

# FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE PITTSBURGH	OFFICE POSITION WASHINGTON FIELD OFFICE	DATE 4/23/80	INVESTIGATIVE PERIOD 3/11/80 - 4/15/80	b6 b7c
TITLE OF CASE ZALMAN MORDECAI SHAPIRO		REPORT MADE BY [Redacted]	TYPED BY clr	
CHARACTER OF CASE ATOMIC ENERGY ACT OBSTRUCTION OF JUSTICE				

### REFERENCE

Bureau teletype to Pittsburgh dated 3/25/80.  
 Pittsburgh teletype to Bureau dated 4/7/80.  
 Pittsburgh teletype to Bureau dated 4/17/80.

- RUC -

### ENCLOSURES

Enclosed for Washington Field are the original and one copy each of two FD-302s and original notes regarding interviews of [Redacted] and [Redacted] at Pittsburgh.

ALL INFORMATION CONTAINED  
 HEREIN IS UNCLASSIFIED  
 DATE 6/22/82 BY SP-1 GSK/ABU

ACCOMPLISHMENTS CLAIMED					DATE	BY	ACQUIT	CASE HAS BEEN:
CONVIC.	PRETRIAL DIVERSION	FUG.	FINES	OTHER	5/6/83	SP-1	TALS	
								PENDING OVER ONE YEAR <input type="checkbox"/> YES <input type="checkbox"/> NO
								PENDING PROSECUTION OVER SIX MONTHS <input type="checkbox"/> YES <input type="checkbox"/> NO

APPROVED *W Au/mjm* SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:  
 2 - Bureau (117-2564)  
 2 - Philadelphia (117-174)  
 2 - Washington Field (117-273)  
 1 - Pittsburgh (117-108)

117-2564-  
 Enc. (6)  
 RECORDED  
 1 MAY 2 1980

Dissemination Record of Attached Report			
1	10040	4087	7-11-80

Notations  
*Spec. Inv.*

- A\* -  
COVER PAGE

This doc is attached to doc # 728



In Reply, Please Refer to  
File No.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

Pittsburgh, Pennsylvania

March 25, 1980

[Redacted]

FORMER EMPLOYEE OF NUCLEAR  
MATERIALS AND EQUIPMENT CORPORATION,  
APOLLO, PENNSYLVANIA;  
ATOMIC ENERGY ACT

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On March 21, 1980, [Redacted] was interviewed  
at his residence and provided the following information:

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HEREIN IS UNCLASSIFIED  
EXCEPT WHERE SHOWN  
OTHERWISE

~~9-9-03 # R030758  
60290-BCE/MLT/ATG  
4 0  
6 AS AMENDED~~

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Classified by ~~SP-6BJH/RB6~~

Declassify on: ~~OADR~~

~~568 SD/KR  
5-21-85~~

~~4/18/84~~



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## FEDERAL BUREAU OF INVESTIGATION

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3/24/80

Date of transcription \_\_\_\_\_

[redacted] telephone [redacted] was interviewed at his residence. After being advised of the identities of the interviewing Agents and the nature of the interview, [redacted] provided the following information:

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[redacted] advised that he was employed by Nuclear Materials and Equipment Corp. (NUMEC) in February, 1965, (exact date unknown) and was continuously employed at the Apollo, Pa., facility through two ownership changes until October, 1978. [redacted] advised that he was fired in October, 1978, by the present owner, Babcock and Wilcox, Inc., for job abandonment following an alleged job related illness.

[redacted] advised that upon being hired at NUMEC, he was given three days of schooling on the equipment he was to operate and briefed by the Personnel Manager and Low Enrichment Facility Foreman concerning the security measures at the Apollo facility nuclear plant. He then commenced his production line job upon completion of this brief schooling. [redacted] related that his exact position was Senior Ammonator Operator in the Low Enriched Operations area, which was immediately adjacent to the loading dock area of the Apollo nuclear facility. [redacted] further described the NUMEC Apollo plant as being broken down into four areas: the Low Enriched area, the High Enriched area, the Sphere area, and the Peletizer area. He advised that although his full-time job was on the Low Enriched Area Ammonator, he worked overtime in the High Enriched area on several occasions.

[redacted] advised in late March or early April, 1965 (exact date unknown) while working on a swing shift from 3:30 p.m. until 12:00 a.m., his Ammonator was shut down between approximately 9:00 and 10:00 p.m. in the evening. He stated that because of the negative air pressure within the plant area, conditions were usually very warm so he walked out to the loading dock for a breath of air. The loading dock was located approximately 20 feet from his equipment through a single door. [redacted] advised that

Investigation on 3/21/80 at Apollo, Pa. File # Pittsburgh 117-108  
by SAs [redacted] Date dictated 3/24/80

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employees often went to the loading dock to get a breath of air and further said he thought he remembered an employees' eating area on the dock.

[redacted] related that when he entered the loading dock area on this particular evening, he noticed a flatbed truck backed up to the loading dock with some strange equipment on it. He described the equipment as several steel cabinets with some kind of gauges on the front of them and other equipment which looked like a lathes. [redacted] opined the equipment may have come from the Peletizer area of which he was not familiar. [redacted] advised he then noticed the NUMEC owner, Dr. Zalman Shapiro, pacing around the loading dock while [redacted] (Shipping and Receiving Foreman) and [redacted] (truckdriver for NUMEC) were loading "stove pipes" into the steel cabinet type equipment that he observed on the truck. [redacted] recalled that there were four or five of the steel cabinets on the flatbed truck. [redacted] stated that [redacted] and [redacted] never loaded trucks themselves, always employing other workers.

