produced.

36. Respondent distributed or sold a "misbranded" pesticide as that term is defined in Section 2(q) of FIFRA, 7 U.S.C. § 136(q).

37. Respondent's distribution or sale of a misbranded pesticide constitutes an unlawful act pursuant to Section 12(a)(1)(E) of FIFRA, 7 U.S.C. § 136j(a)(1)(E), which states that it shall be unlawful for any person in any State to distribute or sell to any person any pesticide which is adulterated or misbranded.

38. As a result of Respondent's violation of Section 12(a)(1)(E) of FIFRA, 7 U.S.C. § 136j(a)(1)(E), Respondent is subject to the assessment of civil penalties under Section 14(a) of FIFRA, 7 U.S.C. § 136l(a).

39. On or about October 13, 2005, U.S. EPA issued a Stop Sale, Use, or Removal Order against Respondent for the production of a pesticide in an establishment not registered with U.S. EPA and the subsequent distribution or sale of a "misbranded" pesticide, because any labels affixed to the pesticide were misbranded by either bearing a false establishment

registration number or not bearing a true establishment registration number assigned by U.S. EPA.

40. After proper application by Respondent to register its establishment, U.S. EPA registered Respondent's establishment on November 15, 2005.

41. U.S. EPA assigned the establishment registration number 012179-MI-001 to Respondent.

V. CIVIL PENALTY

42. Pursuant to Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4), and the "Enforcement Response Policy for FIFRA (July 2, 1990)," U.S. EPA has determined that a civil penalty of \$8,295 per pesticide produced and subsequently distributed or sold by Respondent may be proposed in a complaint for Respondent's violations of Sections 7(a) and 12(a)(1)(E) of FIFRA, 7 U.S.C. §§ 136e(a) and 136j(a)(1)(E). However, in light of Respondent's good faith efforts to correct the violations immediately after discovery by U.S. EPA, Complainant has determined that an appropriate civil penalty to settle this action expeditiously and prior to the issuance of a complaint is \$2,074.

43. Respondent agrees to pay a civil penalty in the amount of the \$2,074 to settle this matter.

44. Respondent must pay the \$2,074 civil penalty by cashier's or certified check payable to the "Treasurer, United States of America," within 30 days after the effective date of this CAFO.

45. Respondent must send the check to:

U.S. EPA, Region 5
P.O. Box 371531
Pittsburgh, PA 15251-7531

46. A transmittal letter, stating Respondent's name, complete address, the case docket number, and the billing document number must accompany the payment. Respondent must write the case docket number and the billing document number on the face of the check. Respondent must send copies of the check and transmittal letter to:

Regional Hearing Clerk (E-13J)
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3590

Charles Mikalian (C-14J)
Office of Regional Counsel
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3590

David Star, (DT-8J)
Pesticides and Toxics Enforcement Section
U.S. EPA Region 5
77 West Jackson Boulevard
Chicago, IL 60604-3590

47. This civil penalty is not deductible for federal tax purposes.

48. If Respondent does not timely pay the civil penalty, U.S. EPA may refer the matter to the Attorney General, who will recover such amount by action in the appropriate United States district court, under Section 14(a)(5) of FIFRA, 7 U.S.C. § 136l(a)(5).

49. Pursuant to 31 C.F.R. § 901.9, Respondent shall pay the following on any amount overdue under this CAFO:

(a) Interest. Interest will accrue on any overdue amount from the date payment was due at a rate established by the Secretary of the Treasury.

(b) Monthly Handling Charge. Respondent will pay a \$15 handling charge each month that any portion of the penalty is more than 30 days past due.

(c) Non-Payment Penalty. Respondent will pay a 6 percent per annum penalty on any principal amount 90 days past due. This non-payment penalty is in addition to charges that accrue under subparagraphs (a) and (b).

VI. FINAL STATEMENT

50. This CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged in the Factual Allegations and Violations section of this CAFO.

51. The effect of the settlement described in this CAFO is conditioned upon the accuracy of Respondent's representations to U.S. EPA, as memorialized in paragraph 40 of this

CAFO, and Respondent's "Application for Registration of Pesticide-Producing and Device-Producing Establishments" dated October 26, 2005.

