UNITED STATES ENVIRONMENTAL PROTECTION AGENCY: -? // III: 06

BEFORE THE ADMINISTRATOR

IN THE MATTER OF)	(a) (i)
)	
FRM CHEM, INC., et al.)	DOCKET NO. FIFRA-07-2008-0035
ADVANCED PRODUCTS TECHNOLOGY, IN	VC.,)	DOCKET NO. FIFRA-07-2008-0036
et al.)	
SYNISYS, INC., et al.)	DOCKET NO. FIFRA-07-2009-0041
CUSTOM COMPOUNDERS, INC.,)	DOCKET NO. FIFRA-07-2009-0042
)	
RESPONDENTS.)	

REPLY OF FRM CHEM, INC.¹, ADVANCED PRODUCTS TECHNOLOGY, INC., SYNISYS, INC. AND CUSTOM COMPOUNDERS, INC. TO COMPLAINANT'S MOTION FOR DEFAULT LIABILITY

COME NOW Respondents FRM Chem, Inc. ("FRM"), Advanced Products Technology, Inc. ("APT"), Synisys, Inc. ("SYN") and Custom Compounders, Inc. ("CCI") (collectively, "Corporate Respondents"), and for their Reply to Complainant's Motions for Default as to Liability state as follows:

- 1. Corporate Respondents APT, SYN and CCI have previously answered the Complaints in Docket Nos. FIFRA-07-2008-0036, FIFRA-07-2009-0041 and FIFRA-07-2009-0042. Corporate Respondent FRM has previously answered the First Amended Complaint in Docket No. FIFRA-07-2009-0035.²
- 2. The First Amended Complaint in Docket Nos. FIFRA-07-2008-0036, FIFRA-07-2009-0041 and FIFRA-07-2009-0042 combined contain approximately 180 separate paragraphs.

¹Respondents have not received a similar Motion from Complainant in FIFRA-00-2009-0035.

²Other than the addition of Individual Respondents Keith G. Kastendieck and Karlan C. Kastendieck, there appears to be no additional substantive allegation that requires an answer from FRM to the Second Amended Complaint. Nevertheless, one will be filed.

Over ninety percent (90%) of these paragraphs are virtually identical to the original Complaints which have already been answered by these Corporate Respondents. By virtually identical, an example is the use of the plural in the Amended Complaints vs. singular in the original Complaints.

- 3. Of the remaining ≤less than 10% of the "amended paragraphs" in the three Amended Complaints, more than 90% of those deal with the addition of Individual Respondents Keith G. Kastendieck and Karlan C. Kastendieck.
- 4. The very small balance of the "amended paragraphs" in the three Amended Complaints deal solely with adding Corporate Respondents FRM and APT to Docket Nos. FIFRA-07-2009-0041 and FIFRA-07-2009-0042. This Court, in its Order of May 27, 2010 at Page 5 noted, "In fact, Respondents make it clear in their Initial Response that such an amendment would be 'appropriate in light of Respondent's Prehearing Exchange."
- 5. Therefore, while Corporate Respondents have not "officially" filed Amended Answers to the First Amended Complaints referenced in Complainant's Motions for Default, they have, in fact, previously answered 99% of the substantive allegations in these pleadings that deal with the Corporate Respondents.
- 6. Complainant's counsel for the most part correctly states the background dates concerning this motion.
- 7. When the Amended Complaints were filed, it became apparent that several conflicts of interest might present themselves both as to corporation v. corporation, individual v. individual and/or individual v. corporation. In that regard, Raymond Kastendeick (as shareholder) and Karlan C. Kastendieck (as an individual and shareholder) were unavailable to Corporate Respondents' counsel. Very recently, they have made themselves available for this discussion of conflict issues.

- 8. The parties (Complainant and Corporate Respondents) reached an agreement that Corporate Respondents could have until July 28, 2010 to file their answers.
- 9. On July 25, 2010, after a flight from Chicago to St. Louis, undersigned counsel experienced a substantial medical issue/concern. On July 26, 27 and 29, 2010, undersigned counsel sought medical attention from Dr. William Benedict. When the medical issue did not improve during this span of time, Dr. Benedict ordered and a brain scan was performed at St. Luke's Hospital in St. Louis on July 30, 2010. A copy of this CD scan is attached hereto as Exhibit "A".

While not totally incapacitated during this week long treatment, counsel was very concerned and having difficulty concentrating.

Undersigned counsel is now responding to medication to treat the diagnosed illness.

- 10. Undersigned counsel for Corporate Respondents believes this demonstrates to the Court good cause why a default should not be entered in these combined cases.
- 11. Undersigned counsel for Corporate Respondents will have Corporate Respondents' Answers in the mail, via overnight delivery, by August 9, 2010. The answers will be almost identical to the Corporate Respondents' prior answers with the exception of numbered paragraphs and the use of the plural.

WHEREFORE, Corporate Respondents respectfully request that Complainant's Motions for Default as to Liability be denied for good cause shown.

Respectfully submitted,

JENKINS & KLING, P.C

Bv.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served via Federal Express upon:

Sybil Anderson Headquarters Hearing Clerk U.S. Environmental Protection Agency 1099 14th Street NW Suite 350, Franklin Court Washington, DC 20005

Honorable Barbara A. Gunning Office of Administrative Law Judges U.S. Environmental Protection Agency 1099 14th Street NW Washington, DC 20005

this 6th day of August, 2010.

Kathy Robinson Regional Hearing Clerk EPA - Region 7 901 North 5th Street Kansas City, KS 66101

Chris R. Dudding Assistant Regional Counsel EPA - Region 7 901 North 5th Street Kansas City, KS 66101



EXHIBIT A