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[redacted] stated that the "stove pipes" are cylindrical storage containers used to store canisters of high enriched materials in the vaults located at the Apollo nuclear facility. [redacted] stated that the "stove pipes" contained three or four canisters which were described as highly polished aluminum with standard printed square yellow labels, approximately three inches in diameter by six inches tall, that normally were used to store high enriched uranium products which [redacted] defined as 95 percent uranium.

[redacted] stated that he observed two workmen, whose names he could not recall, bringing the "stove pipes" from the High Enriched vault area located approximately 150 feet from the docks to the dock area where [redacted] and [redacted] opened the "stove pipes" and withdrew the canisters located in the "stove pipes". He then said [redacted] checked the label on each canister for information and checked it off on a shipping order he had attached to a clipboard. [redacted] advised that the canisters were then replaced in the "stove pipe" and then the "stove pipe" itself was loaded into the cabinet type equipment after being wrapped with a brown paper type insulation. [redacted] advised that he observed one cabinet being loaded and that the "stove pipes" were placed one in each back corner of the cabinet and one in the front center of the cabinet directly behind the door.

[redacted] described the canisters found in the "stove pipes" as approximately three inches by six inches, bright polished aluminum canisters with yellow labels containing typewritten information and nuclear "fan" symbols in the upper corners of the label. [redacted] said he had

never observed typewritten information on the labels that he had previously seen on the dock.

[redacted] advised he was sure this was High Enriched uranium products due to the size and shape of the container and the labeling. He stated that the containers he used in the Low Enriched area were much larger than the canisters he observed and used a different label

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[redacted] stated he had never seen "stove pipes" used as shipping containers but whenever High Enriched uranium products were shipped, the canisters were unloaded from the "stove pipes" and loaded into cement lined steel drums. [redacted] further advised that the route the workmen transporting the "stove pipes" used took them away from the Low Enriched area and brought them onto the dock through a different door. The Low Enriched materials vaults were located approximately 50 feet from the dock area down an angled corridor. [redacted] said the normal route for High Enriched materials from the High Enriched vaults was down the same corridor where the Low Enriched vaults were located.

[redacted] citing his natural curiosity, stated he observed [redacted] lay his clipboard down on an empty drum located on the dock, whereupon [redacted] proceeded to read the information contained on the shipping order. He said he noticed that the destination for the equipment on the truck was Israel, and that it was to be transported by ship. He recalled that the ship had a long foreign name which he believed to be Greek, and its location at the time was in New York City. (S) (S)

(U)

[redacted] advised that he believed the ship's name was Greek because when he was in the U.S. Navy (1956-60), he was a radio man third class stationed at the Naval Radio Facility, Londonderry, Northern Ireland, and had handled messages from Greek shipping among others. (S) (S)

(U)

[redacted] stated that after he had quickly read the information contained on the shipping order, [redacted] grabbed the clipboard away from him, telling him in words to the effect that the material contained in the shipping order was confidential and not for his eyes. [redacted] advised that shortly thereafter, an armed guard ordered him off the loading dock. [redacted] stated he did not observe anybody call the armed guard nor did he see the guard on the dock, but that he believed the guard came from one of the hallways adjoining the dock. [redacted] stated that he was on the loading dock for approximately 15 minutes and that at no time did Dr. Shapiro, [redacted] or [redacted] or anybody else ask him to leave.

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[redacted] further advised that it was highly unusual to see Dr. Shapiro in the manufacturing section of the Apollo nuclear facility; it was unusual to see Dr. Shapiro there at night; and very unusual to see Dr. Shapiro so nervous as to pace around. [redacted] described Dr. Shapiro as a very calm, cool and collected man who never got upset.

[redacted] advised that the only records and documentation he had access to were the shift productions records for the Low Enrichment Area and then only during the specific shift on which he was working. He stated that at the completion of each shift, the records were removed from the manufacturing area and taken across the street to the administrative offices.

[redacted] advised that most of the shipping was normally done at daytime but did state that occasionally there was some shipping activity in the early evenings. He stated it was highly unusual though that any equipment would be shipped at night.

[redacted] advised that he had not seen previously the equipment he noted on the loading dock and flatbed trailer and that he had not seen the equipment subsequent to that incident or any equipment like it in the NUMEC Apollo nuclear facility.

[redacted] stated he became aware of the alleged diversion of nuclear materials through newspaper articles which caused him to think. He said that "everyone" at the plant knew there were losses of materials from the High Enriched area but nobody seemed to care during the time the facility was owned by NUMEC. He stated when Atlantic Richfield Company purchased NUMEC, the losses stopped.

[redacted] further stated that newspaper accounts of the alleged diversion mentioned Doctor Shapiro, and he recalled that just prior to the previously mentioned incident, it was an open plant rumor that Doctor Shapiro had just returned from an extensive vacation in Israel.

[redacted] advised he had not come forward before because he had a large family to support and the day following the incident, the plant Personnel Manager (name unrecalled) of NUMEC threatened to fire [redacted] if he "did not keep his mouth shut" concerning what he had seen on the loading

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dock the night before. [redacted] further advised he mentioned the threat he received from the Personnel Manager to his union steward, whereupon [redacted] claims he was visited by "some union goons" from Kittanning, Pa., and again told to keep his mouth shut.

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[redacted] stated the prevailing attitude at the plant in 1965 by management, union and the employees was that the Atomic Energy Commission was the enemy looking for a reason to shut the facility down with the resultant job losses. In addition, he stated he did not know how or who to contact in authority who would take action.

[redacted] advised that he could recall no other information concerning this incident which occurred in late March or early April, 1965.

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