52. Respondent consents to all of the conditions in this CAFO.

53. This CAFO does not affect the right of U.S. EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law.

54. This CAFO does not affect Respondent's responsibility to comply with FIFRA and other applicable federal, state and local laws, and regulations.

55. Respondent certifies that it is complying fully with FIFRA, 7 U.S.C. §§ 136 et.seq.

56. The terms of this CAFO bind Respondent, and its successors, and assigns.

57. Each person signing this consent agreement certifies that he or she has the authority to sign this consent agreement for the party whom he or she represents and to bind that party to its terms.

58. Each party agrees to bear its own costs and attorneys' fees in this action.

59. This CAFO constitutes the entire agreement between the parties.

CONSENT AGREEMENT AND FINAL ORDER


In the Matter of: Diversified Chemical Technologies, Inc.

15477 Woodrow Wilson Street, Detroit, Michigan 48238

Docket No. FIFRA-05-2007-0012^{2b}.

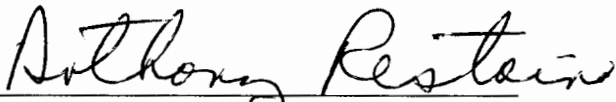
Diversified Chemical Technologies, Inc., Respondent

Date: 10/24/06

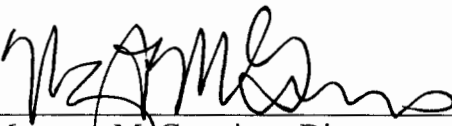
By: 
Arnold Joseff, President
Diversified Chemical Technologies, Inc.

United States Environmental Protection Agency, Complainant

Date: 11/7/06

By: for 
Mardi Klevs, Chief
Pesticides and Toxics Branch
Waste, Pesticides, and Toxics Division

Date: 11/15/06

By: 
Margaret M. Guerriero, Director
Waste, Pesticides, and Toxics Division

CONSENT AGREEMENT AND FINAL ORDER

In the Matter of: Diversified Chemical Technologies, Inc.

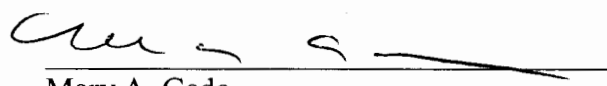
15477 Woodrow Wilson Street, Detroit, Michigan 48238

Docket No. *FIFRA-05-2007-001275*.

FINAL ORDER

It is ordered as agreed to by the parties and as stated in the consent agreement, effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk. This final order disposes of this proceeding pursuant to 40 C.F.R. § 22.18.

Date: 11/22/06



Mary A. Gade
Regional Administrator
United States Environmental Protection Agency
Region 5

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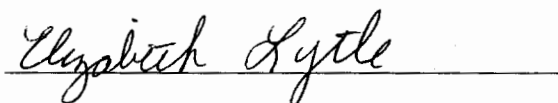
CERTIFICATE OF SERVICE

I hereby certify that the original signed copy of the Consent Agreement and Final Order in resolution of the civil administrative action involving Diversified Chemical Technologies, Inc., was filed on November 30, 2006, with the Regional Hearing Clerk (E-13J), United States Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604-3590, and that I mailed by Certified Mail, Receipt No. 7001 0320 0005 8932 8983, a copy of the original to the Respondents:

Arnold Joseff, President
Diversified Chemical Technologies, Inc.
15477 Woodrow Wilson Street
Detroit, Michigan 48238

and forwarded copies (intra-Agency) to:

Marcy Toney, Regional Judicial Officer, ORC/C-14J
Charles Mikalian, Counsel for Complainant/C-14J
Eric Volck, Cincinnati Finance/NWD



Elizabeth Lytle
Pesticides and Toxics Branch
U.S. EPA - Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

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REGIONAL HEARING CLERK
U.S. ENVIRONMENTAL PROTECTION AGENCY
CHICAGO, ILLINOIS

Docket No. FIFRA-05-2007-0012²⁰

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